

“Turnaround of the Shipyard”

HINDUSTAN SHIPYARD LTD
VISAKHAPATNAM

THE BACKGROUND



- **Founded by Shri Seth Walchand Hirachand in 1941**
- **Independent India's first ship 'Jalausha' launched in 1948**
- **Nationalized as CPSE in 1961 and brought under MoS**
- **Transferred to MoD in 2010**



CONTINGENT LIABILITIES (Rs Cr)



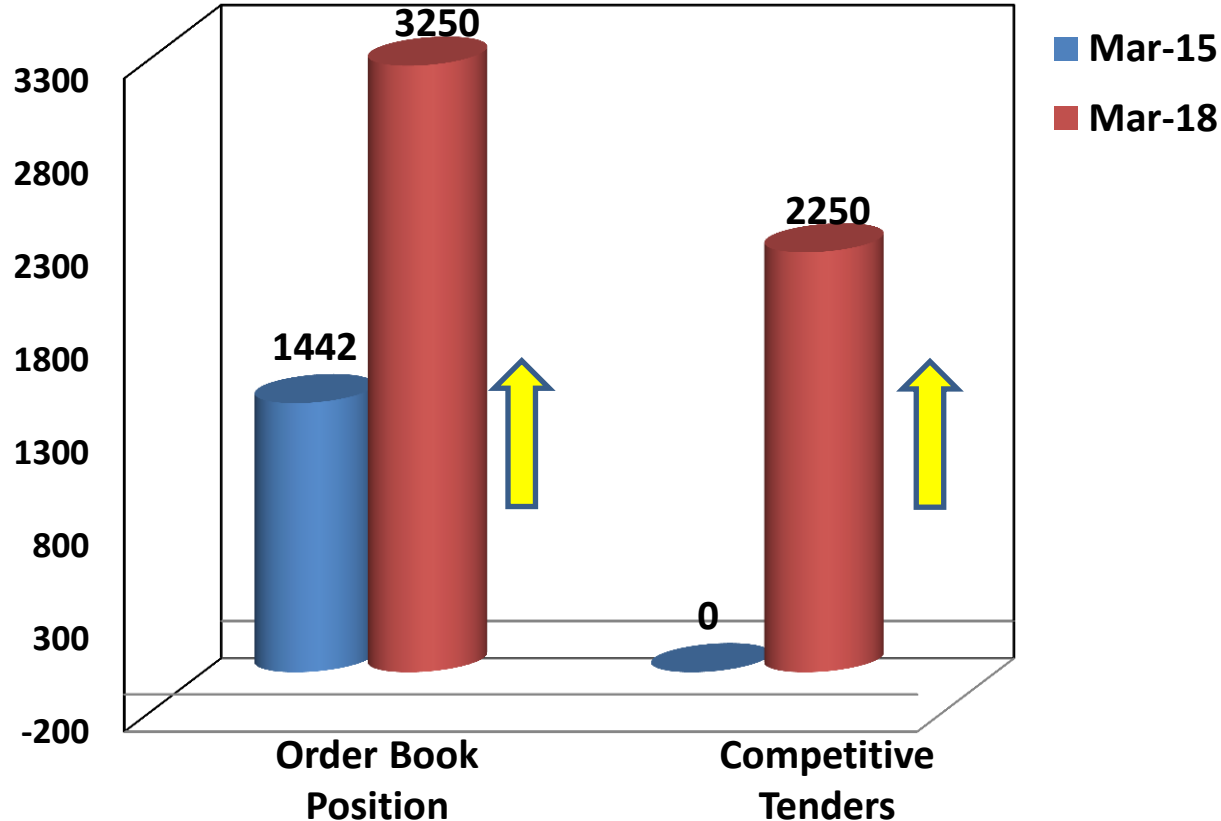
	Mar 2015	Mar 2018
ONGC	86	Resolved
ESSAR OIL	224	Pending
Goodearth Maritime Ltd	891	Pending

LEGACY LIABILITIES (Rs Cr)

