

HOOGLHY DOCK & PORT ENGINEERS LIMITED, KOLKATA

BACKGROUND

Hooghly Dock & Port Engineers Limited (HDPEL), situated at Kolkata, is one of the oldest shipyards in India. It was established in 1819 in the private sector known as Hooghly Docking & Engineering Company Limited. On merger of the Port Engineering Works with Hooghly Docking & Engineering Limited, the Hooghly Dock & Port Engineers Limited was formed by an Act of Parliament titled “The Hooghly Docking and Engineering Company Limited (Acquisition and Transfer of Undertakings) Act, 1984”. The take over of the shipyard by the Government of India was expected in National Interest primarily for utilizing the available infrastructure and increasing the capacity for shipbuilding. The nationalized Company had remained with the Ministry of Industry till 27th July, 1986 and was thereafter transferred to the erstwhile Ministry of Surface Transport (now Ministry of Shipping)

The Company has two production units at Salkia and Nazirgunge in Kolkata. Both the units have potential for construction of various types of ships, tugs, crafts, dredgers, floating dry docks, fire float, mooring launches, fishing trawlers, pontoons and sophisticated vessels like offshore platform, supply-cum-support vessels, multipurpose harbour vessels, grab hopper dredger, lighthouse tender vessels and oil pollution control vessels.

HDPEL has the capacity to build vessels of about 400-500 passengers cum 100 ton cargo carrying capacity and also 300 ton capacity Cargo Vessel. The Company also undertakes repair of vessels at KoPT dry docks from an outfit adjacent to Kidderpore Dock Complex of Kolkata Port.

HDPEL has built 106 vessels, dredgers, barges etc. for various Port Trusts, Andaman & Nicobar Administration, DGLL, Indian Navy, Oil & Natural Gas Commission. In addition to this, the Company has also undertaken repairs of more than 400 vessels for various organizations.

MAN POWER

As on 1.4.2014 the total strength was 378 comprising 37 Officers, 70 Supervisors and Staff and 271 Workers and Sub-staff. As on 1.1.2015 the total strength of employees decreased to 346 comprising 35 Officers, 66 Supervisors and staff and 245 Workers and Sub-staff.

CAPITAL STRUCTURE

The Authorized Share Capital of the company as on 1.1.2015 stood at Rs.30.00 crores. The Paid-up Capital as on 1.1.2015 was Rs.28.61 cores.

MAJOR FACILITIES & ASSETS

The major facilities available with the Hooghly Dock & Port Engineers Limited are as under:-

Facilities & Assets	Details	Area
Land	Freehold land at Salkia & Nazirgunge	10.67 acres & 16.67 acres respectively.
	Lease hold land at Salkia and Nazirgunge	0.17 and 3.11 acres respectively.
Dry Dock	1 no. at Salkia	94x13.4x8.6mMax. – 1000 DWT
Building Beth / shipping	2 nos. at Salkia	85x29m & 70x22m Max. – 2500 DWT
	2 nos. at Nazirgunge	90x30m & 90x30m Max. – 2500 DWT
Floating Jetty	1 no. at Nazirgunge	36 m length
Various Types of Cranes	9 nos. at Salkia & 13 nos. at Nazirgunge	
Various types of Machines	35 machines at Salkia comprising of boring, cutting, drilling, lathes, power saw, grinder, planning, shipping & welding machines.	

PRODUCTION

During the year 2013-14, the Company could not achieve any production due to termination of all the incomplete projects. However, the production achieved during the previous year stood at Rs.510.76 lacs.

FINANCIAL POSITION

During the year 2013-14, the Company has recorded a Net Profit of Rs.18461.60 lacs before charging Depreciation, Interest and Tax principally due to the receipt of Grant-in-Aid Assistance from Govt. of India for Rs.249.34 crore towards payment of Income Tax liability relating to the Financial Year 2011-12.

NET WORTH

Continuing with incurring of losses since its inception, the Net Worth of the Company has totally been eroded. The quantum of negative Net Worth as on 31.03.2011 was Rs. (-) 628.88 crore. However, as a consequential effect of the waiver of Govt. Loan and Accumulated Interest thereof to the tune of Rs.631.21 crore by GOI followed by receipt of fund from GOI under the head Grant-in-Aid for payment of Income Tax liability relating to the Financial Year 2011-12, the balance of negative Net Worth as on 31.03.2014 has been reduced to Rs.138.19 crore.

ORDER BOOK POSITION

The Order Book Position of the company as on 01.01.2015 is Rs.994.00 lacs which represents balance work of 4 nos. work boats awarded by M/s IWAI.

STATUS OF REHABILITATION-CUM-RECONSTRUCTURING OF HDPEL

The Rehabilitation-cum-Restructuring of HDPEL was approved by Government on 13.10.2011. The approval includes the proposition for formation of a Joint Venture with a Private Sector Player through open bidding process, waiver of Govt. Loan and Interest, infusion of fund for Rs. 21.00 Crore for VRS of employees, continuation of Non-plan support for payment of salary & wages and statutory dues of employees till formation of JV etc.

As regards formation of a Joint Venture of HDPEL with a Private Sector Player through open bidding, an EOI was published and about 3 bidders had shown interest in JV with HDPEL. After assessing the proper valuation of the assets of HDPEL, the draft RFP/RFQ is prepared and awaiting legal vetting and the final publication.

In the meantime an exercise by IL&FS (the consultant) shows that SPV process will not generate adequate revenue for meeting salary requirement of present manpower.

Therefore, in order to substantially reduce the manpower, a proposal has been initiated for implementation of Improved VRS package for the existing employees and SPV process towards formation of Joint Venture with Private Sector Player thereafter.

For further details pl. contact

**Chairman & Managing Director,
Hooghly Dock & Port Engineers Ltd.
Kolkata.
Tele: 033 – 2243-0419
E-mail: hooghlydock@gmail.com**