



MANGALORE REFINERY AND PETROCHEMICALS LIMITED

(A Govt. of India Enterprise and A Subsidiary of ONGC Limited)



Expanding Horizons
Exceeding Limits

35TH ANNUAL REPORT : 2022 - 23



Mangalore Refinery and Petrochemicals Limited

(A Government of India Enterprise and Subsidiary of ONGC)

CIN: L23209KA1988GOI008959

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New Delhi – 110003 Tel : 011-24306400
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Building No. 4, 2nd Floor,
Chakala, Andheri (East),
Mumbai, 400093. Tel : 022-28203000

BENGALURU:

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Rajajinagar, Bengaluru – 560010 (Karnataka)
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REGISTRARS & SHARE TRANSFER AGENT

M/s. Link Intime India Private Limited
C-101, 247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai- 400 083
Tel.: 022-49186270 Fax No.: 022-49186060
E-mail: mrplirc@linkintime.co.in

BOARD OF DIRECTORS



Shri Arun Kumar Singh
Chairman



Shri Sanjay Varma
MD (Addl. charge) &
Director (Refinery)



**Shri Vivek Chandrakant
Tongaonkar**
Director (Finance)



Smt. Pomila Jaspal
Director, ONGC Nominee



Shri S Bharathan
Director, HPCL Nominee



Shri Asheesh Joshi
Govt. Nominee Director



Shri Dheeraj Kumar Ojha
Govt. Nominee Director



Shri Rajkumar Sharma
Independent Director



Smt. Nivedita Subramanian
Independent Director



Shri Manohar Singh Verma
Independent Director



Shri Pankaj Gupta
Independent Director

CHAIRPERSON'S MESSAGE TO STAKEHOLDERS



Dear Shareholders,

It is my privilege to present, on behalf of the Board of the Directors of MRPL, the 35th Annual Report for the year 2022-23 to our valued shareholders and also present few highlights for the year's performance.

Financial Performance

- ♦ Your Company achieved a turnover of ₹1,24,686 Crore during the financial year 2022-23 as against ₹86,067 Crore during the financial year 2021-22.
- ♦ Your Company earned profit of ₹ 2,637 Crore (profit after tax) during the financial year 2022-23 against profit of ₹ 2,954 Crore during the Financial Year 2021-22.
- ♦ The Gross Refining Margin (GRM) for financial

year 2022-23 was 9.88 \$/bbl as against 8.60 \$/bbl during the financial year 2021-22.

- ♦ Your Company secured "AAA" from ICRA and CRISIL for ₹2,560 Crore NCDs and "AAA" from CARE and India Rating (Fitch Group) for ₹5,000 Crore NCDs.

Physical Performance

- ♦ Highest Gross Crude Throughput of 17.116 MMT was achieved (Previous best was 16.23 MMT during 2018-19).
- ♦ Ever Highest Capacity Utilization of PFCC (117.9%) & DCU (98.3%) were achieved during the year against the design.
- ♦ Aromatic complex was operated on reformat during the year based on economics.
- ♦ Energy consumption in terms of MBN of 71.21 is the lowest. (Previous best was 73.45 during FY 21-22).
- ♦ The Company has achieved 10.47% Ethanol Blending as part of EBP vide Gazette Notification.
- ♦ The Company has reduced 3.05% Specific Energy Consumption over previous year.
- ♦ 31 numbers of ROs were commissioned during the year.
- ♦ New Crudes namely Kuwait Super Light crude (Kuwait), Khafji crude (Saudi), CPC BLEND (Kazakhstan), Okwuibome (Nigeria) were processed for the first time.
- ♦ The Company has assessed the possible effect from COVID-19 pandemic / Russia-Ukraine War and ascertained that, there is no impact on the carrying amounts of Property, Plant and Equipment, Inventories, Receivables and Other Current Assets.

Safety

- ♦ Your Company successfully achieved ZERO

Reportable Lost Time Injuries (RLTI) for the FY 2022-23.

