



Explanatory Notes

I. FINANCE

The following basis / assumptions have been considered in working out financial parameters and targets in MOU 2012-13:

i) Planned Shutdown of the Refinery	During 2012-13, refinery shutdown has been planned for 31 days from 7 th May '12 for carrying out maintenance jobs. The Company has provided shutdown cost of Rs. 20 crores. In case shutdown is not carried out, suitable addition will be made at the time of evaluation. The adjustments in targets of production and gross margin will be made.
ii) Crude Throughput	Crude throughput of Numaligarh Refinery is primarily dependent on crude oil availability in the North East region. The 'Excellent' and 'Very Good' targets have been set at 2710 TMT and 2660 TMT respectively as per advice of the MOU Task Force. Targets for each lower rating have been reduced by 5%.
iii) Crude Price	As advised by the MOU Task Force, crude price has been considered based on the average price of NRL Benchmark Crude Prices for 9 months from Apr'11-Dec'11 @ Rs 42746.15/MT including Sales Tax, Pipeline, Entry Tax & Rava crude transportation cost. (\$113.067/BBL basic price. RBI Reference Rate = Rs.49 per USD).
iv) Product Prices	As advised by the MOU Task Force, product prices for LPG, MS, SKO, ATF, HSD and Naphtha have been considered based on FOB Quotes for 9 months based on average from Apr'11-Dec'11. Average of Sulphur, RPC & CPC price has also been considered for the same period.
v) Sales Quantity	Entire quantity of products produced during the year is considered to be sold.
vi) Adjustment for prices	In MOU evaluation, adjustment shall be carried out in respect of crude and product prices for the difference between the assumed and actual prices during 2012-13.
vii) Statutory variation in taxes and duties	While formulating MOU 2012-13 targets, prevailing rates of taxes and duties have been considered. Impact from any significant variation in statutory taxes and duties shall be adjusted during evaluation of MOU for 2012-13.
viii) Foreign Exchange Rate Variation	While formulating targets for MOU 2012-13, foreign exchange rate has been considered at Rs. 49.00 per USD as advised by the MOU Task Force. Foreign exchange variation shall be adjusted at the time of evaluation.



ix) Inventory Variation	Inventory gain or loss will be excluded at the time of evaluation.
x) CSR, R&D and Sustainable Development (SD) parameters	A loss scenario has been projected for 2012-13. Should NRL actually end up in a loss making situation in 2012-13, the parameters against CSR, R&D and SD shall not be considered for evaluation.
xi) Retail Marketing	The number of Retail Outlets of NRL has been considered at 73 while setting MOU targets. In case Retail Outlets of NRL are transferred to BPCL during 2012-13, adjustments in the relevant parameters shall be made.
xii) Other Income	Other Income (in P&L account) during 2012-13 is frozen at Rs. 20 crores and suitable adjustment in this context shall be made during evaluation.
xiii) Price Details	Details of prices considered in MOU 2012-13 are enclosed at Annexure titled "Annexure on Prices" [Page nos. 39 to 41].
xiv) Chemicals and Catalysts	NRL has considered Rs. 65.47 crores ('Very Good') while working out the Gross Margin for 2012-13. Suitable adjustment will be made depending upon actual at the time of evaluation.

II. REFINING

A. Crude Throughput

Processing of crude at NRL's refinery, like those in case of the other three refineries in the North East region, are primarily dependent on availability of crude oil in the region. Land-locked nature of NRL's refinery at Numaligarh besides long distance from ports renders processing of imported crude on limited scale, cost prohibitive. Therefore, NRL's crude throughput is primarily a function of crude receipt.

Ever since start of commercial operations, NRL had to operate below its installed capacity due to inadequate crude oil availability. NRL's data pertaining to crude throughput for past five years is given below:

(Figs. in TMT)

Year	MOU 'Excellent' Crude Throughput Target	Crude Receipt	Crude Throughput	Remark
2006-07	2500	2543	2504	-
2007-08	2600	2542	2568	-
2008-09	2500	2308	2251	30 days planned shutdown
2009-10	2300	2560	2619	15 days planned shutdown



2010-11	2520	2258	2250	45 days planned shutdown
2011-12	2660	1651 (Apr-Oct)	1695 (Apr-Oct)	-

As seen from the above table, NRL's highest ever crude receipt was recorded in 2009-10 at 2560 TMT.

