

ONGC Rules the Roost at ICC PSE Excellence Awards 2012

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ONGC was the clear winner by a mile in the **Indian Chamber of Commerce (ICC) PSE Excellence Awards 2012** held at New Delhi on December 20, 2012 by taking home three awards in the prestigious categories of **"Best Financial Performance", "Best Corporate Governance" and "Environmental Excellence & Sustainable Development"**. CMD Mr. Sudhir Vasudeva received the awards on behalf of the organization in a glittering awards function that boasted the presence of the leading names of the public sector, distinguished bureaucrats, past and present, and some eminent entrepreneurs from the private sector as well.



CMD Mr. Sudhir Vasudeva receiving the Award for the Best Corporate Governance from Mr. O P Rawat, Secretary, Ministry of Heavy Industries & Public Enterprises

CMD Mr. Sudhir Vasudeva in his acceptance address to the distinguished audience while stating the recognition to be *'much prized'* emphasized that they were a reflection of the proven commitment and productive contribution of ONGC to the growth of the country not just as a strong economy but also as a sustainable business ecosystem for over a period of five decades. *"We believe in business with ethics. Our corporate practices are rooted in the triple bottomline concept of planet, people and profit which ensure, besides strong business growth, an environment of equitable social development and environmental stewardship"*, Mr. Vasudeva said. On being questioned what advice he would have as the top man of the country's largest and most profitable public sector entity for the new generation of leaders helming young companies that are just getting off the blocks, he simply said, *"We need to see that we are always on the hunt to improve no matter how remarkable the milestones or achievements seem to be for it is not a game of mere survival and occasional crests but one of persistent excellence. Also the need to have good corporate governance practices well embedded in the organizational DNA cannot be any*

less stressed".



CMD receives the Trophy for Environmental Excellence & Sustainable Development from Mr. Bhaskar Chatterjee, Director General of Indian Institute of Corporate Affairs

Earlier on as part of the Chamber's inaugural session fostering a high level business discourse, Mr. Vasudeva was one of the key panelists in an engaging Panel Discussion - *India Public Sector Agenda @ 2020* - that featured the top executives from some of the leading public sector companies of the country. CMD in his opening remarks of the discussion highlighted the invaluable service rendered by the public sector as a highly critical and significant player that continues to deliver impressively to the overall GDP (currently 20% of the overall GDP) during heady periods of strong economic growth as well as one that essays an oft-unsung role of scaffolding the same growth momentum during times of severe economic distress as was evident in the aftermath of the global downturn in 2008. Especially, considering that the genesis of CPSEs was rooted in the concept of delivering social equity and justice to the citizens of a newly formed nation that was just finding its feet and planning its first few steps in the arena of development the subsequent scale and scope of development, both social and economic, that the public sector heralded in the lives of the ordinary citizen is truly remarkable, CMD further noted.

In fact, the 'beauty of such growth' is further accentuated when the restrictive circumstances, the highly accountability-oriented milieu and the stringent regulatory regimes under which PSEs have scripted their success sagas is foregrounded. *"We have not just striven and survived, we have thrived for years on end with our hands tied behind our back and our feet shackled"*, CMD driving home the point thus with one candid metaphor of the situation. Talking of ONGC, which has been and continues to be, perhaps, a most sterling example of the PSU success, CMD said that *"formed with an initial corpus of Rs 346 crores from the Government of India my organization has given back to the government, through direct and indirect routes, till date a sum close to Rs 4,20,000 crores. And still we stand respectably in the industry with a market cap of well over Rs 2 lakh*

crores. This in itself proves the immense capability and business promise that is inherent in the public sector".



Mr. Vasudeva airs his views on the significance of the public sector to the country's economy

Mr. Vasudeva during the course of the discussions also highlighted ONGC's pioneering efforts in the field of CSR where the company continues to have some of the country's most high-intensity and extensive programmes that cater to the developmental needs of the society with a total contribution of 2% of PAT which translates mostly, for a company of ONGC's size and financial stature, to a amount in excess of Rs 500 crores. *"We were doing CSR way back in the early 1970s when even the term itself was not coined in the mainstream parlance"*, CMD said marking the company's legacy in CSR activities.



The Panel Discussion in progress

Another important subject that was broached during the discussions was the issue of the time-consuming exercise of recruiting the chairmen and directors of public sector companies. The process of recruitment which starts well in advance of a year from the actual date of separation of the top executive has been observed to run into a wall of intermittent delays and procedural bottlenecks resulting in a worrying trend of overly delayed selections. Mr. Vasudeva said that a vacant position at the top has the unpleasant and negative fallout of a stalled strategic thinking and business decision-making climate in the affected company which adversely impacts the stakeholder sentiment and investor mood. He informed the house that a few important and promising suggestions have been made to the Cabinet Committee and the PESB as well to rectify the situation and with the PM himself keen on effecting necessary changes to streamline the recruitment process, hopes for a much needed change in the system cannot be entirely misplaced.