

The Green Warrior

A people person, GAIL (India)'s Sandeep Kumar Gupta is committed to ensuring that the country's largest gas distributor plays a leadership role in India's energy transition

By **Manish Pant**

► **THE MORNING SPRING** breeze has a strong hint of the onset of early summer. A large number of beaming employees with boxes of sweets and chocolates are gathered outside the office of GAIL (India) Ltd's Chairman & MD Sandeep Kumar Gupta to express their gratitude for their promotions. And Gupta, 58, greets each one of them with his trademark good-natured smile, wishing them the very best for their future.

The future is very much on GAIL's mind. As India's hunger for energy grows with each passing year, GAIL is preparing to play a pivotal role in the world's largest energy transition to cleaner sources. Spearheading this will be Gupta, who has been in the petrochemicals industry for 35 years. The veteran—who started his career with the public sector Indian Oil Corporation Ltd (IOCL) in 1988—seems to have settled well into his new role. "Although he

is not from GAIL, he gets along well with everyone here," says a senior company executive, requesting anonymity. In comparison to IOCL (that has over 33,000 employees), GAIL (with 4,800 employees) is much smaller and, thus, functions like a well-knit family, with a strong sense of bonding among staff. A people person, Gupta, who took charge in 2022, says, "All my life I have tried learning something good from everyone that I have met."

A chartered accountant by training, he believes that his background in finance has always kept him well-prepared for the volatility that characterises the global petrochemicals industry. "I once heard a consultant opine that a finance person was like a wicketkeeper who can see the direction of each ball coming their way. We can perhaps see the direction of the changes that happen, to gauge the company's position, to both tackle challenges and exploit emerging opportunities," he says with a disarming smile.

Having completed his schooling from Kendriya Vidyalaya in Bokaro Steel City, where his father was posted with SAIL, he then attended Kanpur University's Christ Church College. He describes his student years as "very normal" and claims his job at IOCL was the experience that prepared him for the future. "At the time of joining IOCL, I didn't know much about the company or the industry. All I knew was that it was a big company because I had grown up seeing their petrol pumps all over the country," he says with a chuckle.

According to Harshvardhan Dole, Energy Analyst at IIFL Securities, Gupta knows the sector inside out since he has spent considerable time with one of India's largest oil companies. "Like, how the system works and what the consumers, shareholders and other stakeholders want. Therefore, he is one of the most suitable candidates to lead India's largest gas utility at a time the energy transition has only accelerated," he says.

Before taking charge at the country's largest gas distributor, Gupta demonstrated his leadership skills as Director of Finance at IOCL, where he successfully handled several new responsibilities in the areas of international trade, asset optimisation, information systems,

Oil & Gas

SANDEEP KUMAR GUPTA

CHAIRMAN AND MD, GAIL (INDIA)

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|-------------------------|---------------------|-------------|
| Revenue from operations | FY22 | 92,873.82 |
| | 9MFY23 | 1,12,610.97 |
| Profit before tax | FY22 | 15,463.52 |
| | 9MFY23 | 6,567.48 |
| Profit after tax | FY22 | 12,303.63 |
| | 9MFY23 | 4,953.15 |
| | FY22 RoE (%) | 20.98 |
| | Market Cap | 71,142.58 |

● Data is on a consolidated basis; all figures in ₹ crore except RoE; 9MFY23: April-December 2022

● M-cap as of April 19, 2023

● Data Source: BSE, ACE Equity



POSITIVE ENERGY Sandeep Kumar Gupta,
Chairman and MD, GAIL (India)

▶ Key Highlights

- ❶ Sandeep Kumar Gupta has over 35 years of experience in the petrochemicals industry
- ❷ He started his career with the public sector behemoth IOCL in 1988
- ❸ Gupta had demonstrated his leadership skills as Director of Finance at IOCL before taking charge of GAIL (India)
- ❹ GAIL (India) intends to invest ₹30,000 crore in petrochemicals and clean energy by 2025

corporate affairs, legal and pricing during the Covid-19 pandemic. These accomplishments also led him to be honoured by the Institute of Chartered Accountants of India (ICAI) in 2020.