During next financial year 2012-13, refinery shutdown has been planned for one month. Crude throughput in April 2012 is projected at 150 TMT (for 19 days). In May 2012, crude throughput at best can be achieved at 60 TMT considering 12 days operation involving plant stabilization activities post refinery start-up. During balance period of the year, achievable crude throughput has been considered as 2290 TMT which works out to 92% capacity utilization for the period. Thus, achievable crude throughput for the entire year 2012-13 is $150+60+2290 = 2500$ TMT which is considered as the Basic (Very Good) MOU target. The 'Excellent' target is considered at a stiffer level of 2660 TMT.

The targets stated above are based on anticipated crude receipt of 2660 TMT during the year 2012-13. In the event of lesser availability of crude oil for processing, crude throughput targets shall be correspondingly reduced during evaluation based on actual quantity of crude received during the year. Consequential adjustments from reduced crude processing shall be carried out in production / sales numbers, financial parameters during evaluation.

The 'Excellent' and 'Very Good' targets against crude throughput have been increased to 2710 TMT and 2660 TMT respectively as per advice of the MOU Task Force during the MOU 2012-13 discussion meeting held on 28.02.2012 in New Delhi. Targets for each lower rating have been reduced by 5%.

B. Distillate Yield

Following utilization of Natural Gas at Numaligarh Refinery from April 2011 on a sustained basis, NRL has adopted the methodology advised by the Centre of High Technology (CHT) for calculating Distillate Yield. The CHT formula is as follows:

$$\text{Distillate Yield as \% of crude} = \frac{(\text{Total Distillates Produced} - \text{Distillates Produced from utilization of Natural Gas})}{(\text{Crude} + \text{MS Blend components} + \text{Intermediate Stocks Depleted})}$$

Based on discussion with the Task Force, the 'Excellent' and 'Very Good' targets are set at 90.65% and 90.35% respectively. Targets for each lower rating have been reduced by 0.3%.

C. Specific Energy Consumption

Achievable Specific Energy Consumption during 2012-13 considering one month planned refinery shutdown is 69.0 MBN and same has been considered as the 'Very Good' target. The 'Excellent' target has been considered at a stiffer level of 68.0 MBN. **Targets for each lower rating from 'Very Good' have been increased by 1.0 MBN.**

D. Production of Euro-III/IV Motor Spirit

Based on discussion with the Task Force, the 'Excellent' and 'Very Good' targets are set at 240 TMT and 233 TMT respectively. Targets for each lower rating have been reduced by 5 TMT.

III. MARKETING

A. Testing of Samples from Operating Retail Outlets

As per Marketing Discipline Guidelines (MDG), 50% of Retail Outlets are required to be covered for product sampling per month. NRL currently has 73 Retail Outlets. In view of prevailing under-recoveries from retail marketing, NRL has not planned for expansion of its retail network. Thus, expected number of ROs at the beginning of the year 2012-13 is 73. The "Number of Sampling" from NRL ROs required during 2012-13 as per MDG is 438 (i.e., $73 \times 50\% \times 12$). With above in consideration, the basic 'Very Good' target in MOU 2012-13 is considered at 438. The 'Excellent' target is set at a 5% stringent level of 460.

B. Inspection of Retail Outlets

As per Marketing Discipline Guidelines, Field Officers are required to inspect each Retail Outlet once in a quarter. Officers in Grade-C and above from Regional Offices are required to inspect each RO once in a year and Random Inspections are required to be carried out by officers in Grade-C and above (other than Field Officers) for 10% of the ROs once in a year. The expected number of ROs at the beginning of the year 2012-13 is 73. With this basis, a total of 373 inspections would be required as per following details:

i) Inspection by Field Officers	:	292 (73 x 4)
ii) Inspection by Grade-C & above	:	73
iii) Random Inspection	:	8 (10% of 73)
<hr/>		
Total	:	373

With above in consideration, the basic 'Very Good' target in MOU 2012-13 is considered as 373 inspections. The 'Excellent' target is considered at a 5% stringent level of 392 inspections.

