SUSTAINABILITY REPORT

2013-14

Sustainability for a Secure Future

NUMALIGARH REFINERY LIMITED

A GOVERNMENT OF INDIA ENTERPRISE

NRL


NUMALIGARH REFINERY LIMITED

Vision

To be a vibrant, growth oriented energy company of national standing and global reputation having core competencies in Refining and Marketing of petroleum products committed to attain sustained excellence in performance, safety standards, customer care and environment management and to provide a fillip to the development of the region.

Mission

- Develop core competencies in Refining and Marketing of petroleum products with a focus on achieving international standards on safety, quality and cost.
- Maximize wealth creation for meeting expectations of stakeholders.
- Create a pool of knowledgeable and inspired employees and ensure their professional and personal growth.
- Contribute towards the development of the region.

CONTENTS

FROM THE MANAGING DIRECTOR'S DESK

"Our business by its very nature involves utilisation of natural resources for the welfare of society. At NRL we are very sensitive about the impact of our business on the environment.

I am excited to be part of this exercise and seek your participation in helping us build our business in a sustainable and responsible manner"

P. PADMANABHAN

MANAGING DIRECTOR

NUMALIGARH REFINERY LIMITED

Dear Stakeholders,

I am proud to present NRL's third Sustainability Report for the financial year 2013 – 14. With this report, we continue the legacy of disclosing company's performance on the principles of triple bottom line i.e., economic, environmental, and social performance.

Our business by its very nature involves utilisation of natural resources for the welfare of society. At NRL we are very sensitive about the impact of our business on the environment. In recognition of our responsibility we have formulated policies on Quality, Health, Safety and Environment and have embarked on implementing Total Productive Maintenance (TPM) in our Refinery. In recognition of our efforts, we received an award as the 'Most Eco-Friendly Public Sector Unit (PSU)' in the Miniratna Category I at the India Today PSU Awards 2014. The company's performance exceeded excellent MoU Target during the year against all refining parameters.

On the economic front, for the third consecutive year NRL achieved highest distillate yield among PSU oil refineries. Distillate yield of 92.16% during 2013-14 was the highest ever achieved by the Company so far. NRL's Specific Energy Consumption continues to be among the best in the country. Specific Energy Consumption during the year was 53.6 MBTU/BBL/NRGF.

We have successfully completed the commissioning of the Naphtha Splitter Unit during the year. Wax project is at the verge of its commissioning. With production of Paraffin and Microcrystalline Wax to the extent of 48TMT per annum , NRL will emerge as the largest producer of wax in the country. During the year, the company received three awards on Energy Conservation from the Centre for High Technology related to furnace/ boiler efficiency, steam leak and Specific Energy Consumption. The 'Greentech Foundation' also conferred on NRL three awards related to environment management and CSR.

Our economic performance also has a crucial inter-linkage with the community. We make substantial investment to build the capacity of the local communities as part of our long-term community engagement programmes. We contribute to their education and skill development to improve their employability as well as standard of living. Through initiatives on health and safety, rural electrification, livelihood generation, our company promotes a better life for the local residents, particularly the vulnerable groups in the communities. NRL wishes to enhance inclusivity of its growth in the long term through constant involvement of all its stakeholders. Some of our popular and successful projects for the welfare of the community are Niramoy, NRL Helping Hand, Prerona, Gyandeep, Dronacharya and Surya Jyoti. During 2013-14, NRL's expenditure on CSR and sustainability activities was Rs. 5.29 crores. During 2013-14, periodic health checkups were conducted for 628 employees and 272 contract workers against corresponding figures of 471 and 158 during the previous year. NRL also organizes community awareness camps on safety and health in villages surrounding the refinery.

NRL considers Safety as an integral part of business planning and operation process. During the year, there was no loss time accident (LTA). As on 31st March, 2014, the refinery achieved 22.45 million LTA free man-hours (12 years, 1 month). NRL received 'Shreshtha Suraksha Puraskar' instituted by the National Safety Council of India (NSCI) consecutively for the year 2012 and 2013.

By virtue of being in close proximity of Kaziranga National Park, we are extremely careful about our potential impact on biodiversity. We continue to monitor and control the potential impact of all our operations on the wildlife, flora and fauna. During the year 2013-14 bioremediation of around 1,000 MT tank bottom sludge has been successfully completed by applying "Oilzapper" developed by ONGC-TERI Biotech Limited (OTBL). 100 % reuse of treated effluent has been achieved on sustained basis since 2006. Upgrade plans related to implementation of a Volatile Organic Compound (VOC) recovery project including augmentation of the Effluent Treatment Plant (ETP) will serve the purpose of improving waste water quality and at enhanced capacity .The project will be completed by financial year 2014-15.

Needless to mention, employees of NRL are the main pillars of our enterprise. It is because of our employee's effort, that we ensure efficient execution of our business operations. We have some of the best talents in the country and hone their skills further through need-based knowledge development programmes.

As we move forward, we are keenly aware that our commitment to sustainability will be judged in addition to other parameters by our performance on material sustainability issues. NRL Management will strive to identify and manage material issues via the materiality determination process. We shall continue to take efforts based on our New Perspective Plan 2012-22 to go beyond achieving the targets that we took.

I am excited to be part of this exercise and seek your participation in helping us build our business in a sustainable and responsible manner.

P. PADMANABHAN
MANAGING DIRECTOR

OUR PRESENCE

The Company operates the petroleum refinery at Numaligarh in Golaghat district of Assam in India. The refinery is situated in the eco-sensitive region with world famous Kaziranga National Park at an aerial distance of 22.5 km

NRL NUMALIGARH REFINERY LIMITED

ABOUT THE REPORT

This is the third consecutive annual sustainability report by Numaligarh Refinery Limited (NRL). NRL has been publishing its exclusive sustainability report from the year 2011-12 onwards. The earlier sustainability reports of NRL i.e., for the year 2007 -08, 2008-09 and 2009-10, were combined along with its holding company, Bharat Petroleum Corporation Limited (BPCL). The current report presents sustainability performance of the organization for the fiscal year 2013-14.

REPORTING PROCESS & APPROACH

The report discloses our sustainability performance as per the Global Reporting Initiative (GRI) reporting framework GRI G3.1. It also presents additional information based on the GRI's oil and gas sector supplement that is applicable to oil and gas sector organizations. NRL declares that the report confirms to application level 'A' as per the GRI framework. The report presents sustainable development at NRL in broadly in two ways, namely the management approach and the organisation's sustainability performance. The management approach highlights understanding and awareness of the management towards sustainability issues in general and those particularly relevant to the organization. It also presents a summary of the outlook of the senior management towards the critical issues of sustainability, their prioritization and the measures to address such issues in short and long run. The rest of the report is the organisation's sustainability performance across economic, environmental, and social aspects in the reporting period. This information is primarily presented in the form of data inputs, in both quantitative and qualitative forms.

REPORT BOUNDARY

The report covers the refinery operations of NRL at Numaligarh, Golaghat, Assam. NRL's Joint Ventures and Administrative Office are not included in this reporting boundary.

DATA MEASUREMENT TECHNIQUE

Data reported were collated through MS Excel-based data collection templates. Values for each of the indicators were collected either on a month wise basis or on an annual basis depending on the type of indicators. While actual numbers have been presented in most cases, there are some indicators for which estimated numbers have been collected.

EXTERNAL ASSURANCE OF THE REPORT

The report was externally assured by DNV GL represented by DNV GL Business Assurance India Pvt Ltd., an independent assurance provider. The assurance was conducted on the basis of the principles of AA 1000APS and ISAE 3000 under scope of Limited Assurance. Assuring our report by a third party helps us in ensuring that the data is validated and authenticated.

ABOUT NRL

Numaligarh Refinery Limited (NRL) was incorporated on 22nd April, 1993. The company establishment is rooted in the "Assam Accord" signed by the Government of India (GoI) on 15th August, 1985. NRL's commercial operations commenced from 1st October, 2000. The refinery has a high complexity factor owing to advanced secondary processing technologies that has enabled achievement of high distillate yield and higher value addition.

The principal asset of NRL is the 3.0 MMTPA refinery at Numaligarh in Assam. This is also popularly known as 'Assam Accord Refinery' and is one of the latest refinery using 'state of the art' technology.

NRL has been conferred the status of Mini Ratna PSU owing to its concern, commitment and contribution to socio-economic development of Assam, along with consistent growth recorded every year. It has successfully met the expectations placed on it by the people of Assam since the very beginning.

The company's core competency lies in refining and marketing of petroleum products. NRL aims to attain excellence in the field of refining, particularly in distillate production, leveraging on technology and available opportunities.

OWNERSHIP STRUCTURE

NRL is a public sector enterprise. The Company's shareholding pattern is Bharat Petroleum Corporation Limited (61.65%), Oil India Limited (26%) and Government of Assam (12.35%).

CORPORATE OBJECTIVES

To excel in its performance, NRL would strive to:

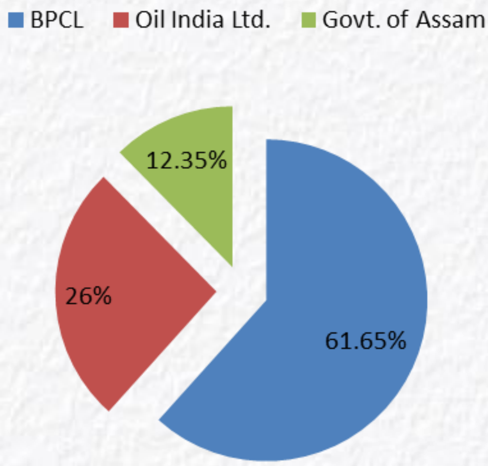
- Maximise refinery capacity utilisation and optimise product pattern by efficient refinery operation.
- Ensure smooth and timely evacuation of products, create a sound customer base and necessary marketing infrastructure.
- Achieve highest standards in product quality, safety, health and environment protection.
- Manage and operate the facilities in an efficient and cost effective manner for generation of adequate internal resources.
- Inculcate best business practices through the use of ERP and E-Commerce.
- Focus on development and growth of Human Resource through proper training and career planning.
- Plan for production and marketing of low volume, high value products.
- Remain at the technological forefront by continuous upgrade of in-house expertise and absorption of the latest technologies.
- Establish strong corporate identity and brand equity.
- Facilitate economic and industrial development of the region.

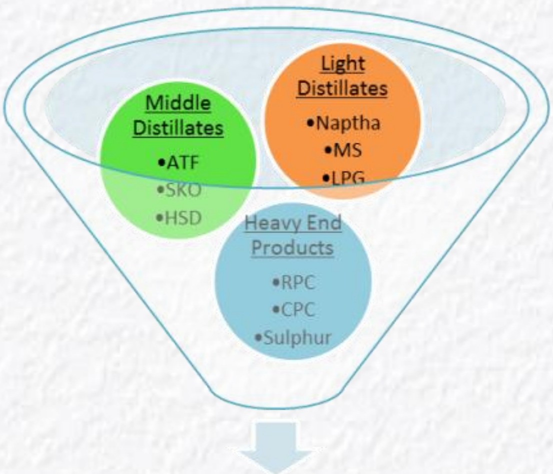
PRODUCT MARKET SEGMENT

NRL's product portfolio broadly comprises Liquefied Petroleum Gas (LPG), Naphtha, Motor Spirit (MS), Aviation Turbine Fuel (ATF), High Speed Diesel (HSD), Superior Kerosene Oil (SKO), Raw/Calcined Petroleum Coke (RPC/CPC) and Sulphur. The Wax plant which is at the verge of commissioning, will add Paraffin and Microcrystalline Wax to an extent of 48 TMT per annum to the product slate. NRL is thus expected to emerge as the largest wax producing unit in the country.

NRL market segment can be categorised into three broad groups, viz. PSU oil marketing companies, direct customers, and private oil companies. During 2013-14, the PSU oil marketing companies encompassed 95.9% of total sales while the direct customers and the private oil segments covered 3.3% and 0.8% respectively. Our products are mainly marketed through other Oil Marketing Companies that are more active in the retail business such as Bharat Petroleum Corporation Limited (NRL's holding company) (85.3%), Indian Oil Corporation Limited (7.1%) and Hindustan Petroleum Corporation Limited (1.4%). About 4.2 percent of our products are also sold through direct and retail sales, and 1 % through other ways.

SHAREHOLDING PATTERN





NRL PRODUCTS

PRODUCT RANGE	SALES VOLUME (TMT)
Liquid Petroleum Gas	52.759
Euro III Motor Spirit	277.172
Euro IV Motor Spirit	37.414
Superior Kerosene Oil	174.387
High Speed Diesel- BS III	1462.177
High Speed Diesel-BS IV	267.393
Aviation Turbine Fuel	73.617
Naphtha	139.782
Raw Petroleum Coke	20.583
Calcined Petroleum Coke	49.549
Sulphur	3.629

NRL uses three modes of transport to deliver the products to its customers, namely railways, roadways, and pipeline. A major part of products is marketed through NRL's holding company Bharat Petroleum Corporation Limited (BPCL). In 2013-14, NRL recorded total sales volume of 2.550 MMT. 24% of total sales were made within the North East Region and 76% was marketed outside the region. NRL's Naphtha is being periodically exported through the Haldia port.

KEY UNITS CAPACITY

KEY UNITS	YEAR OF COMMISSIONING	CAPACITY
Crude Distillation Unit (CDU)	1999	3.0 MMTPA
Vacuum Distillation Unit (VDU)	1999	1.32 MMTPA
Delayed Coker Unit (DCU)	1999	0.306 MMTPA
Hydrocracker unit (HCU)	2000	1.45 MMTPA
Hydrogen Unit (HGU)	2000	48600 TPA
Sulphur Recovery Block (SRB)	2000	19.3 TPD
Coke Calcination Unit (CCU)	2004	0.104 MMTPA
Motor Spirit Plant (MSP)	2006	225 TMTPA

NRL JOINT VENTURES

Brahmaputra Cracker & Polymer Limited (BCPL)

- Incorporated in 2007 for implementing the Assam Gas Cracker Project in Dibrugarh district of Assam.
- NRL has 10% equity participation in this joint venture

DNP Limited

- Incorporated in 2007 for implementing a Natural Gas Pipeline Project for transporting Natural Gas from Duliajan to Numaligarh Refinery.
- NRL has 26% equity participation in this joint venture

AWARDS AND ACCOLADES

Greentech Foundation - Environment Award

- Gold Category - Petroleum Refining Sector
- Silver Category - Siliguri Marketing Terminal
- CSR Appreciation Certificate

