

NUMALIGARH
REFINERY
LIMITED

A GOVERNMENT OF INDIA ENTERPRISE



NAVIGATING
SUSTAINABLE
HORIZONS

ANNUAL
REPORT | 2023-24

OUR 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.

OUR MISSION



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MANAGEMENT DISCUSSION AND ANALYSIS

Global Economic Scenario

The global economy in 2023-24 continued to recover from the significant disruptions caused by the COVID-19 pandemic and geopolitical tensions, particularly the ongoing Russia-Ukraine conflict, while the latest developments in Israel-Hamas conflict and Houthi rebel disturbances in Red Sea are evolving and are expected to create uncertainties in the global economic scenario. These events have led to volatility in energy supply chains, inflationary pressures, and economic uncertainty.

The global economy experienced a moderate slowdown in FY 2023-24, growing at an estimated 3.1% compared to 3.4% in the previous year. This growth rate aligns with pre-pandemic averages despite ongoing geopolitical tensions and the lingering effects of aggressive monetary tightening by Central Banks, worldwide. Advanced economies witnessed a deceleration in growth, averaging 1.5% in FY 2023-24, whereas Emerging Market and Developing Economies (EMDEs) demonstrated resilience, maintaining growth near pre-pandemic averages at approximately 3.9% in FY 2023-24. India emerged as a standout performer, solidifying its position as one of the fastest-growing economies.

The outlook for FY 2024-25 suggests a further moderation in global growth, with estimates ranging between 3% and 3.2%. For India, the growth forecast is estimated to be around 6.8% by IMF. Further, the proposed India- Middle East-Europe Economic corridor (IMEC) is expected to bring a positive fillip for the global as well as Indian economy.

Energy Trends

The global energy sector has been significantly impacted by geopolitical developments, leading to heightened energy security concerns. According to the Economist Intelligence Unit's (EIU) Energy Outlook 2024, global energy consumption is expected to increase by 1.8%, supported by strong demand in Asia despite high energy prices. Energy demand in Europe is expected to record its third consecutive year of decline as the region continues to battle against high energy prices and limited gas supply. Growth will also be only marginal in North America and Latin America, where soft economic growth has been forecasted.

In the World Economic Outlook (WEO) 2023¹ of the International Energy Agency (IEA), the Stated Policies Scenario (STEPS) sees lower demand projections for each of the fossil fuels than in the WEO 2022. This reflects current policy settings by governments worldwide, a slight downward revision in the economic outlook, and the continued ramifications of the 2022 global energy crisis. These shifts mean that each of the three fossil fuel categories are now projected to reach a peak by 2030. This has never previously been seen in STEPS. The changes in our projections highlight how the energy system is changing as low-emissions electricity and fuels meet an increasing share of the world's rising energy needs, and as energy efficiency improvements help to moderate those needs. Total demand for fossil fuels declines from the mid-2020s by an average of 3 exajoules (EJ) per year to 2050 in the STEPS, and the peak in energy-related CO₂ emissions in the STEPS is brought forward to the mid-2020s.

As per the latest IEA's report, oil demand growth in 2024 is forecasted at 960 kbd. This sub-par growth is mainly due to muted economy and accelerating clean energy deployments. The growth in Oil Demand is mainly driven by Asia, Latin America and the Middle East.

Momentum in renewable energy will continue, with combined solar and wind energy consumption growing by about 11% year on year globally. Capacity additions are set to reach a record high of about 400 GW in 2023 and to grow even more in 2024. Many countries will also rush to build more hydrogen production capacity. Hydropower production will remain low as climate change continues to lower water levels in many regions.

Energy Transition

The Global Energy Transition Index (ETI) published by the World Economic Forum (WEF) measures the progress of countries in transitioning to sustainable energy systems. The ETI assesses the performance of 120 countries based on key dimensions such as energy security, environmental sustainability, and economic growth. In the latest report published by the World Economic Forum, the Energy Transition Index (ETI) scores have increased by 10% compared to 2014. However, the growth has been marginal over the past three years. Even as the global energy transition is plateauing due to equity challenges, major economies are showing significant

1 <https://iea.blob.core.windows.net/assets/86ede39e-4436-42d7-ba2a-edf61467e070/WorldEnergyOutlook2023.pdf>



progress. Nordic countries lead the rankings, while China made significant progress, entering the top 20. India is ranked 67 in the list.

Despite advances in decarbonization and infrastructure, progress across the energy triangle (equity, security and sustainability) remains uneven, emphasizing the need for urgent action. Only India and Singapore excel in all aspects of energy system performance. Emerging economies, particularly China and India, show consistent improvement, benefiting from cost-effective clean solutions. Investment in renewable energy reached a record \$1.3 trillion in 2022, yet further innovation is needed. Policies like the US Inflation Reduction Act are crucial for accelerating the transition, requiring careful implementation to foster low-carbon growth.

Indian Economic & Energy Scenario

In 2024, despite global challenges and expected global slowdown, India's GDP is expected to grow rapidly in the range of 6.0% to 6.8%, retaining its position as the world's fastest-growing economy among the Group of Twenty (G20) Nations for the third consecutive year.