- ♦ Your Company achieved 1003 & 2711 days without Reportable Lost Time Injuries (RLTI) as on 31/03/2023 in case of Refinery and Aromatics respectively.
- ♦ Your Company bagged following safety awards:
 - Gold award by Federation of Indian Chambers of Commerce & Industry for excellence in Industrial Disaster Risk Management
 - First prize in Karnataka State Level Safety award 2023
 - MRPL Aromatic complex bagged “Karnataka State Level Safety Award 2023” in the Petrochemical industries category, by Department of Factories & Boiler
- ♦ Safety Audit of Refinery Complex and Aromatics Complex were carried out by British Safety Council and OISD respectively for the year 2022-23.
- ♦ Seven employees from Fire & Safety Department were felicitated by the hon'ble Union Minister of State – Petroleum & Natural Gas and Labour & Employment for bravely fighting the fire at MSEZ.

Direct Marketing

- ♦ Your Company continues to maintain major share in the direct sales segment of petroleum products market in Karnataka and adjoining states. Your Company maintained leadership position in its marketing zone for all direct sales products such as Bitumen, Diesel, Sulphur, Petcoke, ATF (thru' JV), Polypropylene, Xylol (Xylenes) etc. The total domestic sales volume of all products during FY 2022-23 has been 2.3 MMT with a sales value of ₹13,428 Crores against turnover of 1.9 MMT with a sales value of ₹11,033 Crores in FY 2021-22.
- ♦ Retail marketing plan: Your Company successfully commissioned 31 retail outlets in FY 2022-23 increasing the count to a total of 63

operational retail outlets as on 31.03.2023, with another 20 retail outlets under advanced stages of construction. Your company is continuously focusing on its retail expansion in the states of Karnataka & Kerala and has drawn plans for release of dealer selection advertisement in Tamil Nadu. Plans are in place for adding 150 new retail outlets every year for the next 5-10 years and will be entering new geographical areas of Andhra Pradesh and Telangana in near to medium term.

- ♦ Your Company's PP Production has once again achieved the 440 KTPA Name plate capacity with annual PP Sales of 434 KTPA during FY 2022-23. MRPL has been continuously expanding its polymer footprints in the country by targeting Northern and Eastern locations for garnering more volumes. In order to sustain and increase MRPL's Market share in the core areas, 5 additional DCA cum CS were appointed in FY 2022-23.
- ♦ Your Company's Joint Venture Shell MRPL Aviation Fuel and Services Limited has steadily acquired business for sale of Aviation Turbine Fuel (ATF) at Indian airports. The company achieved a turnover of ₹ 1,633.39 Crores during FY 2022-23 against turnover of ₹ 673.19 Crores in the previous FY 2021-22.

Employee Relations

- ♦ Your Company holds its employees in the highest esteem and accordingly follows the best in-class HR practices, reviews them periodically and strives to further improve upon that. As a result, the employee relations continue to be cordial and harmonious. As in the past years, this year too, MRPL is happy to report that not a single man-hour was lost on account of any industrial disturbance in the year 2022-23.

Environment, Social Responsibility and Sustainable Development

- ♦ Your Company envisages sustainability as a major driver for building future readiness in a dynamic market environment. Taking cognizance of the social and environmental

challenges, MRPL is pursuing projects related to decreasing carbon foot print by energy conservation, improving the energy efficiency in its processes, use of renewable energy, sustainable water management by recycling/ use of treated effluent and effective waste management through reduce, reuse and recycle initiatives.

