



**Mrs. H.K. Joshi - Chairman & MD**

# SHIPPING CORPORATION OF INDIA

*One does not work for Awards, Accolades and Recognition, I work with passion to bring change.*

**WHAT WERE THE OPPORTUNITIES YOU SAW FOR YOURSELF AND THE COMPANY WHEN YOU DECIDED TO TAKE ON THE ROLE?**

I'd like to inform you that in February 2015 when I joined the Shipping Corporation of India, I joined the company in the capacity of Director Finance. So being at the helm of the affairs, actually leading the company from the front has been only about two years back. In September 2019, I was assigned the charge of chairperson and managing director of Shipping Corporation of India. So from 2019 onwards, I was driving the company but from 2015 to 2019 my job was limited to the Director Finance role. But that actually helped in building, strengthening, and preparing me for the ultimate job at the top because eventually, it's always the financial help and the commercial well-being of an entity that leads to its sustainability. We've been seeing this in 'n' number of companies that a lot of the good companies sometimes go into liquidation or bankruptcy simply because there have been some financial problems with them. I think I got a fantastic opportunity when I joined the company in 2015 to financially turn around the company. From 2010-2011 onwards, the company had been reporting financial losses for 3 consecutive years when I joined in 2015 but after that, the company had a financial turnaround. We

basically looked into a lot of fundamentals with respect to financial management, processes, systems, high levels of corporate governance, transparency and devised new systems so that you could have corporate government transparency and complete system and that always helps to strengthen the basic fundamentals of a company. Incidentally during that time, the company went through a lot of changes in terms of demonetization. The GST came in, and there were new accounting standards. Earlier we were following the gap. This was basically a phase of financial confirmation both outside as well as inside since what was happening outside was to impact the company inside as well. There was a lot of churning going on inside the company and that really helps the company to become financially robust. We have an immaculate speckless system of financial management in the company and I think that was the need of the hour. Building on that when I got to the helm of the affairs in September 2019, I started concentrating on the operations. Because earlier my portfolio was limited to finance, it would obviously be a different thing but both years helped me to clean up everything and it gave me a very sound foundation to start on. In September 2019 when I took over, we had the new 0.5 percent low sulfur fuel regulation coming in on 1st of January 2020 which were IMO guidelines and the company

seamlessly went into completely low sulfur IMO compliant company as of 1st of January 2020. So that was an operational achievement. On the 1st of January 2021, the IMO had determined a fiber risk compliance. In fact, in July 2020 itself, the company had already gotten the certification which was almost more than half a year in advance. That was the level of operational efficiency which had come into the company and what we should note. What is remarkable is that when we achieved a fiber risk management policy compliant with the IMO guidelines in July 2020, we were at the peak of the pandemic. So while there was a nationwide lockdown that had been announced in March 2020, it did not inhibit the company from continuing its operational excellence. We did not take it as an excuse that because there's a pandemic, we need some extension or we're not being able to meet the deadline. No! that hasn't happened in the company at all. In fact, we've broken all of our records of the past from there of a decade somewhere of 5 years but that has been the performance of the company in the pandemic and that gives me an immense sense of pride with my team that if we could achieve these levels of excellence in pandemic then I'm sure things are going to get much better when it normalizes. We're also now going into a complete installation of the last water treatment system which is again something that's required for



ventured into the inland waterways through our only own subsidiary which is inland and coastal shipping limited. So we're already operating two vessels on national waterways. We would want to expand to the Bangladesh protocol route and further on to the east. Inland waterway is a costly under-utilized sector. While the sector is currently not a profitable sector, one should set up the business. You do not expect to start reaping returns from Day 1 so there's always a gestation period but there's immense scope in this sector and we hoped to grow in this sector as well. We are shortly going to also start some more services.

**WHAT DO YOU BELIEVE SETS SHIPPING CORPORATION OF INDIA APART FROM ITS COMPETITORS?**

I wouldn't say that there's another Indian shipping company that is on par with Shipping Corporation of India because we're by far the largest Shipping company as of today and we're also the only completely diversified shipping company in India. There is no other Indian shipping company that has operations in all the segments of shipping. Whereas Shipping Corporation of India operates in all the segments of shipping which is the tanker segment, the bulk carrier segment, the technical and the offshore segment as well as in the container segment. As far as our competitors are concerned, I would really not know what my competitors are doing because I'm concentrating more on my business and ensuring that I excel. I'm competing with my own self to ensure that I raise the bar for the company higher and higher every day and that would automatically take care of my competitors. I don't need to see what they're doing because many times when you're trying to peep into the other, you're losing focus on your own self. So I think if you're doing your business

our sustainability as well as to show that we are an environmentally friendly company. We are already working on that and what I take pride in with respect to the last water treatment system installation which is currently ongoing is that the entire technical management of this is being done in-house. So it's not as if I've hired a consultant or somebody to help me. The installation of these systems is a highly technical thing because you're insisting that you need to identify the place so there's a lot of engineering which needs to be done. The complete design, change and all the technical work that is required are being done completely in-house. That's what I wanted to share with you about the operational excellence of the company and of course, if we're achieving all this, I don't need to tell you that when the nationwide lockdown was announced, the company did not shut down even for a single day. On 22nd and 23rd March when that was announced, we were just working as if nothing had happened.