India's role in global oil markets is expected to expand substantially over the remainder of the decade, fueled by strong growth in its economy, population and demographics. Improving the domestic fuel supply (Coal and Gas) will remain a top priority to respond to rapidly growing demand.

The massive industrial expansion means that diesel/gasoil is the single largest source of oil demand growth, accounting for almost half of the rise in the nation's demand and more than one-sixth of total global oil demand growth through to 2030. Jet-kerosene demand is poised to grow strongly, at around 5.9% per year on average, but from a low base compared to other countries. Gasoline will grow by 0.7% on average, as the electrification of India's vehicle fleet avoids a more substantial rise. The Indian Government's world-leading progress in bringing clean cooking programmes to its rural populations have led to LPG imports surging nearly three-fold in the past decade and further initiatives will see demand growth continue through 2030. Indian oil companies are investing heavily in the refining sector to meet the rise in domestic oil demand.

Over the next seven years, 1 mb/day of new refinery distillation capacity will be added – more than any other country in the world outside of China. Several other large projects are currently under consideration that may lift capacity beyond the 6.8 mb/d capacity that we expect so far.

The refining capacity of the country stood at 256.8 MMTPA (5.02 mbd) on 31.03.2024. Public sector refineries have the dominance of over 66% of the total capacity in India.

The refinery production (crude throughput) achievement during 2023-24 was 261.5 MMT which has increased from 255.2 MMT during 2022-23 reflecting an increase of 2.5%. During 2023-24, the Indian refineries processed 26.9 MMT of indigenous crude oil which is 10.5% of the total crude processing reflecting a high dependency on imported crude oil. In terms of consumption, total domestic consumption of petroleum products during 2023-24 was 233.3 MMT with a growth of 4.6% over the previous year. Out of which 28.5 MMT product was from indigenous crude oil and fractionators which reflects self-sufficiency of 12.2%.

Net Zero Initiatives & Investments

NRL has formulated an extensive Net Zero Action Plan, targeting a substantial reduction in CO₂ emissions through a series of strategic initiatives spread over three phases: short term (2024-2030), medium term (2030-2035), and long term (2035-2038).

In the short term, NRL aims to achieve a total CO₂ emission reduction of 1.019 MMTPA. Key initiatives include setting up a 2.4 KTPA Green Hydrogen (H₂) Plant to replace 5% of the current grey hydrogen production, which is expected to reduce CO₂ emissions by 0.024 MMTPA. Additionally, NRL plans to recover waste ammonia from sour gas ex-Sour Water Stream, resulting in a reduction of 0.071 MMTPA, and create carbon sinks through afforestation, which will contribute to a significant reduction of 0.266 MMTPA.

The use of 50 MW renewable energy (RE) power in the refinery power mix, with an expected reduction of 0.21 MMTPA and the separation of CO from SMR gas to produce chemicals like acetic acid and oxo-alcohol, expected to reduce CO₂ emissions by 0.2 MMTPA, are also part of this phase. Furthermore, NRL will initiate sustainable aviation fuel (SAF) production, producing 2-TMT for a reduction of 0.004 MMTPA and generate 30 KTPA compressed biogas (CBG) to replace natural gas, aiming for a reduction of 0.1 MMTPA. Additional Green H₂ production will also be increased by 15 KTPA, targeting a reduction of 0.15 MMTPA.

In the medium term, from 2030 to 2035, NRL plans to achieve a further CO₂ emission reduction of 1.394 MMTPA. This will involve setting up a 20 KTPA Green H₂ Plant by 2035, contributing to a reduction of 0.2 MMTPA. The company will also expand its waste ammonia recovery post-NREP, significantly reducing CO₂ emissions by 0.974 MMTPA. Using an additional 50 MW



of RE power in the refinery power mix will contribute a reduction of 0.21 MMTPA, and the production of 5 KTPA SAF will add a reduction of 0.01 MMTPA to the overall goal.

For the long term, spanning from 2035 to 2038, NRL aims to achieve a CO₂ emission reduction of 0.986 MMTPA. This includes setting up a 50 KTPA Green H₂ Plant to achieve a reduction of 0.5 MMTPA, utilizing 50 MW of RE power in the refinery power mix for a reduction of 0.21 MMTPA, increasing SAF production to 5 KTPA for a reduction of 0.01 MMTPA, and enhancing carbon sinks through afforestation to achieve a reduction of 0.266 MMTPA.

Overall, NRL's Net Zero Action Plan is designed to reduce CO₂ emissions by a total of 3.40 MMTPA by the end of 2038, showcasing the company's robust commitment to sustainability and its proactive approach to mitigating climate change impacts.

SWOT Analysis

Strengths

NRL's proximity to export markets like Bangladesh, Bhutan, and Myanmar gives a strategic advantage and enables efficient distribution and reduces transportation costs.