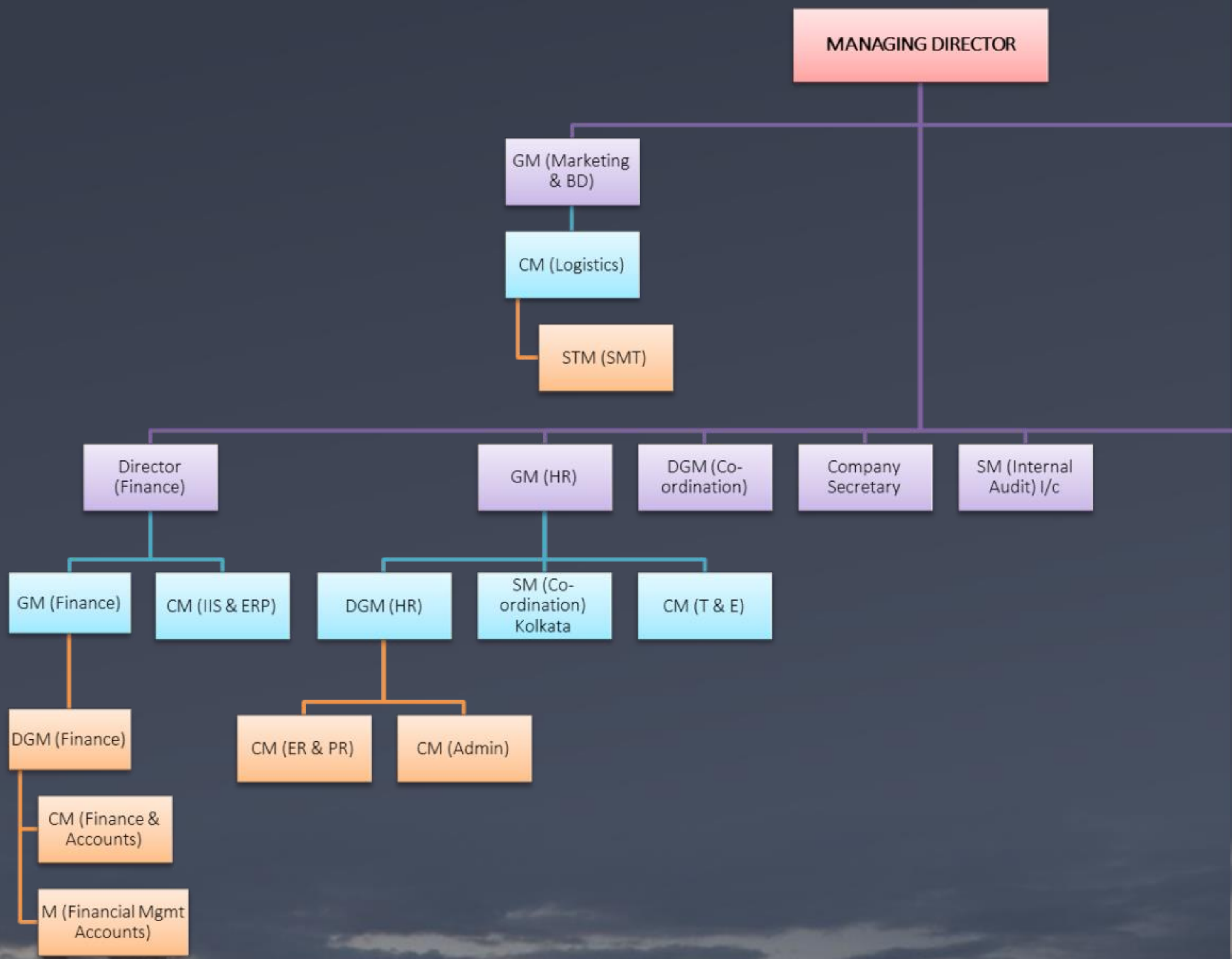
Centre for High Technology

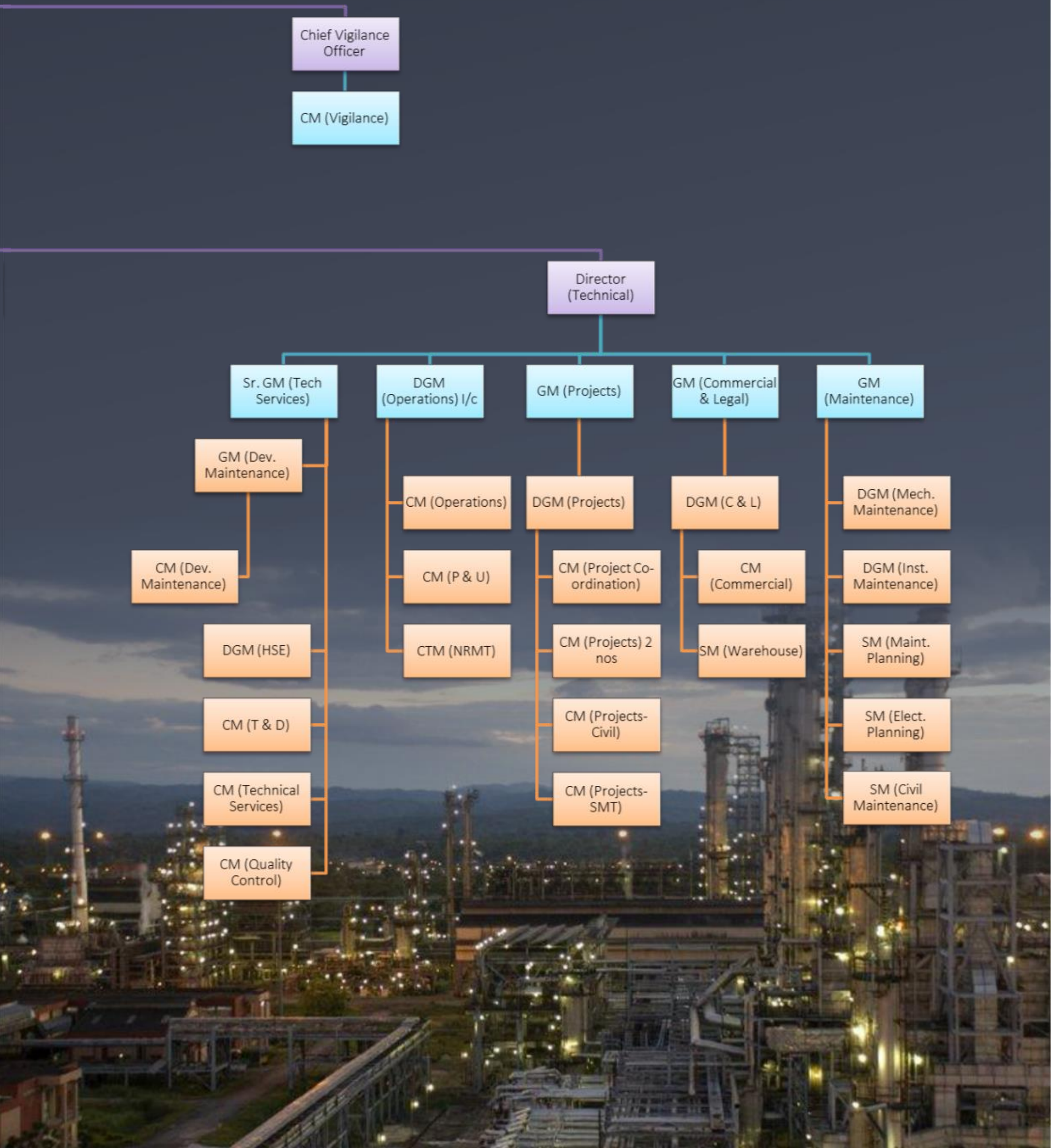
- OGCF Award for furnace/boiler efficiency
- OGCF Award for lowest steam leak
- Jawaharlal Nehru Centenary Award for Energy Performance

Others

- Most Eco-friendly PSU in Miniratna Category
- Shreshtha Suraksha Puraskar NSCI Award

ORGANISATION CHART




Chief Vigilance Officer
CM (Vigilance)
Director (Technical)
Sr. GM (Tech Services)
GM (Dev. Maintenance)
CM (Dev. Maintenance)
DGM (HSE)
CM (T & D)
CM (Technical Services)
CM (Quality Control)
DGM (Operations) I/c
CM (Operations)
CM (P & U)
CTM (NRMT)
GM (Projects)
DGM (Projects)
CM (Project Co-ordination)
CM (Projects) 2 nos
CM (Projects-Civil)
CM (Projects-SMT)
GM (Commercial & Legal)
DGM (C & L)
CM (Commercial)
SM (Warehouse)
GM (Maintenance)
DGM (Mech. Maintenance)
DGM (Inst. Maintenance)
SM (Maint. Planning)
SM (Elect. Planning)
SM (Civil Maintenance)

CORPORATE GOVERNANCE

A strong ethic of transparent and efficient governance is at the core of NRL's operations. Corporate Governance at NRL promotes these values and ensures that the company's conduct maintains the trust its stakeholders have placed in it. The governance structure also strengthens the accountability within the organisation as well as towards the external stakeholders.

NRL is a public sector enterprise with joint shareholding of Bharat Petroleum Corporation Limited, Oil India Limited and Government of Assam. The company ensures compliance with all the applicable rules and guidelines on Corporate Governance stipulated by the Department of Public Enterprises. The organisation has a unitary board structure i.e. the Board of Directors, which comprises of 10 members and is headed by the Chairman. The Chairman and Managing Director of BPCL is also the non-executive chairman of NRL. The Managing Director is the Chief Executive Officer, and heads two functional directors. At present, the Board comprises of all male members.

As per the regulations of the Government of India, NRL is externally audited by Statutory Auditors appointed by the Comptroller & Auditor General of India (CAG) under provisions of the Companies Act besides Cost Auditors appointed every year. Accounts of the Company are subject to comprehensive audit by the CAG.

No complaints or conflict of interest was reported with respect to its highest governance body during the year 2013-14. In this period, none of our Part-time Directors had any pecuniary relationship/ transaction with the Company.

COMMITTEES OF THE BOARD

Committees of the Board members are constituted in-line with the requirements of the organization. Various committees* exist with difference roles like Audit Committee, Remuneration Committee, CSR & Sustainability Committee, and Prevention, Prohibition and Redress of Sexual Harassment under the provisions of DPE Guidelines / Companies Act.

AUDIT COMMITTEE

- Review of significant findings from internal audits
- Oversee financial reporting process and disclosure of its financial information
- Approve the annual audit plan
- Review of efficacy of internal control systems
- Review of issues related to internal fraud and irregularities
- Review of business risk and policies

REMUNERATION /HR POLICIES

- Remuneration, compensation and benefits for employees

CSR AND SUSTAINABILITY

- Review implementation and progress of CSR and Sustainability activities

PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT

- Ensuring a gender friendly workplace
- Ensuring equal opportunity for men and women

BOARD OF DIRECTORS			
MEMBERS			
	SHRI S. VARADARAJAN Chairman & Managing Director (BPCL) (w.e.f. 12-10-2013)		SHRI R.K. SINGH Chairman (up to 30-09-2013)
	SHRI P. PADMANABHAN Managing Director (w.e.f. 01-04-2014)		SHRI DIPAK CHAKRAVARTY Managing Director (up to 31-03-2014)
	SHRI S. R. MEDHI Director (Technical)		SHRI S. K. BARUA Director (Finance)
PART-TIME NON-OFFICIAL DIRECTORS (INDEPENDENT DIRECTORS)			
	DR. ALOKE KUMAR GHOSHAL Director		SHRI L. RYNJAH, IAS (Retd.) Director
	SHRI B. P. RAO (Chartered Accountant) Director		
PART-TIME (EX-OFFICIO) DIRECTORS REPRESENTING GOVT. OF INDIA			
	SHRI ALOK TRIPATHI Director (w.e.f. 26-08-2013)		
PART-TIME (EX-OFFICIO) DIRECTORS REPRESENTING BPCL & GOVT. OF ASSAM			
	SHRI R. T. JINDAL, IAS Director		SHRI S. K. SRIVASTAVA Director

** Since NRL is a non listed Company with only ten shareholders, Investors' Grievance Committee has not been formed by the company.*

MANAGEMENT SYSTEMS

In its tryst with excellence, NRL has developed and implemented various internal and national and international management systems. Through such systems, we ensure quality, environmental performance, occupational health and safety performance and information security. Our refinery is certified to ISO 9001:2008, ISO 14001:2004, OHSAS 18001:2007 and ISO 27001:2005. We have an internal audit team at NRL that conducts periodic internal audits to ensure effective implementation of the management systems. Periodic checks and surveillance audits are also conducted by third party agencies to ensure compliance with the requirements of different management systems. NRL also achieved ISO 50001 certification on energy management system in January 2014.

MANAGEMENT TEAM

Mr. Manoj Pant, Chief Vigilance Oficer	Mr. D. Ghosh, Sr. GM (Technical Service)	Mr. A. K. Bhattacharya, GM (Marketing, BD & CP)	Mr. B. Ekka, GM (HR)
Mr. D. Choudhury, GM (Development Maintenance)	Mr. P. K. Barua, GM (Commercial & Legal)	Mr. Samiran Chakraborty, GM (Maintenance)	Mr. S. D. Maheshwari, GM (Finance)
Mr. M. R. Baruah, GM (Projects)	Mr. A. Chakravortty, DGM (Commercial & Legal)	Mr. A. K. Senapati, DGM (HR)	Mr. A. K. Patra, DGM (Finance)
Mr. B. J. Phukan, DGM (Operations)	Mr. Gopal Sarma, DGM (HSE)	Mr. G. N. Sarma, DGM (Project)	Mr. H. K. Nath, DGM (Maintenance)
Mr. Nikunja Borthakur, DGM (Co-ordination)	Mr. P. K. Baruah, DGM (Instrumentation)		

FUTURE STRATEGIES

NRL's future strategy has been classified broadly under (I) Short Term Plan (2012-17) and (II) Long Term Plan (2012-22).

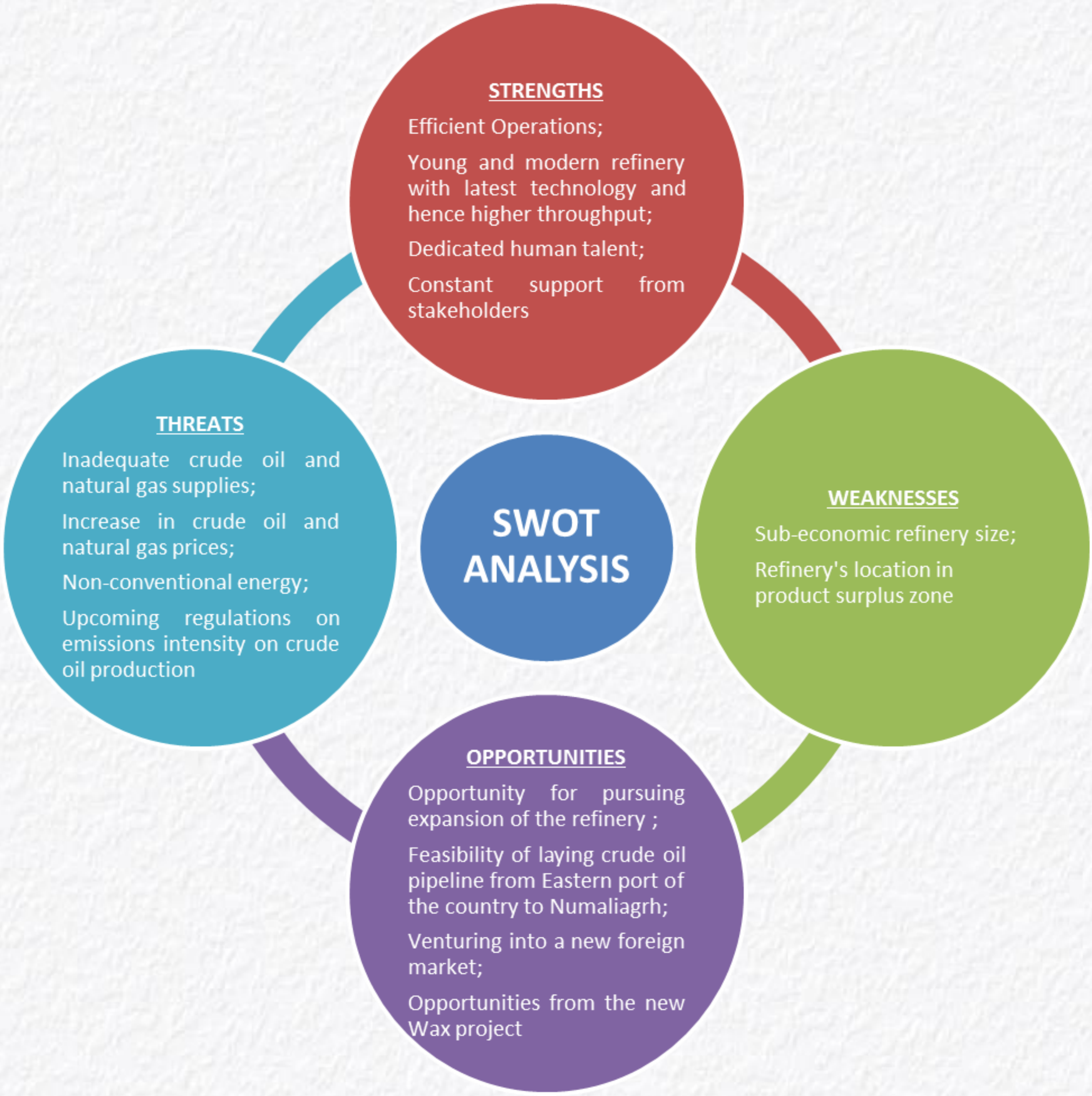
Short-Term Plans (2012 – 17)

PARTICULARS	DESCRIPTION
Euro – IV MS/HSD production	Based on the requirement for producing entire volumes of MS and HSD conforming to Euro – IV specification, installation of additional process units such as diesel hydro treating and revamping of Motor Spirit Plant are under progress
Refinery capacity expansion from 3.0 MMTPA to 8.0 or 9.0 MMTPA	During the 12th Five Year Plan period, NRL has planned for enhancing refining capacity from 3.0 MMTPA to 8.0 or 9.0 MMTPA.
Foray into power generation	NRL has strategically decided to enter into joint ventures with the Assam State Electricity Board to invest in installing power plant in the region.
Natural gas pipeline to Guwahati	In the near future, NRL is looking to act as an equity participant of the extension of Duliajan – Numaligarh Natural Gas pipeline to Guwahati. This has been thought of keeping in mind the potential market for compressed natural gas at Guwahati and industrial consumption centres between Numaligarh and Guwahati.
Foray into oil exploration and production	In view of logistical difficulties in importing crude oil, NRL is exploring the possibility of securing 'equity oil' through participation in JVs with the State Government.

Long-Term Plans (2012 – 22)

PARTICULARS	DESCRIPTION
Import of crude oil	As NRL intends to expand its refining capacity from 3 MMTPA to 8 or 9 MMTPA, it is imperative that NRL imports low-sulphur crude oil with assistance from BPCL. A new pipeline would have to be laid at an estimated cost of INR 2,000 crore for transportation of imported crude oil to Numaligarh.
Venturing into the petrochemical sector	Assam Petrochemicals Limited, a profit-making State Government undertaking is seeking out collaboration with NRL for modernising and augmenting their production facilities. NRL is optimistic with the venture and discussions are going on with the Company.
Shale oil	NRL is exploring opportunities into exploration and production of shale oil through a tie-up with Oil India Limited. Shale oil is projected to have a good potential in the state of Assam.
Tourism and hospitality sectors	North-Eastern India has a huge potential in the tourism industry. NRL is exploring opportunities for JVs with the Assam State Government for promoting the tourism industry.

In order to arrive at these future strategies, a SWOT analysis of NRL has been carried out with the objective of transforming threats into opportunities, strengthening areas of weaknesses and leveraging on existing strengths and available opportunities for ensuring desired growth, diversification and sustained excellence in performance. The identified strengths, weakness, opportunities and threats are highlighted below



TRANSPERANCY AT NRL

At NRL, we are committed to total transparency, integrity and accountability in its functioning. We have adopted several initiatives in order to achieve our goals for ethics, transparency and accountability like e-payment, e-tendering, e-receipt, vendor bill tracking system etc. Various policies and manual such as Quality Policy, Health, Safety & Environment Policy, Energy Policy, and Fraud Prevention Policy, Whistle Blower Policy are in place to ensure transparency and uniform decision making across the organization. With an objective to ensure proper conduct and discipline, NRL has framed "Code of Business Conduct and Ethics" for Board and Senior Management Team Members. Under this all Board and Senior Management team members of NRL should affirm their compliance to this Code of Business Conduct. Further we have also framed "Conduct, Discipline and Appeal Rules for Employees" to ensure conduct and discipline at the workplace and beyond.

ANTI-CORRUPTION PRACTICE

Vigilance at NRL is an integral part of the management and functions with the concept of "Vigilance for Corporate Excellence". Adopting an approach of "Proactive Vigilance", our constant endeavour is to promote improvement in systems, processes and practices. The NRL Vigilance Department is headed by the Chief Vigilance Officer.

