

GOVERNMENT OF INDIA
MINISTRY OF PORTS, SHIPPING AND WATERWAYS

RAJYA SABHA
UNSTARRED QUESTION NO. 1815
ANSWERED ON 04.08.2026

ALANG-SOSIYA SHIP RECYCLING YARD

1815. SHRI RAJESH PARMANAND SHUKLA:

Will the Minister of PORTS, SHIPPING AND WATERWAYS be pleased to state:

- (a) the details of the total number of ships recycled and the total tonnage handled at the Alang-Sosiya Ship Recycling Yard along with the reasons for the decline in ship recycling volumes;
- (b) the details of the health and social infrastructure developed for workers including hospital facilities, residential colonies and other welfare amenities; and
- (c) the steps taken by Government of India and Government of Gujarat/Gujarat Maritime Board to support the ship recycling industry during the downturn?

ANSWER

MINISTER OF PORTS SHIPPING AND WATERWAYS

(SHRI SARBANANDA SONOWAL)

(a) In 2025, India became the world's leading ship recycling nation. The Indian share of global ship recycling has risen to 35.4% in 2025 from 30.1% in 2024 as per the latest UN Trade & Development (UNCTAD) report. Ship recycling in India has significantly increased to 2.99 million GT in 2025 from 1.86 million GT in 2024 i.e. 60% increase. Alang-Sosiya Ship Recycling Yard, established in 1982-83 in Gujarat, is handling 98% of India's ship recycling activity. The yard has 128 currently operational plots having recycling capacity of 4.5 million Light Displacement Tonnage (LDT) per annum. Since the inception, more than 8,900 ships aggregating more than 71 million LDT have been recycled at Alang yard.

The global ship recycling volumes have declined by ~30% from 12.05 Million Gross Tons (GT) in 2019 to 8.48 Million GT in 2025, which may be attributed to vessels being utilized to a higher life span due to factors like higher charter rates since Covid-19 pandemic, higher prices of new vessels and geopolitical situations like the Red Sea crisis. While absolute recycling volumes

have declined amid a broader global downward trend, India's relative market share has shown more resilience w.r.t. the global scenario.

(b) A comprehensive health, safety, and welfare framework has been established for workers at the Alang-Sosiya Ship Recycling Yard. A multispeciality hospital was commissioned in March 2019 and upgraded in January 2025 to a 35-bed Level III Trauma Centre. Operated by the Indian Red Cross Society, the hospital provides advanced medical facilities, including an Intensive Care Unit (ICU), MRI, CT scan, Burns Unit, and Operation Theatre. Staffed by 43 healthcare professionals, the hospital offers free medical services and has treated more than 4.79 lakh patients as of June 2026. In addition, financial assistance is provided for the maintenance and operation of another primary hospital at Alang, Gujarat.

For worker welfare, the Gujarat Maritime Board (GMB) has developed a housing colony with accommodation for 1,008 persons, supported by essential civic amenities.

(c) To enhance the competitiveness of the Indian ship recycling industry, the Government of India has launched the Shipbreaking Credit Note Scheme. Under the scheme, ship owners receive a credit note equivalent to 40% of the scrap value of a recycled ship when the recycling is carried out at an Hongkong Convention (HKC) -compliant Indian ship recycling yard. The credit note can be utilized towards payment of up to 5% of the contract value of a new ship built at an Indian shipyard, thereby promoting both domestic ship recycling and shipbuilding.

Other measures include nil import duty on ships imported for recycling until March 2035 and financial relaxations of ₹ 145.23 crore extended by GMB to plot permission holders during the last five financial years.

To strengthen the ship recycling ecosystem, financial assistance of ₹ 53.5 crore under the Ferrous Scrap Development Fund (FSDF) has been released to Indian ship recycling yards supporting them to become HKC compliant.

Further, the Government of India has approached the European authorities to expedite the inclusion of eligible Indian ship recycling yards in the European Union (EU) list of approved ship recycling facilities.