C. Sale of MS & HSD from certified ROs

M/s DNV has been engaged by NRL for third party certification of Company's Retail Outlets. An exhaustive Q&Q (Quality and Quantity) protocol has been developed for inspection of the ROs against over 100 different evaluation parameters. M/s DNV also interacts with customers directly to access quality of services offered at NRL Retail Outlets and besides collecting random product samples for testing at NABL accredited laboratories. In MOU 2012-13, achieving 85% retail sales volume against this parameter through certified ROs has been considered as the 'Very Good' target. The 'Excellent' target has been considered at 89% (5% higher than the 'Very Good' target).

D. Implementation of vehicle tracking system for Tank Trucks

NRL has started tracking of vehicles carrying products from marketing terminals at Numaligarh and Siliguri to its Retail Outlets using Global Positioning System (GPS) technology. The 'Very Good' target in MOU 2012-13 is considered at 98% while the 'Excellent' target is considered at 99%.

The number of Retail Outlets of NRL has been considered at 73 while setting MOU targets. In case Retail Outlets of NRL are transferred to BPCL during 2012-13, adjustments in the relevant parameters [parameters from (A) to (D) above], shall be made.

E. Sale of RPC/CPC

NRL is expected to have negligible inventory of RPC/CPC towards the end of the year 2011-12. In order to constitute a rake load for despatch, stock of 2.5 to 3.0 TMT is required to be maintained for RPC/CPC. In MOU 2011-12, the 'Very Good' target for sale of RPC/CPC against production was kept at 95% and the 'Excellent' target was kept at the maximum level of 100%. These same targets are proposed to be retained in MOU 2012-13.

IV. CORPORATE GOVERNANCE

During MOU discussion meeting on 28.02.2012, the Task Force advised NRL to adopt Corporate Governance parameters based on DPE's MO No. 18(8)/2005-GM dated 22.06.2011. The parameters against which NRL can be evaluated, are enclosed at Annexure titled "**MOU Parameters on Corporate Governance**", which shall be adopted for quarterly reporting to DPE. The average percentage score of the four quarterly reports shall be considered for evaluation of NRL's annual performance against Corporate Governance.

V. PLAN PROJECTS
A. Overall progress of Wax Project (as on 31.03.2013)

Currently, Wax Project is the only Plan Project under implementation at NRL. The project was approved for implementation on 30.06.2010 with a project cost of Rs. 576.60 crores. The project is scheduled for completion by 29.12.2013. As per projected schedule, overall progress as on 31.03.2013 is 65% and same has been considered as the 'Very Good' target. The 'Excellent' target is set at 70% overall progress as advised by the Task Force.

B. Actual expenditure as percentage of approved Annual Plan outlay for 2012-13 pertaining to the Wax Project

As advised by DPE, a new expenditure based parameter on Wax Project has been incorporated in lieu of the parameter on Techno-Economic Feasibility study for NRL's proposed refinery expansion project.

Achievement of 100% expenditure against approved Annual Plan outlay for 2012-13 pertaining to the Wax Project has been set as the 'Excellent' target.

VI. ENVIRONMENT
Bio-remediation of tank bottom oily sludge

As a means of disposal of oily sludge, NRL is now pursuing the process of bio-remediation. During remaining months of the current financial year 2011-12, 250 MT of such sludge is expected to be generated. Treatment of this entire quantity of sludge is planned to be completed by 15.02.2013, which is proposed as the 'Very Good' target. The 'Excellent' target date is proposed as 31.01.2013.