During the year, the Vigilance Department continued its focused attention towards preventive corruption practices by suggesting ways and means for improving and streamlining rules and procedures. Besides that, as per CVC guidelines the vigilance also conducted routine and surprise inspections. The complaints received from any business locations or its stakeholders are investigated by the Vigilance Department and recommend suitable actions to the Company Management. Further structured meetings are held with the management and the vigilance issues are reviewed on quarterly basis in addition to half-yearly reporting to the Board. During the period 2013-14, a total of 6 nos. of complaints were received out of which 4 nos. have been brought to logical conclusion.

The Code of Conduct, the Whistle Blower Policy, the Integrity Pact, and the Fraud Prevention Policy are all applicable to the employees working with NRL or its Joint Ventures and also to the contractors, suppliers, vendors etc., whoever does the business with NRL. There are several other initiatives taken by NRL to keep a check on corruption practices such as:

Integrity Pact:

Towards promoting transparency, equity and competitiveness in the procurement process, the Board has approved implementation of an Integrity Pact for procurements estimated over Rs. 1 crore. The Pact is an agreement between prospective vendors/contractors and NRL, committing personnel from both parties to refrain from exercising corrupt influences. Only those vendors/contractors who enter into the Pact with NRL are eligible to participate in the bidding process. Implementation of the Pact at NRL is reviewed independently and objectively by three independent external monitors, not associated with the Company. The programme is being implemented under aegis of Transparency International India, a reputed NGO.

Anti-corruption awareness to employees:

In order to ensure that the employees understand the perspective of transparency and fairness in business transactions, the Vigilance Department conducts orientation programs from time to time.

One such programme was conducted during 2013-14 with faculties from the Central Bureau of Investigation (CBI) and Central Vigilance Commission (CVC). Regular communiqués were issued concerning circulars received from the CVC for ensuring that employees remain abreast of the latest guidelines and unintended mistakes are avoided.

Further every year all locations of NRL observe Vigilance Awareness Week. Accordingly in the year 2013-14 it was conducted from 28th October, 2013 to 2nd November, 2013 with active participation from all employees and other stake holders and a special edition of the newsletter titled “Chaitanya” was also published on this occasion.

Anti-competitive behaviour:

NRL has endeavoured to move beyond ensuring mere compliance to legal provisions and statutes. Promoting ethical behaviour among employees is ingrained in the Company’s culture and pursued without any tolerance. Any deviations from ethical conduct are dealt with sternly by the Company’s management. Job rotation, particularly for executives at identified sensitive posts is a measure aimed towards promoting ethical conduct. No instances of anti-competitive behaviour, anti-trust and monopoly practices are reported during the year 2013-14.

Other initiatives:

As part of its constant endeavour towards ensuring transparency and improvement in systems, NRL has launched an online Bill Tracking System, ‘TRACKONE’. Under this the suppliers, contractors and service providers for NRL can view status of their submitted bills online without the need for visiting offices or meeting officials.

With regard to the recruitment process, a web portal application called as “eNiyukti” has been implemented through the Company’s website. Implementation of this portal has not only enhanced transparency but also reduced resource requirements for the recruitment process.

The company before starting any major new ventures, it will exercise public hearings organised in the presence of district authorities to sensitise the general public about important aspects pertaining to the project and dispelling apprehensions through adequate representations. Such initiatives have facilitated smooth implementation of major projects such as the Motor Spirit project and the Wax project.

CREATING A SUSTAINABLE ORGANISATION

NRL's leadership constantly endeavours to foster a sustainable organisation beyond the triple bottom line of social, financial and environmental performance. The management culture is crafted for promoting ethical values and empowerment of senior executives to take decisions keeping in view NRL's long term objectives rather than short term considerations. A case in point is the exercise in 2012-13 related to handing over of Company's well established retail network to its holding company, BPCL.

SUBSTITUTING NAPHTHA WITH NATURAL GAS

NRL's senior leadership took the decision to start utilization of natural gas as fuel and feed in the refinery in lieu of costlier Naphtha. To support this, we made a strategic investment in DNP Limited, the company which had implemented a natural gas pipeline from Duliajan in Upper Assam to Numaligarh. Implementation of the gas pipeline project has enabled utilisation of natural gas at the refinery since 2011. This endeavour has resulted in multiple benefits. Firstly, it has enabled NRL to achieve the highest distillate yield among all PSU oil refineries in the country. NRL's distillate yield has risen from 85% in 2010-11 to over 91% in 2011-12 and 2012-13. During 2013-14, distillate yield was as high as 92%. Secondly, it has resulted in substantial savings by enabling export of surplus fuel grade Naphtha (Rs. 294 crores in 2011-12, Rs. 363 crores in 2012-13 and Rs. 431 crores in 2013-14). Thirdly, it has reduced greenhouse gas emission by an estimated 44 TMT per annum, a small yet significant contribution towards a sustainable future.

After venturing into retail marketing, NRL had painstakingly developed a network of 108 Retail Outlets in different parts of the country, with focus in the North East Region. Within this region, with barely 6% of the total number of Retail Outlets, NRL secured 13% market share, a testimony to wide scale popularity and customer devotion to the Company's brand. NRL's per-pump-throughput had all along been significantly higher than Industry average. The Company's Retail Outlet at Jorahat near Guwahati was the highest selling outlet among all oil companies in the entire Eastern and North Eastern India.

NRL was not covered under the Government's compensation scheme for retail under-recoveries and because of this the under-recoveries reached unsustainable levels, during 2012-13 due to increase in international oil prices. It was decided by the board to hand over company's retail network to BPCL to help sustain NRL. This decision was taken after due deliberations among senior leadership. Consequent to that exercise, the Company has been relieved of retail under-recoveries in the range of Rs. 164 crores (2011-12 figure) annually. Apart from this, benefits started to accrue from incidence of lower taxes on crude oil due to routing of BPCL's share of upstream crude oil discount through NRL. This was, in fact, a win-win situation for both NRL and its holding company.

STAKEHOLDER ENGAGEMENT

NRL maintains close ties with its stakeholders and aims to integrate them into its business. With this approach, we promote the objective of inclusive growth which is essential for our business as well as beneficial for our stakeholders who play a vital role in our success. Stakeholder engagement is integral to our business strategy.

Following on from our previous year's process, we continue to engage with our key stakeholders.

NRL top management and senior employees are constantly engaged to understand if any new stakeholder needs to be added in our priority list. Our organisation follows a structured engagement mechanism which ensures systematic interaction with our stakeholders using diverse modes of engagement such as one to one meetings, annual general meetings, press releases, trainings, group discussions, surveys, and grievance redress mechanism. Regular engagement with the stakeholders helps us identify material issues that concern them and also impact our business. We have also developed dynamic systems that support meeting the changing expectations of our stakeholders. It is our endeavour to continually improve our stakeholder engagement mechanism and enhance stakeholder participation in the process.

The figure below highlights some of the modes used to engage and interact with our stakeholders.


25TH NATIONAL ROAD SAFETY
WEEK OBSERVATION
Stakeholder
Engagement


MODES OF ENGAGEMENT WITH STAKEHOLDERS
Performance Appraisal
Memorandum of Understanding
Annual General Meeting
Periodic Meets
Community Discussions
Annual Reports, Press Releases
Trainings, Conferences, Workshops

STAKEHOLDER GROUP	MEANS AND FREQUENCY OF ENGAGEMENT	KEY MATERIAL ISSUES IDENTIFIED
Shareholders and Investors	Annual General Meetings Annual reports and regulatory filings Press releases Periodic Investor meets	Economic performance Ethical operations New ventures and major projects Crude oil prices Compliance
Business and JV partners	Corporate presentations Annual reports Business review meetings	Business performance Future project plans and company strategy Market acquisition
Government and regulatory authorities	Memorandum of Understanding - Goal setting and Communicating progress Meetings on ministry directives and policy development Annual reports and regulatory filings Inspections and Audits	Annual performance planning Regulatory compliance and reporting Anti-corruption practices Safety and security Readdress public grievances Payment to exchequers for state development
Employees	Annual Performance Review Trainings Health check-up Employee engagement activities, welfare schemes Meetings with unions Company website, intra-links, annual reports Employee recognition activities Employee surveys	Performance Appraisal Occupational Health and safety Skill development and training Work satisfaction
Customers	Customer oriented initiatives Product campaigns and road shows Customer satisfaction surveys Customer meets Company website Customer complaint redress RTI queries	Pricing, quality and safety of the products Timely and efficient complaint redress Timely delivery of products esp. for bulk consumers

STAKEHOLDER GROUP	MEANS AND FREQUENCY OF ENGAGEMENT	KEY MATERIAL ISSUES IDENTIFIED
Community	Community needs assessment Community development programs Health clinics Disaster management workshops Community visits by company representatives	Local employment Inclusive growth Safety awareness Health and Education Water scarcity
Industry associations	Industry meetings Joint implementation of industry wide initiatives Coordination for disaster management Facility visits	Setting and upgrading of standards Policy development for the sector Health and safety throughout operations and transportation
Suppliers	Contract and project review Facility inspection Business review meetings Vendor interaction meets	Timely payments Product quality and pricing Business performance Compliance to company directives and policies Local employment generation
Dealers and distributors	Distributor and dealer advisory panels One-on-one dealer meets Quarterly and annual review meetings Customer complaint escalation	Product and service quality Product demand Compliance with Company directives and policies Mitigation of environmental / community concerns Product availability Customer grievance redress
Contractors	Contract procedures Work review meetings Training Task de-brief meetings Health check-ups	Health risks like HIV/AIDS Worker payments Safety and security Skill development

With the help of above exercise, NRL identified the key concerns across its various stakeholders. The stakeholders concerns were further discussed by the NRL Senior Management at internal discussion forums. They were then categorised and divided into four categories with a scale of low to high, on the basis of their respective importance to the stakeholders and the company. The key material issues shortlisted through the materiality analysis are represented below.

Based on the above exercise, the NRL Senior Management arrived at the top sustainability priorities for the company. Key objectives taken into consideration while defining the objectives are: making refinery operation eco-friendly; increasing energy efficiency; increasing profitability and conserving resource. The process of identifying sustainability priorities is a continuous one and occurs at every important decision making.

Economic Performance

- Maximize capacity utilization of the refinery within the constraint of crude oil availability. Efforts are being made to schedule planned refinery shutdowns.

Operational Efficiency

- Maximize utilization of natural gas as fuel and feed to give multiple benefits:
- It reduces operating cost, thereby improves Gross Refining Margin.
- It contributes toward higher Distillate Yield.
- It reduces greenhouse gas emission.
- Pursue energy conservation initiatives with increased emphasis to reduce Specific Energy Consumption (SEC).

Water Scarcity

- Ensure zero discharge of effluents from the refinery and township to the outside environment through 100% reuse of treated effluents. This avoids fresh water from being contaminated.
- Other water conservation initiatives

Health, Safety and Emissions

- Monitoring of relevant refinery parameters on real-time basis;
- Persistent reduction in Sulphur emission
- Installation of double seal in tanks
- Implementation of VOC recovery system at the Effluent Treatment Plant
- Implementation of effective solid waste management system
- Maintenance of green-belt

Local Community Development

- Ensure increasingly effective implementation of CSR schemes, particularly in the area around 10 km radius of NRL and Marketing Terminal at Siliguri.
- Highest ever budget allocation of Rs. 7.62 crores has been provided for 2014-15 towards pursuing CSR and Sustainability activities.

ECONOMIC SUSTAINABILITY

FINANCIAL PERFORMANCE

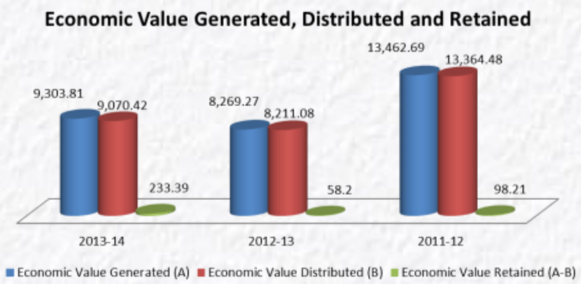
The year 2013-14 has been a milestone year for NRL. The profitability of the refinery has increased as compared to the previous year and we achieved "Excellent" MoU performance rating as against refining parameters, comprising crude throughput, distillate yield, specific energy consumption and production of Motor Spirit. NRL's crude throughput during this year was 2.613 MMT as against the previous year's figure of 2.478 MMT, an increase of 5.45%. The refinery also achieved an improved capacity utilization of 87.1% in 2013-14 compared to 82.6% in the previous year. The crude receipt during the year increased to 2.675 MMT from 2.448 MMT in the previous year. NRL's distillate yield continues to be the highest amongst PSU oil refineries in the country. During 2013-14, the refineries distillate yield at 92.16% was the highest ever achieved so far and exceeded the MOU 'Excellent' target of 90.00%.

During 2013-14, the company posted a sales turnover of INR 9,872.15 crores as compared to INR 8,752.88 crores in the previous year. This growth in sales turnover of 12.79% is accounted to higher production and sale quantities registered. Further the Profit before tax (PBT) and the Profit after tax (PAT) has also sharply increased by 114.05% and 157.24% respectively from the previous year's performance. The PBT has increased from INR 262.86 crores in 2012-13 to INR 562.65 crores in 2013-14 and the PAT has increased from INR 144.26 crores in 2012-13 to INR 371.09 crores in 2013-14. This increase in PBT and PAT is mainly due to the higher throughput and higher refining margins registered by the company. The Compound Annual Growth Rate (CAGR) for PAT thus stood at 24.27% as on 31st March, 2014.

PARTICULARS	UNITS	2013-14	2012-13	2011-12
Economic Value Generated (EVG)	INR Crores	9,303.81	8,269.27	13,462.69
Economic Value Distributed (EVD)	INR Crores	9,070.42	8,211.08	13,364.48
Operating costs	INR Crores	8,465.29	7,727.24	12,782.65
Employee wages & benefits	INR Crores	144.53	129.92	143.28
Payments to provider of capital	INR Crores	159.61	132.96	112.14
Payments to government	INR Crores	295.61	215.16	319.35
Community investments	INR Crores	5.38	5.80	7.05
Economic Value Retained (EVR)	INR Crores	233.39	58.20	98.21

FINANCIAL ASSISTANCE FROM THE GOVERNMENT OF INDIA

Like the previous years NRL has received the applicable North-East excise duty benefit from the Government of India.



RISKS & OPPURTUNITIES DUE TO CLIMATE CHANGE

NRL assets may be vulnerable to the induced climate and weather events in the North-Eastern region of India. This may result in increased risk to the safety and security of NRL assets and production down-time. In order to combat this risk the company has a well developed on-site and off -site Disaster Management Plans, which are periodically updated based on the feedback and experience gained. Further the Information & Communication Technology (ICT) at NRL is equipped with adequate redundancy, backup provisions and a remote Disaster Recovery arrangement. The server rooms of the company are equipped with clean agent (FM200) flooding system to mitigate any risk of major fire.

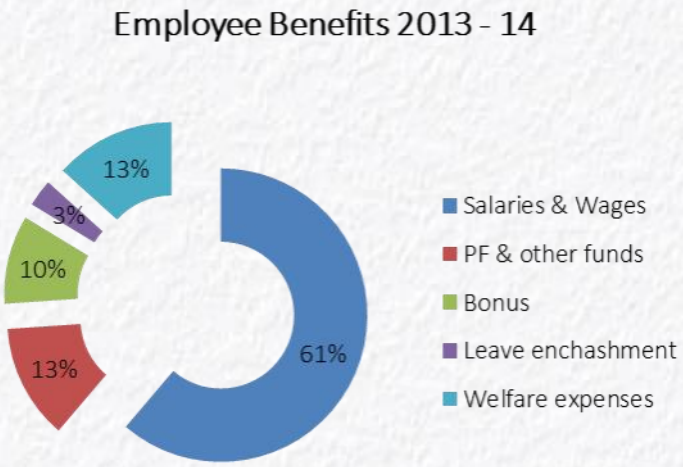
The company recognises climate change as one of the prime business and environmental issue and we give importance to issues concerning climate change. However, currently NRL has not evaluated the financial implication arising due to climate change. It is important for us that we understand various aspects of the problem to take well-informed measures. The company current emphasis on climate change is reflected through the multiple initiatives mediated towards energy conservation, pollution control, environmental protection and reduction in fuel loss.

We continue this year as well to carryout studies for estimation of Green House Gas (GHG) inventory and GHG footprint of our refinery. The quality and quantity of treated effluents, stack emission, ambient air quality and noise level are regularly monitored to ensure that the same are within permissible limits of latest applicable standards.

We have taken efforts focussing on tapping renewable energy and enhancing energy efficiency. NRL has replaced conventional lamps and street lights with energy efficient and solar powered lights in several places within its township. NRL has also initiated steps for installation of a 100 KWH solar PV panel on the rooftop of our administrative building which is expected to meet the entire power requirement of the building. Expanding our solar power initiative to benefit our community in our neighbourhood, NRL under the scheme called as 'Surya Jyoti' has installed solar PV panels in the nearby schools in an effort to reduce the carbon footprint.

BENEFITS TO EMPLOYEES

The permanent employees at NRL enjoy several benefit extends in the form of policies and schemes. The benefits provided to our employees include gratuity schemes, provident fund schemes, medical insurance coverage, support for employee higher education, scholarships for employee's children, and housing & vehicle loans at lower interest rates. This year we have spent a total of INR 144.53 crore towards employee wages and benefits as compared to INR 129.92 crore spent last year. The contractual workers of NRL are covered under the Employee's State Insurance (ESI) scheme of the Government of India.



Our average salary per employee is significantly higher than the minimum wage requirement mandated by the Government of India.

Gratuity: The employees are provided with a defined benefit gratuity plan managed by a trust. The contribution based upon actuarial valuation is paid to the trust which is invested with Life Insurance Corporation of India (LIC). Gratuity is paid to a staff member who has put in a minimum qualifying period of five years of continuous service on superannuation, resignation, termination or to his nominee on death.