	Mar 2015	Mar 2018
Wage Arrears	54	30
Leave Arrears	23	20

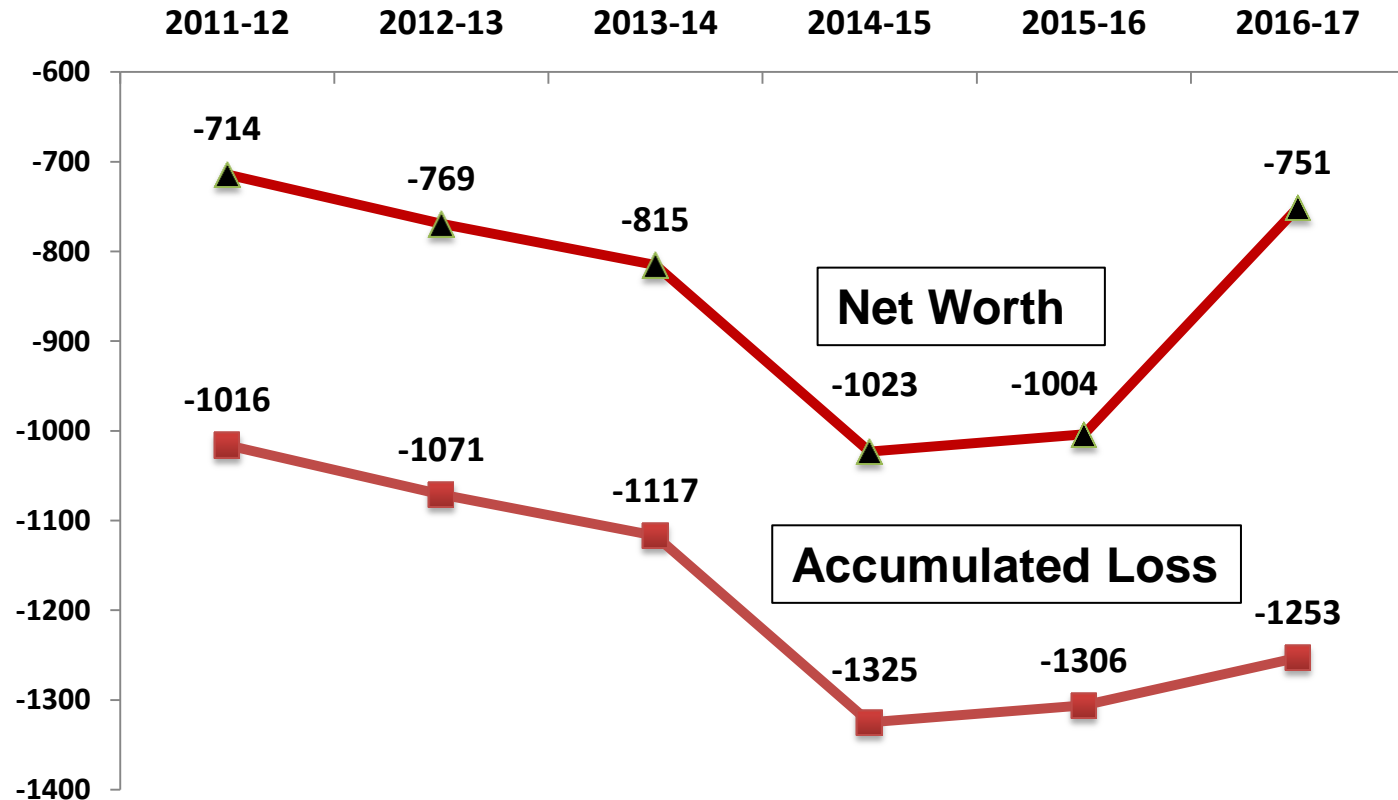
ORDER BOOK POSITION

Mar 2015 vs Mar 2018 (Rs Cr)



COMPARATIVE FINANCIAL INDICES

2011 to 2017 (Rs Cr)