- ♦ Your Company has bagged the prestigious award “The EEF (Energy and Environment Foundation) Global Water Management and Conservation Company of the Year 2022” and won "Greentech Intl. EHS Award 2023” for best practices in EHS.
- ♦ Your Company has continued to produce renewable energy sources like solar power to reduce our carbon footprint. In addition, we have implemented energy-efficient technologies and practices to reduce our energy consumption. In FY 2022-23 total solar energy generated by MRPL was 10,293 MWh and total solar energy consumed by the company was 17,895 MWh.
- ♦ MRPL is having a robust waste management system, which includes recycling, reusing, and responsible disposal of hazardous waste. Hazardous waste generated in Refinery Complex is co-processed through cement industries where it is used as alternate source of energy. Spent catalyst is recycled through SPCB authorized recyclers and precious metals are recovered. In FY 2022-23, 66.6% of total hazardous and non-hazardous waste were recycled and re-used. Balance waste disposed to secured landfilling TSDF.
- ♦ Your Company has implemented many water-saving measures. MRPL invested in water treatment and recycling technologies to reduce water footprint. In FY 2022-23, 69.8% of ETP feed flow was recycled and re-used in the Refinery. To mitigate the risk of river water as a single source of water, a 30 MLD Desalination plant was commissioned at sea Coast of Arabic Ocean. In addition to the de-salination plant, MRPL is utilizing Mangalore city treated sewage water to reduce fresh river water

conservation. In FY 2022-23, total Mangalore city treated sewage water utilized in the refinery was 61,09,555 M3.

- ♦ Your Company has taken several greenbelt development and compensatory afforestation initiatives to increase its green cover. MRPL has developed 50 acres of Greenbelt in Pilikula Biodiversity Park with approximately 4,000 numbers of different western ghat plant species. MRPL has developed green belt in 25 acres at Bengre near Thannirbhavi sea shore and raised approximately 4,000 numbers of plants saplings in co-ordination with Karnataka Forest Department. 2,231 numbers of saplings were planted in the refinery area during the FY 2022-23.
- ♦ Your Company has actively engaged with local communities to promote sustainability awareness and educate them on the importance of responsible environmental practices. These initiatives are part of MRPL's ongoing efforts to promote sustainable practices throughout operations and value chain. MRPL has been honoured with Platinum award of "Grow Care India Sustainability Award 2022” for various initiatives under taken towards Sustainability.

I would like to acknowledge the support and guidance of the Government of India, especially our administrative ministry “Ministry of Petroleum and Natural Gas”.

I also place on record my admiration for our employees for their excellent contribution and to the Board of Directors for their expertise and guidance.

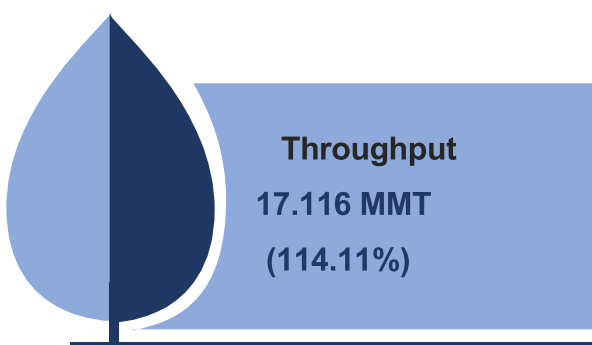
On behalf of the Board, I would also like to express my gratitude to all our stakeholders for their continued support, patronage, trust and confidence.

Jai Hind

Date : July 28, 2023
Place: New Delhi

Sd/-
Arun Kumar Singh
(Chairman)

Highlights



VISION AND MISSION

VISION

To be a world-class Refining and Petrochemicals Company, with a strong emphasis on Productivity, Customer Satisfaction, Safety, Health and Environment Management, Corporate Social Responsibility and Care for Employees.

MISSION

- Sustain Leadership in energy conservation, efficiency, productivity and innovation.
- Capitalize on emerging opportunities in the domestic and international market.
- Strive to meet customers' requirements to their satisfaction.
- Maintain global standards in health, safety and environmental norms with a strong commitment towards community welfare.
- Continuing focus on employee welfare and employee relations.
- Imbibe highest standards of business ethics and values



Inauguration of De-salination Plant by Hon'ble Prime Minister Shri Narendra Modi



Laying of foundation stone by Shri Rameshwar Teli, Hon'ble Union Minister of State - (MoP&NG) for Bitumin Blowing Unit



MRPL at India Energy Week 2023



CSIR IICT signs Research pact with Mangalore Refinery and Petrochemicals Limited (MRPL)



International Women's Day Celebration at MRPL



NCST Secretary visit to MRPL