Leave encashment: The employees are entitled to accumulate earned leave and sick leave, which can be availed during the service period. Employees are also allowed to encash the accumulated earned leave during the service period. Further, the accumulated earned leave and sick leave can be encashed by the employees on superannuation, resignation, and termination or by nominee on death.

Pension: The Company has a defined contribution pension plan managed by a trust. The contribution is the differential figure of 30% of basic + DA minus PF + gratuity + post retirement medical scheme and paid to the trust which is invested with LICI. Pension is paid to the Staff member who has put in a minimum qualifying period of 15 years of service on superannuation.

Other defined benefits: Benefits provided to the employees are generally as per industry standards and in conformity to guidelines issued by the Department of Public Enterprises (DPE). However, extra care is taken to ensure appropriate rewards from time to time, particularly in context of achievements related to safety, international certification, innovation and suggestions. All employees and their dependents are provided with medical benefits. Furniture-on-Hire is a scheme that permits purchase of furniture items across a wide spectrum by employees and owning the same after six years through the buy-back scheme. Vehicle and housing loans are provided to employees at nominal interest rates with minimal documentation. Educational support allowance is provided for children of employees. Further employees at NRL are eligible for additional incentives based on their performance. Apart from these there are other non-funded defined benefit obligations such as -

- Post-retirement medical scheme benefit to employees, spouse, dependent children and dependent parents
- Long Service Award
- Resettlement allowance paid to employees to permanently settle down at a place other than the location of last posting at the time of retirement

LOCAL HIRING AND PROCUREMENT

Being a Public Sector Undertaking (PSU) organisation of Government of India, we abide by statutory regulations governing employment practices and thereby encourage in giving equal opportunity to the entire eligible candidates from across the country. The vacancies in Group 'C' and 'D' posts are filled through notification to Local Employment Exchange; while recruitments in Group 'A' posts are made through advertisement on All India basis. The Director's and the Board level positions are filled through the Public Enterprise Selection Board (PESB). Further the other Management posts are filled by promotion of internal candidates and in case internal candidates are not available, positions are filled by fresh recruitment or deputation. There is no preference given to hiring senior management from the local community.

NRL procures materials from various locations as per the requirement. The materials are procured from an open market under the policy of 'Open Competition' by technically accepted bidders on a competitive basis. NRL being a PSU we abide by the procurement rules of Government of India. The organisation does not have any preference for any locally-based suppliers and follows the basic principle of technically acceptable goods and services procurable at the lowest prices. Additionally, we follow the Government of India's 'Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012', PSUs are mandatorily required to procure a minimum of 20% of total procurement of goods and services from Micro and Small Enterprises (MSEs) by 2015. During 2013-14, procurement of non-hydrocarbon goods and services amounted to INR 358.85 crores out of which total procurement from MSE's was INR 22.42 crores. The target set for the year towards procurement of goods and services from MSE's as percentage of total procurement of non hydrocarbon goods and services was 2.0% against which the actual performance was 6.25%. NRL's primary raw material, crude oil, is supplied by OIL and ONGC from domestic oil fields in the North Eastern Region. Natural gas is supplied by OIL. Equipment, spares, consumables, chemicals and catalysts are supplied by various vendors, mostly through the open tendering process with exceptions for proprietary nature of items or emergency procurements. Blend components for Motor Spirit production such as Reformate, Methyl Tertiary Butyl Ether (MTBE), Pyrolytic Gasoline (Py Gas) are procured from foreign and indigenous suppliers. Cordial relationship is maintained with suppliers and timely release of due payments are ensured.

NRL's supply chain comprises - sourcing of crude oil and other raw materials, their storage, refining, product storage, blending and dispatch of products from the refinery for sales. Uninterrupted flow of inputs and outputs are ensured through various means like adequate representations in Industry Crude Slate Meetings (CSMs), daily communication meetings and Supply Chain Optimisation (SCO) meetings. A comprehensive SCO report is generated on daily basis and circulated for information and needful actions of all concerned. This is an effective tool being utilised for optimisation of NRL's supply chain.

INDIRECT ECONOMIC IMPACTS

NRL has indeed made its responsibility towards Assam and the region's socio-economic development an inalienable part of its corporate philosophy. In FY 2013-14 NRL contributed INR 5.29 crores towards various social and economic development initiatives. We mainly focus on the capability development of the beneficiaries in various genres such as self employment, education, health, infrastructure and a multitude of social activities. From helping farmers with modern scientific methods of cultivation to providing students coaching for engineering and medical entrance examinations, NRL has been trying to uplift the local community.

NRL has not undertaken any formal exercise to study the indirect economic impact of our operations on the communities where we operate. However, NRL's influence on our stakeholders and on the communities where we operate goes beyond the immediate financial transactions with our stakeholders. For more information on the social & environmental initiatives by NRL, and on how these initiatives have created value addition to the local economies, please refer to the social section of the report.

ENVIRONMENTAL SUSTAINABILITY

MANAGEMENT APPROACH & PERFORMANCE

"Care for the environment is but a natural choice for NRL. We are situated in between the serene and sloping tea gardens, forestland with thick foliage with diverse animal population. The township for NRL residents has been constructed keeping in view that the natural topography of the area is not disturbed".

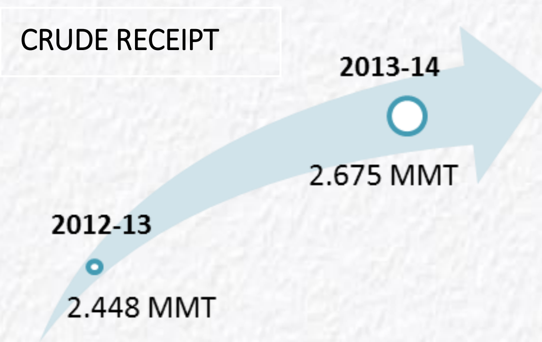
All the products at NRL are produced in-line with the BIS specifications and are marketed only after strict quality controls and hence no adverse impact is determined by the use of our products. The activities at NRL with respect to manufacturing, storage and marketing are assessed for environmental related risks by qualified auditors periodically and suitable remedial steps, as recommended by these audits are implemented. We have a well defined Environment Management System (EMS) under ISO 14001, OSHAS 18001 and International Safety Rating System (ISRS) Protocols. Under the EMS, NRL has been upgraded and certified against the latest version of the standard i.e., ISO 14001: 2004 replacing the earlier ISO 14001: 1996, which we earned immediately after getting commissioned. Further we also have a dedicated environment management cell is working continuously for improvement, monitoring, safeguarding and reporting of environmental issues of the refinery.

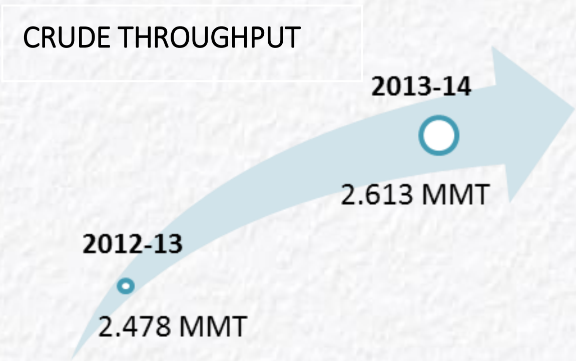
World Environment day is celebrated on 5th of June every year encompassing not only the employees but the people in the neighbourhood. Environment related issues are circulated regularly over the company Intranet. Environmental policy is displayed at many locations across the company operation sites.

At NRL, we have adopted safe & eco-friendly technologies, and follow sound design and engineering practices in order to protect the environment. We put greatest efforts year on year, to spread the awareness of environment protection in an extensive way. The awareness is created not only amongst its employees, but also amongst the masses that form the immediate neighbourhood of the refinery. Besides conducting programs for its employees on environmental issues, NRL also conducts programs and talks for the neighbouring villagers to educate them on environmental conservation issues.

MATERIALS MANAGEMENT

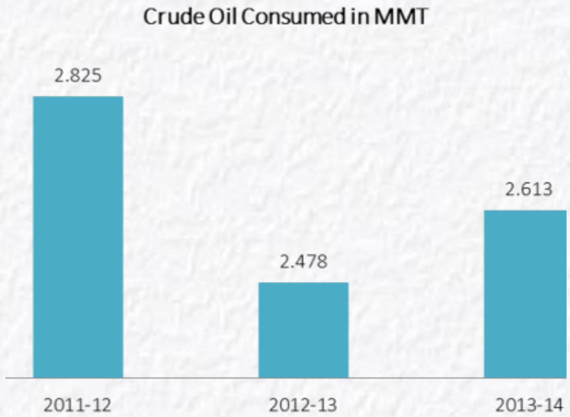
The refinery's distillate yield continues to be the highest amongst PSU oil refineries in the country. Both NRL's crude throughput and crude receipt during 2013-14 has increased by 5.5% and 9.3% respectively as compared to the previous year figures. NRL also registered its highest ever distillate yield of 92.16% and exceeded the MoU "Excellent" target of 90.0%. These output results are underlined by the fact that we have robust material management systems at place. We continuously strive to use the materials efficiently which also forms the fundamental economic principle of NRL.





MATERIALS CONSUMED	UNIT	FY 2013-14	FY 2012-13	FY 2011-12
Crude oil	MMT	2.613	2.478	2.825
MTBE, Reformate & Py Gas	MMT	0.056	0.049	0.021
Natural Gas *	MMT	0.0772	0.0125	-
HDPE bags	No of 50 kg bags	1,170,768	1,098,297	1,090,450
Associated Chemicals	MMT	0.0026	0.0031	-

The primary raw materials consumption at the refinery includes the crude oil, MTBE, Reformate & Py gas and Natural Gas apart from the HDPE bags used for packaging. During the year 2103-14, none of the major production materials used was taken from recycled input materials.



ENERGY MANAGEMENT

NRL is into the business of refining and marketing petroleum products. We are a part of industry which requires a considerable and a continuous supply of energy during its operations. The refining operation accounts to half of our total energy consumption. We serve in the industry sector of selling energy but we also end up becoming its important consumer. Thus, we are very well aware of our impact on the earth's climate, and hence make every effort to bring in improvement to our energy efficiency and conservation activities. We strongly believe that finding ways to use energy more efficiently can make a major contribution to moving the world onto a more sustainable energy path. Further emphasis is given to explore opportunities in green energy generation as well. Efforts are made by the company to make investments in renewable energy sources.

During the year 2013-14, we consumed 9.72 million GJ from combustion of primary energy sources as compared to 12.14 million GJ from the previous year, a decrease of 24.62%.

** Total quantity of Natural gas received during FY 2013-14 is 0.165 MMT. Of this 0.0772 MMT is consumed as raw material in Hydrogen Unit and the rest is converted to energy.*

We also generate electricity by the combustion of primary fuels at DG sets, gas turbines (GTs) and 12 MW steam turbine generators. During the year 2013-14, we generated 218.23 million kWh of electricity through the combustion of primary fuels. The primary energy sources at NRL include - diesel, LPG, FO, natural gas, naphtha, refinery gas and solid fuels. This year like the previous year, there was no indirect energy consumption as the energy demand for all our operations were met by the energy produced through primary energy sources itself. NRL's overall energy intensity for FY 2013-14 is 3.72 GJ/MT Crude Oil Processed as compared to last year's number of 4.89 GJ/MT Crude Oil Processed.

DIRECT ENERGY SOURCE	UNIT	2013-14	2012-13	2011-12
Diesel	GJ	4,621	2,000	12,673
Naphtha	GJ	12,191	350,000	324,931
Refinery Gas	GJ	3,385,679	6,840,000	7,104,778
PSA off-gas ex HGU*	GJ	1,290,225	-	-
Natural Gas	GJ	3,236,125	3,210,000	4,097,160
Solid fuels **	GJ	638,893	583,000	-
FO	GJ	1,158,826	1,130,000	1,169,967
Total Direct Energy Consumed	GJ	9,726,559	12,140,000	12,109,508
Grid electricity purchased	GJ	0.0	0.0	0.0
Total Energy Consumed	**GJ**	**9,726,559**	**12,140,000**	**12,109,508**

A perpetual endeavour of the NRL workforce relates to implementing schemes that lead to conservation of energy, to the extent possible. Such measures have contributed in maintaining operating costs under control over the years. During the year 2013-14, we were able to achieve a total energy saving of 123,755.0 GJ from the implementation of electricity and fuel efficiency projects.

NRL is at the verge of becoming the largest producer of wax in the country. Wax being a value added product, the project after commissioning is expected to improve NRL's gross refining margin. At the MS plant, the debottlenecking initiative has maximized the MS production confirming to Euro-IV specifications from surplus Naphtha. The value addition of the surplus Naphtha of the refinery will also help NRL in improving gross refining margin. Further NRL is implementing Flare Gas Recovery System to recover waste hydrocarbon gases going to flare for utilization in the refinery process heaters. This initiative will help cost reduction through improvement in Specific Energy Consumption

	UNIT	2013-14	2012-13	% CHANGE
Specific Electrical Energy	kWh / ton	87.98	90.68	2.98%
Specific Thermal Energy Con-	Million kCal / ton	0.50	0.54	7.41%

** Until 2012-13, the refinery gas comprised of refinery gas and PSA off-gas with one calorific value. From 2013-14 onwards as per industry practice both are accounted separately with different calorific value*

*** From FY 2012-13, the solid fuel used is included under refinery operation. Earlier it was accounted under non-refinery operation*

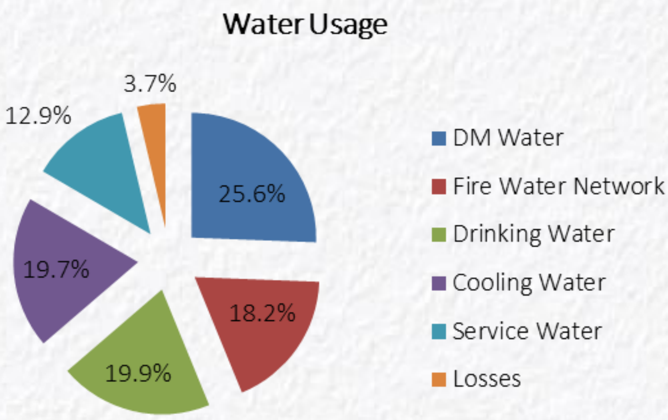
ENERGY SAVING INITIATIVE	ENERGY SAVING ACHIEVED (GJ)
Installation of hollow fiber reinforced plastic (FRP) blades in one of the CDU overhead Air fin coolers replacing metallic blades	156.0
Replacement of conventional lamps with energy efficient lamps by installing 28W T-5 lighting fixture replacing 40W tube fittings	144.0
Slop reprocessing as chamber quench in the Delayed Coker Unit (DCU). Actions have been initiated for reuse of slops generated in the DCU within the unit itself	5689.0
Steam Trap System Management for the entire refinery steam network has been done that involved repairing of flange/gland/pinhole/weld leakage and replacement of faulty steam traps. This has increased throughput of steam and related processes.	5419.0
Steam reduction achieved post modification in MSP	72,748.0
Implementation of magnetic resonator in Gas Turbine Generator-I (GTG-I) resulting in reduction of fuel consumption	21,393.0
Energy utilization from utilization of hot well gas	18,207.0
Total	**123,755.0**

WATER MANAGEMENT

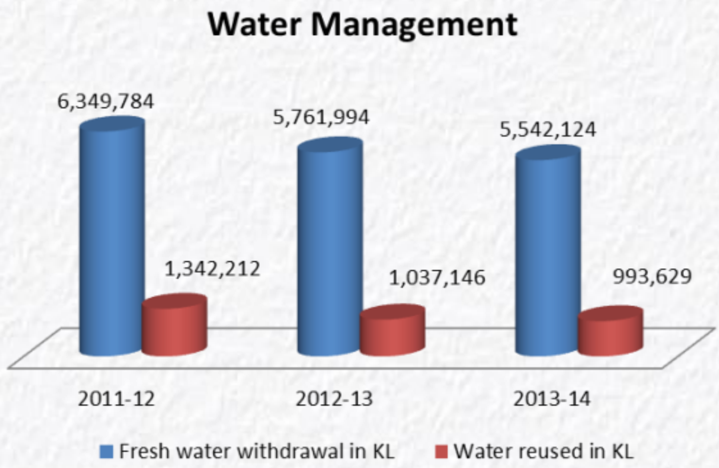
We are aware of our responsibility to conserve water resources, especially considering that oil and gas operations are water intensive. Most of NRL's water consumption occurs during processes related to refining. Water withdrawal at NRL is mainly from surface water resources. All the water used at our operations including the water meant for drinking purposes, is sourced from nearby Dhansiri River. The water withdrawal from the river is in complete adherence to the permits received by NRL. At present NRL has water withdrawal permission from Dhansiri River at 1200 m^3/hr and the present withdrawal is between 600 to 700 m^3/hr.

With constant efforts to reduce the water consumption at our operations, as well as 100% reuse, we were able to reduce the fresh water consumption as compared to previous year. In 2013-14, the total water withdrawal by the refinery was 5,542,124 KL as compared to previous year withdrawal of 5,761,994 kL of water, a decrease of 3.82%. This was possible mainly due to increased awareness, constant interaction with the employees and also because of closed monitoring of the consumption pattern. The water intensive operations at NRL includes

- DM water make-up,
- cooling tower water,
- service water,
- fire water make-up,
- drinking water



We continue to maintain 100% reuse of treated effluent since implementation of the reuse scheme in 2006. Treated water from the ETP is reused in gardening, fire water makeup and green development activities, among others. The storm water quality has been observed strictly on daily basis and testing is done as per the MINAS standard. Further NRL is implementing a storm water reservoir near storm drain outlet that will act as a retention sump, which will also help collect any emulsified oil from the top of water surface while releasing the clear water from the bottom of the reservoir in controlled way. This is part of the scheme for setting up of recycling plant for storm water and treated effluent.