Opening its first overseas office in Dhaka, Bangladesh, with plans for further expansion in the country further strengthens NRL's position. Utilization of advanced refining technology and pet-chem ready configuration in the new expanded refinery enables the company to venture into petrochemicals and diversify its product portfolio. Strong backing from Oil India Limited (OIL), the Government of Assam, and the Ministry of Petroleum & Natural Gas (MoP&NG) also augurs well for the growth of the company.

Weaknesses

Ensuring timely completion of the refinery expansion and crude oil pipeline project poses significant challenges. Despite diversification efforts, there remains a reliance on traditional fuel revenue streams, which could be affected by market shifts.

Opportunities

Promising market opportunities in Northeast India and neighboring countries due to rising demand for petroleum products in the region. Further, the crude oil pipeline from Paradip to Numaligarh will ensure crude

oil security for the company as well as for the region. Ongoing expansion projects, including the refinery expansion to 9 MMTPA and the new crude oil import terminal, will address current capacity limitations and improve operational capabilities. The new crude oil import terminal at Paradip will help NRL manage crude oil price volatility by enabling the maintenance of strategic reserves.

Investments in renewable energy projects, including green hydrogen, biofuels, and carbon capture, show a commitment to sustainability and futureproofing the business. The 2G bio refinery, being implemented through its JV – ABRPL also puts NRL in an advantageous position and gives opportunity to expand biofuel production in the region. Leveraging technology for operational excellence positions NRL for continued growth and enhanced efficiency.

Challenges

Growing competition from other refineries in India and the Eastern regions, which are increasing their refining capacities.

The global shift towards renewable energy and the imposition of stringent environmental regulations pose significant challenges for traditional fuel-based businesses.

The rising adoption of electric vehicles and biofuels threatens the demand for traditional fuels, potentially impacting NRL's revenue streams.

Adapting to changing market dynamics and consumer preferences is crucial for maintaining competitiveness.

NRL must innovate and invest in sustainable solutions to remain competitive in the evolving energy landscape, aligning with global trends towards sustainability and Net Zero.

Product-wise performance:

HSD and MS constituted the major share of product sales for the company during FY 2023-24, contributing to around 89% of sales volume. HSD sales during the year amounted to 1,804 TMT while MS sale was 615 TMT out of total product sale of 2,713 TMT. Wax sales during the year was 38 TMT respectively. NRL remains the market leader in terms of Wax production and sales in the country. Wax exports during the year were 1.1 TMT. Sale of MTO during the year was 3 TMT while RPC, CPC and Sulphur sales were 8 TMT, 45 TMT and 4 TMT respectively.



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Outlook

As we step into 2024, the global energy landscape continues to evolve at an unprecedented pace. The dual pressures of advancing the energy transition and meeting rising energy demands present both challenges and opportunities. The global push towards net-zero emissions by 2050 is at a critical juncture. Energy outlook for 2024 highlights achieving ambitious targets which require immediate and decisive action across all sectors globally. Despite progress, emissions remain high, necessitating a rapid acceleration in the deployment of clean technologies and capital investment.

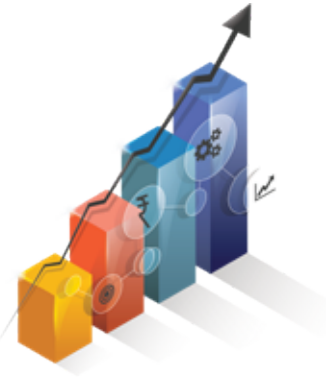
Achieving a net-zero pathway necessitates significant investment. As per a report by Bloomberg NEF, for every dollar spent on fossil fuels, an average of \$3 needs to be directed towards low-carbon energy sources over the next decade. This implies a total investment of \$215 trillion by 2050.

NRL must navigate the evolving policy landscape, particularly in relation to securing critical crude oil resources as it embarks on expanding its refining capacity.

Strategic investments in energy transition projects involving production of niche chemicals, advanced biofuels etc. should be prioritized. Investing in innovative technologies and efficiency improvements can help mitigate the impact of high costs and regulatory challenges. This includes adoption of new technologies and efficiency measures across operations which can also improve energy efficiency.

Risks and concerns:

As NRL stands on the brink of its refinery expansion project, involving substantial capital investments, it must thoroughly evaluate the financial feasibility and associated risks. Potential issues such as cost overruns, funding availability, and project delays could strain the budget and finances. Inadequate project planning or unexpected circumstances could exacerbate these challenges.



NRL remains the market leader in terms of Wax production and sales in the country in FY 2023-2024.

NRL must also evaluate the demand for the additional refined products that the expanded capacity will produce. Market dynamics, competition from other refineries, and shifts in consumer preferences could impact the refinery's ability to fully utilize the expanded capacity.

The global shift towards renewable energy and sustainable practices presents both challenges and opportunities for NRL. Adapting to the energy transition, investing in clean technologies, reducing

greenhouse gas emissions, and aligning with sustainable development goals are critical challenges that NRL must address.

Operational and financial performance:

Despite challenges, including a Refinery Turn Around (RTA) and a subsequent major fire in 1st Quarter, NRL demonstrated robust performance in FY 2023-24. During the financial year, NRL processed 2,510 TMT of crude oil, operating the refinery at 101% of its design capacity of 9.0 TMT per day during Q3 and Q4. This included processing 2,458 TMT of domestic crude oil and 52 TMT of imported crude oil.

