

O. P. Jindal God to some Bauji to all

- By Dilip Kumar Jha

With the sudden demise of Om Prakash Jindal (popularly known as "OP"), 75, the entire steel industry and business fraternity lost a visionary and a man of rare business acumen who guided the entire steel industry to the modern look. The vacuum created by OP will never be fulfilled.

Born to a rich farmer, O P Jindal, sensed the enormous growth in steel industry years ago and planned his business strategy accordingly which fetched him the world recognition without doubt. He single-handedly built an empire of steel, power and iron.

The Jindal Group chairman and Power minister of Haryana stormed the Forbes billionaire list with a net worth of \$1.2 billion just weeks ago. Ranked as the world's 548th richest man, Mr Jindal was but a sharp contrast to his peer group. For one, he liked his kurtas to be khadi.

The smooth beginning

A first generation entrepreneur, Jindal started off as a small time trader of steel tubes in Nalwa, his native

village in Haryana. A modest bucket manufacturing unit was set up in Hissar and in 1964, he commissioned a pipe unit by the name of Jindal India Limited, which is presently known as Jindal Industries Limited.

Jindal's business took off in a big way by his foray into stainless steel manufacturing with the commissioning of Jindal Strips Limited in

1970. Today, the group is present across the entire gamut of iron and steel production, starting from coal and iron ore mining to sponge iron to hot rolled and cold rolled coils to high grade pipes. Besides, the group is also into power generation.

The group has a turnover of about Rs 12,000 crores.

A farmer's son, O P Jindal lived a simple life and was more at ease with his farmer and political friends than his peers in the industrial and executive circles. In fact, he spent

most of his time in Hissar, dabbling in politics and social services, leaving the businesses to his sons to run.

Jindal's sons often have said that the father was the real guiding force and that they were merely implementing his vision.

Political edge

OP Jindal, who was also a former power minister sworn in as a Cabinet rank minister in the Bhupinder Hooda-led Congress ministry in Haryana, had a stint in office just 21 days.

Mr Jindal had been elected to the state Assembly for the third time from the Hissar Assembly constituency. He was elected as the Member of Parliament from Kurukshetra in 1996 and the Haryana Assembly for three times in 1991, '2000 and '2005.

Baton to sons

The founder of the Jindal group, OP Jindal, the patriarch, had for all practical purposes relinquished day-to-day control over all Jindal group companies. He had formulated a model where each of his four sons would be entirely responsible for the companies under their control. Although Mr Jindal was the chairman of Jindal Stainless and Jindal Steel and Power, he has been more of a guiding force in the group, while the daily operations in the two companies are run by Ratan Jindal and Navin Jindal.

The Jindal group, which has steel as its main line of business, can be classified into four categories: pipes, carbon steel, stainless steel, rails and power. The steel pipes business, under the banner of SAW pipes, is controlled by Prithvi Raj Jindal the eldest son. While the carbon steel business, which



includes JVSL, Jindal Thermal Power Company, Southern Iron and Steel Company, Jindal Praxair Oxygen Company and South West Ports is controlled by Sajjan Jindal.

Besides the four sons, Mr Jindal also had five daughters.

OP Jindal's third son, Ratan Jindal, controls the stainless steel business and has three companies under his fold, namely Jindal Stainless, Jindal Strips and Jindal Steel & Alloys.

Navin Jindal, who is the youngest of OP Jindal's sons and a Member of Parliament, controls the rails and power business.

Sajjan Jindal in an earlier interaction had said that his father had already worked out a system where each son gets to control one stream of business without any interference.

According to Sajjan Jindal, the family very often met to discuss issues relating to business. However, each son follows the rule of not entering into

the market or product segment of the other.

A brave heart with focused vision

At the time of Independence India's premier industrialists were redrawing the blueprint of the nation's commerce and industry, Jindal — a visionary — was hard at work redrawing the blueprint of his small business in Nalwa, a village in Haryana.

Lacking the expertise to start a

Om Prakash Jindal - A Patriarch 1930-2005

O. P. Jindal Group, a 4 Billion USD enterprise & India's 4th largest business house.

O.P. Jindal Group: The Jindal Group, which he established in 1970, grew from a single unit steel plant to the present multi-location, multi-product steel giant with 12 plants in India and 2 abroad. The group has been technology driven and has a broad product portfolio, from the mining of iron-ore to the manufacturing of value-added steel products. It has a pre-eminent position in the flat steel segment in India and is today, a major global player. The group ranked 548 in the Forbes list of billionaires & ranked as 13th richest in the Forbes list of India ranking.

The Group's strength lies in its constituent companies, Jindal Saw, Jindal Vijayanagar Steel Ltd., Jindal Stainless, Jindal Steel and Power, among others.

Growth

At the age of 22, O.P. Jindal designed and set up a unit to manufacture steel pipes, bends and sockets at Liluah in Calcutta. At that time only two Indian companies, Tata Tubes and Kalinga Tubes were in competition.

