

**GOVERNMENT OF INDIA  
FINANCE  
LOK SABHA**

UNSTARRED QUESTION NO:355  
ANSWERED ON:11.07.2014  
REDUCTION OF CUSTOMS DUTY  
Kachhadia Shri Naranbhai

**Will the Minister of FINANCE be pleased to state:**

- (a) whether the Government has received any representation to reduce the Customs Duty on import of ships for recycling and if so, the details thereof and reactions thereto;
- (b) whether the Government is considering to boost production of secondary steel from ship recycling;
- (c) if so, the details thereof; and
- (d) if not the reasons therefor?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SMT. NIRMALA SITHARAMAN)

- (a): Yes, Sir. A request has been received in this regard from the Government of Gujarat. The request was examined and it has been decided to reduce the basic customs duty on vessels and other floating structures for breaking up from 5% to 2.5% w.e.f. 11th July, 2014.
- (b) and (c): The reduction in customs duty will help promote recycling of steel and boost production of secondary steel.
- (d): Does not arise in view of (b) above.