

# Synergy Between CPSEs

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सत्यमेव जयते

लोक उद्यम विभाग  
DEPARTMENT OF  
PUBLIC ENTERPRISES



A Mini Ratna and  
An ISO 9001:2008 Company

Mishra Dhatu Nigam Limited

# PRESENTATION STRUCTURE

**A. About MIDHANI**

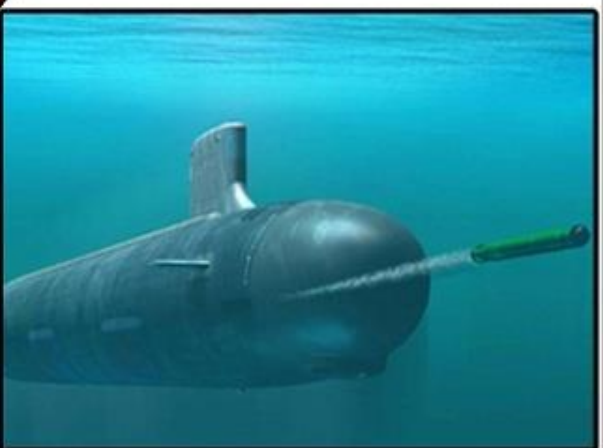
**B. Conceptual Suggestions for Public Public Strategic Alliances**