BIODIVERSITY

NRL is nested in the sylvan environs of the Brahmaputra valley. The refinery is spread across an area of 750 acres. The Kaziranga National Park which is situated at a distance of 22.5 km from the boundary of NRL is a home to the one-horned Indian-Rhinoceros . Right from the inception of the refinery, conscious efforts have been made at every stage to preserve the environment and the bio-diversity, by complying with the statutory norms prescribed by the authorities concerned. We understand and realize the potential impacts from our operations on the biodiversity and ecosystem services. As part of management approach, we monitor the biodiversity impacts of our refinery operations at NRL throughout its life cycle. Further we also consult with relevant experts and agencies, and compile biodiversity or environment management plans. We also carry out impact assessment studies pertaining to flora and fauna for all the future upcoming projects. In order to keep a close watch on impacts of our operations on these biodiversity hotspots we carry out regular air quality and water quality studies. We have installed an ambient air quality monitoring system at the Kaziranga National Park. To avoid any adverse impact of the flare on animals in the Kaziranga National Park, NRL installed right in its commissioning stage, a non-illuminating ground flare, which was the first of its kind in the country.

A study was conducted on the habitats in and around 10km radius of the company. The objective of the study was to survey the existing flora and fauna, identify possible impact of various environmental and anthropogenic factors on them and to record rare, endangered habitat species.

Based on the study carried out, it was identified that certain areas around the NRL operation had adverse effects on the habitats, particularly the vegetation because of the vehicular pollution, anthropogenic activity and the soil erosion. However the study shows that despite of the above adverse factors, the plant diversity is rich in these area and most of the wild and domesticated plants exhibit normal to luxuriant growth. Further the study recorded the presence of *Aquilaria Agallocha* Roxb (Thymeliaceae) plants in the study boundary. These are considered as endemic and critically endangered in the North-East region. It is not found in natural forest but grown as a domesticated plant in some villages. The plant is heavily exploited for extracting two valuable aromatic products - Agar oil and Agar wood of commerce.

Further we are cognizant of any potential impact on biodiversity from our operations. Based on the assessment carried out, we also propose to formulate strategies to manage and mitigate any adverse impact from our operations, and we will start reporting on these aspects and our future plans to manage impacts on biodiversity in the coming years.

BIO-DIVERSITY CONSERVATION INITIATIVES

Green belt: The Refinery and its marketing terminal are surrounded by a green belt covering 60 hectares of land. The green belt apart from enhancing the greenery, it also renders a perfect natural barrier to the industrial noise and minor air pollutants from reaching the immediate surroundings, both human population and the rich flora and fauna.

Butterfly Park: Keeping environment as its prime concern, NRL envisaged an ambitious experimental project for the first time in the country. Under this we have set up a "Butterfly Eco system" in the township area which tries to give a natural habitat for butterflies to come, stay and breed in their natural way.

Smritibon: A unique herbal garden of rare medicinal plants has been developed in the Township. This garden is aptly called the garden of remembrance, a noble idea of commemorating the memories of beloved ones by planting herbal plants in their names.

RARE PLANTS IN THE STUDY AREA

Plant Name	Category of Use
Aquilaria agallocha	Perfume oil
Butea frondosa	Medicinal
Costus specisous	Medicinal
Croton tiglium	Medicinal
Dracaena angustifolia	Medicinal
Drosera sp	Medicinal
Euryyale ferox	Food
Flemingia strobilifera	Culture significance
Hodgsonia macrocarpa	Seed edible
Holarrhena antidoisantarica	Medicinal
Lasia spinosa	Vegetable
Oroxylum indicum	Medicinal
Pandanus odoratissimus	Culture significance
Piper longum	Medicinal
Rauwolfia serpentine	Medicinal
Plumbago rosea	Medicinal
Talauma hodgsonii	Timber
Smilex macrophylla	Medicinal
Terminalia arjuna	Medicinal
Tinospora cordifolia	Medicinal
Wedelia calendulaceae	Medicinal
Gnetum gnemon	Vegetable

Ambient air monitoring: NRL has set up one monitoring location at Kaziranga National Park besides having monitoring locations in and around the vicinity of the Refinery. This initiative is taken to ensure that the natural habitat and the wild animals of Kaziranga National Park should not be affected in any way.

Unique ground flare system: NRL is one of the firsts in the country to install a non-illuminating ground flare system. This was incorporated in order to avoid any adverse impact of the flare on animals in the Kaziranga National Park.

GHG EMISSIONS

NRL is aware of the growing focus on reducing emissions of substances that have a strong warming effect on the climate. We are working to better understand our emissions from our operations and the potential for further reductions. We have systems in place to measure the quantum of emissions from our operations. Based on these results obtained, we plan year on year, to upgrade our processes and techniques to minimise the emissions. Waste management is considered as an important aspect for the company and its stakeholders.

We continue to estimate the GHG emissions and footprint of our refinery as per the ISO 14064:2006, which are the latest international standard specifying principles and requirements at the organisation level for quantification and reporting of GHG emissions and removals. During 2013 -14, GHG emissions from our refinery operations accounted for 0.643 million tCO_2e with GHG footprint standing at 0.246 tCO_2e/MT crude processed. The GHG sink are also accounted from the development of greenbelt across 60 hectares area within the refinery. During the year FY 2013-14, carbon sink of 1,470.15 tCO_2e has been achieved by NRL. Further the company in the pursuit of 'Clean Development Mechanism' (CDM) projects had also commissioned a 12 MW Steam Turbine Generator in February 2010 for generating electricity utilizing surplus steam in the refinery. The project was also registered with United Nations Framework Convention on Climate Change (UNFCCC) as a CDM project. An estimated carbon credit's of 6,741 tCO_2e has been quantified from the project activity.

The company in order to reduce its carbon foot-print has shifted its focus to exploring the renewable energy. During 2013-14, although no major investments were done by the company under the renewable energy, there were several initiatives taken up which were eventually completed during the course of time. NRL has installed a 20 KW solar power panel at Delhi Public School (DPS), Numaligarh in order to reduce consumption of power from conventional sources. Also under its CSR project 'Surya Jyoti', NRL has installed solar PV panels of 2 kW capacity each at 7 schools in the vicinity of the refinery. A total of 1480 nos of beneficiaries were benefited by this initiative. Within the refinery township, we have replaced 32 nos of existing 150W high pressure sodium vapour bulbs with 60W LED bulbs. Further implementation of a project for installation of 100kW solar PV panel at the refinery is under progress. Also we have planned to increase the solar LED lighting within the refinery and installation of solar concentrators in the refinery canteen.

PLANT SPECIES RECORDED IN THE SURVEY AREA

Plant types	Total No.
Trees	75
Shrubs	45
Herbs	145
Bamboo	6
Canes	5
Climbers	36
Lianas	4
Creepers	5
Vines	3
Epiphytes	8
Palms	4
Orchids	6
Aquatic & Semi aquatic plants	20
Pteridophytes	6
Lichens	11
Higher fungi	3

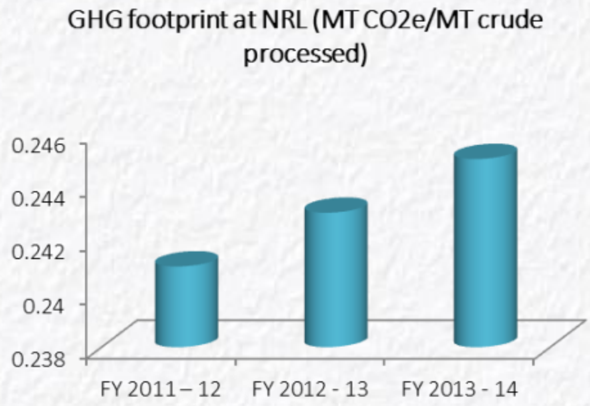
At NRL, combustion of direct energy sources and vehicles transportation forms a major part of its air emissions. SOx, NOx, Carbon Monoxide (CO) and Particulate Matter (PM) are regularly monitored to ensure that the same are within permissible limits of latest applicable standards.

GHG INVENTORY DURING FY 2013 - 14 IN MILLION TCO_2e

A	Scope 1 GHG emissions	0.6355
B	Scope 2 GHG emissions	0.0
C	Scope 3 GHG emissions *	0.0073
D	GHG sink	0.0014
GHG inventory (A+B+C-D)		0.643

GHG Footprint at NRL			
	FY 2013 - 14	FY 2012 - 13	FY 2011 - 12
GHG inventory (Million MT CO_2e/Yr)	0.643	0.603	0.681
Actual crude processed (MMT/Yr)	2.613	2.478	2.825
GHG footprint at NRL (MT CO_2e/MT crude processed)	0.246	0.243	0.241

The air emissions are accounted from all the 11 stacks across the refinery.



We also produce environmental friendly fuels complying with National and International standards to minimize vehicular emissions. The use of low sulphur fuel has contributed to reduced pollution from vehicles due to the lower Sulphur dioxide emission. To cater to the future needs of high quality environment friendly fuel NRL has started exploring suitable technology for production of Euro- V fuel along with 100% Euro-IV HSD.

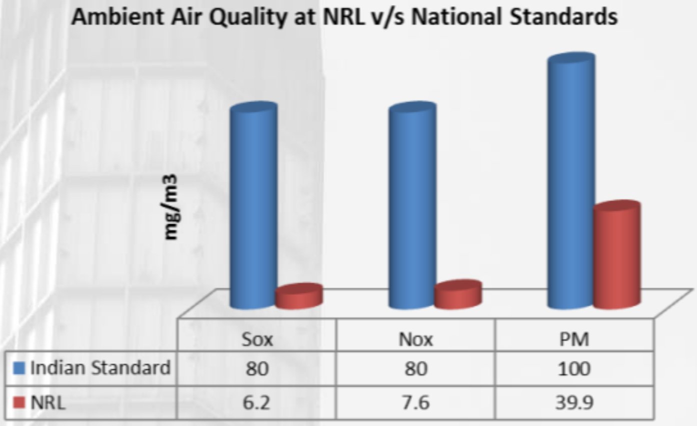
All the furnace stacks are provided with facilities for continuous monitoring of SOx and NOx along with CO and PM also in some stacks. In order to reduce the ground level concentration of the pollutants all the stack heights have been kept between 60 – 77 meters. NRL is implementing Flue Gas Treating Unit to recover SO2 from incinerator flue gas with an objective to improve the sulphur recovery efficiency from the Sulphur Recovery Block (SRB) from the existing 97% to 99.9%. This initiative is developed jointly by M/s. Indian Institute of Petroleum (IIP) and M/s. EIL.

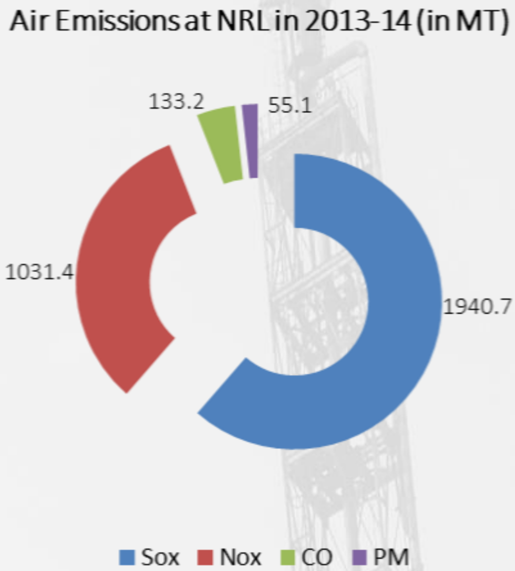
In an effort towards controlling fugitive emission and vapour loss, phase wise installation of double seals in crude and product floating roof tanks is in progress. Fugitive emission survey for detecting and rectifying minor leaks from valve glands and flanges is being carried out on regular basis throughout the year by using Gas Measuring Instruments (GMIs).

ODS GAS CONSUMPTION			
	Units	FY 2013 - 14	FY 2012 - 13
R – 22	Kgs	1037	488
Ozone Depleting Potential	CFC-11 equivalent	57.03	26.84

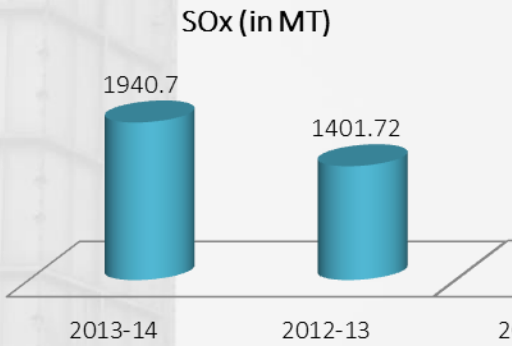
** Includes emission from vehicles hired for local transportation and product transportation. Emission factors used are CO2: 74.1 MT/TJ, CH4: 0.003 tons/TJ, N20: 0.0006 tons/TJ*

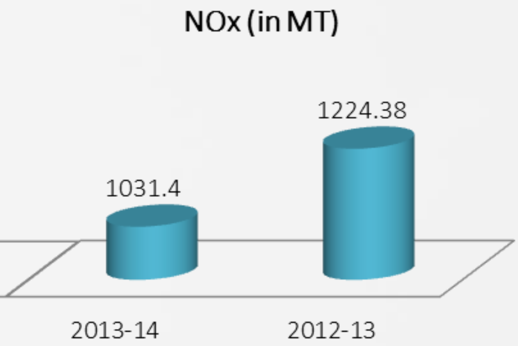
GRAPHS SHOWING DIFFERENT AIR EMISSIONS AT NRL

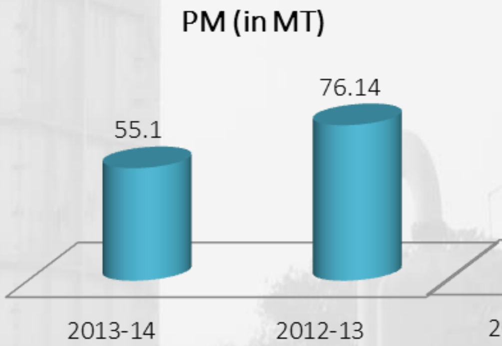


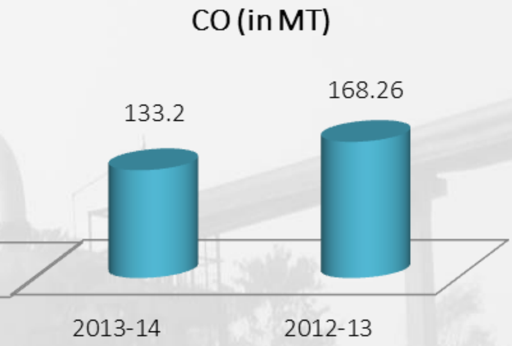


	Units	FY 2013-14	FY 2012-13	FY 2011-12
Volume of flared hydrocarbon	MT	1713	4748	7840









WASTE MANAGEMENT

Hazardous oily waste are disposed off as per Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008. Installation of additional Secured Landfill Facility (SLF) as per CPCB guidelines is nearing completion. Bio remediation of around 1000 MT tank bottom sludge has been completed by applying "Oilzapper" developed by ONGC-TERI Biotech Limited (OTBL).

The non-hazardous wastes generated at NRL are disposed in the solid waste management yards. The non-hazardous wastes include paper, cartons, canteen waste, and other solid wastes. During the FY 2013-14, the total non-hazardous waste generated was 1,100 m^3. The wastes such as paper and cartons generated are incinerated while other solid wastes are disposed through a secured landfill. The canteen waste is disposed by the means of its usage in the biogas plant.

TYPE OF WASTE	DISPOSAL METHOD	UNIT	2013 – 14	2012 – 13	2011 – 12
HAZARDOUS WASTE					
Spent catalyst	Sold to CPCB approved recyclers	MT	Nil	47.14	46
Tank bottom waste	Disposed off through bio remediation by applying oil zapper in the bio-remediation site located inside the refinery	MT	1000	480	250
Oily sludge	Disposed off in secured landfill facility inside the refinery	MT	36.1	118.9	86.9
Battery Waste	Disposed off through registered recyclers	MT	0.729	-	18.415

Disposal of our waste is done through certified vendors having authorization from Pollution Control Board.

We take utmost care so that product could be transported with zero spillage During the year 2013-14, there was no any reportable oil spillage in the refinery operation . To tackle any oil spillage a well defined On-site Emergency Management Plan is there. The contaminated oil from various units and tank farm area shall be routed through Contaminated Rain Water System (CRWS) to ETP. If there is any spilled oil carryover to Strom drain, the same shall be collected in the oil catchers installed at the storm drains. The oil is then collected with the help of Gully Sucker (Mobile Oil Spillage Recovery Unit). In addition to Gulley Sucker, we also have petroleum product clean up kit for small spillage. This kit consists of oil absorbent long and mini booms, oil absorbent granular particles. Further there were no fines or non-monetary sanctions received by NRL in the reporting period, for noncompliance with environmental laws and regulations.

ENVIRONMENTAL EXPENDITURE

Environmental expenditure includes the water disposal & treatment costs, air emission treatment costs, EMS certification costs, cleaner technologies, R&D, water cess, consent fee among others. During the year 2013-14, NRL spent a total of INR 16.32 Crores as expenditure towards environmental management as compared to INR 19.14 Crores for the previous year 2012-13*

** The environmental expenditure reported for the FY 2012-13 has been corrected from the value given in the earlier report.*

SOCIAL SUSTAINABILITY

OUR WORKFORCE

We continuously endeavour to build competencies in our employees to help them attain brilliance in every spheres of life. We understand that excellent individuals make excellent companies and that by transforming employee into a highly motivated and inspired team member an organisation with outstanding performance could be created. We operate in an environment of trust, transparency and total team work, which encourages innovative thinking. It has been a constant pursuit to create a workplace that fosters professional as well as personal growth of each employee.

Employees at NRL are considered our greatest asset. The credit to all the NRL's achievements rests on the shoulders of our employees. The workforce at NRL is energetic, motivated and a perfect blend of youth and experience. The average age of the employees at NRL is 40 years. In the financial year 2013-14, the manpower at NRL stood at 864 employees comprising of 433 management and 431 non-management staff. We have 43 female employees as compared to 41 female employees from the previous financial year. Further we also employed contract labour for various operations. This is done through tendering process as per the government's rules and regulations. As on 31/03/2014, we employed 2,866 number of contract labour comprising of 2,579 males and 287 females.