**WHAT ARE THE PLANS FOR THE**

**COMPANY'S GROWTH IN THE MEDIUM TO LONG TERM, SAY 3 TO 5 YEARS' TIME?**

The company has to grow in terms of fund age and we're already working on that. Since we're in the service industry, if we have to render services then I have to have my fund age to be able to expand. So the expansion of fund age is a major plan and the company is working on it. They're already in the market. We floated some tenders so that's very much in the public domain with respect to the tonnage that we wanted to acquire so obviously the growth of the company happens with the growth of the tonnage which will give me fortunes for increasing the services. During the pandemic, we have also taken initiatives with respect to expanding the service range of the company. We started on the direct service between India and Mali. We are the first shipping line to call a particular port called Kundu Fushi. That port had never been touched by a shipping line earlier, so this is the initiative that the company has taken. We've got plans to open more shipping services. We've also

right and there's plenty of business for everybody in this world then you don't need to see what your competitor is doing. Just do your business right and that's what I've done and we've done pretty well with that policy. We have inherent advantages in terms of operational excellence and technical excellence. We are a very sound financial company. We also have extremely good standards of corporate governance. I think the fundamentals of a good company help my company to grow regardless of what my competitors are doing.

**HOW HAVE YOU ACTUALLY WORKED WITH YOUR VENDORS OVER THE YEARS TO FORM STABLE PARTNER-SHIPS?**

I would respond by saying that it's not only my vendors. I have also worked with all my stakeholders. Vendors are one part of the story and my customers are the other part of the story and there are plenty of other stakeholders who come in between the vendors, the company, and the customers. Business is all about networking, building relationships, building your own brand, and building your own goodwill which gives confidence to the vendors, your customers, and all your other stakeholders. They derive the comfort and the confidence from the stability of the company to be a business partner with me and for me, all my stakeholders are business partners. Without my vendors, I'd be nowhere, and even without my customers, I'd be nowhere. So I can never exist in a solo or isolation. I'm an integral part of this ecosystem and they're my business partners. It's extremely essential for me to not only have cordial relations but also build a warm and strong relationship with them as they're my partners in progress. That is the way I've built up my relationship and they have sustained me through this period.

I'm sure they're only going to strengthen as time goes along.

**AS A GOVERNMENT COMPANY, HOW HAVE YOU MAINTAINED THE BRAND AND THE OPERATION OF THE COMPANY?**

Like I just told you, it's very important to value, whether it be a vendor or a customer, you've got to value each one of them. Each one of them is important and you take care of them while you render quality service for us. Our tagline is that we're transporting goods and we're transforming lives. We actually follow that tagline not only in word but in deed actually. So we've got our spirit into that tagline of transporting goods and transforming lives. We take that very seriously.

**WHAT BENEFIT HAS YOUR COMPANY SEEN AS A DIRECT RESULT OF HAVING THIS STRATEGIC VENDOR RELATIONSHIP?**

It's a continuous flow. These are the important cogs of the wheel. Even if you remove one cog, you create an imbalance. You need to recognize the importance of each one of these. You can't say that only one cog has been contributed. It's a collective thing and I would not like to undermine it. At the back of all this, the most important stakeholder is my employees. It is the excellence of my team to keep all the cogs of this wheel well oiled and lubricated so we could move smoothly. These are all business strategies that one needs to know where to focus on and what's vital at one point in time may not continue to be vital at another point in time. You cannot have the same static business strategy, you need to keep evolving. At a point in time today something may become important because the environment is such and such. Tomorrow the environment is not static. We're in a volatile world so you need to keep

adapting your strategy depending upon what the environment is all about. So I cannot give you one single formula because it's always evolving.

**WHAT DO YOU THINK WOULD BE THE KEY BUSINESS MESSAGES THAT YOU WOULD WANT TO BE PROMOTED WITHIN THIS FEATURE?**

In terms of shipping, I would like to say that shipping is vital for the survival of mankind and when I'm talking about the survival of mankind, the economy comes at a much different level. If mankind would not survive, there would be an economic flourish because 90 percent of the goods by volume are transported by water shipping in terms of almost 70 percent of the value. That is the magnitude of what shipping can do to improve trade and economy but shipping is something that has not been truly recognized and is not getting its due importance. But it is absolutely vital for trade and economy and we need to ensure that the shipping gets its due importance like for example during the pandemic, the seafarers had a very bad time while they were sailing. They were unable to sign off the vessels, they were not able to go home for months because of this blockade, and you could not move from one place to another. So while they are our key workers because they were bringing all the goods to us, without these seafarers, we wouldn't get our daily necessities, anything that we have today. Whatever we find today, it will all have a linkage to shipping. So while they're also our key workers, I don't think every nation recognizes them as key workers. I would like to give this as a business message that our seafarers are the true key workers and they need to be recognized for the service they offer to mankind. That shipping is vital for business trade and the economy.