VII. SAFETY
A. Number of Loss Time Accident per Million Man-hours worked.

Reportable Loss Accident (LTA) is defined as a work place accident which causes any bodily injury by reason of which the person injured is prevented from working for a period of 48 hours or more immediately following the accident. Period of absence for such reportable accident is based on Factories Act. Million man-hours is calculated based on actual working hours of the employees which also includes overtime hours.

The target has been arrived at considering the frequency rate of Lost Time Accidents (LTA) to employees of the Company while discharging their duties within the refinery location. The frequency rate will be calculated as follows:

$$\text{Frequency} = \frac{\text{No. of LTA hours} \times 1,000,000}{\text{Total Man-hour worked}}$$



Presently the estimated total man-hours in Numaligarh Refinery during one year is 20,90,355. Considering only one LTA hour during the year, the frequency works out to 0.48 (1/2.09). Hence 0.48 has been considered as the 'Very Good' target in MOU 2012-13 and 'zero' as the 'Excellent' target.

B. Conducting Mock Drills

Periodically, mock drills are required to be conducted in order to check adequacy of the safety and disaster management plans. Necessary corrective actions are taken based on such drills. As per Oil Industry Safety Directorate (OISD) guidelines and Manufacture, Storage and Impact of Hazardous Chemicals (MSIHC) rules, NRL has to conduct Offsite Disaster Mock Drills at least once every year, Onsite Disaster Mock Drills once every six months, Major Fire Mock Drills once every three months and Minor Fire Mock Drills once every month. The total number of such drills thus works out to 19. With above in consideration, the 'Very Good' target for conducting mock drills covering offsite, onsite, major and minor fires is considered as 19. The 'Excellent' target (20) is considered at 5% higher level.

C. Safety training to employees, CISF/Security Staff and POL drivers

As per OISD norms, during 2012-13, NRL is required to impart 800 mandays of training in Fire and Safety to employees, CISF and POL drivers. The breakup is as follows: Employees- 350 mandays; CISF and Security staff- 175 mandays; POL Drivers- 275 mandays. Accordingly, the "Very Good" target has been considered as 800 mandays. The 'Excellent' target has been considered as 840 mandays at 5% higher level.

D. Safety training to workers engaged by contractors

In MOU 2011-12, the 'Very Good' and 'Excellent' targets were 95% and 100% respectively. In MOU 2012-13 the same level of targets are proposed to be retained.

E. Organising Safety Awareness Camps

NRL has been able to sustain excellence in fire and safety management through extensive training to all sections of people working in the refinery. Apart from regular safety training, awareness campaigns are organized periodically to sensitise the neighbouring public on various aspects related to safety. In MOU 2012-13, the 'Very Good' and 'Excellent' targets against this parameter are proposed at 7 camps and 8 camps respectively.

VIII. HUMAN RESOURCE MANAGEMENT

The parameters on HRM in MOU 2012-13 have been adopted based on DPE's MOU Guidelines and advice of the MOU Task Force as per following details:



A. Percentage actualisation of Training Plan & Training Days per employee per year

Percentage fulfillment of 90% of the Training Plan has been proposed as the 'Very Good' target while the 'Excellent' target is proposed at 100%. With regard to training mandays, the Basic (VG) target has been proposed at 1.5 mandays per employee considering 1266 mandays training against projected manpower strength of 844 employees. The 'Excellent' target has been proposed at a stiffer level of 1.7 mandays.

B. Developing critical mass of leaders

During 2012-13, six leadership development programmes planned. Achievement of five such programmes (83%) considered as the Basic (VG) target. The 'Excellent' target has been proposed at 100%.

C. Training budget as % of employee cost

In Revenue Budget 2012-13 (BE), Training Budget provided at Rs. 70 lakhs against employee cost of Rs. 115 crores (0.61%). Hence 0.61% has been proposed as the Basic (VG) target. The 'Excellent' target has been kept at 0.64%.

D. Multi-skilling / Skill Upgradation of non-executives

During 2012-13, 10% of non-executives are planned to be trained on multi-skilling / skill upgradation. Achieving 90% of this plan is proposed as the Basic (VG) target. The 'Excellent' target has been proposed at 100%.

