

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1939

ANSWERED ON:02.12.2011

CUSTOMS DUTY ON SHIPS BREAKING

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Will the Minister of FINANCE be pleased to state:

(a) whether the high customs duty imposed on purchase of ships for ship breaking in comparison to duty on melting scrap is crippling the ship breaking industry; and

(b) if so, the reaction of the Government thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a): The number of ships imported for breaking and the customs duty collections from the same show an increasing trend in last two years and current year indicating healthy growth in this sector.

(b): Does not arise in view of the above.