

Call it Darwinism by fire. When the 52-year-old RG Rajan arrived on the scene as CMD of the Rs 73 crore Projects & Development India Ltd (PDIL), the company clearly needed to refine itself. There were about 1,000 people on the rolls and the books showed patchy progress. A 'sick' company referred to the Board for Industrial and Financial Reconstruction (BIFR), PDIL had over 15% attrition (unnatural for any PSU) and a demoralised staff.

Rajan, an MBA from the University of Strathclyde in Glasgow, had his job cut out. Apart from rationalising the workforce to 600, Rajan ensured the churn rate fell below 1%. Having come from the more progressive government-owned GAIL, Rajan got a "culture shock" when he joined the Noida-based PDIL. "We were not getting key jobs from the refineries and I saw there was no training given to people," he rues. Within 12 months of taking charge, Rajan directed 20 of his departmental heads to draw up a corporate plan. The refineries started taking notice and the company received fresh orders from IOC, OBGC, CPCL and HPCL.

Now that's a far cry from 2003 when the company had a manpower surplus of 2,100

and the government decided to restructure it by offering voluntary retirement scheme. At the same time, the government even wrote off a Rs 37 crore loss and the company diversified from fertilisers to oil and gas, refineries, city gas distribution and infrastructure.

This enabled it to grab plum foreign contracts. For the first time in its 31-year history, PDIL paid dividend to the government to the tune of Rs 1.75 crore in 2007-08 and Rs 3.46 crore in 2008-09.

Rajan put the foreign contracts to good use as bait for recruitment. "People got the opportunity to go abroad on deputation, always a major lure," he says. Alongside, the recommendations of the government pay commission kicked in and salaries improved to such an extent that the overall economic downturn proved to be a blessing in disguise. Last fiscal, for 35 positions, the company received 16,000 applications. Rajan has been on a hiring spree over the last three years, picking up 200 people, mostly engineers. Beating the recession and turning the corner, PDIL bagged the prestigious Scope Award from Prime Minister Manmohan Singh earlier this month.



RG RANJAN

Highly Refined

