



MD's Message on successful completion of FY 2014-15

Dear Colleague,

We have just completed the financial year 2014-15 on a positive note. The company has broken many previous records and achieved unprecedented excellence in almost all spheres of activities, thanks to the perseverance and hard work of each one of you in your respective areas of work. It is a matter of pleasure and pride to share and revisit with you some important highlights and achievements of the Company during the year 2014-15.

Best ever achievements during FY 2014-15

Parameter	Unit	Record Achievement	Previous record along with year
Specific Energy Consumption	MBN	53.0	53.2 (2012-13)
MS Production	TMT	389	310 (2011-12)
ATF Production	TMT	82	73 (2013-14)
CPC Production	TMT	70	57 (2013-14)
LPG Bottling	TMT	19.3	16.4 (2013-14)
NSPL throughput	MMT	1.82 (against design capacity of 1.712)	1.64 (2013-14)
MS Sales	TMT	367	313 (2013-14)
ATF Sales	TMT	78	74 (2013-14)
CPC Sales	TMT	80	58 (2012-13)
Packed LPG Sales	TMT	19.5	16.4 (2013-14)
Product evacuation ex-SMT	MMT	1.79	1.64 (2013-14)
Sales within North East	TMT	655	620 (2013-14)
CENVAT credit availed	Rs. Crore	249	222 (2013-14)

Apart from the above best ever achievements, several success stories were scripted during the year which have secured a place in the record books of the Company, defining 2014-15 as a year of accomplishments to be reminisced with great pride. Salient points are presented below:

- The Company's financial performance has reached new levels. Profit before tax (PBT) for the year is anticipated to be over Rs. 800 crores surpassing the previous high of Rs. 583 crores in 2006-07.
- Wax project was successfully commissioned during the year. The Solvent De-oiling Unit (SDU) was commissioned on 20.02.2015 and achieved 100 % design capacity followed by Wax Hydro-finishing Unit on 09.03.2015.
- In its endeavour to venture into alternate energy sources, NRL signed a partnership agreement with Finland based M/s Chempolis Oy for setting up a bio refinery in Assam to produce ethanol with locally available cellulosic bamboo biomass as its feedstock, a first in the country. DFR for the project is completed.
- Celebration of theme based month was introduced during the year as an employee engagement and knowledge sharing initiative. Themes months on security, health, finance & maintenance were organized to bring awareness on various topics among employees and thereby promote a culture of team work and enhance cross-functional interactions in the organization.
- B2B integration with upstream companies ONGC and OIL for crude oil transactions along with several other IT enabled e-governance initiatives were implemented during the year.
- Vendors' Meet was organized for the first time, providing a platform to address pertinent issues and raise awareness on NRL's requirement of procurement and services, MSME registration, benefits of SME units etc. In another first, a Customers' Meet was organized with the objective of reinforcing bonds of goodwill and understanding with the company's existing customers while forging new relationships with prospective customers.
- NRL forayed into direct marketing with GAIL for the first time by bagging a contract to supply Industrial Grade Kerosene (Wash Oil). By virtue of our brand image and reputation as a customer responsive organization, NRL was preferred over others despite not being the lowest bidder.

- The concept of Business Plan was introduced for the first time which was aligned with individual and departmental objectives.
- Reverse auction was successfully completed for the first time.
- Our school, DPS Numaligarh has made us proud by topping the ranking list of all 23 Delhi Public Schools belonging to PSUs of the country in the last AISSE (Class XII) examinations conducted by CBSE. The school has been ranked 1st among all the 8 DPSs of the North-East and has achieved the 9th position among all the 119 Delhi Public Schools globally.
- With an objective to enhance employee satisfaction, holiday homes have been opened at Jaisalmer and Shillong for management staff and Shillong for non-management staff.
- The company is on the path of achieving 100% ESI compliance for contract workmen engaged in the company. For ensuring compliance of social security schemes in respect of outsourced manpower, ESI and PF numbers have been linked to gate pass system.
- Training was imparted to prospective entrepreneurs in the skill of candle making so that small scale ancillary industries could be set up by the local youths with NRL wax as feedstock.
- On the security front, missile posts around the refinery have been identified after survey by Indian Air Force to protect the refinery from imminent air strikes or surface attacks.
- For the first time, a CSR Scheme called '**Library for All**' was introduced during the year. As part of this scheme, 10 schools in the neighbourhood of the refinery were covered where bookshelves, books and computers for record tracking were provided.
- Following prestigious awards received during the year are a natural outcome of our quest for excellence, adding on to the already bejeweled crown of NRL's glory.
 - a) Most Eco Friendly PSU in Miniratna Category at the India Today PSU Awards 2014.
 - b) Governance Now PSU Award for 'Human Resource Utilization' and 'Asset Utilization' in Miniratna category by Governance Now and SCOPE.
 - c) Jawaharlal Nehru Centenary Award for Energy Performance in the category of refineries having composite energy factor greater than or equal to 7.5.
 - d) Sarvashrestha Suraksha Puraskar (Golden Trophy) in Manufacturing Sector, Group-A (Manufacturing Coke and Refined Petroleum products) by National Safety Council of India (NSCI).
 - e) Performance Excellence Trophy 2014 in the Manufacturing category at the IMC Ramkrishna Bajaj National Quality Awards (RBNQA).

In conclusion, you will be glad to know that self evaluation of MoU 2014-15 has resulted in a composite score of 1.130 under 'Excellent' rating. Performances against some of the key MoU parameters are as follows:

Parameter	MoU 2014-15 Excellent Target	Actual (Provisional)
Sales Turnover (Rs. Crore) [as per MoU definition and at MoU prices]	9087	9476
Gross Operating Margin (Rs. Crore)	714	770
EBITDA / Net Block (%)	30.63	46.60
PAT per Employee (Rs. Lakh)	26.04	40.02
Crude Throughput (TMT)	2700	2774
Distillate Yield (%)	88.60	90.53
Specific Energy Consumption (MBN)	60.0	53.0
Production of Motor Spirit (TMT)	265	389

As we embark on another financial year, let us remain focused and inspired so that we can sustain our momentum and achieve even greater heights in the future. Let us continue to march forward with a sense of purpose with our collective vision, values and wisdom as cornerstones.

Wish you a joyous and colourful Rongali Bihu and best wishes for a successful 2015-16. Lastly, all the best for a safe and successful RTA. !

With sincere regards,



(P. Padmanabhan)

Guwahati

1st of April, 2015