D (i). Career Succession Planning

Based on advice from the Task Force and DPE, the parameter "Development Succession Plan for employees at every level" has been incorporated with weightage of 5.0 marks under HRM. If NRL develops the said Plan, 'Excellent' rating would be achieved, otherwise 'Poor'.

D (ii). Training on Project Management

Based on advice from the Task Force and DPE, training on Project Management for employees of the Company has been incorporated as a parameter with weightage of 3.0 marks under HRM. Excellent target has been set at 20 mandays, reduced by 2 mandays for each lower rating.

E. Competency Mapping of employees

During 2012-13, carrying out competency mapping for 90% officers in JG-F&G (Chief Managers and Dy. Gen. Managers) has been planned and same proposed as the Basic (VG) target. The 'Excellent' target has been proposed at 100%.



F. Bell Curve Approach in PMS rating

If NRL follows Bell Curve Approach in PMS ratings for 2012-13, 'Excellent' rating would be achieved, otherwise 'Poor'.

G. Linkage of Developmental Plan of Executives with PMS

During 2012-13, if NRL is able to link Development Plan of Executives with Performance Rating System, 'Excellent' rating would be achieved, otherwise 'Poor'.

H. Implementation of PRP linked to PMS

During 2012-13, NRL has planned to link PRP with PMS as per the HR Policy. Achieving same would qualify for 'Excellent' rating, otherwise, 'Poor'.

I. Manpower Rationalisation

Manpower rationalisation through job enrichment has been planned to be carried out for 10 employees during 2012-13. Achieving 90% of this plan proposed as Basic (VG) target. The 'Excellent' target has been proposed at 100%.

J. Attrition as % of total employees

Attrition is envisaged to be limited to 3.00% of total employees (considered as 844) and same proposed as the Basic (VG) target. The 'Excellent' target has been proposed at 2.80%.

K. Mentorship Development Programme

NRL has planned to introduce Mentorship Development Programme in 2012-13 involving 30 Mentors & Mentees. Same has been proposed as Basic (VG) target. The 'Excellent' target has been proposed at 32 mentors/mentees.

L. Formulation / Implementation of systems for management of Talent

It is envisaged to formulate and implement system for management of talent involving job rotation (15 employees), reward scheme (30 employees) and sponsoring senior executives for advanced management programmes (5 employees), totaling 50 employees. Thus, the VG target has been proposed at 50 employees. The 'Excellent' target has been proposed at 53 employees.

M. Nominations / entries submitted for National Awards

NRL proposes to nominate / send entries of two outstanding employees for National Awards like PM Shram Award, Vishwakarma Rashtriya Puraskar etc.. Thus, the 'VG' and 'Excellent' targets have been proposed at 2 and 3 nominations respectively.



N. Number of suggestions generated

It is envisaged to generate 1 suggestion per 10 employees in various fields. Considering 844 employees, no. of suggestions per employee works out to 0.10 and same has been proposed as the Basic (VG) target. The 'Excellent' target has been proposed as 0.11 numbers per employee.

O. Implementation of Quality Circle projects

Completing 50% of total Quality Circle projects undertaken for implementation during 2012-13 has been planned and same has been proposed as the Basic (VG) target. The 'Excellent' target has been proposed as 60%.

P. Grievance Redressal System

Redressal of 80% grievances received has been planned and same has been proposed as the Basic (VG) target. 90% grievance redressal has been proposed as the 'Excellent' target.

Q. Pension, medicare, Yoga classes to reduce stress

It has been planned to organise 4 programmes for reducing stress and promoting better, healthy living for employees. Same has been proposed as the Basic (VG) target. The 'Excellent' target has been proposed as 5 programmes.

R. Employee Satisfaction Survey

ESI shall be calculated as percentage of total points recorded in a scale from 1 to 5 divided by total number of questions. Employee satisfaction survey during 2012-13 is planned to be carried out for executive employees. The Basic (VG) target has been proposed at 350%. The 'Excellent' target has been proposed at 400%.