But new challenges are also on the horizon as demand picks up in the post-pandemic period. "When I joined GAIL last year, gas prices had reached unprecedented levels due to the [Russia]-Ukraine crisis. Because of

that, there was a breach of the international [gas supply] contract for about 20 per cent of our entire portfolio."

Just a couple of days earlier, GAIL had shut down production at its Pata (Uttar Pradesh) petrochemicals plant due to costlier gas. "We decided as a team that it would not be wise to keep the vertical shut for a long period because of integrity issues and the impact on the gas supply ecosystem. Within a month, we started the plant again, which is now running at 100 per cent capacity," he adds.

He is also cognisant of the responsibility of ensuring that GAIL remains aligned with the government's vision of increasing the share of natural gas in the country's energy mix to 15 per cent from the current 6.3 per cent by 2030. "On top of the 14,800 km pipeline already with GAIL, an additional 5,000 km of pipelines are being built. And that will give a huge fillip to the country's total natural gas network," says Gupta. Additionally, his team has renewed efforts to restart gas supplies under long-term futures contracts inked with Russia, while also scouting for potential partnerships with other gas-producing nations.

"The key challenges before him are to ensure that GAIL's core gas marketing business keeps on growing steadily and that the company doesn't miss out on any opportunities in emerging alternative energy technologies. Since he is a very good leader, expectations from him are fairly high," says IIFL's Dole.

The company also intends to invest ₹30,000 crore in petrochemicals and clean energy by 2025. So far, it has signed 274 letters of intent to deliver compressed biogas. "We are putting up a 500-kilo tonnes per annum (KTA) propane dehydrogenation and polypropylene plant at Usar, Maharashtra, and a 60 KTA polypropylene plant in Pata," says Gupta, the winner in the Oil & Gas category of the BT-PwC India's Best CEOs ranking. Another project for the production of 50 KTA isopropyl alcohol has been approved for Usar as part of its foray into specialty chemicals. "We are also spending heavily on renewable energy through investments into wind and solar projects and also towards green hydrogen projects. We will be installing a 10-MW electrolyser at Vijaipur (Madhya Pradesh), which will be commissioned this year."

He has some words of wisdom for youngsters who desire to make a career in the country's energy sector during this momentous period. "Anyone joining India's energy sector is in for an exciting time. They are going to get umpteen opportunities for both personal development and the development of their organisation." It will, therefore, be necessary for them to keep abreast of global developments, innovate and add value to whatever they do, he suggests. **BT**

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स्कोप में आयोजित हुआ सार्वजनिक क्षेत्र दिवस

नई दिल्ली।स्टीडिंग
कांफ्रेंस ऑफ पब्लिक
इंटरप्राइजेज (स्कोप) ने
सार्वजनिक क्षेत्र दिवस
समारोह का आयोजन
किया। स्कोप देश की



अर्थव्यवस्था में सार्वजनिक क्षेत्र के उद्यमों (पीएसई) की महत्वपूर्ण भूमिका को निभा रहा है। समारोह के दौरान एनटीपीसी के सीएमडी गुरदीप सिंह सहित पीएसई के मुख्य कार्यकारी अधिकारी, स्कोप कार्यकारी बोर्ड सेल की अध्यक्ष सोमा मंडल, आईओसीएल के सीएमडी एस.एम. वैद्य, स्कोप के अध्यक्ष और गैल के सीएमडी के संदीप कुमार गुप्ता सहित अन्य गणमान्य लोग उपस्थित रहे। इस कार्यक्रम में लुकास एल. कामसुआन, संयुक्त सचिव, डीपीई और सार्वजनिक उद्यम विभाग, आईएलओ और जीआईजेड, जर्मनी के वरिष्ठ अधिकारी भी उपस्थित रहे।