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Title : Need to reduce import duty on Ship breaking.

SHRIMATI JAYABEN B. THAKKAR (VADODARA): Sir, my submission is about the reduction of import duty on ships coming to India for breaking. The major issue for the State Governments is that the import duty on ships, which are coming to India for ship breaking, is five per cent whereas on steel scrap and metal scrap, it is zero per cent. It has affected the ship breaking industry negatively since the production cost of the product made from the raw material of ship goes up to that extent. As a result of that the product becomes less competitive.

The hon. Chief Minister of Gujarat has written a detailed letter to the hon. Finance Minister in this regard on 8-12-2004. So, I urge upon the Central Government to review the issue and to reduce the import duty on ships coming to India for breaking.