Key production achievements were as follows:

- High-Speed Diesel (HSD): 1,697 TMT
- Motor Spirit (MS): 606 TMT
- Wax Production: 36 TMT

NRL recorded an Operational Availability (OA) of 98.1% for the year, excluding planned turnaround and recovery days post-fire. This high OA was a major contributor to achieving higher refinery throughput and better performance across various physical parameters during the remaining three quarters.

Notable performance metrics for 2023-24 included:

- Distillate yield: 86.54% which is better than MoU target the MoU target of 86.5%.
- Specific Energy Consumption (SEC): 61.6 MBN, better than the MoU target of 61.7 MBN.
- Energy Intensity Index (EII): 81.4%, an improvement from 82.3% the previous year.
- Specific Fresh Water Consumption: 153.6 MTN.



Product sales during the year was 2,713 TMT against production of 2,502 TMT. NRL's total manpower stood at 1,065 compared to 1,028 in the previous year 2022-23. Gross Refinery Margin (GRM) during 2023-24 was recorded at \$13.17/ bbl.

NRL achieved its highest-ever standalone capital expenditure at ₹8,501 Crore, a 24% increase over the previous year. Additionally, the company invested ₹24.36 Crore in equity for the JV IGGL.

Revenue from operations during the financial year 2023-24 was recorded at ₹23,731 Crore as compared to ₹29,786 Crore in the previous year. Profit before tax (PBT) during FY 2023-24 was recorded at ₹2,912 Crore from ₹4,953 Crore in the previous year. Profit after tax (PAT) was ₹2,160 Crore as compared to ₹ 3,703 Crore in the previous year. The Earning per Share (EPS) for the year 2023-24 stood at ₹13.95 as compared to ₹25.17 in 2022-23.

Internal Control Systems and their Adequacy

The Company has robust internal control systems (including Internal Financial Controls over Financial Reporting) that facilitate efficiency, reliability and completeness of accounting records and timely preparation of reliable financial and management information. The internal control system ensures compliance with all applicable laws and regulations, facilitates optimum utilization of resources and protect the Company's assets and investor's interests.

The Company has a clearly defined organizational structure, delegation of authority, manuals and operating procedures for its business units and service entities, to ensure orderly and efficient conduct of its business. The state-of-the-art ERP solutions (SAP) in the Company has inbuilt controls including the authorization controls. This further enhances controls and seamless exchange of information with access controls. The SAP systems also provide an audit trail of the transactions. The Company also has a Whistle Blower Policy and Fraud Prevention Policy, to address fraud risk.

Further, the Company continuously monitors the processes and workflows which can be digitized and has undertaken automation and digitization in all facets of business operation. The Company has a digital platform 'Aarohan' for the entire 'procure-to-pay' process, which results in transparency and robustness in the business process.

The Company's Internal Audit function, consisting of professionally qualified persons from accounting, engineering and IT domains, review the business

processes and controls to assess the adequacy of internal control system through risk focused audits. The Internal Audit Department plans the annual audit plan to cover each and every aspect of the business. The audit reports published by the Internal Audit Department are shared with the Independent Auditors who review the efficacy of internal financial controls. The Audit Committee of the Board regularly reviews significant findings of the Internal Audit Department covering operational, financial and other areas and provides guidance on internal controls.

The report of the statutory auditor on Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 is placed as an Annexure to the Statutory Auditors Report.

The Board believes that systems in place provide a reasonable assurance that the Company's Internal Financial Control are designed effectively and are operating as intended.

Award and Accolades

The following awards were received by NRL in recognition of its accomplishments during the FY 2023-24:

1. Global CSR Excellence & Leadership Awards in the Women Empowerment Poverty Alleviation category.
2. Best Stall at 26th Energy Technology Meet for the year 2023.

Human Resource

At this critical phase of expansion of our Refinery from 3 MTPA to 9 MTPA, the HR department plays a pivotal role in securing the Company's future success. Guided by a long-term vision of fostering an environment where employees can thrive and deliver sustainable performance, the HR department prioritizes three strategic objectives:

- (i) Alignment with Organizational Goals:** Integrating the human resource function with the Company's strategic objectives to enhance overall performance.
- (ii) Employee Well-being and Diversity:** Promoting employee well-being and mental health, while fostering diversity, equity, and inclusion.
- (iii) Streamlined HR Processes:** Ensuring seamless processes for staffing, development, compensation, safety and health, and employee and labour relations.

The HR department covers a broad spectrum of functions including Compensation and Benefits,



Recruitment & Talent Management, Capacity Building and Policies, Industrial Relations/Public Relations, Employee Relations, Administration, Human Resource Development, Training and Development, Legal, Township & Estate and Corporate Social Responsibility (CSR). Through these diverse and interrelated functions, HR strategically maintains a cordial work environment, boosts productivity and ensures compliance to all workforce-related statutory regulations and stakeholder management. By fulfilling these roles, the HR department is both a witness to and an active participant in the Company's transition and globalization, adapting to new challenges and opportunities. Your Company is committed to supporting employees across all categories, providing ample opportunities for involvement, performance, and growth.

