

## MARITIME FINANCING SUMMIT 2025: DEFENCE

**NEWS:** India's Ports Now Turn Around Ships in Less Than 1 Day: MoPSW Shri Sarbananda Sonowal at Maritime Financing Summit 2025

### WHAT'S IN THE NEWS?

At the Maritime Financing Summit 2025, India unveiled the *Maritime Amrit Kaal Vision (MAKV)* aiming to transform India into a leading global maritime hub by 2047. Key reforms include 100% FDI, new maritime legislation, shipbuilding incentives, and the ₹25,000 crore *Maritime Development Fund (MDF)* to reduce dependence on foreign vessels.

### Operational Efficiency Improvements:

- **Turnaround Time at Ports:** Reduced drastically from **4 days to less than 1 day**, enhancing port productivity.
- **Container Handling Capacity:** Increased by **70%**, showcasing infrastructure expansion and modernization.
- **Cargo Movement via Coastal/Inland Waterways:** Witnessed a significant **surge**, boosting low-cost and eco-friendly transport.

### Policy & Investment Reforms:

- **FDI Liberalization:** **100% Foreign Direct Investment (FDI)** permitted in the shipping sector through the **automatic route**, encouraging global capital inflow.
- **GIFT City IFSC Enablers:** Enabled **ship leasing and financing** in the International Financial Services Centre (IFSC), positioning India as a global maritime finance hub.
- **Recognition of Large Vessels:** Categorized as **infrastructure assets**, making them eligible for long-term financing and tax benefits.
- **Bills of Lading Bill, 2025:** Passed to **digitize and simplify maritime documentation**, ensuring faster, transparent, and secure trade.

### Maritime Development Fund (MDF):

- **Purpose:** A **blended finance vehicle** to support shipbuilding, inland waterways, and coastal infrastructure.
- **Capital Corpus:** Initial funding of **₹25,000 crore**, with **49% from the Government** and rest from PSUs, financial institutions, and private players.
- **Strategic Aims:**
  - Increase **India's global cargo handling share to 20%** by 2047.
  - Reduce dependency on foreign vessels and **expand Indian-flagged fleet**.
- **Investment Target:** Attract **₹1.5 lakh crore investment** in the maritime sector by 2030.
- **Economic Impact:**
  - Boost **self-reliance (Atmanirbharta)** in maritime shipping.

- Improve India's **Balance of Payments (BoP)** and safeguard strategic maritime interests.

### Digital & Financial Innovation:

- **Financial Digital Maturity Matrix (FDMM):**
  - Launched to assess ports' **digital financial capability**.
  - Helps make **port infrastructure more investor-ready** by identifying digital gaps and planning upgrades.

### Shipbuilding Expansion Strategy:

- **Greenfield and Brownfield Projects:**
  - Focus on **expansion and modernization** of existing shipyards.
  - Support development of **new shipbuilding clusters** for both defence and commercial purposes.

### Legislative Reforms:

- **Merchant Shipping Bill:** Under progress to modernize laws related to maritime safety, seafarer welfare, and flag-state responsibilities.
- **Coastal Shipping Bill:** Aims to promote **coastal shipping as a viable alternative** to road and rail, reducing logistics costs and emissions.

### India's Maritime Sector – Current Status

- **Trade Volume:** India handles approximately **95% of its trade by volume** and **70% by value** through maritime routes.
- **Port Infrastructure:** India operates **12 Major Ports** and over **200 Minor/Intermediate Ports**.
- **Cargo Handled (FY 2024):** Ports handled **819.22 million tonnes**, registering a **4.45% YoY growth**.
- **Coastal Economy Impact:** Supports the livelihood of over **40 lakh fishermen** and sustains critical **coastal communities**.

### Key Maritime Sector Initiatives

#### Maritime India Vision (MIV) 2030:

- **Purpose:** Long-term blueprint to transform Indian ports into **global-standard infrastructure hubs**.
- **Targets:** Develop **mega ports, transshipment hubs**, and **upgrade port logistics** to enhance global trade competitiveness.

### Sagarmala Programme:

- **Objective:** A **port-led development** program leveraging India's coastline and waterways.
- **Focus Areas:**
  - Reduce logistics cost.
  - Enhance port connectivity (rail/road/water).
  - Promote **coastal economic clusters** and industrial zones.

#### **Major Port Authorities Act, 2021:**

- **Features:**
  - Grants **increased autonomy** to major ports.
  - Enables **faster decision-making**, improved efficiency, and operational independence.
- **Impact:**
  - Aligns Indian ports with global best practices in **corporate governance** and **port economics**.

#### **National Logistics Portal (Marine):**

- **Function:** **Unified digital platform** for maritime logistics.
- **Services Offered:** End-to-end logistics solutions including **cargo booking**, **ship scheduling**, **financial transactions**, and **regulatory compliance**.
- **Benefits:** Improves **transparency**, **ease of doing business**, and reduces delays.

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