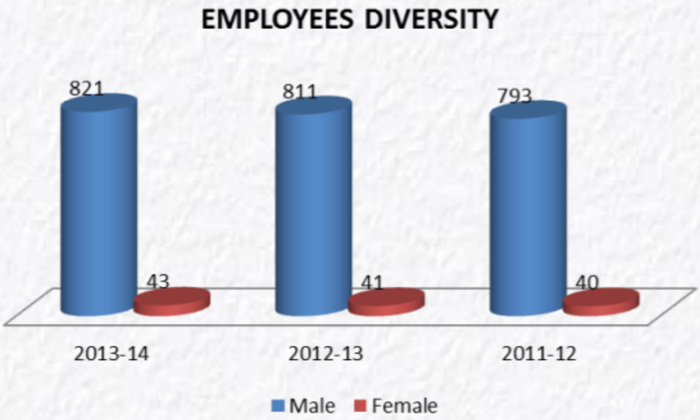
At NRL, we do not have paternity leave policy. The women employees are entitled for maternity leave with a maximum leave limit of 135 days. During the year 2013-14, all of the women employees who availed maternity leave returned to work following their leaves.

MANAGEMENT EMPLOYEES							
	Gender	FY 2013-14		FY 2012-13		FY 2011-12	
Senior Management	Male	79	81	72	72	47	47
	Female	2		0		0	
Middle Management	Male	291	323	292	324	318	349
	Female	32		32		31	
Junior Management	Male	28	29	23	24	3	3
	Female	1		1		0	
NON-MANAGEMENT EMPLOYEES							
	Gender	FY 2013-14		FY 2012-13		FY 2011-12	
Technical Staff	Male	391	398	393	400	397	405
	Female	7		7		8	
Non-technical Staff	Male	32	33	31	32	28	29
	Female	1		1		1	
CONTRACT EMPLOYEES							
On Contract	Male	2,579	2,866	2,580	2,867	Data not reported	
	Female	287		287		Data not reported	

DIVERSITY AND EQUAL OPPORTUNITY

We encourage diversity at our workforce in order to promote the creation of a work environment which allows our employees to achieve their full potential and encourage them towards achieving ambitious goals. Being a public sector enterprise, NRL refers to GOI guidelines for maintaining adequate number of women employees, employees from minority groups as well as physically handicapped employees.

During the financial year 2013-14, we had staff strength of 43 women employees, 46 belonging to minority communities and 13 under differently-abled category. A gender friendly work environment is always maintained at NRL. In order to promote the same, we also have measures implemented to provide equal opportunity for male and female employees. We are a gender neutral company and do not encourage any discrimination on the compensation provided to our employees based on the gender.



WORKFORCE REPRESENTING GOVERNANCE BODY						
	FY 2013-14		FY 2012-13		FY 2011-12	
	Total Employees	Employees in Governance Bodies *	Total Employees	Employees in Governance Bodies	Total Employees	Employees in Governance Bodies
Gender						
Female	43	0	41	0	41	0
Male	821	33	804	30	800	28
Age Group						
< 30 years	105	0	129	0	152	0
30-50 years	692	10	656	9	627	6
> 50 years	67	23	67	21	54	22
Minorities						
	46	1	44	1	44	1

** Governance body includes the members of the committee & board responsible for the strategic guidance of the organization.*

MANAGEMENT – WORKERS RELATIONSHIP

The Corporate Communication department at NRL plays an important role in keeping our workforce united. The key agenda of the department is to keep the employees posted on the significant developments within the organization. The department also continuously explores more and more communication channels to make the interaction between the management and the employees stronger.

Sustenance of cordial relationship between management and employees has enabled the Company to avoid industrial unrests over the years and maintain relatively low attrition rate. Job rotation is practiced at NRL in order to keep the employees enthused and also to diversify their experience profile. NRL's HR policies are focused towards recruiting talented employees and facilitating their integration into the Company's culture through encouragement of individual skills.

During 2013-14, the attrition was limited to 10 employees, while we recruited 21 new employees comprising of 19 males and 2 females. The employees at NRL enjoy a sense of freedom in the decision making process. The top level executives are easily accessible for one-to-one discussions. During the FY 2013-14, all non management employees of NRL are covered under the collective bargaining agreements by the company. We have two workers unions namely Numaligarh refinery Employees Union (NREU) and Petroleum Refiners Union (PRUN). All the workers are members of either of these two unions. We have Numaligarh Refinery Ltd. Officers Association (NRLOA) of which all the management employees of the refinery are the members. NRL adheres to Industrial Disputes Act, 1947 for providing any notice prior to the implementation of significant operational changes. In case of disputes cases are referred under relevant clauses of Industrial Disputes Act 1947. Any notice of change is served under Section 9 A of ID Act, 1947 where notice period is 30 days.

WORKFORCE ENGAGEMENT

- Continual increase in developmental training
- Conducting leadership development programmes for developing critical mass of leaders
- Training to non-management staff for multi-skilling and skill development
- Development of Career Succession Plan for executives
- Specific training on Project Management
- Training on Risk Management
- Competency Mapping for executives
- Manpower rationalisation through job enrichment
- Mentorship Development Programme
- Administration of suggestion scheme
- Administration of Social Security Schemes like group insurance scheme, group accident coverage scheme, benevolent scheme, voluntary provident fund scheme.

EMPLOYEE TURNOVER AT NRL

	FY 2013-14	FY 2012-13	FY 2011-12
Gender			
Female	0	1	1
Male	9	8	9
Age Group			
< 30 years	4	5	5
30-50 years	2	3	1
> 50 years	3	1	4

EMPLOYEE HIRES			
	FY 2013-14	FY 2012-13	FY 2011-12
Gender			
Female	2	1	4
Male	19	20	9
Age Group			
< 30 years	17	14	9
30-50 years	4	7	4
> 50 years	0	0	0

HEALTH & SAFETY at OUR WORKPLACE

We consider Health, Safety and Environmental aspects to be an integral part of our business planning and operation process. We will comply with all Statutory Regulations and may even go beyond these for the benefit of our environment. Together, we have the highest concern and commitment for protecting the health and Safety of all employees, contractors, customers and the communities in which we operate and for conservation of the Environment. We strive for continual improvement in our HSE performance through dedicated efforts. In 2013-14, NRL faced a pertinent challenge in the form of fire accident which occurred on 31/05/2013 because of equipment failure in primary processing unit. Despite of the accident we were able to achieve no loss time accident (LTA). In order to minimize the production loss due to refinery shutdown, the management rescheduled the 30 days shutdown period which was planned in the third quarter and was preponed to first quarter. This initiative by NRL ensured we achieved the MoU target and improved the profitability of the year.

EMPLOYEE WELLBEING INITIATIVES

- Implementation of system for management of talents through job rotation, long service award scheme, sponsoring executives for advanced management programmes
- Administration of Grievance Redressal System
- Organising camps on stress reduction, promotion of better living
- Conducting Employee Satisfaction Survey through independent external agency
- Organising structured meetings with employees' representatives

We have also set up six Area Safety Committees at NRL where the proportion of management to workforce membership and participation is 1:1. As on 31st March, 2014, the refinery achieved 22.45 million LTA free man-hours (12 years, 1 month). During 2013-14, safety training was imparted for a total of 1,004 man days comprising 397 employees, 224 CISF and security personnel and 383 POL drivers. Besides, 100% of the workers engaged by contractors, totalling 5,168, were imparted safety training. Eight safety awareness camps were organized during the year in neighbourhood of the refinery for educating people on various fire and safety aspects. This was in addition to 12 safety awareness programmes which were organized in the process units of the refinery and marketing terminals.

The Road Safety Week, National Safety Week and Fire Service Fortnight were observed during the year with active involvement of employees, CISF, security staff, contractors and their workers, nearby public and school students. Civil defence personnel were also involved in the programmes. NRL rehearses its fire and safety preparedness by conducting mock drills on minor fire, major fire, onsite disaster and off site disaster on periodic basis. During the year 2013-14, 20 mock drills were carried out comprising one off site emergency, two onsite emergency, four major fire/emergency and 13 minor fire mock drills. The drills were carried out associating district authorities, local public and media apart from employees of the organization.

HEALTH AWARENESS & PREVENTION FOR OUR WORFORCE				
Program Recipients	Education / Training	Counselling	Prevention / Risk Control	Treatment
Workers	Yes	Yes	Yes	Yes
Workers families	Yes	Yes	Yes	Yes
Community members	Yes	Yes	Yes	Yes

During 2013-14, periodic health checkups were conducted on 628 employees and 272 contract workers against corresponding figures of 471 and 158 during the previous year. No occupational health disease has been detected so far. With respect to the injuries, there were 109 near miss cases and 5 minor injuries reported during 2013-14 which includes both the permanent and the contractual employees. There was 1 number of Tier I and 22 numbers of Tier II incidents reported during the year 2013-14. The investigation committee headed by the Director-Technical shall review the same on quarterly basis during the joint safety committee meetings. There are no other lost days, absenteeism or work related fatalities reported during the year.

The medical centre inside the refinery serves as NRL's Occupational Health department. The Department is well equipped with diagnostic and treatment facilities. The Department also organizes awareness camps on safety and health in villages surrounding the refinery. Among other activities, the department conducted thermal fogging operations using eco-friendly chemicals inside the township, CISF barrack and railway quarters at Numaligarh as a preventive measure against malaria, encephalitis and other insect born diseases.

EMPLOYEES TRAINING & DEVELOPMENT

At NRL, we are committed to provide continuous training and development to our employees to help them garner new knowledge and skills in their areas of specialization. While we sponsor our employees to attend various training programs in specialized institutes in the country, the Learning Centre located inside the refinery premises acts as a learning ground for the employees. The employees training and development at NRL is devised on need basic in different spheres of working requirement. These initiatives are taken in order to bring in overall workforce development.

Over 2,045 man-days of training was dedicated during the year 2013-14 as compared to 1,748 man-days in 2012-13, an increase of 17%.

EDUCATION PROFILE – NRL WORKFORCE

40% Engineers & MCA

49% Technical Diploma / B.Sc

4% MBA / LLB / CA / ICWA

7% Others

TRAINING DATA							
EMPLOYEE LEVEL	Gender	FY 2013-14		FY 2012-13		FY 2011-12	
		Total training hours	Average training hours	Total training hours	Average training hours	Total training hours	Average training hours
Senior Management	Male	440	23	336	21	480	32
	Female	0	0	0	0	0	0
Middle Management	Male	3248	24	2948	24	3552	34
	Female	144	24	40	13	56	19
Junior Management	Male	8872	38	5472	23	8096	34
	Female	760	32	648	32	848	37
Non-Management	Male	3008	7	2760	7	3376	8
	Female	0	0	0	0	0	0

The Training Department at NRL oversees the effectiveness of training and development programmes imparted to the employees. The training courses at NRL are imparted under 2 different heads namely - Functional training & Developmental training. The functional training programs are devised to impart training covering refinery operations, safety, quality control, health & hygiene etc., while the Developmental training program includes leadership development, communication & presentation skills, competency mapping, team building programs etc. During the year 2013-14, a total of 45 internal training programs were conducted to our employees as compared to 39 in the previous year. In the FY 2013 – 14, NRL has achieved a total training hours and overall average training hours of 16,472 hours and 15.0 hours respectively.

With a vision to develop our workforce skills to handle the upcoming wax plant, we imparted training to 35 employees in foreign countries. The employees who have underwent these external trainings delivered presentations to share their experiences and knowledge acquired to other employees. In the year 2013-14, about 47 employees at NRL have received degree on Masters of Business Administration (MBA) under the aegis of the Guwahati University with study centre at Numaligarh. We believe that this further promotes employee satisfaction and skills.

In order to rate the executives under the Performance Management System (PMS), we have adopted the "Bell Curve Approach". This is devised to ensure proper recognition and also to promote a sense of competitiveness and innovation among our employees. In addition, Performance Related Pay (PRP) for executives is linked to the PMS. During the year 2013-14, all of our employees (100%) received performance and career development reviews.

HUMAN RIGHTS

NRL has always been a firm supporter and propagator of human rights for all. All our operations are in accordance to the laws laid down by the Constitution of India, pertaining to human rights and fundamental rights of the individual. Everyone associated with NRL are required to respect the human rights of others. We forbid any discrimination based on race, gender, religion, physical capability, age or other reason. We have systems in place to prevent any act that could be interpreted as discriminatory. We have management systems across our value chain to uphold human rights of the people and ensure that our business is ethically conducted.

INVESTMENT & PROCUREMENT PRACTICES

All investments, contractual agreements and tenders (100%) executed with NRL are governed by number of labour laws like the Factories act, 1948, The Contract labour (Regulation & abolition) Act, 1970, The ESI Act, 1948, The EPF & MP Act, 1952 and The Minimum Wages Act, 1948. This ensures that we address all the issues of human rights including gender equality, child labour, forced labour and requirement of minimum wages etc. The contractors must fulfill and comply with human rights and regulations and need to submit copies of the same wherever necessary before the start of the work. All the vendors, suppliers and contractors who do business with NRL have to sign an agreement which has a clause on "compliance of regulations" which requires adherence to labour laws. Further the Engineer-in-charge from NRL in co-ordination with the HR department shall screen and monitor all the agreement and contracts for conformity with the statutory provisions.

WORKERS GREIVANCE MECHANSIM

We have robust mechanism in place to help employees register their grievances and also addressing them in a transparent manner. The formal 'Whistleblower Policy' is in place which is duly approved by the Board of Directors. Anybody can register their grievances using this policy and be assured of due corrective action in a justifiable manner. The Company also follows directive of the GOI regarding prevention of sexual harassment of women employees at workplace. Our commitment is underlined by the fact that there have been no grievances related to human rights filed in the FY 2013-14.

Further all the contract labour associated with NRL can register their grievances as well pertaining to issues of human rights, employee rights and ethics. These are attended through bilateral discussions between the management and the unions representing the contract workers.

RESPECTING THE INTERNATIONALLY PROCLAIMED HUMAN RIGHTS

NRL strives to achieve that internationally-proclaimed human rights are never violated during the course of our business operations. We emphasise to ensure safe working conditions for our employees and contractors and believe in investing in state-of-the-art technologies that improve safety. During the FY 2013-14, there were no negative impact or effect on the rights of the indigenous people or the community from NRL operations. Moreover, we ensure that all our upcoming projects undergo social impact assessment studies to assess any impact on these communities.

FORCED AND COMPULSORY LABOUR

NRL does not support forced or compulsory labour of any form and adheres stringently to all labour laws of the country. Proper systems and procedures have been put in place to ensure payment of minimum wages and other benefits are provided under various laws to the contractual labour. During the reporting year, no incident of forced or compulsory labour has been reported.

CHILD LABOUR

NRL promotes abolition of child labour and adhere to the Government of India law on child labour (Prohibition and Regulation) Act 1986. NRL ensures that all workers (permanent and contractual) attains the minimum age of 18 years for serving NRL. To ensure the above, we check relevant certificates of those working at our plant locations. Additionally, our security personnel have also been instructed that no person under the age of 18 should be allowed inside the plant for any employment-related purpose.

ELIMINATING DISCRIMINATION AT THE TIME OF EMPLOYMENT

NRL is an equal opportunity employer and its policies are aimed towards ensuring equal opportunities being provided to all citizens with no discrimination whatsoever. The recruitment policies at NRL are as per the Presidential Directives and Government of India legislations. We do not encourage discrimination in the recruitment process. This is underlined by the fact that our total workforce in 2013-14 is represented by 186 Scheduled caste (SC) / Scheduled tribe (ST) employees, 252 Other Backward Class (OBC) employees and 13 differently abled employees. There were no incidents of aforementioned discrimination reported during 2013-14.

NRL CUSTOMER BASE

PSU OIL MARKETING COMPANIES (OMC'S)	•Bharat Petroleum Corporation Limited (BPCL) •Indian Oil Corporation Limited (IOCL) •Hindustan Petroleum Corporation Limited (HPCL)
PRIVATE OIL COMPANIES	•Reliance Industries Limited (RIL) •Essar Oil Limited (EOL) •Shell India Limited
DIRECT SALE CUSTOMERS	•Oil and Natural Gas Commission (ONGC) •National Aluminium Company (NALCO) •HINDALCO •Tea Industries.

PRODUCT RESPONSIBILITY

NRL products are delivered to the customers by 3 means namely; railways, roadways and pipeline mode. During the year 2013-14, the Company recorded total sales volume of 2.55 MMT of which 24% was sold within the North East Region and 76% was marketed outside the region.

CUSTOMERS WELLBEING

Customers are one of our key stakeholders. We constantly engage with our customers through various platforms namely; periodic meetings, e-mails, telephone etc. This helps us in identifying actionable points and the areas of improvement. The actionable points are further reviewed during our monthly/quarterly meetings and circulated with associated action plans to all concerned departments. Our constant endeavour is to meet and exceed the expectations of our customers in terms of quality, safety and environmental performance. Any issue based discussion with our customers is treated with due importance and converted into actionable points, wherever necessary. The feedback and suggestions from the customers are directly obtained on periodic basis. We keep all communication channels open to gather information on any actionable point like product quality, services, transactional efficiency and demand fulfilment. As part of the BPCL group, NRL is a also a part of the Supply Chain Council, where performance review meetings are held every month and actionable points of the business partners are discussed in detail. The list of action points is submitted to the top management of the group in order to ensure proper implementation of the same.

Further there is also a structured process established for recording any complaints from customers. During the year 2013-14, no significant instance of customer complaint has been recorded.

PRODUCT LABELLING & HANDELLING

All the products at NRL are published with accurate labelling which gives clear information about our product. The information displayed is in strict compliance with relevant national and international specifications. Further the labels also display relevant information on safe handling of the product. We would like to state that all our products have been covered by and assessed for compliance with labelling procedures.