S. Social Security Scheme

A Social Security Scheme is planned to be formulated and implemented in 2012-13 covering areas like Group Savings Linked Insurance; Group Accident Scheme; Group Life Insurance; Voluntary PF; Benevolent Scheme. If NRL is able to formulate and implement the said scheme, 'Excellent' rating would be achieved otherwise, the rating would be 'Poor'.

T. Number of structured meetings with employees' representatives

Ten structured meetings with employees' representatives planned and same has been proposed as Basic (VG) target. The 'Excellent' target has been proposed at 12 meetings.

U. Participation in survey conducted by external agencies

Participation in two surveys conducted by external agencies such as Employer of choice, Best employer, Best place to Work etc. have been planned for 2012-13. Achieving 80% of





this plan has been proposed as the 'Very Good' target. The 'Excellent' target has been proposed at 100% achievement of the plan.

V. Review of HR Policy

NRL's HR Policy has been planned to be reviewed based on changing business priorities during course of the year 2012-13. Achievement of this plan would qualify for 'Excellent' rating, otherwise, 'Poor'.

W. Benchmarking projects undertaken in area of HR

Two HR projects of NRL are planned to be benchmarked in 2012-13 against those from other three North East refineries. Achieving 80% of this plan has been proposed as the 'Very Good' target. The 'Excellent' target has been proposed at 100%.

X. Organisation Culture Building Initiatives

Initiatives of three employees having significant contribution towards culture building of the organisation are planned to be recognised and suitably rewarded. Achieving 80% of this plan has been proposed as the 'Very Good' target. The 'Excellent' target has been proposed at 100%.

IX. RESEARCH & DEVELOPMENT

The parameters on R&D in MOU 2012-13 have been selected based on DPE's Guidelines as per following details:

A. Total R&D Expenditure as % of PAT

Achievement of R&D expenditure as 0.50% of Profit-After-Tax, as specified in DPE's guidelines has been proposed as the 'Excellent' target.

B. Implementation of R&D Project-1:

This project has been selected as installation of a Flue Gas Treating Unit in Sulphur Recovery Block to increase efficiency and creation of a demonstrative plant. The date of completion of Basic Engineering and Design Package (BEDP) has been adopted as the performance indicator. The BEDP is scheduled for completion on 15.02.2013, which has been proposed as the 'Very Good' target. The 'Excellent' target date has been proposed as 01.02.2013.

C. Implementation of R&D Project-2:

This project has been selected as Development of Refinery Model in Process Industry Management System (PIMS) software to carry out simulation run for process units. The date of development of the Model has been adopted as the performance indicator. The Model is



scheduled for development on 01.02.2013, which has been proposed as the 'Very Good' target. The 'Excellent' target date has been proposed as 15.01.2013.

D. Implementation of R&D Project-3:

This project has been selected as Conducting simulation studies on blend components for MS production. The date of completion of studies has been adopted as the performance indicator. The report on studies conducted is planned to be finalized on 15.02.2013, which has been proposed as the 'Very Good' target. The 'Excellent' target date has been proposed as 01.02.2013.

X. SUSTAINABLE DEVELOPMENT

The parameters on Sustainable Development in MOU 2012-13 have been selected based on DPE's Guidelines as per following details:

A. SD Committee

A Board Level Committee for monitoring and reviewing progress of activities under Sustainable Development is being constituted at NRL. This parameter has a weightage of 0.5 marks.

B. Total SD Expenditure

Against this parameter, performance shall be evaluated based on actual expenditure on Sustainable Development activities during 2012-13 compared to the minimum budget allocation stipulated in DPE's SD Guideline. As advised by DPE, the 'Excellent' target has been set at achieving 100% of Rs. 50 lakhs plus 0.100% of PAT exceeding Rs. 100 crores. The targets for each lower rating have been set reducing the expenditure as percentage of budget by 5%.

C. Implementation of SD Project-1:

This project has been selected as Reuse of Contaminated Rain Water and Storm Water in the Refinery. The date of completion of detail engineering has been adopted as the performance indicator. Detailed engineering is scheduled for completion on 15.02.2013, which has been proposed as the 'Very Good' target. The 'Excellent' target date has been proposed as 01.02.2013.