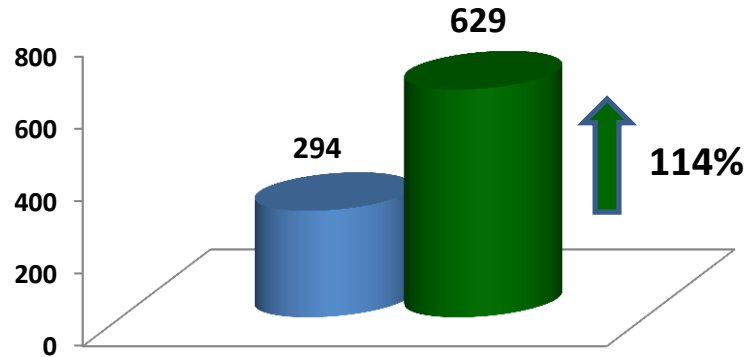


COMPARATIVE OPERATING INDICES

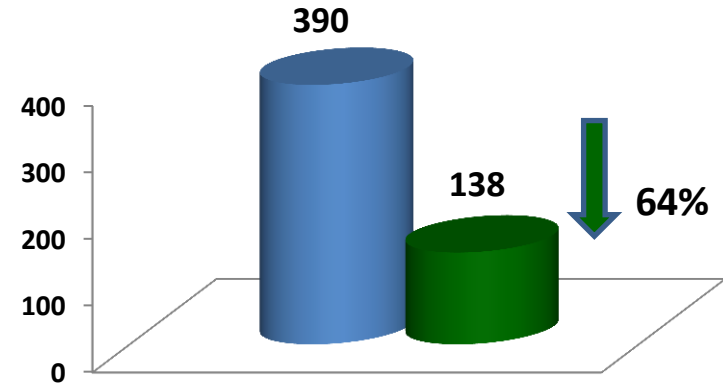
Mar 15 to Mar17



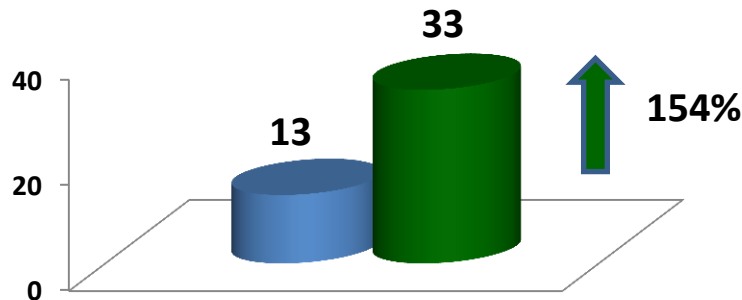
VOP (Rs Cr)



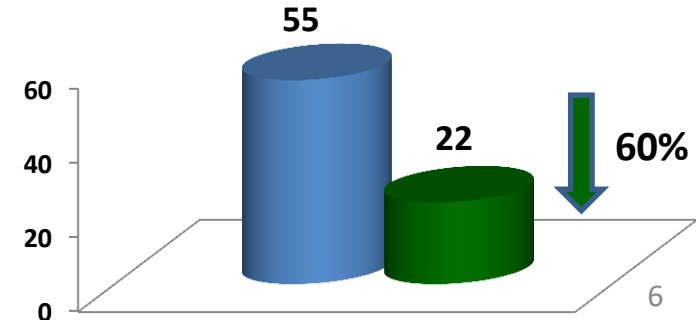
Manhours / CGT



VOP / Employee (Rs Lakhs)

