

India and Bangladesh face rising competition from smaller ship-breaking rivals Turkey & Pakistan

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India and Bangladesh - the top two ship breaking countries in the world - are feeling the pressure from smaller countries like Turkey and Pakistan in attracting end-of-life ships on their final voyage for decommissioning and ship recycling.

Data provided by industry watchdog NGO Shipbreaking Platform says that the top countries saw a decline in the number of ships coming for breaking while both Turkey and Pakistan saw an increase.

In 2023, a total of 166 ships were decommissioned in India. This number dropped to 124 in 2024. Similarly, Bangladesh got 173 ships in 2023, but the number dropped to 132 ships in 2024.

Turkey's number increased substantially to 94 in 2024 versus 50 in 2023. Similarly, Pakistan's number increased to 24 ships in 2024 as against 15 in 2023.

However, industry sources say India and Bangladesh attracted large ships while smaller countries saw a spurt in decommissioning and recycling of smaller ships.

Kiran Thorat, Trader of the Global Marketing Systems, India and Bangladesh India and Bangladesh have capacity to recycle the big ships, which Turkey does not have. Basis LDT figures Bangladesh is the number one followed by India and Turkey, he told [businessline](https://thehindubusinessline.com).

Both the countries are not losing to Turkey. In the recycling business lightweight (Light Displacement Tonnage or LDT) is considered when the recycling volumes are assessed. The number of ships recycled in Turkey may be on the higher side but those ships are mostly smaller ships with small LDT.

On the political situation in Bangladesh, Thorat said it is likely to facilitate increased ship supply to India in the long term, though not immediately, he said.

Nearly 80 per cent of the global tonnage scrapped last year was broken on the beaches of Bangladesh, India, and Pakistan (negligible numbers). In other words, 409 ships were dismantled globally in 2024, of which 255 ended up in South Asian yards. Bangladesh remains the shipping industry's first choice with India a close second, a report by NGO Shipbreaking Platform said.

As was seen last year, China tops the 2024 Dumpers List with nearly fifty ships sold to South Asian shipbreakers, mainly in Bangladesh. This comes despite China's ban on the import of waste and the country's own capacity to recycle ships in dry-dock facilities.

Beaching is forbidden in China.

At India's Alang in Gujarat, one of the world's largest ship breaking yards, things are not rosy. Despite beaching an end-of-life 49,000 metric Floating Production Storage and Offshore (FPSO) vessel on the shores of Alang shipbreaking yard in Gujarat earlier this month, Mukesh Patel, a veteran in the ship-recycling business in Gujarat has a frown on his face.

"This is the biggest FPSO vessel to have ever come to Alang. The vessel "Takuntah" comes as a welcome relief for us. We were operating at less than 50 percent of our total capacity and this vessel comes at a time when the situation at Alang is going from bad to worse," says Patel, who has been in the ship-breaking business since 1992 and has seen the yard working on peak capacity in 2012 when a record 415 ships came to be recycled.

"Despite the crisis in Bangladesh, ship breakers have not been able to take advantage. Poor government policies have been one major reason behind the present crisis at Alang. We used to have 8-10 ships --- at any given time --- on our plots for breaking. Now we have just 3-4 ships. We are thankful that we are still doing business and have not shut shop like several other shipbreakers," said the ship-breaker who had dismantled India's ageing aircraft carrier "Viraat" in 2020.

With passage of every month, Alang seems to be slipping to new lows. In the first nine months of this financial year i.e between April-December 2024, only 82 ships came to be broken. This is 15 percent less than the 97 ships that came during the same period last year, show data sourced from state-run Gujarat Maritime Board (GMB) that manages and monitors activities at Alang.

The Shipbreaking activities hit a peak in 2011-12 --when a record 415 ships with 38.5 LDT had come to be broken and recycled. The performance of the yard has only slipped thereafter.

Unable to attract ships in the last few years, another ship-breaker Haresh Parmar had shut down his ship-breaking yard three years ago. In January 2025 he tried to reopen his business, but failed. "I tried to reopen my yard this January by trying to get a ship anchored off the coast of UAE. But it went to Pakistan at a higher rate," said Parmar who is also the honorary secretary of Ship Recycling Industries Association (SRIA), India.

"Ship-breaking at Alang has almost come to a standstill. Of the total ship-breaking plots at Alang, only 20-25 odd plots have ships for breaking. Others are lying empty. One major reason is that ship-breakers in Bangladesh and Pakistan are able to purchase the ageing ships at higher rates than us. Due to our government policies, we are unable to make TMT bars directly from steel salvaged from the broken ships. We have to first melt it and convert it to billets, before making it into TMT bars. So our costs go up by Rs 5000-6000 per ton. In comparison, both Bangladesh and Pakistan allow TMT bars to be made directly from scrapped steel and so they also procure old ships at higher rates than us.

Secondly, due to the Red Sea crisis and tensions in Israel, the freight rates have gone up. So the shipping lines are not sending their old ships for breaking, but are rather using them to ferry cargo. Thus overall the availability of ageing ships is on a lower side,” Parmar added about Alang which has 153 plots that occupy the water-front that extend for 10 km from Alang to Sosiya village in Bhavnagar district of Gujarat.

Ship-breakers in Alang also point out that the political crisis in Bangladesh did not benefit the ship-breaking industry in India. “Ideally, India should have benefitted from the Bangladesh crisis. But more old ships have continued to make their way to our eastern neighbour,” they said.

Nikolaus Schues, President, Baltic and International Maritime Council (BIMCO), a non-profit organisation and the largest international shipping association, recently told [businessline](#) that the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships will come into force and all recycling yards will have to adopt its requirements. This will change the future of the global ship recycling industry.