PIB Backgrounder

# Container Manufacturing Promotion Scheme

## India's ₹10,000-Crore Catalyst for Container Manufacturing

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### Container Manufacturing Promotion Scheme

Maritime transport is a cornerstone of global trade, with shipping containers playing a vital role in the seamless movement of goods across borders. As of February 2026, India's maritime sector facilitated **95%** of the country's trade by volume and **70%** by value. Beyond its role in trade, the sector contributes **4-5% to India's GDP**.

As India strengthens its position in global manufacturing and international commerce, the demand for containerised cargo movement continues to grow, underscoring the need to build domestic container manufacturing capabilities. To amplify this, the Union Cabinet has approved the **Container Manufacturing Promotion Scheme (CMPS)** with budgetary outlay of ₹**10,000 crore up to FY 2039-40**.

**What are Containers?**

Shipping containers are standardized steel freight containers that transport cargo across ships, railways and road vehicles without unloading and repacking the goods during transit. Built as per ISO (International Organization for Standardization) specifications, they enable seamless intermodal transport and efficient global trade. The most common sizes are 20-foot and 40-foot containers, measured in Twenty-foot Equivalent Units (TEUs), the standard unit used to measure container capacity.

### Building India's Container Manufacturing Ecosystem

CMPS supports the Government's initiatives under Make in India, Maritime Amrit Kaal Vision 2047 and multimodal logistics development, contributing to India's long-term maritime and trade ambitions-

**DID YOU KNOW?**

As per the United Nations Conference on Trade and Development (UNCTAD), **~80%** of global merchandise trade by volume is transported by sea.

- It aims to **establish a globally competitive container manufacturing ecosystem** by promoting domestic manufacturing and encouraging investment across the value chain.
- The initiative seeks to **reduce import dependence** and **strengthen supply-chain resilience.**
- It also **supports new manufacturing facilities** and **expands existing container manufacturing units.**




**Components under CMPS**

The scheme provides assistance through major components: **investment support, operational expenditure, and testing and certification.**

**Interest Subvention Assistance (ISA)**

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With a financial outlay of **₹859 crore**, ISA provides a 3% per annum interest subvention on eligible term loans (capital loans) availed by container manufacturers to set up **greenfield facilities and brownfield expansion** of existing manufacturing capacity. To qualify for this support, projects must meet the following criteria:

**Greenfield and Brownfield Facilities**

A greenfield project involves building a completely **new asset,** while a brownfield project involves upgrading, renovating, or repurposing an **existing asset.**

1. Greenfield facilities must have an annual capacity of at least **1,00,000 TEUs;**
2. Brownfield expansions must add at least **25,000 TEUs** of annual capacity to be **commissioned within three years** of in-principle approval, and **comply with global container standards.**

**Operational Expenditure Assistance (OEA)**

The component provides a financial outlay of **₹8,891 crore** to support containers manufactured as per global shipping standards and sold by eligible manufacturers. The assistance is intended to bridge the cost gap and improve the competitiveness of domestically manufactured containers.

| Operational Expenditure Assistance (OEA) by Container Type | |
|---|---|
| **Container Type** | **Assistance Value (per container)** |
| 20 ft Container | ₹49,500 |
| 40 ft Container | ₹86,625 |
| 20 ft Specialised Container | ₹37,125-₹74,250 |

To avail support, manufacturers must meet a **minimum local-content requirement of 70%** through FY 2031-32. These criteria will further **rise to 90%** from FY 2032-33 to strengthen the domestic supply chain.

**Testing and certification assistance**

A financial outlay of **₹150 crore** has been allocated to support the setting up of common facilities such as Dynamic longitudinal impact.




**Expected Outcomes and Wider Economic Impact**

The scheme aims to expand domestic container production while strengthening India's export potential, supply chains and related industries.

1. **Expanded manufacturing capacity:** Annual domestic container manufacturing capacity is expected to increase by around ten-fold, up to **7.5 lakh TEUs**.
2. **Export potential:** It will help build a **globally competitive container manufacturing base** and help India strengthen its potential to position itself as a **global export hub** for quality shipping containers.
3. **Supply-chain resilience:** The resilience of India's maritime and logistics supply chains is expected to strengthen.
4. **Employment generation:** It aims to generate an estimated **3,000 direct jobs** and **over 50,000 indirect jobs.**
5. **Support for ancillary industries:** The Scheme is also expected to benefit industries such as corner castings, specialised steel, wooden frames and paints.




**Strengthening India's Maritime Ecosystem**

In addition to CMPS, various other measures have been undertaken to build an integrated, domestically anchored logistics ecosystem.

**Establishment of the Bharat Container Shipping Line (BCSL)**

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To build and support an integrated container ecosystem anchored in India, a Memorandum of Understanding (MoU) was signed in February 2026 to establish the **Bharat Container Shipping Line (BCSL).**

The agreement brings together the Shipping Corporation of India (SCI), Container Corporation of India (CONCOR), Jawaharlal Nehru Port Authority (JNPA), V.O. Chidambaranar Port Authority (VOCPA), Chennai Port Authority and Sagarmala Finance Corporation Limited (SMFCL), under the aegis of the Ministry of Ports, Shipping and Waterways.

The MoU will **establish a self-reliant container shipping ecosystem** linking JNPA, VOCPA and Chennai ports with inland markets. It aims to improve end-to-end logistics, stabilise freight costs and strengthen India's trade competitiveness.

**Broader Support for the Maritime Sector**

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Several complementary government initiatives are also strengthening India's maritime sector.

| Area of Support | Key Measures and Initiatives |
|---|---|
| **Legislative Support** | Merchant Shipping Act, 2025, the Coastal Shipping Act, 2025 and the Indian Ports Act, 2025 |

| | |
|---|---|
| **Digital Support for Ease of Doing Business** | One Nation One Port Process (ONOP), the Maritime Single Window and e-Samudra |
| **Integrated Logistics Network** | PM Gati Shakti, The National Logistics Policy (NLP), The Sagarmala Programme |

**Conclusion**

**CMPS** is set to **strengthen India's maritime manufacturing capabilities**, enhance supply-chain resilience and create employment opportunities, while reducing import dependence. Aligned with broader maritime reforms, the scheme advances India's ambition to **emerge as a globally competitive maritime manufacturing and logistics hub.**

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