

Cabinet clears ₹69,725 cr package to boost indigenous shipbuilding

DHRUVAKSH SAHA

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The Union cabinet on Wednesday announced a massive infrastructure boost for India's maritime sector with a ₹69,725 crore package, aimed at building indigenous shipping and shipbuilding capabilities.

Following up on Finance Minister Nirmala Sitharaman's budget announcements in February, the cabinet approved the maritime reforms package to revitalise India's shipbuilding and maritime ecosystem, which included a ₹24,736 crore revamped shipbuilding finance assistance scheme (SBFAP), ₹25,000 crore Maritime Development Fund (MDF), and a shipbuilding cluster development programme worth ₹19,989 crore.

"The package introduces a four-pillar approach designed to strengthen domestic capacity, improve long-term financing, promote greenfield and brown-field shipyard development, enhance technical capabilities and skilling, and implement legal, taxation, and policy reforms to create a robust maritime infrastructure," an official statement said. The decade-long schemes will induce an investment of ₹4.5 trillion and result in an output of over 2,500 vessels, Union Information and Broadcasting Minister

Ashwini Vaishnaw said in a press conference. "Under this package, the Shipbuilding Financial Assistance Scheme (SBFAS) will be extended until 31 March 2036 with a total corpus of ₹24,736 crore. The scheme aims to incentivise ship building in India and includes a Shipbreaking Credit Note with an allocation of ₹4,001 crore. A National Shipbuilding Mission will also be established to oversee the implementation of all initiatives," the statement said.

The first shipbuilding assistance programme saw little success with a limited offtake. The ministry of ports shipping and waterways has standardised the benefits to be given to shipyards over the delivery period to attract more players to avail the scheme.

Vessels worth below ₹100 crore will be given an assistance of 15 per cent, while those valued above that will be given a 20 per cent support by the government.

Moreover, special, green, hybrid, and specialised vessels will attract an assistance of 25 per cent.

The vessel credit note scheme is much like the Centre's vehicle scrappage programme for automobiles. The scheme will allow ship owners to attach a credit note of 40 per

Cabinet okays ₹6,014 crore highway, railways projects

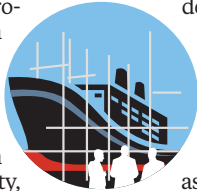
The Union Cabinet on Wednesday approved the Construction of a four-lane highway in Sahebganj-Arera-Bettiah section of the National Highway (NH)-139W and a multi-tracking project of the Bakhtiyarpur – Rajgir – Tilaiya single railway line project in poll-bound Bihar.

Together, these two projects are worth ₹6,014 crore.

"The proposed four-lane greenfield project is to improve connectivity between the State Capital Patna with Bettiah connecting the North Bihar Districts of Vaishali, Saran, Siwan, Gopalganj, Muzaffarpur, East Champaran and West Champaran up to the areas along the Indo-Nepal border. The project will support the movement of long-distance freight traffic, improve access to key infrastructure and facilitate regional economic development by improving connectivity to agricultural zones, industrial areas, and cross-border trade routes," the cabinet said. The ₹3,822 crore project will be built in Hybrid Annuity Model, where the government pays 40 per cent of the project cost to the developer upfront and the remaining in annuities.

The project will improve access to heritage and Buddhist tourist sites including the Kesariya Buddha Stupa (Sahebganj), Someshwarnath Mandir (Arera), Jain Mandir and Vishwa Shanti Stupa (Vaishali), and Mahavir Temple (Patna), strengthening the Buddhist circuit and international tourism potential of Bihar.

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cent of the vessel's scrap value when scrapped in an Indian yard – this will be reimbursable against the cost of constructing a new vessel in an Indian shipyard.

Bonus approved for 1.09 million railway staff

The Cabinet Committee on Economic Affairs chaired by Prime Minister Narendra Modi has approved a produc-

tivity-linked bonus equivalent to 78 days' wages for 1.09 million railway employees, Railway Minister Ashwini Vaishnaw announced here on Wednesday.

The total bonus amount stands at 1,886 crore, a government press statement said, adding that the bonus has been approved in recognition of the excellent performance by the 1.9 million railway staff.