As of March 31, 2024, the manpower strength of NRL is as follows:

Group	Total	SC	ST	OBC	Female	Minority	PH
A	601	85	44	165	60	27	6
B	NIL	NIL	NIL	NIL	NIL	NIL	NIL
C	464	37	70	170	22	28	20
D	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total	1065	122	114	335	82	55	26

Learning and Development

The Learning and Development department at NRL plays a vital role in providing opportunities to upgrade knowledge of the employees both in functional and developmental areas through external & in-house training programs.

During FY2023-24, 5459 sessions of training were imparted to employees comprising 2188 Management staff and 524 Non-Management staff. Total 153 Nos. of External, online /in-house training programs were conducted. As a part of these training Programs, numbers of officers participated in external training program conducted through IIM – 4 Nos., IIP Dehradun for Non-Management staff – 29 Nos. ASCI – 04 Nos. and 37 Nos. of shift officers attended outbound training. 35 Nos. Employees have registered at various web learning courses during this year. 31 Nos. of Mentors & 83 Nos. of Mentees attended Refresher on Mentorship Program. 21 Nos. of Officers attended foreign training during this year.

15 Nos. GETs & 25 Nos. Non- Mgt. Trainees who joined in FY 2023-24 were also imparted induction & functional training through a well-structured module.

79 Nos. Apprenticeship Trainees have joined for one year training period during the year.

198 Nos. of students from various institutes of India were imparted internship training at NRL during this year.

SC/ST/OBC Employees

The information of SC/ST employees of the Company is furnished in the prescribed format as per **Annexure- D**.

Reservation and other Welfare Measures for SC/ST/OBC

Your Company is constantly following the Presidential directives, policies issued from time to time in respect of implementation of reservation, concessions and relaxations to the candidates belonging to Scheduled Castes (SCs), Scheduled Tribes (STs), Other Backward Classes (OBCs) and Persons with Benchmarked Disabilities (PwBD) in the matters of recruitment. The reservation percentages are ensured through maintenance of Post Based Roster system as prescribed by the Govt. of India. The Rosters are being followed/ consulted in every recruitment cycle before issue of advertisement/ notification.

Candidates belonging to SC/ST categories who are called for written test/Interview are reimbursed travelling expenses as per Govt. guidelines. In addition to providing reservation in employment, your Company is also adopting relaxed criteria in promotions, as per existing guidelines.

Your Company has a SC/ST Cell under the direct control of Head of HR who is appointed as Liaison Officer. The current SC/ST cell comprises of representatives from SC & ST community and officials of HR Dept. to ensure compliance of various guidelines pertaining to the SC/ST employees. The SC/ST Cell takes care of grievances, if any, with the Management.

Your Company also has an OBC Cell under the direct control of Head of HR who is appointed as Liaison Officer. The OBC cell comprises of representatives from OBC community and officials of HR Dept. to ensure compliance of various guidelines pertaining to the OBC employees. The OBC Cell takes care of grievances, if any, with the Management.

NRL's CSR and welfare activities under various Schemes/ Projects are formulated to cover the entire population including ST/SCs and OBCs surrounding the refinery without specific reference to any particular group. Some of the major activities / schemes undertaken by NRL for welfare and socio economic development of the people including the STs, SCs and OBCs communities are as follows:



- Conducting regular health camps offering free treatment & medicines to the villagers under Project “Niramoy” and free eye screening cum Cataract operation camp under Project “Drishti”.
- Subsidized treatment to the patients from underprivileged backgrounds category at NRL’s township hospital.
- Installation of safe and pure drinking water plants in various educational institutions and community places.
- Providing low cost toilet blocks to BPL families under scheme ‘Parichannata’.
- Construction of school toilets Under Project Swachh Vidyalaya Abhijan as part of ‘Swachh Bharat Abhijan’.
- Construction and renovation of health institutions in various locations of Assam and beyond including supply of furniture, Medical equipment to provide better healthcare services to the patients.
- Supporting children of Golaghat District with delayed development by offering pediatric therapy.
- Providing financial assistance to needy patients for treatment of critical health and life-threatening ailments.
- Providing Ambulances among various health institutions & NGOs to respond medical emergency for needy people.
- NRL has been running a fully residential Nursing school at Numaligarh namely ‘VK NRL School of Nursing’ affiliated to INC since 2017 offering General Nursing and Midwifery (GNM) course. The school aims to empower women through skill development and quality education. Each batch comprises of 50 girls’ students with a reservation of ST, SC, OBC, EWS etc.
- To promote education, the Gyandeep Scholarship scheme awards scholarships to students based on their Class X and XII results. The Prerona Scholarship focuses on supporting girls’ education by providing scholarships to top female students from Class VII to X. Additionally, NRL has introduced the Pratibha Scholarship scheme to assist students from economically disadvantaged backgrounds in

pursuing higher education and preparing for future career prospects. This scheme offers scholarships for various fields, including Engineering, Medicine, Business Administration, ICAI, ICSI, ICMAI, Masters, Graduation, and Diploma programs.