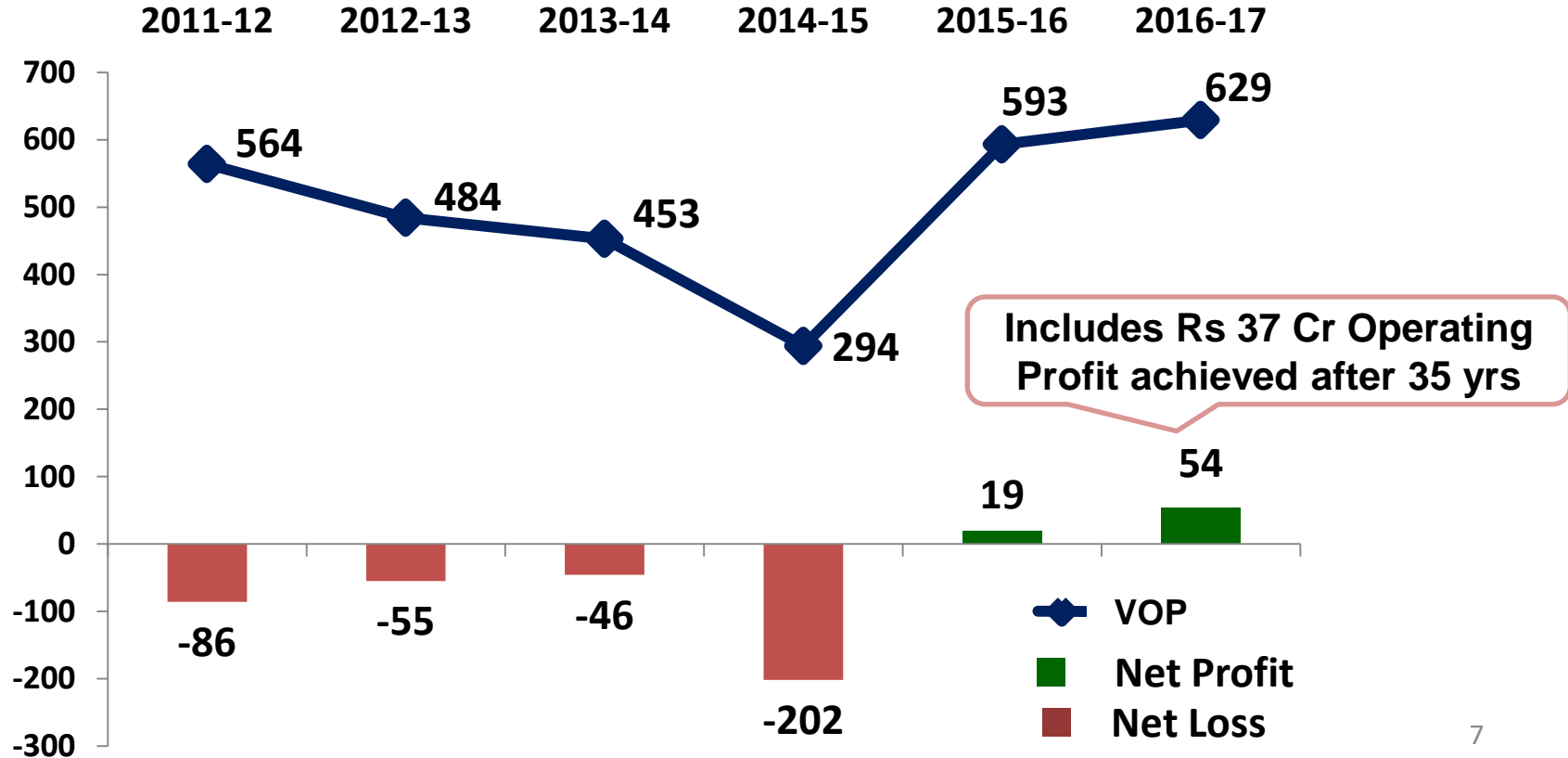


Employee Cost (% of VOP)



CURRENT STATUS – Mar 2017

VOP & NET PROFIT (Rs Cr)



TRANSFORMATION INITIATIVES

(3 'R's for Success)



Improve MoU **Ranking**



Achieve Operating
Revenue (Profit)



Deliver High quality ships
in time - **Reputation**

MORALE & MOTIVATION



HSL ANTHEM

Written,
composed &
sung by HSL staff



BUILDER'S MONUMENT

Background :
“JALAUSHA”
first ship built
by yard



HSL FLAG & MOTTO



- Adopted on the eve of Platinum Jubilee
- White for trust & shaped as ships bow
- Red for Commitment to customers
- Blue for Capability to build ships for deep blue oceans



REGULAR INTERACTIONS BY C&MD



- **Weekly with HoDs**
- **Six weekly with officers**
- **Three monthly with employees**





FOSTERING TEAM SPIRIT



EXPENDITURE CONTROL & AUSTERITY MEASURES



- **Observance of stiff financial probity by C&MD**
- **Overtime reduction : Rs 50 lakhs to Rs 50K per month**
- **Abolition of holiday working allowance for officers**
- **Right sizing of manpower & dispensing with retainers/consultants**
- **Reduced idle manhours by introduction of Biometrics**
- **Conversion of scrap material by training department for Civil works**

EXPENDITURE CONTROL & AUSTERITY MEASURES



- Clearance of scrap & utilization of dormant stock
- Reverse auction & rationalization of outsourcing
- Instituted short term business
- Reduced expenditure on communication, entertainment, transportation & sponsorship
- Rationalized employee benefits