In 1957, Mr. Jindal set up Jindal India (later renamed as Jindal Industries) to manufacture steel buckets. This unit

was later modified to manufacture steel pipes, a segment in which O. P. Jindal had won accolades in Calcutta and Eastern Region.

In the 60s and 70s, the glorious era of license raj, O. P. Jindal set up a unit to manufacture steel strips (the basic raw material for steel pipes) – Jindal Strips for captive use. He designed the entire Jindal Strips plant, to manufacture hot rolled steel coils, plates, slabs and blooms through electric arc furnace route.

In 1970, he set up another plant for narrow width cold roll stainless steel and mild steel sheets in Hisar.

In 1977, he started manufacturing stainless steel based on in-house R & D. Since then in an 18 year period Jindal Strips (today Jindal Stainless) has forged ahead as the largest stainless steel producer in the country.

In the 80s, to create a new infrastructure to increase the product mix, he set up two plants in Maharashtra, under the banner of Jindal Iron & Steel Company Ltd. (JISCO), one for producing steel slabs (under steel melting shop division at

Tarapur) and the other manufacturing hot rolled plates (under hot rolled mill division at Vasind).

Simultaneously in 1987, at Vishakhapatnam, Andhra Pradesh Jindal Ferro Alloys was set up for manufacturing high carbon and low carbon Ferro Chrome much needed in the stainless steel industry.

At Kosi Kalan in Uttar Pradesh, the country's first large diameter UOE submerged arc welded (SAW) steel pipe unit came up under his guidance. There are very few in the world that manufactures these pipes used by oil and natural gas sector.

At Raigarh, in Madhya Pradesh, he set up a unit to manufacture sponge iron. This unit is the largest sponge iron plant in Asia and second largest gas based plant in the world.

In the 90s, Jindal Vijayanagar Steel Ltd., in Toranagallu, Karnataka was set up. Later on to support the integrated steel plant, various facilities to provide gas (JPOCL), power (JTPCL) and maritime facilities (SWPL in Goa) were also set up.

In 2004, Jindal Group acquired SISCOL, producer of long products.



manufacturing unit, O P Jindal did the next best thing: he started trading in steel pipes. The early years were tough; and what saw him through was his vision and the determination to realise it. Thus, began the extraordinary journey of O P Jindal, whom the Jindal Organisation calls its 'Man of Destiny.'

By 1952, he was proficient and experienced enough to set up the group's first factory at Liluah, near Kolkata for the manufacturing of steel

Strips Limited and a mini steel plant set up at Hisar to manufacture coils and plates through the electric and furnace route.

From an indigenous single-unit steel plant in Hisar, the organisation has grown into a multi-billion, multi-locational and multi-product steel conglomerate.

In the world of business, the Jindal Organisation is a celebrity. Ranked sixth amongst the top Indian business houses in terms of assets,



pipes, bends and sockets. Soon thereafter, a similar manufacturing unit was set up at Hisar in Haryana.

This period also saw the emergence of a professional culture. Jindal — the proprietorship was transformed into Jindal — the organisation. In the early 60s, Jindal R&D showed promise by developing India's first 100% indigenous pipe mill, again at Hisar. This was a breakthrough, the first of many in the years to come. Jindal built up a reputation for ingenuity of product and product integrity.

In 1970, he established Jindal

the group, today, is a \$3 billion conglomerate.

Over the years, Jindal has been expanding, integrating, amalgamating and growing, but its motto has remained the same: 'We are the Future of Steel.'

The group has been technology-driven and has a broad product portfolio, but its focus has been steel. From mining of iron-ore to the manufacturing of value-added steel products, Jindal has a pre-eminent position in the nation's steel segment. It also has plans to be a global player and is eyeing acquisitions abroad.

Messiah for the poor

For everyone who knew him, he was "bauji" but such was the charisma and philanthropy of steel tycoon that some even called him "god". Many also say that son and MP Naveen Jindal's patriotism - he fought a long, protracted battle to win the right for all Indians to fly the national tricolour - comes from his father.

"He taught us all that you can never be an individual unless you learn how to respect your country. You have to first be an Indian, then anything else," said Ratan Jindal, another son.

N.C. Mathur, the director of Jindal Stainless, one of the main companies in the \$3 billion business group, spoke of the "amazing clarity of vision" of O.P. Jindal.

"He was always very dynamic," said Mathur. "When I first came to know him 25 years ago, I could immediately see in the man this wonderful drive and ability to carry forward projects. That ability was always stupendous."

"He used to support underdogs always without seeking any compensation of his support. No one went back empty-handed from his door". "I found his support monetarily as well as morally when I was disappointed on my daughter's dowry. But, this messiah encouraged me and paid enormously through which the nuptial knot ended peacefully. I shall never forget that", a teary employee of Jindal Stainless Limited said.

Scores of people took part on condolence and funeral and they shared their grief by saying that "they had lost their biggest source of inspiration".

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