- Infrastructure development of educational institutions, providing furniture & various amenities for better educational environment.
- Assistance in conducting Remedial & Mentoring coaching program, Career Development Programme etc. for school & college students.
- Under skill development initiatives, NRL has supported students to pursue Hospitality Management course in front office, housekeeping operation and Commis Chef categories at TATA



Strive Institute. In addition, female youths from the nearby areas were also trained in the aviation sector as attendants, ground staff etc.

- NRL CSR has been providing vocational training in decorative candle making through NSIC for last year. This initiative aims to empower women and youths who are trained to make decorative candle pieces This also goes in line the nationwide idea of promoting “Vocal for Local” though skill upgradation and self-employment.
- NRL has adopted Golaghat ITI to operate under PPP mode as ‘ITI Golaghat- NRL Centre of Excellence’ under an MoU with Govt. of Assam. At present there are two full term courses available in the ITI i.e. Fitter



and Welder followed by regular SCVT/NCVT courses to fulfil the requirement of gap of skilled manpower in different industries/sector. Presently there are 60 students pursuing their training in the institute.

- NRL also operates a Skill Training centre at Bishnupur in collaboration with Industrial Training Institute, Golaghat. This centre imparts basic employability skill training required in the Industrial sector for unemployed youth of the neighbourhood. The centre provides training in Civil trades such as bar-bending, shuttering and scaffolding along with gas cutting/welding, industrial safety etc.
- To enhance livelihoods and uplift the rural economy, NRL has implemented various schemes aimed at generating income for individuals from economically disadvantaged backgrounds.
- Under project ‘Swa-Nirbhar’ NRL encourages the formation of Self-Help Groups (SHGs) in and around the refinery area. Furthermore, through diverse livelihood schemes focusing on piggery, poultry, goatery, and fishery, individual beneficiaries have been provided with financial assistance. NRL is also actively promoting the establishment of Joint Liability Groups in the vicinity of the refinery.
- NRL is also supporting the setting up of Custom Hiring Centres in nearby villages by providing Farm machinery, other farm implements among the farmers to increase their productivity.
- Under Rural development, NRL is undertaking various projects like Construction/ Development of village road, culvert, road side drain system, waiting shed, cremation ground, installation of street light etc. including Improvement of infrastructure facilities at public places.
- Under the scheme ‘Khel Prashikshan’ NRL is operating a football academy for training and development of talent of budding football players.
- Providing financial assistance to Women entrepreneurs, Self Help Groups (SHGs), weaving units etc., thereby helping them gain financial independence and enhance their family incomes.

In the FY 2023-24 the amount spent by NRL under various CSR schemes/project for STs; SCs & OBCs is around ₹3,808.00 Lakh.

Persons with Benchmarked Disabilities (PwBD)

Your Company has been providing reservations and concessions to the Persons with Benchmarked Disabilities since inception for appointments in all categories of identified posts, based on Government

guidelines. Accordingly, 4% of the vacancies identified in Group A posts and 4% of total posts in Group C & D are reserved for PwBD candidates. The nos. of posts reserved for PwBDs and their actual placements are as below:

Group	No. of Posts reserved for PwBD	No. of PwBD employees in place
A	13	6
C&D	20	20

The Company also ensures to achieve the desired percentage for PwBDs in identified posts and is also conducting special recruitment drives for them in direct recruitment. Besides, as a corporate body, various initiatives have been undertaken as a part of community development program to give benefits to PwBDs.

Gender Friendly Workplace

Your company has strived to achieve a gender friendly workplace with equal opportunity for men and women. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is in force to provide protection against sexual harassment of women at workplace and for the prevention and redressal of complaints therewith or incidental thereto. NRL’s Internal Committee is functioning as per the provisions of this Act. During the year 2023-24, no complaints of sexual harassment has been received.



Communication to Employees

Effective communication with employees is paramount for fostering engagement, alignment and productivity. Based on the tenet of promoting transparent, open channels of communication that facilitate collaboration and information sharing across all levels of the organization, your Company leveraged several tools and platforms both physical and digital to communicate with its employees. It has also embraced a culture of feedback and dialogue to foster a sense of inclusivity and belongingness among employees.

Focussed emailing groups, WhatsApp groups, bulk mobile messaging, ‘m.Barta’ are primary tools to



communicate instantly with employees. Structured meetings in physical and online mode connect NRL Management with employees and provide a forum to deliberate and resolve flagged issues. Employees taking part in such meetings are encouraged to percolate the gist of discussions and/or Minutes of Meeting to their respective working group.

Apart from the above, NRL's Local Area Network, 'Eureka' is a self-service platform for employees to access information related to NRL's business as well as manuals, circulars and SOPs which govern its working on a day-to-day basis.