Ensuring product quality and safety is an integral part of our business operation and we adhere to all applicable regulations pertaining to product manufacturing, product labelling and transportation. We monitor and mitigate impacts and risks associated with the use of our products throughout their life cycle. In order to persistently improve product quality, Advance Process Control (APC) has been implemented in major process units. NRL has successfully reducing slop generation in DCU through the process of reprocessing slop within the unit itself. Also we have undertaken initiatives for producing high value specialty products such as Needle Coke in technical collaboration with Indian Oil and IIP, Dehradun.

We periodically monitor legal and regulatory changes having potential impacts on our operation and products. We are critical of ensuring that our products comply with all the statutory regulations throughout the product life cycle. All our products come with relevant safety guidelines regarding their usage. During the year, there were no incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of our products and services.

We provide our customers with all the required information to handle our products safely. This information is communicated through our specification sheets, service labels, display labels and brochures. The required information is provided as per the procedures regarding the type of product. Laws, standards and voluntary codes related to marketing communications are strictly adhered to and there are no violations. During the year, there was no fine or penalty imposed on us for noncompliance with laws and legislations.

QUALITY POLICY

- Ensure that the quality of our petroleum products consistently meets the stipulated specifications and the environmental requirements.
- Adhere to the requirement of Quality Management Systems conforming to ISO 9001:2008 in all the relevant activities throughout the organisation.
- Review our policy for continual improvement of the effectiveness of Quality Management Systems.
- Review the performance of relevant processes for effectiveness and efficiency and strive to improve upon them continually through setting of objectives.
- Aim for minimisation of losses and continual improvement of plant performance and competency of the employees.
- Maintain focussed attention on Customer Satisfaction.

SOCIETY

NRL gives substantial emphasis towards initiatives under Corporate Social Responsibility (CSR). We understand that CSR is viewed as an important business activity nationally and internationally. At NRL, it is a continuing commitment to contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large. CSR at NRL is followed in-line with the DPE guidelines. According to the DPE guidelines, NRL has allocated an annual budget of 2% of the previous year's Profit After Tax (PAT) for CSR activities. For the FY 2013-14, NRL CSR expenditure was INR 5.29 crores. The CSR initiatives taken up during the year is updated on a quarterly basis and is available on the company website.

CSR & SUSTAINABILITY COMMITTEE

Our organization's emphasis and initiatives towards NRL's initiatives towards promoting CSR and Sustainability has increased during 2013-14. The company is mainly focused on capability building of beneficiaries in diverse spheres such as self employment, skill development promotion of education, health, infrastructure, sports, and culture. We have also constituted a Board level CSR and Sustainability committee that is led by an independent director besides a committee of executives headed by General Manager (HR). The primary role of the committee is formulation, implementation of CSR activities and monitoring the progress during the year. During the year 2013-14, six structured coordination meetings were held by the two committees, in addition to the regular meetings.

The committee implemented many programs during the year. Some of these projects are listed below:

Niramoy

Under the aegis of this programme, 282 mobile medical camps were organized through Vivekananda Kendra NRL Hospital offering free medical check-up and medicines to 15,090 beneficiaries.

Prerona

It is our flagship programme that promotes education of girl child. Through the programme, we offered 258 students in 32 schools.

Surya Jyoti

This scheme involves installation of solar PV panels. With the goal of reducing carbon footprint, solar panels of 2 KW each were setup in 7 schools covering 1,480 beneficiaries.

NRL Helping Hand

The programme extended help to the differently-able through provision of rehabilitation aids to 520 persons. The programme was graced by the honorable Chief Minister of Assam.

IMPACT ASSESSMENT OF OUR ACTIVITIES

NRL analyses for any potential impact of its project at various stages from planning to the end of the project. We make sincere and constant efforts to minimise the impact of our operations on the neighbouring

VISION

To be a responsible corporate citizen deeply committed to enhance value creation in the society and the community in which it operates, through its services, conduct and initiatives and also committed to attain sustained excellence in environmental management and also provide a fillip to the socioeconomic development in its area of operation.

OBJECTIVES

- To be a good and conscious corporate citizen.
- To make untiring efforts to improve the quality of life and socio-economic scenario with special attention to the people residing in the vicinity of the refinery.
- To improve, protect and preserve the environment.
- To stand high on ethical standards.
- Review the approach/services and incorporate required changes.

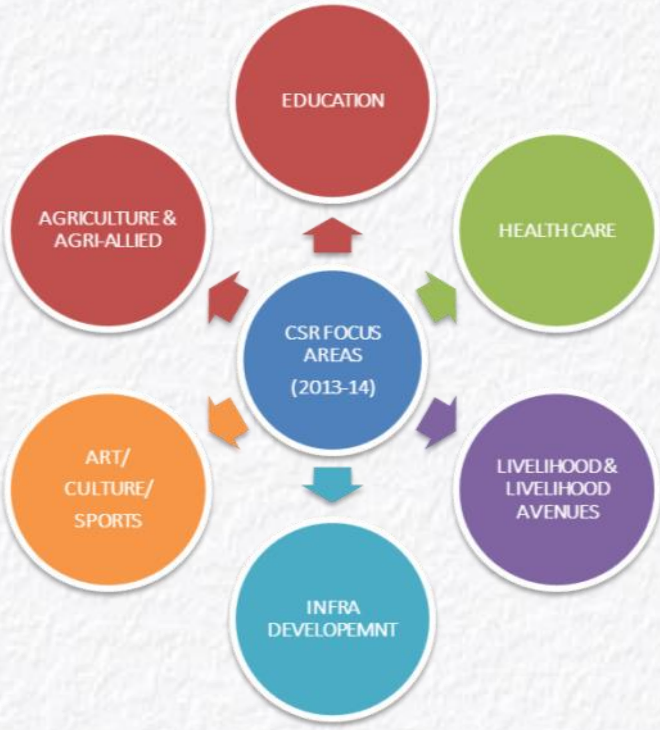
communities and mitigate any potential impacts. The primary vehicle for assessing and reducing the impacts are the Environment Impact Assessment (EIA) and the Social Impact Assessment (SIA) performed for all new initiatives. This is in line with the requirements by the Ministry of Environment and Forests (MoEF). Further we have employed the best available pollution control techniques to minimize the impact of our activities on the environment. Over the years we have experienced that our operations do not have significant adverse impacts on local communities. No incidents of decommissioning of sites or involuntary resettlement or any dispute with the local communities & indigenous people were reported during the year 2013-14.

NRL is committed to improve the quality of life of society in general and that of the local community in particular. We have taken various steps for social and economic uplift of the region. NRL also makes full efforts for protecting the environment. The CSR activities of NRL are conducted under our Community Development Programme (CDP). As a part of our CDP, NRL has been carrying out a host of welfare activities in the vicinity of Numaligarh and elsewhere in the region.

Present initiatives under the CDP are focused in the following 6 crust areas: *Education, Healthcare, Agriculture & Agri-allied, Infrastructure Development, Promotion of Sports / Culture / Literature* and *Livelihood & Livelihood Avenues*. NRL in order to access the effectiveness of its CSR and Sustainable activities had engaged with its beneficiaries to know their feedback. For this purpose, NRL had appointed Centre for Development & Peace Studies (CDPS). The feedback forms were prepared by CDPS in consultation with NRL authorities. There were 2 half yearly visits done by CDPS to engage with the beneficiaries and to collect their feedback. The activity made NRL aware on how the companies CSR and Sustainable initiatives has helped its beneficiaries for their social and economic uplifting.

CSR THRUST AREAS

NRL takes proactive steps in identifying developmental projects in areas where we operate. During the year 2013-14, the company focused on capability development of beneficiaries in various genres like self employment, skill



development, and promotion of education, health, infrastructure, sports and culture.

From helping farmers with modern scientific methods of cultivation to providing students coaching for engineering and medical entrance examinations, from organizing medical camps to funding Self Help Groups and making their members self-reliant, NRL's CSR programme have it all. The company has gone out of its way to help the people of the region by undertaking schemes such as providing solar power in nearby schools under the project 'Suryajyoti', sanitation facilities in nearby areas under the project 'Paricchannata', implementing a scheme titled 'NRL Helping Hand' aimed at promoting dignity of disabled persons by providing aids & appliances to persons with orthopedic, visual and hearing disabilities. Not just that, NRL has set up a badminton coaching centre and a football academy with dedicated coaches to hone the skills of budding players of the area.

•In a view to promote education of girls, we rewarded 258 girl students with cash prize for securing first, second and third position from class VII to X, under the Prerona scholarship scheme. Further under Gyandeep Scholarship Scheme, NRL provided one-time cash awards to 165 Class X and XII students from the examination centres within 10 km radius of the refinery. Under our Dronacharya Award scheme, NRL provided one-time cash award to the teacher's welfare fund of 29 schools within 10 km radius of the refinery. Further financial support was provided to over 35 students of the nearby areas of the refinery. We sponsored the coaching of engineering and medical entrance examination for 20 students at "Premium Coaching Centre", the centre which was started by NRL with the help of local NGO in the previous year. We also took initiatives to set-up and implement digital literacy curriculum for the students and members of tea and other ethnic communities. This was started with a vision to bridge the communication gap between the remote ethnic population and the rest of the population and also bring ethnic communities together through sharing of information. NRL has also provided financial assistance for renovation of school buildings, setting up water filtration projects at schools, building boundary walls for schools as well as similar infrastructural developmental works at various educational institutions.

•The students beneficiated from this has said it has worked as a morale booster for them. it has also led to healthy compitition among the students to attain better marks in the exams. The student scholarships has reduced the burden from the financialyy less secured families as well.

EDUCATION

•Under the scheme called as "Niramoy", we provided free health check up to the villagers in the vicinity of the refinery. The project was implemented in collaboration with the Vivekananda Kendra Hospital, Numaligarh. During the year 2013-14, NRL provided free health check up to 15090 nos of beneficiaries through 282 medical camps. This has helped in providing necessary regular health check-up and overall welfare of the villagers.

•Under the scheme "Paricchannata", NRL has installed 71 numbers of sanitary latrines in the nearby villages during 2013-14. The sanitary latrines, termed as "Low Cost Latrine with Brick Superstructure", were designed according to World Health Organization (WHO) guidelines and additionally improved to suit local conditions. This has helped the beneficiaries in creating a healthy environment and has helped the villagers to live in clean atmosphere.

•Under the initiative titled "NRL Helping Hand", during 2013-14, NRL distributed requisite rehabilitation aids to 520 poor handicapped persons to lead functionally productive lives with dignity and achieve economic self-dependence. During 2013-14, free eye screening and cataract operation camps were organized by NRL in association with Lions Club of Jorhat and Lions Club of Numaligarh.

HEALTHCARE

- Under the scheme "Swa Nirbhar", NRL promotes livelihood for educated unemployed youths in areas around the refinery under supervision of government authorities. NRL had provided financial assistance to 37 Self Help Groups (SHGs) of the region under this scheme for income generating/self employment activities. With the assistance provided under this scheme, the SHGs have taken up various initiates like Handloom Weaving centre, Piggery/Dairy and Goatary unit for income generation. This has helped them in becoming self sufficient and earn themselves and their families.
- NRL has also sponsored the project on Development of Socio-Economic status of poor rural women through handloom weaving involving 100 rural women in Majuli sub-division of Jorhat District. This initiative has helped the empowerment of women living in the vicinity of the refinery.

LIVELIHOOD & LIVELIHOOD AVENUES

- During 2013-14, NRL provided financial assistance for the construction of permanent building of Sangeet Sattra Music School in Guwahati. NRL also gave financial support to Asom Jatiyatabadi Yuba Chatra Parishad (AJYCP), Golaghat for Construction of RCC Office Building. NRL provided financial support to the Deputy Commissioners Office, Golaghat for installation of LED based Traffic Road Signals at Golaghat town. During 2013-14, NRL completed a Drinking Water Project for PAP (Project Affected People) families at Na-Pathar village in the vicinity of the refinery. NRL is bearing the electrical bills for the street lights along the road from Babathan to Labanghat. NRL constructed three ring wells in 2013-14 at Owguri Chapori village. A cultural institute was set-up in the year 2013-14 on the top floor of Numaligarh Public Library.

INFRASTRUCTURE

- The football academy which was started previous year by NRL was provided with chain link fencing in 2013-14. In order to build a strong and sustainable badminton development plan, NRL has set up a Badminton Coaching Centre at Furkating in Golaghat District in 2013-14. Financial support was extended to players for participation in events and tournaments both at national and international level during 2013-14. NRL sponsored various sports and cultural events during the year 2013-14 such as 17th North East Open Tennis Championship 2013, All Assam Volleyball Tournament 2013, 2nd CSR-CSO Bridge, 22nd Natasurya Phani Sarma memorial Drama festival, 19th All Assam Major Ranking Table Tennis Championship, All Assam residential Journalist Workshop, All Assam Wushu Championship, Golaghat Book Fair, Centenary celebration of Maharana Football club, etc.

ARTS / CULTURE / SPORTS

- During 2013-14, NRL continued with its initiative of promoting cultivation of Bodo paddy using System of Rice Intensification (SRI) under its CSR. This initiative covered farmers within 10 km radius of the refinery. Cultivators were provided training in SRI method under this scheme. The scheme was undertaken in collaboration with Rashtriya Gramin Vikas Nidhi (RGVN). This has helped the farmers in reaping greater harvest from their lands as compared to traditional method of cultivation. The project covered 500 farmers and cultivation area of 500 bighas.
- The company also continued its previous year scheme of scientific cultivation of edible mushroom. The project was titled as "Social Economic Development through scientific cultivation of Edible Mushroom". Under this project, 1500 beneficiaries were provided training on scientific cultivation of edible mushroom.

AGRICULTURE & AGRI-ALLIED

- During 2013-14, NRL installed 20 KW solar power panel at Delhi Public School (DPS), Numaligarh to reduce consumption of power from conventional sources. Also, under its CSR project "Surya Jyoti", NRL installed solar power panel in seven schools in the vicinity of our refinery. A total of 1480 nos of beneficiaries were benefited by this initiative. This initiative has provided an alternative source of energy that does not create any carbon emission and leads to reduction in carbon footprint of the area.
- Further during 2013-14, we showcased our dedication to the cause of humanity by contributing for the relief and rehabilitation of the persons affected by the disastrous natural calamity in Uttarakhand.

OTHER CSR INITIATIVES

ENGAGING WITH LOCAL COMMUNITIES

"With a little help and an extended hand, one could do a world of good for the society"

It has been a constant and continuous endeavour by NRL to take initiatives pertaining to social and economic uplifting of the community around us. We engage with the community around us on a time-to-time basis to carry out need assessment studies. The geographical spread of our operations brings us in frequent contact with the local communities. Majority of this community depends on farming and daily wage labour for their livelihood. Also the human development index parameters such as education, healthcare & nutrition, women empowerment and economic development are not ranked very high in this region.

The CSR and SD Committee of NRL provide guidance on pursuing inclusive development of the local community. The initiatives that are developed at NRL are implemented only after close liaison with the district administration, local public bodies, recognized voluntary organizations and apex committees. Due weightage is given to the local opinions or views. In addition local NGO's are also engaged for on-site information. The proposals along with the local community opinions are then routed through the CSR and Sustainability Committee for approval which also further reviews the status of under implementation and new schemes.

ENGAGING WITH THE REGULATORS

NRL being a PSU company, we maintain regular communication with the appropriate governmental bodies. NRL is under administrative control of Ministry of petroleum & Natural Gas .We consult with ministry while taking strategic decisions like joint ventures, expansions among others.

The senior management of the Company is invited to participate in all policy-making decisions. The organisation does not contribute either monetarily or in kind to political parties, politicians or related institutions. During 2013-14, there were no instances reported of non-compliance with the established laws and regulations.

