

MD's Message on NRL Day



**NUMALIGARH
REFINERY
LIMITED**

Dear friends,

On the occasion of the 19th Foundation Day of NRL, I take this opportunity to extend my heartiest good wishes and greetings to you and your family.

Today, the 22nd of April is the day that our Company came into existence 18 years ago and therefore it is apt that we rejoice and celebrate our industrious and progressive journey of achievements and success together on this auspicious day. It is also the opportune time to consciously rededicate ourselves to our organization and its core values; imbibed and spelt out clearly in our Vision and Mission statements. Let us all introspect whether we are in sync with the Company's goals and check digressions which may have occurred unknowingly. Let us also pledge to contribute positively in carrying forward our organisation's rich legacy and tradition, built painstakingly over the years and nurtured with a lot of passion and care. Above all, let us take pride in being a part of a coveted organization like NRL.

We have crossed several milestones during the last financial year 2010-11. The foremost amongst them is the successful implementation of the ₹ 435 crores Diesel Quality Upgradation Project. The project has enabled NRL to produce Euro-III and Euro-IV grades of HSD at 100% capacity utilization. Consequent to implementation of the project, capacities of the Hydrocracker, Hydrogen and Sulphur Recovery Units have been enhanced. On the physical front, during 2010-11, the refinery processed 2250 TMT of crude oil against receipt of 2258 TMT. Although crude throughput during the year was in line with crude receipt, there has been a shortfall compared to Excellent MoU target of 2520 TMT primarily due to deferment of refinery shutdown for implementing the Diesel Quality Upgradation Project due to factors beyond NRL's control. Distillate Yield during 2010-11 was recorded at 84.70% against MoU target of 90.04% set in consideration of Natural Gas utilization from June 2010, which did not materialize until last month of the financial year. Specific Energy Consumption during 2010-11 was recorded at 69.0 MBN compared to the MoU target of 70.0 MBN. The much awaited Duliajan Numaligarh Gas pipeline has been commissioned on 28th February, 2011 and now we are using Natural gas in our Power plant and Hydrogen unit. This will give us good benefit in terms of distillate yield, Specific Energy Consumption and improve profitability.

We are steadily moving ahead with our growth plans which is presently focused on implementation of the Wax plant for production of premium paraffin and microcrystalline wax at a project cost of ₹ 577 crores. We are also going ahead with implementation of the ₹ 60 crores Naphtha Splitter Unit which would produce 160 TMT of petrochemical grade Naphtha that would be utilized as feed for the upcoming Assam Gas Cracker Project.

Our Company's birth is steeped in the recent history of our State and therefore carries with it a lot of hopes and aspirations of the people. We are fortunate to have the goodwill, blessings and a sense of belongingness of the society at large. This also entrusts and entails a lot of responsibility on our shoulders in the way we conduct ourselves in our day to day life. So, while remaining focused on attaining business excellence and by giving in our best in our respective job areas, we have to remain conscious about our role towards the environment and ecology and the community around us.

With concerted efforts from all sections of our employees, NRL has become a role model of industrial success of the State, securing a well deserved pride of place. We have continuously evolved and faced every situation with resilience and sense of purpose and will continue to do so.

Let me also take this opportunity to express my sincere thanks to all of you for making this happen. Our associates - the VK NRL Hospital and Delhi Public School deserve a special mention for their continuous support which have helped bolster our Company's image.

With best wishes for a happy NRL Day and a colourful & joyous Rongali Bihu.

Best regards,

Dipak Chakravarty
Managing Director

22-04-2011
Guwahati