In addition to direct communication, NRL keeps its employees connected through its quarterly house journal, 'Rodali'. Other in-house publications include Vigilance newsletter, 'Chaitanya,' Safety Newsletter and the Hindi magazine, 'Prayas'.

NRL website www.nrl.co.in and NRL social media platforms viz. Facebook, X and YouTube cater to both employees and external audiences and are other important means of communication.

By embracing technology and prioritizing effective communication strategies, NRL has been able to adapt to the demands of the digital age and cultivate a thriving, interconnected workforce poised for success.

Industrial Relations

Industrial Relations were cordial & harmonious throughout the year 2023-24 which has created a peaceful & progressive work environment inside the refinery premises. On average, around 2700 contractual workers (AMC, Onetime & Rate Contract) are engaged in different jobs in the existing refinery and around 7000-8000 contractual workers are daily engaged in different jobs for the Numaligarh Refinery Expansion Project (NREP). An efficient Gate Pass system has been implemented in the refinery for smooth entry and exit of employees, workers as well as for others.

All applicable labour laws were fully implemented across the Company. Various welfare amenities like Ambulance, Canteen, Drinking Water, First Aid Box, Rest Room, Toilet/Washroom are available for the employees as well as for workers. Regular meetings were held with various unions and other stakeholders of the company and issues/disputes related to employees; workers & others were amicably resolved through bilateral discussions. Further, those issues/cases that could not be resolved through bilateral discussion were forwarded to the Regional Labour Commissioner (Central) and the cases were disposed through conciliation as per the Labour Acts.

With the introduction of C-QUEL, an IT enabled tool providing labour compliance solutions, pay-roll system of workers is automated through an online process. Statutory registers are also generated automatically. Further, Contractors are now able to update CLRA License details, WC policy, ISMW License etc., work order wise. Compliance Summary Report is also generated work order wise, identifying number of worker in payroll and also under 'Not In Roll'.

All these have facilitated smooth conduct of business during the year 2023-2024 and helped to establish a progressive work environment inside the refinery premises.

Corporate Social Responsibility and Sustainability

NRL CSR has garnered significant importance due to its unwavering and consistent support to the local community and District Administration over the years. As the Company has grown, its CSR activities have diversified across various locations, aligning with the expansion of new operational areas of the refinery.

NRL's CSR and Sustainability activities are conducted in accordance with the provisions outlined in Schedule VII of the Companies Act 2013 and the 'CSR and Sustainability Policy,' which complies with Section 135 of the Companies Act 2013. These activities also adhere to the CSR Rules issued by the Ministry of Corporate Affairs and the relevant guidelines on CSR and Sustainability provided by the Department of Public Enterprises (DPE). In the financial year 2023-24, NRL's CSR expenditure primarily focused on 'Health and Nutrition' as per guidelines of Department of Public Enterprise and Ministry of Corporate Affairs.

In addition to these initiatives, NRL undertook various other projects under the categories specified in its CSR policy. These include Education and Skill Development, Livelihood Enhancement and Infrastructure Development.

As against the allocated budget of ₹92.27 Crore, an amount of ₹94.18 Crore was spent during the financial year 2023-24. This expenditure includes total set-off amount of ₹8.20 Crore (₹5.00 Crore contributed to the PM CARES Fund in the FY 2021-22, as well as excess expenditure of ₹3.20 Crore made during the previous year.)

Some of the key CSR and sustainable initiatives undertaken by our Company during the year 2023-24 including the focus areas of the policy are:



i. Healthcare

As per notification issued by Ministry, 'Health & Nutrition' being the thematic area of CSR activities for FY 2023-24, NRL had extensively focused on improving Community Healthcare in the region. Some of the noteworthy projects are as below:

- NRL provided a range of medical equipment to 39 healthcare institutions, including Primary Health Centers (PHCs), Community Health Centers (CHCs), and Mini Primary Health Centers (MPHCs) in Golaghat district with an effort to enhance the quality of healthcare services and ensure better patient care throughout the region.
- NRL provided financial assistance for the installation of a histopathology unit at Naga Hospital Authority at Kohima which will improve crucial diagnostic services, ensuring timely and accurate medical evaluations.
- In the current year, NRL has undertaken the construction of Dusutimukh State Dispensary including the provision of medical equipment's and renovation of other Public Health Centres/ Hospitals etc in Golaghat District to provide better healthcare services.
- As a part of preventive healthcare, promoting physical and mental wellbeing, NRL has extended financial support for the establishment of a High Performance Sports Training and Rehabilitation Centre in Jorhat. This initiative aims to elevate the standards of athletic performance including optimal health and rehabilitation practices among present and budding athletes.



Dusutimukh State Dispensary

- Mobile medical health camps, organized by VKNRL Hospital, and ongoing eye camps continue to serve the community. In addition, VKNRL Hospital provided subsidized treatment to individuals from economically disadvantaged sections of society.
- Through its Medical Assistance Scheme, NRL

supported more than 200 individuals from economically disadvantaged backgrounds who are suffering from critical ailments such as cancer, lung and heart diseases, and kidney problems.