**C. Illustrative Experiences**

**D. Suggestions for consideration**

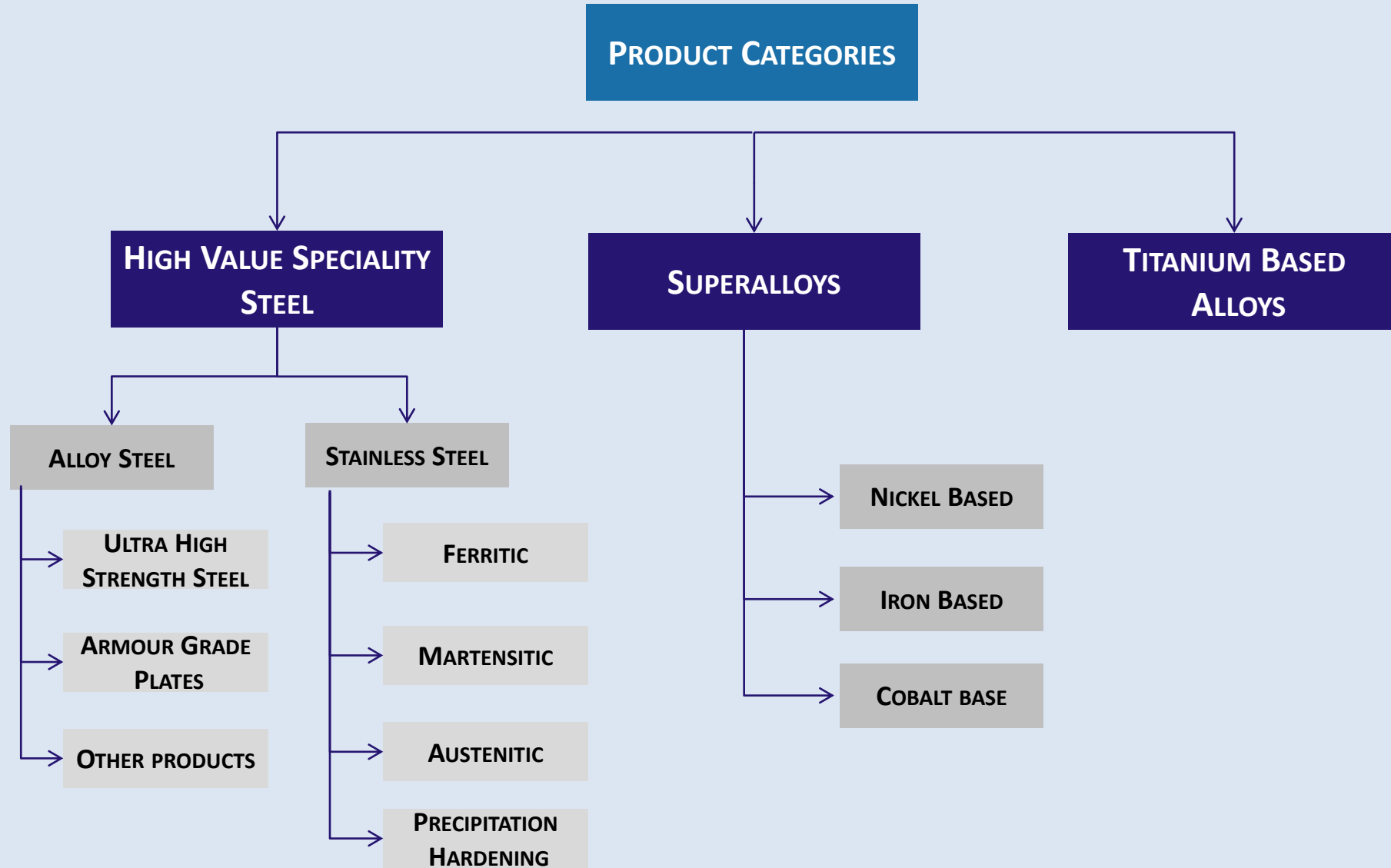


"WE ARE EVERYWHERE  
FROM DEEP SEA TO SPACE"



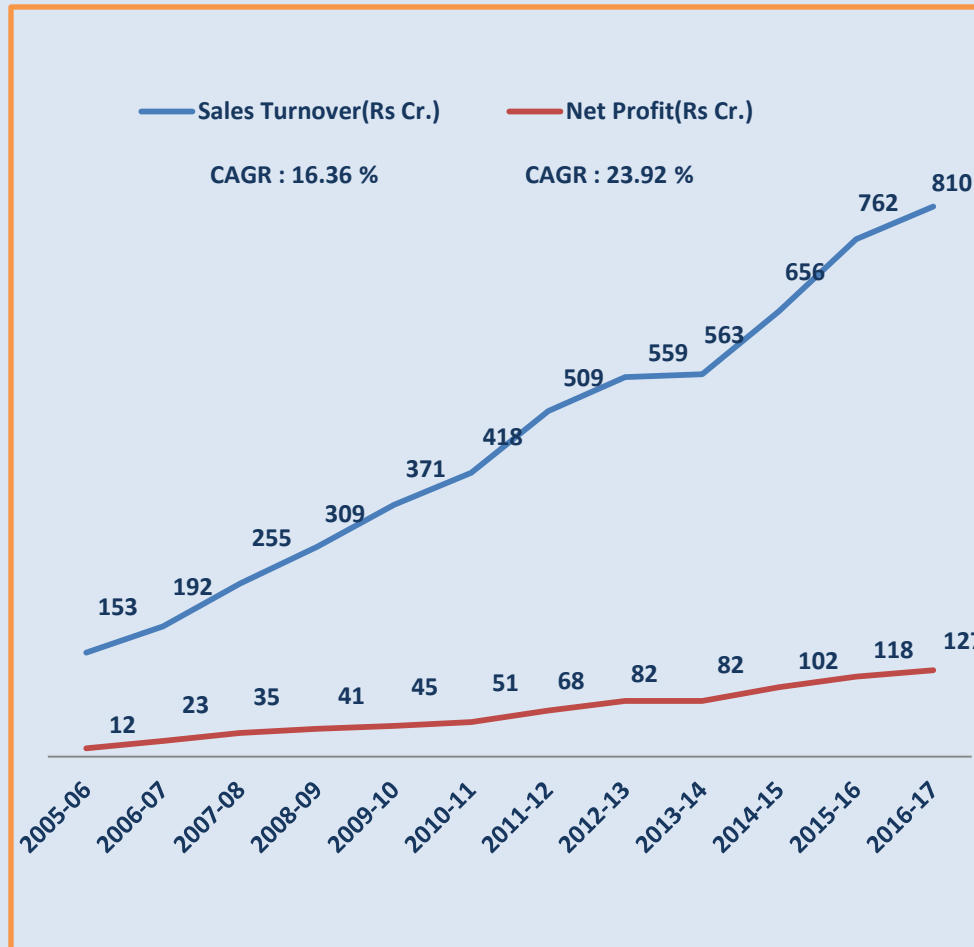
**“DEDICATED TO MEET REQUIREMENT OF  
STRATEGIC MATERIALS FOR PROJECTS OF  
NATIONAL IMPORTANCE”**