GRI CONTENT INDEX

STANDARD DISCLOSURES PART I: Profile Disclosures			
1. Strategy and Analysis			
Profile Dis-closure	Level of reporting	Location of Disclosure	Remarks, if any
1.1	Fully	Page 4-5	
1.2	Fully	Page 19-20 and AR page 38-39	
2. Organization Profile			
2.1	Fully	-	Numaligarh Refinery Limited
2.2	Fully	Page 9-10	
2.3	Fully	Page 12-13	
2.4	Fully	-	NRL location given at the report back cover page
2.5	Fully	Page 6	NRL is a PSU company and operates within India
2.6	Fully	Page 8-9	
2.7	Fully	Page 9-10	
2.8	Fully	Page 7-10, 29, 45	
2.9	Fully	Page 21	
2.10	Fully	Page 11	
3. Report Parameters			
3.1	Fully	Page 7	
3.2	Fully	-	This is NRL's third sustainability report. The second report was re-leased on 30/12/2013
3.3	Fully	Page 7	
3.4	Fully	-	The contact point is provided at the last cover page of the report
3.5	Fully	Page 7	
3.6	Fully	Page 7	
3.7	Fully	Page 7	
3.8	Fully	Page 7	
3.9	Fully	Page 7	
3.10	Fully	-	Re-statements (if any) w.r.t measurement methods are provided at the relevant sections along the repost
3.11	Fully	-	None
3.12	Fully	Page 62-65	
3.13	Fully	Page 7	
4. Governance, Commitments, and Engagement			
4.1	Fully	Page 14-16, AR page 34-35, 50-52	
4.2	Fully	Page 14	
4.3	Fully	Page 14 and AR page 52	
4.4	Fully	Page 47, 52	
4.5	Fully	AR page 54-56, 65, 100	
4.6	Fully	Page 14	
4.7	Fully	AR page 52-54	
4.8	Fully	Page 2	Also please refer company website www.nrl.co.in
4.9	Fully	Page 55, AR page 37-43	Also please refer company website www.nrl.co.in

** AR – refers to NRL Annual Report 2013-14.*

4.10	Fully	AR page 25-38	
4.11	Fully	-	Precautionary principles aspects of the organization are implicit
4.12	Fully	-	None
4.13	Fully	-	None
4.14	Fully	Page 23	
4.15	Fully	Page 22-23	
4.16	Fully	Page 24-25	
4.17	Fully	Page 24-27	
STANDARD DISCLOSURES PART II: Disclosures on Management Approach (DMAs)			
DMA EC	Fully	Page 4-5, 29-32, AR page 39	
DMA EN	Fully	Page 4-5, 9-10, 14-20, 34-43	DMA on Transport aspect not available.
DMA LA	Fully	Page 45-51	
DMA HR	Fully	Page 52-53	
DMA SO	Fully	Page 19-20, 55-61	
DMA PR	Fully	Page 9-10, 53-54	
STANDARD DISCLOSURES PART III: Performance Indicators			
Economic Performance			
EC1	Fully	Page 29, AR page 11 -13	
EC2	Partially	Page 30	NRL will plan to incorporate the financial implication details from next year of reporting.
EC3	Fully	Page 30-31, AR page 81, 101	
EC4	Fully	Page 29	
EC5	Fully	Page 30	
EC6	Fully	Page 32	NRL does not compromise on the quality of the materials from its suppliers because of which there is no preference given to local suppliers. They are selected based on who qualifies the eligibility criteria.
EC7	Fully	Page 32	NRL hires senior management as per the GoI rules. There is no preference given to anyone as hiring is based on the eligibility criteria.
EC8	Fully	Page 32, 56-61	
EC9	Fully	Page 32	
OG 1	Not reported	-	Not Applicable since NRL is into the business of refining crude oil.
ENVIRONMENTAL PERFORMANCE			
EN1	Fully	Page 34-35	
EN2	Fully	Page 35	
EN3	Fully	Page 36	
EN4	Fully	Page 36	
OG 2	Fully	Page 35, 40	
OG 3	Fully	Page 35, 40	
EN5	Fully	Page 36-37	
EN6	Fully	Page 36-37, AR page 45-49	
EN7	Fully	-	There are no initiatives taken by NRL to reduce the indirect energy consumption.
EN8	Fully	Page 38	
EN9	Fully	Page 37-38	
EN10	Fully	Page 38	
EN11	Fully	Page 38	
EN12	Fully	Page 38-39	

EN13	Fully	Page 38-39	
EN14	Partially	Page 39	The plan for managing biodiversity impacts shall be taken up in the future and be provided in subsequent reports.
OG 4	Fully	Page 38-39	
EN15	Fully	Page 39-40	
EN16	Fully	Page 40	
EN17	Fully	Page 40	
EN18	Fully	Page 40-41	
EN19	Fully	Page 41	
EN20	Fully	Page 42	
EN21	Fully	Page 38	
EN22	Fully	Page 43	
OG 5	Not reported	-	Not applicable for NRL
EN23	Fully	Page 43	
OG 6	Partially	Page 42	Vented hydrocarbon data not available
OG 7	Not reported	-	Not applicable for NRL
EN24	Not reported	-	NRL does not transport any waste internationally nor do we import it from any other country.
EN25	Fully	-	NRL being a zero wastewater discharge company, there is no impact to the water bodies in the vicinity of the refinery.
EN26	Fully	Page 32, 56-57	
EN27	Fully	-	The packaging material at NRL is not reclaimed. The end use of packaging material used at the customer end is not known.
OG 8	Fully	Page 41	There is no source of benzene and lead at NRL. Action plan for reducing sulphur content in fuel as per MOPNG Auto Fuel Policy is under implementation.
EN28	Fully	Page 43	
EN29	Not reported	-	Data not available
EN30	Fully	Page 43	
Social: Labour			
LA1	Fully	Page 45-46	
LA2	Fully	Page 47-48	
LA3	Fully	Page 30-31	
LA15	Fully	Page 45	
LA4	Fully	Page 47	
LA5	Fully	Page 47	
LA6	Fully	Page 48-49	
LA7	Fully	Page 49	
LA8	Fully	Page 50-51	
LA9	Fully	Page 48-50	During the present reporting period, there were no health & safety related topics or programmes covered with the trade unions.
LA10	Fully	Page 51	
LA11	Fully	Page 50-51	
LA12	Fully	Page 51	
LA13	Fully	Page 46	
LA14	Fully	Page 46	
Social: Human Rights			
HR1	Partially	Page 52	The data on number of agreements undergoing human rights screening is not available. However NRL adheres to all general human rights clauses applicable.
HR2	Fully	Page 52	
HR3	Not reported	-	Data not available. We shall disclose the details in our future reports
HR4	Fully	Page 53	

HR5	Fully	-	Though there is no formal exercise to identify such operations, we have not observed any risk to the right to exercise freedom of association and collective bargaining.
HR6	Fully	Page 52	
HR7	Fully	Page 52	
HR8	Not reported	-	As in HR1, the data on percentage is not available. However NRL adheres to all general human rights clauses applicable.
HR9	Fully	Page 52	
HR10	Fully	Page 52-53	
OG 9	Fully	-	We have not observed any such impact of our operations on indigenous communities such as tea tribes & other backward communities
HR11	Fully	-	No grievances related to human rights filed during the reporting period
Social: Society			
SO1	Fully	Page 61	
SO9	Fully	Page 56-57, 61	
SO10	Fully	Page 56-57	
OG 10	Fully	-	No disputes with local community & indigenous people have been reported for the reporting period
OG 11	Fully	-	None of the sites are decommissioned or in the process of decommissioning during the reporting period.
SO2	Fully	Page 19-20	
SO3	Fully	-	During 2013-14, no training of anti-corruption policies was imparted. However there is vigilance at place to check any corruption practices.
SO4	Fully	Page 19-20	
SO5	Partially	Page 61	Topics under public policy procedure shall be brought out in our future reports.
SO6	Fully	Page 61	
SO7	Fully	Page 20	
SO8	Fully	Page 43	
OG 12	Fully	Page 56	
OG 13	Fully	Page 49-50	
Social: Product Responsibility			
PR1	Fully	Page 54	100% of NRL products are assessed of health & safety impacts at all its life cycle stages.
PR2	Fully	Page 54	
PR3	Fully	Page 53-54	
PR4	Fully	Page 54	
PR5	Fully	Page 53	
PR6	Fully	Page 53-54	
PR7	Fully	-	No incidents of non-compliance reported during the year 2013-14
PR8	Fully	Page 53	
PR9	Fully	Page 54	
OG 14	Not reported	-	There is no biofuels produced or purchased by NRL

DNV·GL

Independent Assurance Statement

Introduction

DNV GL represented by DNV GL Business Assurance India Private Limited ('DNV GL') has been commissioned by the management of Numaligarh Refinery Limited ('NRL', referred to as 'the Company') to carry out an independent assurance engagement on the Company's Sustainability Report 2013-14 ('the Report') in its printed format. The Report is prepared based the Global Reporting Initiative 2011 Sustainability Reporting Guidelines Version 3.1 (GRI G3.1) and its Oil and Gas Sector Supplement (OGSS).The engagement was carried out against the DNV GL Protocol for Verification of Sustainability Reporting ('VeriSustain' - www.dnv.com/moreondnv/cr/; available on request) The verification was conducted in January 2015 – February 2015, for the year of activities covered in the Report i.e. 1st April 2013 to 31st March 2014.

The intended users of this assurance statement are the management of the Company. The management of the Company is responsible for all information provided in the Report as well as the processes for collecting, analysing and reporting the information. DNV GL's responsibility regarding this verification is to the Company only and in accordance with the agreed scope of work. The assurance engagement is based on the assumption that the data and information provided to us is complete and true. DNV GL expressly disclaims any liability or co-responsibility for any decision a person or entity would make based on this Assurance Statement.

Scope, Boundary and Limitations of Assurance

The scope of DNV GL's assurance engagement, as agreed upon with the Company, included the following:

- Review of NRL's Sustainability Report for 2013-14, developed in lines with the requirements of Application Level A of GRI G3.1 and the OGSS;
- Review of the policies, initiatives, practices and performance described in the Report, as well as references made in the Report to NRL's Annual Report 2013-14;
- Review of the Report against the requirements of VeriSustain with a moderate/limited assurance engagement and:
    - Information relating to the Company's sustainability issues, responses, performance data, case studies and underlying systems for the management of such information and data as presented in the Report;
    - Information relating to the Company's processes of materiality assessment and stakeholder engagement.

The reporting boundary is as set out in the Report in the section 'About the Report' and covers the refinery operations of NRL at Numaligarh, Golaghat, Assam. During the verification process we did not come across any limitations to the scope of the assurance engagement were encountered. No external stakeholders except workforce were interviewed as part of this assurance engagement.

Verification Methodology

This assurance engagement was planned and carried out in accordance with VeriSustain, which includes the principles of GRI G3.1, AA1000APS and ISAE3000. The Report has been evaluated against the principles of GRI G3.1, AA1000APS and ISAE3000, i.e. Materiality, Stakeholder Inclusiveness, Completeness, Responsiveness, Reliability and Neutrality. During the assurance engagement, DNV GL has taken a risk-based approach, i.e. we concentrated our verification efforts on the issues of high material relevance to the Company's business and its key stakeholders.

As part of the engagement, DNV GL has verified the statements and claims made in the Report and assessed the robustness of the underlying data management system, information flow and controls. In doing so, we have:

- Examined and reviewed documents, data and other information made available by NRL;
- Visited Numaligarh Refinery, Golaghat, Assam for the purpose of verifying qualitative and quantitative information presented in this Report;
- Conducted interviews with top/senior management and key representatives and managers in various offices and processing units of the Company;
- Reviewed the Company's approach to stakeholder engagement and its materiality determination process;
- Verified the robustness of the data management system, information flow and controls;
- Performed sample-based reviews of the mechanisms for implementing the company's sustainability related policies, as described in the Report;
- Performed sample-based checks of the data management processes for evaluating the principles of completeness and reliability. This include assessments of methods, practices, tools and competence used in collection, aggregation and reporting of data, as it is transferred and managed at different levels of the Company;
- Reviewed the process of acquiring information and economic data from the financial data presented in the Company's Annual Report 2013-14.

DNV·GL

Conclusions

In our opinion, based on the scope of this assurance engagement, the Report is an appropriate representation of the Company's sustainability policies, objectives, management approach and performance during the reporting period. The Report, along with the referenced information in the Company's web site and Annual Report, discloses the Company's sustainability performance on aspects from GRI G3.1 and the OGSS for the Application Level A+. The disclosures of sustainability performance could be further strengthened by disclosing fully the partially reported core indicators for the Application Level A+. We have evaluated the Report's adherence to the following principles on a scale of 'Good', 'Acceptable' and 'Needs Improvement':

Stakeholder Inclusiveness: The Company has formal and informal processes in place for engagement with its stakeholders, and has listed key stakeholder issues identified from these processes within the Report. In our view, the level at which the Report adheres to the principle is "Good".

Materiality: The Report has presented prioritised issues which are material to stakeholders and to NRL, based on the Company's processes of stakeholder engagement and internal evaluation. While the process considers inputs from stakeholder engagement, it needs to consider inputs from a wider range of sources such as societal norms, financial considerations, policy-based performance and sustainability context. In our view, the level at which the Report adheres to the principle is "Acceptable".

Responsiveness: We consider that the Company's response to key stakeholder concerns, i.e. policies and management systems are fairly reflected in the Report within the reporting boundary set for this Report. In our view, the level at which the Report adheres to the principle is "Acceptable".

Completeness: The Report has fairly attempted to respond to the disclosure requirements of GRI G3.1 and OGSS for the chosen Application Level. The joint ventures and administrative office have been excluded from the reporting boundary. However certain disclosures and performance indicators are not fully reported due to non-availability of data and timelines for full reporting are being set through internal management systems. In our view, the level at which the Report adheres to the Principle is "Acceptable".

Reliability: The majority of data and information verified at site were found to be accurate. Some data inaccuracies identified during the verification process were found to be attributable to transcription, interpretation and aggregation errors and the errors have been corrected; hence in accordance with the moderate/limited level assurance engagement, we conclude that the data and information presented in the Report is generally reliable. In our view, the level at which the Report adheres to the principle is "Good".

Neutrality: The Company has reported its sustainability issues and selected performance indicators in a transparent and balanced manner, in terms of content and presentation. In our view, the level at which the Report adheres to this principle is "Good".

Opportunities for Improvement

The following is an excerpt from the observations and opportunities reported back to the management of the Company, however, these do not affect our conclusions on the Report, and they are indeed generally consistent with the management objectives already in place:

- The output of the materiality determination process may clearly bring out material issues encompassing short, medium and long term impacts to the Company and its stakeholders.
- To further strengthen the quality and reliability of sustainability-related performance data, a routine system of data verification (an internal audit process) may be initiated across processes in the Company.
- NRL may consider integrating sustainability aspects in its existing management systems, related to core processes of the Company, to enable continual improvement of key sustainability initiatives and timely reporting of sustainability performance.

DNV GL's Competence and Independence

We are a global provider of sustainability services, with qualified environmental and social assurance specialists working in over 100 countries. DNV GL states its independence and impartiality with regard to this assurance engagement. While we did conduct other third party audits work with ONGC and its subsidiaries in 2013-14, in our judgement this does not compromise the independence or impartiality of our assurance engagement or associated findings, conclusions and recommendations. The assurance team were not involved in the preparation of any statements or data included in the Report except for this Assurance Statement. We maintain complete impartiality towards any people interviewed.

For DNV GL,

Kiran Radhakrishnan Project Manager DNV GL Business Assurance India Private Limited, India.	Vadakepatth Nandkumar Assurance Reviewer Regional Sustainability Manager DNV GL Business Assurance India Private Limited, India.

Bengaluru, India, 09 February 2015.

GLOSSARY OF TERMS

AJYCP	Asom Jatiyatabadi Yuba Chatra Parishad
ATF	Aviation Turbine Fuel
BCPL	Brahmaputra Cracker & Polymer Limited
BPCL	Bharat Petroleum Corporation Limited
CAG	Comptroller & Auditor General of India
CAGR	Compound Annual Growth Rate
CBI	Central Bureau of Investigation
CCU	Coke Calcination Unit
CDM	Clean Development Mechanism
CDU	Crude Distillation Unit
CHT	Centre for High Technology
CISF	Central Industrial Security Force
CO	Carbon Mono Oxide
CPC	Calcined Petroleum Coke
CPCB	Central Pollution Control Board
CSR	Corporate Social Responsibility
CVC	Central Vigilance Commission
CVO	Chief Vigilance Officer
DCU	Delayed Coker Unit
DG	Diesel Generator
DPE	Department of Public Enterprises
EIA	Environment Impact Assessment
EMS	Environment Management System
EOL	Essar Oil Limited
ESI	Employee’s State Insurance
ETP	Effluent Treatment Plant
ETP	Effluent Treatment Plant
EVD	Economic Value Distributed
EVG	Economic Value Generated
EVR	Economic Value Retained
FO	Furnace Oil
FY	Financial Year
GHG	Green House Gas
GJ	Giga Joules
GMI	Gas Measuring Instruments
GoI	Government of India
GRI	Global Reporting Initiative
GT	Gas Turbine
HCU	Hydro Cracker Unit
HGU	Hydrogen Unit
HPCL	Hindustan Petroleum Corporation Limited
HR	Human Resources
HSD	High Speed Diesel
ICT	Information & Communication Technology
INR	Indian National Rupees
IOCL	Indian Oil Corporation Limited
ISO	International Organization for Standardization
ISRS	International Safety Rating System
kCal	Kilo Calorie
KL	Kilo Liters
kW	Kilowatt
kWh	Kilo Watt Hour
LIC	Life Insurance Corporation of India
LPG	Liquid Petroleum Gas
LTA	Loss Time Accident
MD	Managing Director
MMT	Million Metric Tonnes
MMTPA	Million Metric Tonnes Per Annum
MoEF	Ministry of Environment and Forests
MoP&NG	Ministry of Petroleum and Natural Gas
MS	Motor Spirit
MSP	Motor Spirit Plant
MT	Metric Tonnes
MTBE	Methyl Tertiary Butyl Ether
MW	Mega Watt
NALCO	National Aluminium Company
NGO	National Governmental Organization
NOx	Oxides of Nitrogen
NREU	Numaligarh Refinery Employees Union
NRL	Numaligarh Refinery Limited
NRLOA	Numaligarh Refinery Ltd. Officers Association
NSCI	National Safety Council of India
NSU	Naphtha Splitter Unit
ONGC	Oil and Natural Gas Commission
OTBL	ONGC-TERI Biotech Limited
PAP	Project Affected People
PAT	Profit After Tax
PBT	Profit Before Tax
PM	Particulate Matter
PMS	Performance Management System
PRP	Performance Related Pay
PRUN	Petroleum Refinery Union Numaligarh
PSU	Public Sector Undertaking
PV	Photovoltaic
R & D	Research and Development
RGVN	Rashtriya Gramin Vikas Nidhi
RIL	Reliance Industries Limited
RPC	Raw Petroleum Coke
SC	Scheduled Caste
SCO	Supply Chain Optimisation
SD	Sustainability Development
SEC	Specific Energy Consumption
SIA	Social Impact Assessment
SKO	Superior Kerosene Oil
SLF	Secured Landfill Facility
SOx	Oxides of Sulphur
SRB	Sulphur Recovery Block
ST	Scheduled Tribe
tCO2e	Tonnes of Carbon Di Oxide Equivalent
TJ	Terra Joule
TMTPA	Thousand Metric Tonnes Per Annum
TPM	Total Productivity Maintenance
UNFCCC	United Nations Framework Convention on Climate Change
VDU	Vacuum Distillation Unit
VOC	Volatile Organic Compound
VOC	Volatile Organic Compound


TANK NO:44-TT-
CAPACITY :
SERVICE :

Contact Us:

Gopal Sarma, DGM(HSE)
Pankagrant
Numaligarh Refinery Complex
Golaghat District, Assam
Pin 785699

Registered Office:

Numaligarh Refinery Limited
122A, G.S.Road
Christianbasti
Guwahati-781005