- To promote venue and space for conducting various physical and mental development programs/ trainings, NRL has taken initiative for the infrastructure development at Govt. Bezbaruah High School premises.
- Through the operation and management of the NRL Football Academy, NRL has been nurturing not only athletic prowess but also the holistic well-being of youths.
- During the year, 11 nos. of ambulances were provided to various medical health institutes to enhance access to healthcare facilities in remote areas. Additionally, one hearse vehicle was provided to Arunachal State Hospital at Naharlagun, Arunachal Pradesh.
- Under Project 'Nirmal Chahar', NRL provided 13 nos. Garbage Tipper vehicles and 180 nos. garbage bins to various Municipalities/Town Committees and NGOs to equip them with the necessary resources for efficient waste management practices.

ii. Education and Skill Development:

Various projects for ushering skill development and bolstering education include the following.

- During the Financial Year, construction and renovation projects for 14 schools have been



VK NRL School of Nursing



undertaken in ME, LP and high schools of Golaghat District.

- In continued support of academic excellence, the "Gyandeep Scholarship" scheme was awarded to 442 students based on their Class X and XII results, while the "Prerona Scholarship" championed girls' education by providing 164 scholarships to top female students from Class VII to X. Recognizing the achievements of all students, 74 meritorious children of contract workers received scholarships for their Class X results.
- NRL, through its Centre for Social Responsibility & Leadership in New Delhi, is continuing to promote education by supporting coaching centers for students in nearby schools from Classes IX and X. These coaching centers aim to prepare students for entrance exams to engineering and medical programs.
- Committed to fostering a skilled workforce, NRL's partnership with Golaghat ITI continues. Currently, 40 students are enrolled in two direct trades i.e. welder and fitter trades.
- The VKNRL School of Nursing welcomed its seventh batch of 50 dedicated students pursuing the GNM course. The school takes pride in fostering a supportive environment for female students, with a current enrolment of 128. Since its inception, four successful batches of nurses have graduated, ready to make a positive impact in the healthcare field.

iii. Swachhta Action Plan:

Under this programme mandated by MoPNG, an amount of ₹ 8.88 Crore was spent against target for ₹ 6.00 Crore under different heads of expenditure.

- Through Project "Parichhannata," NRL CSR is promoting Public Health and sanitation needs in schools by constructing toilets. This initiative goes beyond schools, with extended support to the construction of public and household toilets in various locations, fostering a cleaner and healthier environment for all.
- Under Project "Jeevandhara", NRL is providing clean drinking water in villages, schools, and other public spaces. Throughout the year, NRL has installed safe and clean drinking

water purification plants with ATM functionality in nearby villages and community locations including educational institutions. These plants come with a comprehensive three-year annual maintenance contract, ensuring long-term sustainability and access to clean water.

iv. Livelihood Generation:

- In addition to its core activities, NRL CSR actively supports individual livelihood development projects. These projects under Project 'Swanirbhar' encompass initiatives in animal husbandry, agriculture-related income generation, and the fostering of entrepreneurial endeavours, both at the individual and group levels.
- NRL is further contributing to livelihood enhancement by supporting Dragon Fruit cultivation in Jurpukhuri Village, Rajapukhuri at Sarupathar.
- NRL extends its support to various livelihood initiatives in Sarupathar and Golaghat. These projects encompass diverse areas such as piggery, goat rearing, textile enterprises, and agricultural endeavours.

v. Infrastructure Development:

Several developmental works were taken up in and around NRL during the Financial Year which included projects for Village Road construction & renovation, installation & commissioning of solar streetlights, and other infrastructure development work in rural areas etc.

- In furtherance of rural development initiatives in the Golaghat district, NRL has installed around 600 nos.



NRL Football Academy



solar streetlights in various locations. These lights provide enhanced illumination, promoting public safety and security while contributing to a more vibrant community atmosphere.

- NRL has undertaken various road development jobs in nearby areas such as Rongbong village, Marangi, Ponka Gaon, Letekujan & Rajabari, Chaorabasti, Bishnupur and Amlokhitol etc.

vi) Promotion of arts, sports, literature and culture:

As part of the promotion for Arts, Culture and Heritage, NRL has undertaken the following activities

- To support the various cultural activities, NRL has provided Public Address system to Lakhimpur Sangeet Mahabidyalaya at North Lakhimpur.
- NRL has provided financial assistance to Nrityanjali Kala Kendra, Dergaon for organizing residential

workshop cum training on Assamese dance, flock song & drama and to Vivekananda Kendra Institute of Culture, Guwahati for repairing their Cultural Hall.

- Financial assistance was given for the renovation of Meghalaya Rongali Bihu Sanmitan Auditorium for showcasing Assamese culture in the state of Meghalaya.
- NRL has provided financial assistance to Assam Sahitya Sabha for supporting and promoting authors of Assamese literature.

NRL has also supported training/workshops at various locations at Golaghat & Guwahati for cultural weaves & fabrics.

Details of CSR activities are uploaded and continuously updated in NRL's website www.nrl.co.in. A detailed Report on NRL's CSR and Sustainability activities is enclosed as **Annexure - F**.