# MIDHANI - PRODUCT PROFILE

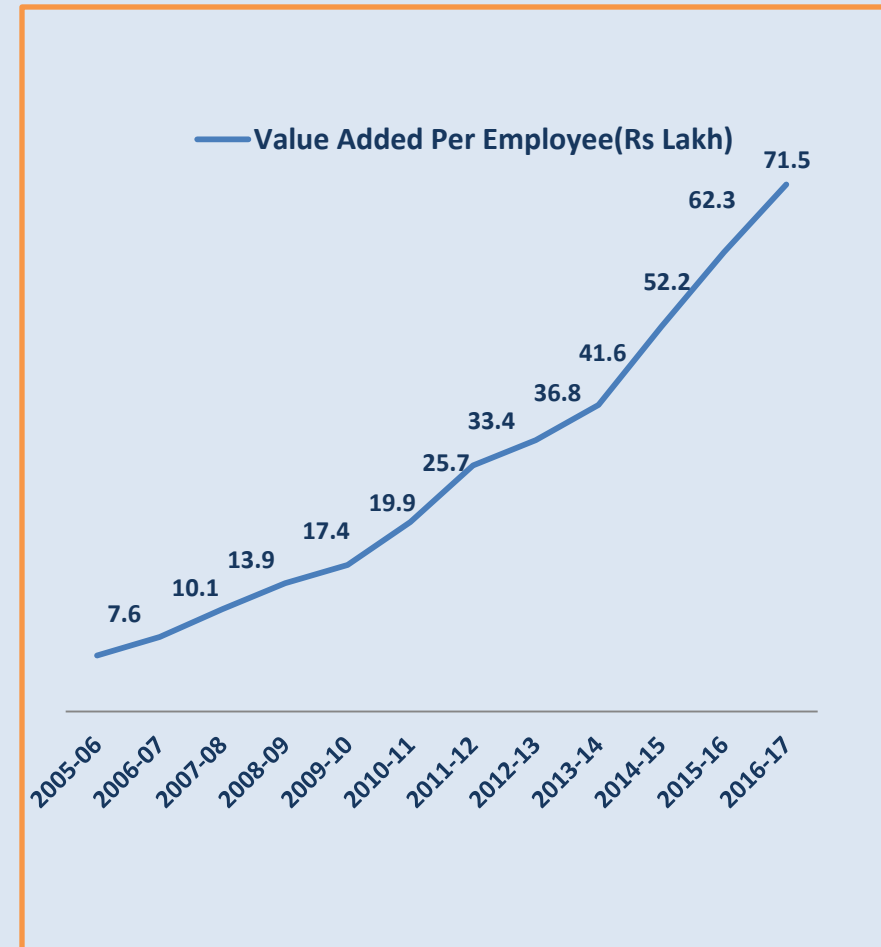


# MIDHANI PERFORMANCE

## SALES & NET PROFIT



## HR PERFORMANCE



# Public Public Strategic Alliances :

Path for Strategic Value Creation



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Mishra Dhatu Nigam Limited

# Economic Value Creation Modes

## Traditional Models

Public Sector Owns  
& Operates Assets

Public Private  
Partnership

Private Sector Owns  
& Operates Assets

## Proposed Alternate Model

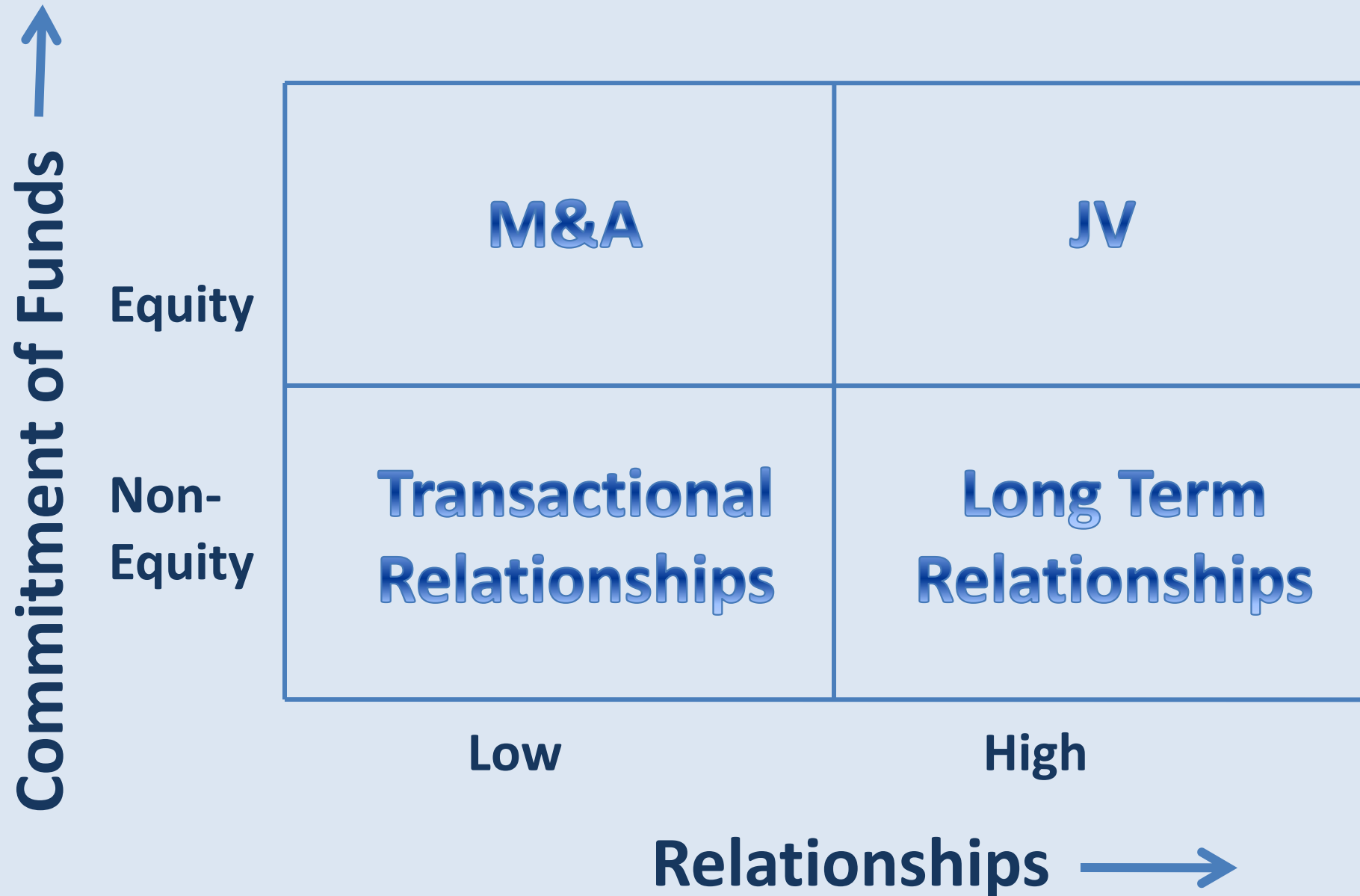
Public Unit  
Capability &  
Ownership

Public Unit  
Capability &  
Ownership

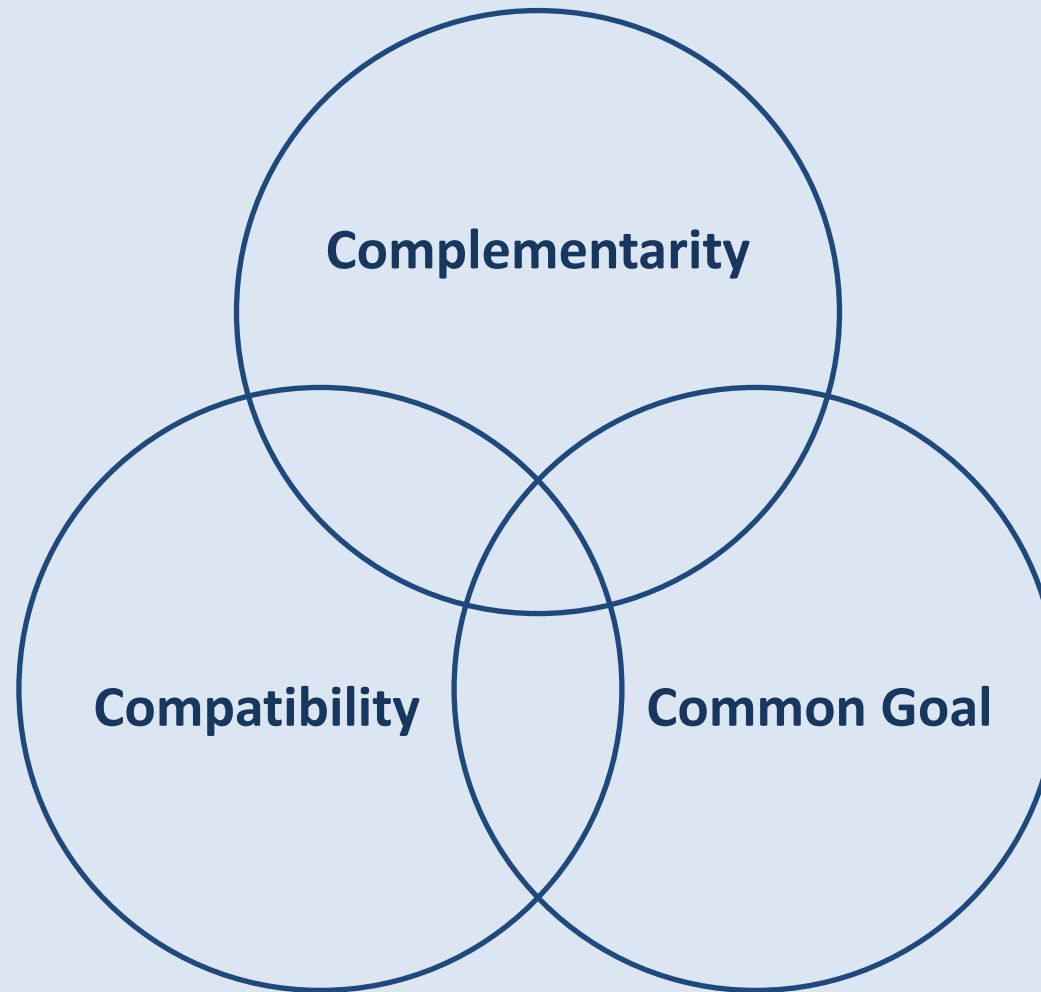
Strategic Alliances  
for Creation of  
Value  
(not feasible alone)



## Alliance Formats



# Suggested Approach



**Mutual Trust – A Key Enabler**

# Illustrations

## Joint Venture



## Strategic Networks

- Ultra Supercritical Thermal Power Plant\*










- FICV(Future Infantry Combat Vehicle)\*



\* MIDHANI is a material development partner

