Apex Court halts dismantling of INS Viraat

Why in news?

Recently Supreme Court ordered status quo with regard to the dismantling of India's decommissioned aircraft carrier INS Viraat.

What was the Supreme Court (SC) order?

- Envitech Marine Consultants Pvt Ltd wants to buy INS Viraat and convert it into a museum.
- But Defence Ministry declined to provide a No-Objection Certificate for repurchasing the vessel.
- The company approached the SC, filed a petition and the court ordered that status quo needs to be maintained with regard to dismantling the ship.

How does this order will impact Alang ship breaker?

- The shipbreaker at Alang purchased INS Viraat as scrap from an auction conducted by Metal Scrap Corporation Limited.
- It took about Rs 60 crore loan to purchase the vessel and to tug it to Alang and if dismantling gets delayed 12% interest will hurt the company & can go them bankrupt.
- The profit for the shipbreaker depends on turnaround time which is the period between the dismantle of ship & selling it as scrap i.e. faster a ship is broken the more the profit.
- Moreover the company has made a bill of entry with the customs department i.e. ship now became a goods on which an import duty is levied and the order will affect the company now.

How much of the aircraft carrier has been dismantled so far?

- On September 28, 2020 INS Viraat arrived at Alang & at the farewell ceremony Union minister revealed that state was prepared to spend Rs 500 crore to preserve the aircraft.
- But team of experts expressed concerned about the faster deterioration of the hull which will make it prone to accidents in future.
- In October last year, Gujarat Maritime Board has given permission to break the vessel.
- Now 40% of the aircraft carrier is dismantled i.e. flight deck, the ski jump,

the accommodations meant for the sailors have been dismantled leaving a large gaping hole in the front side of vessel.

What was the earlier negotiation between the shipbreaker & firm?

- The shipbreaker says that if Envitech was serious about preserving the aircraft carrier it should have participated in the government auction.
- It also said that the private firm was given enough time to produce an NOC from the government for repurchasing INS Viraat.
- INS Viraat had arrived at Alang in September 2020 and Envitech went public with its attempt to save the aircraft carrier on September 30.
- In subsequent months, the shipbreaker told that the aircraft carrier could be refloated and taken away from Alang.
- Now after the dismantle of the ship began, the hopes of recovering the decommissioned aircraft carrier is lost.

Source: The Indian Express