D. Implementation of SD Project-2:

This project has been selected as Installation of 100 KW solar photovoltaic panel. The date of placement of Purchase Order for procurement of the panel has been adopted as the performance indicator. The PO is envisaged to be placed by 15.12.2012, which has been proposed as the 'Very Good' target. The 'Excellent' target date has been proposed as 01.12.2012.

E. Implementation of SD Project-3:

This project has been selected as Reuse of treated effluents to ensure 'zero' discharge of effluents from the Refinery. Achieving 95% reuse has been proposed as the 'Very Good' target while 100% reuse has been proposed as the 'Excellent' target.

F. Implementation of SD Project-4:

This project has been selected as "Carrying Capacity" study for the receiving atmosphere. NRL has completed a carbon foot print study of the refinery in November 2011 and proposes to conduct a "Carrying Capacity" study in 2012-13. This study would help in drawing up the Environment Management Plan at the planning stage itself in the event of possible expansion of refining capacity. The report on the said study is expected to be finalized by 15.01.2013 and this date has been proposed as the 'Very Good' target. The 'Excellent' target date has been proposed as 01.01.2013.

G. Implementation of SD Project-5:

This project has been selected as SD Reporting for 2012-13 as per GRI G3 guidelines. The date of publication of the report has been adopted as the performance indicator. The report is expected to be published by 15.01.2013, which has been proposed as the 'Very Good' target. The 'Excellent' target date has been proposed as 01.01.2013.

XI. CORPORATE SOCIAL RESPONSIBILITY**A. Total CSR Expenditure as % of PAT**

Achievement of total CSR expenditure as 2.00% of Profit-After-Tax for the financial year 2011-12, as specified in DPE's CSR guidelines has been proposed as the 'Excellent' target.

B. Implementation of CSR Project-1:

This project has been selected as "Niramoy" which involves organizing mobile medical camps for providing health care in villages surrounding the Refinery. The project would be implemented by VK NRL Hospital, Numaligarh. Based on available infrastructure and resources, a total of 180 health camps are expected to be organized during 2012-13. This translates to almost one health camp every alternate day. Accordingly, 'Very Good' target has been proposed as 180 camps. The 'Excellent' target has been proposed as 189 camps (5% higher).

C. Implementation of CSR Project-2:

This project has been selected as "Paricchannata" for creation of Hygienic villages through clean sanitary facilities to BPL families within 5 KM radius of the Refinery. The project would be implemented by Village Development Committee. A total of 50 sanitation facilities





are planned to be constructed during 2012-13, which is proposed as the 'Very Good' target. The 'Excellent' target has been proposed as 53 sanitation facilities (5% higher).

D. Implementation of CSR Project-3:

This project has been selected as "Prerona" which involves award of scholarship for promotion of education for girl-child in schools within 10 KM radius of the Refinery. First three girl students from VIII to X Standards in 31 schools are planned to be covered. The total number of beneficiaries would be thus planned to be $31 \times 3 \times 3 = 279$ girl students and same has been proposed as the 'Very Good' target. The 'Excellent' target has been proposed as 293 girl students (5% higher).

E. Implementation of CSR Project-4:

This project has been selected as "Swa Nirbhar" aimed at promotion of livelihood for educated unemployed youths in areas around the refinery under supervision of Government authorities through forward & backward linkages. A total of 35 self help groups involving 10 members in each group are planned to be covered. Accordingly, the 'Very Good' target has been proposed at 350 beneficiaries. The 'Excellent' target has been proposed as 368 beneficiaries (5% higher).

F. Implementation of CSR Project-5:

This project has been selected as "Khel Prashikshan" for training and development of talents of budding football players below 15 years. A total of 35 beneficiaries are planned to be covered. Accordingly, the 'Very Good' target has been proposed at 35 beneficiaries. The 'Excellent' target has been proposed as 37 beneficiaries (5% higher).