# Illustrations

Partners	Focus Area	Goals
 सेल SAIL	New Process development	Jointly developed first heat of CRGO steel for transformer/ Electrical transmission applications
	New Alloys Development	Developed Special steels, Super Alloys for Power sector
नालको  <b>NALCO</b>	New Market Development	Detailed feasibility report created for Aluminium Alloys for high end market
एन एम डी सी  <b>N M D C</b>	Tungsten	NMDC has set up Tungsten mining facility MIDHANI has raised tender for converting Tungsten concentrate to APT, APT to Tungsten powder & Carbide
 <b>Burn Standard</b> (A Government of India Undertaking) 	Development & Production of Coupler, Cast steel & Springs	Spring manufacturing plant being setup in FY 18-19 for supply of Springs for LHB coaches & Wagons for Indian railways
 <b>NMRL</b>	Material development for future Nuclear Submarine	Alloy Steel Forgings & Weld Consumables developed successfully in 2017

# Public-Public Strategic Alliances :

## Benefits

- Allows cash-rich PSU to finance project where another partner has the mandate & expertise but is short of capital
- Cuts project development time significantly.
- Provides flexibility

## Barriers

- Concerns about management control
- Inadequately developed organizational capabilities

## Key Concern Areas

- Lack of overall guidance policy for Public-Public Partnership
- Scientific approach required to identify opportunities (primarily leadership driven)
- Complex policies/processes involving multifarious agencies
- Operating in Silos/Lack of Inter PSUs engagements-dialogue

# Way Forward

- Explore opportunities for Alliances, M&A, JV within Public Sector space
- Committee with personnel from key PSUs to assess areas of synergy, conduct scientific study, recommend Policy framework, Strategy & action plan
- Where no resources required from government, Board to decide strategic alliances
  - (Oversight by COS)
- Synergies to unlock value trapped quickly and effectively
  - (Role of private sector may be considered for Strategic Network/Consortium for larger value creation )

**THANK YOU**