

## Chairman, IndianOil, in an exclusive interview with Purple Beret magazine

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**B M Bansal,  
Chairman,  
Indian Oil Corporation Ltd.**

### **IndianOil is acknowledged as India's pride. How do you place your Corporation on a global scale?**

IndianOil is the largest commercial enterprise in India. It is India's flagship national oil company with diverse business interests straddling the entire hydrocarbon value chain – from refining, pipeline transportation and marketing of petroleum products to exploration & production of crude oil & gas, marketing of natural gas, and petrochemicals. It is the leading Indian corporate in the Fortune 'Global 500' listing, ranked at the 125th position in the year 2010. IndianOil is also the 18th largest oil & gas company in the world. IndianOil has been meeting India's energy demands for over half a century which includes successfully servicing the demands of domestic and international airlines and the Indian Defence Services. IndianOil and its subsidiary (CPCL) account for over 48% petroleum products market share, 34% national refining capacity and 71% downstream sector pipelines capacity in India. With a corporate vision to be the Energy of India, IndianOil closed the year 2009-10 with a sales turnover of Rs. 2,71,074 crore and profits of Rs. 10,221 crore. With facilities at multiple locations and an ever-expanding profile, IndianOil is poised to become an integrated energy company with steady forays into Oil Exploration & Production, Petrochemicals and Renewable energy. With a steady aim of maintaining its position as a market leader and providing best quality products and services, IndianOil is currently investing Rs. 47,000 crore in a host of projects for augmentation of refining and pipelines capacities, expansion of marketing infrastructure and product quality upgradation. To achieve the next level of growth, IndianOil is currently forging ahead on a well laid-out road map through vertical integration— upstream into oil exploration & production (E&P) and downstream into petrochemicals – and diversification into natural gas marketing and alternative energy, besides globalisation of its downstream operations. Having set up subsidiaries in Sri Lanka, Mauritius and the United Arab Emirates (UAE), IndianOil is simultaneously scouting for new business opportunities in the energy markets of Asia and Africa.

### **Do you think some management techniques of the army are also applicable in a civilian organisation?**

The techniques adopted by the Army have some underlying universal principles that can be adopted by civilian organisations too. The efficacy of the Army rests on some of the tried and tested techniques of management that have evolved over a period of time and are based on solid ground experience. Some of these techniques are strategic planning, risk assessment, leadership, team building, task orientation, resource mobilisation, taking

pride in your work, command & control, etc. The Army's approach to achieve excellence in organisational performance is relevant to any civilian organisation too. A dedicated, motivated and disciplined workforce will be an asset for any organisation. In addition, an Army's concept of strategic planning, to be one up on the enemy find use in the corporate battles too. Army's combat techniques have also influenced pricing and marketing warfare techniques adopted by corporates.



**A continuous vigil every step of the way**

**The role of 'oil terriers' has been critical in emergency situations. Do you recall any such incident in the history of your organisation?**

The Indian Army that guards the nation's frontiers is one of IndianOil's most valuable customers. With an unstinting focus on serving the Indian Army and helping it defend our national borders, the IndianOil team has resolutely stood with it shoulder-to-shoulder both in times of war and peace. Whether it was the Indo-Pak war, Indo-China war, or the recent Kargil conflict or the annual advance winter stocking exercise, IndianOil has tried its utmost to be a reliable supplier. Our relationship with the Indian Army has been forged over many decades of shared difficulties and operational challenges that our country has faced. We are very proud to meet over 95% of the fuel and lube requirements of the Indian.

Armed forces and have in place an efficient and effective supply chain for management of their fuels and lubricant requirements. Over the years, significant strides have been made by IndianOil in improving the strategic logistic strength and infrastructure to ensure a high level of dependability which is of paramount importance in the successful implementations of the Army's operational plans. IndianOil has been entrusted with the responsibility of creating strategic storage and reinforcing infrastructure in inhospitable regions of the country to facilitate the sentinels of the nation. Despite the fact that commercial considerations and operational infrastructure development, particularly in the border areas, are often at conflict with each other on several occasions, we are very happy to partner the Indian Army in its quest to safeguard the nation's borders. Keeping the Army's strategic interest in mind, we have recently augmented our pipeline network for carrying main grades of fuels in the area of Southern, South Western and Western Commands.

**Do you think more employees from your organisation need to undergo training with the Territorial Army?**

Yes, certainly. We invite applications from interested employees to join Territorial Army. Based on their physical fitness, they are recruited through a process monitored by the Commanding Officers of the Units who are from regular Army. After recruitment, the volunteers undergo rigorous training which is almost like an Army orientation programme. Every year for a period of one month the training programmes are conducted. On-the-job training is also given due importance so that their services can be utilised in times of exigencies. To provide motivation to IndianOil employees who join Territorial Army, certain incentives and monetary & non-monetary benefits are extended to such volunteers. The performance of TA volunteers in the training camps is assessed and the best performers are rewarded by way of cash awards and Chairman's Commendation Cards. Every year, 30th September, being the Territorial Army Raising Day of the downstream Oil Industry, is celebrated as the Oil Security Day. On this day, cash awards and Chairman's Commendation Cards, are given to the best terriers in the presence of Commanding Officers of the Units.

**What has been the overall TA experience for IndianOil?**

I am happy to say that the TA units are in place since the year 1983. These units have been deployed to ensure normalcy in operations several times including for natural calamities like the Orissa Cyclone in 1999, Gujarat earthquake in 2001, Tsunami in 2006 as well as during various agitations. It is our experience that with the help of TA Units, we could maintain essential services, operate our units and also ensure supplies so that the customers are not put to any difficulty. For IndianOil the Territorial Army is actually an opportunity to serve the Army and the Nation. Fighting along with the best defence force in the world and being an important part of their operations is a pride and honour. It is a privilege and we will continue to treasure it all our lives as a corporation.