Rs 35 Cr saved in FY 2016-17

RENOVATED OPEN AIR THEATRE

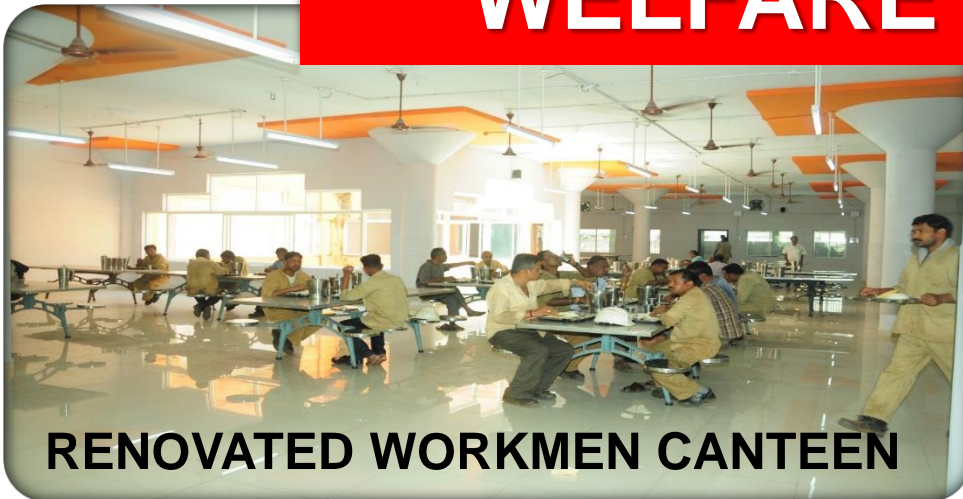


**NEW RO PLANT
IN COLONY**



WELFARE ACTIVITIES

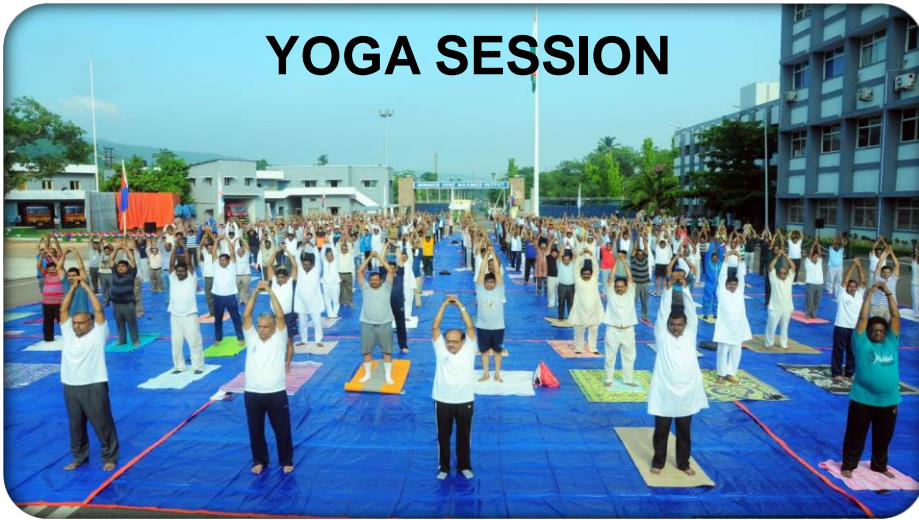
RENOVATED WORKMEN CANTEEN



NEW FAMILY PARK



YOGA SESSION



STAFF QUARTERS



COFFEE CASTLE



DEGREE COLLEGE



IMPROVING HUMAN CAPITAL



- Improved promotion & job rotation policy for officers
- Improved performance appraisal system
- Skill upgradation of workmen & capsules for officers by COE
- Abolition of Legacy Labour Union's infructuous privileges
- Introduction of user maintainer practice amongst workmen



PERFORMANCE MANAGEMENT



- KRAs to incentivise and achieve targets
- Reduce complexity and cost of execution through innovation
- Respond to limitations in financial, material and institutional resources by organizational restructuring
- Evangelize the “Minimize Cost and Maximise Output” mantra

Departmental KRAs
FY 2017-22

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BUSINESS DEVELOPMENT INITIATIVES



- Instituted business development department
- Thrust towards marketing strategy and planning
- Implemented competitive costing methodology
- Engaging & drawing up MOUs with potential partners in India & Abroad



RM's AWARD FOR INNOVATION



- Multi degree freedom shaft insertion approach
- Alternative methodology to replace rudder carrier bearings without extensive regutting of Electro-Hydraulic systems
- New weld procedure for joining two dissimilar metals



PLM & AVEVA AUGMENTATION



CAPACITY & COMPETENCE BUILDING

- Acquired capability to build complex vessels with high CGT
- Acquired competence for major refits of EKM Submarines
- Accident free performance since last three years





*“Continuing our Quest
to be the Best”*