



**Mangalore Refinery and Petrochemicals Ltd**

(A Govt. of India Enterprise and a subsidiary of ONGC Limited)

Website: [www.mrpl.co.in](http://www.mrpl.co.in) Email: shyamkumar@mrpl.co.in

CIN : L23209KA1988GOI008959

---

**Transcript of the 33<sup>rd</sup> Annual General Meeting**

**September 04, 2021**

**4:00 P.M IST to 5:31 P.M IST**

**Board of Directors and Key Managerial Personnel**

**Subhash Kumar**

*Chairman*

**M Venkatesh**

*CEO and Managing Director*

**Sanjay Varma**

*Director (Refinery)*

**Pomila Jaspal**

*Director (Finance) and CFO*

**Om Prakash Singh**

*ONGC Nominee Director*

**Vinod S Shenoy**

*HPCL Nominee*

**Rohit Mathur**

*Govt. Nominee Director*

**R. T Agarwal**

*Independent Director*

**K B Shyam Kumar**

*Company Secretary*

Representative of our major Shareholder ONGC and HPCL, Other Key executives, Statutory Auditors- M/s Ram Raj & Co, Chartered Accountants and M/s. Sankar & Moorthy, Chartered Accountants, Secretarial Auditors- M/s.Ullas Kumar Melinamogaru & Associates, Scrutinizer, Shri Manish Gupta, Partner, M/s. RMG & Associates, Senior Management, and Shareholders.

**M Venkatesh:**

---



**Mangalore Refinery and Petrochemicals Ltd**

(A Govt. of India Enterprise and a subsidiary of ONGC Limited)

Website: [www.mrpl.co.in](http://www.mrpl.co.in) Email: shyamkumar@mrpl.co.in

CIN : L23209KA1988GOI008959

---

Welcome to everybody. I request to Company Secretary to start the proceedings with due permission from our respected chairman.

**K B Shyam Kumar:**

Good evening Ladies and Gentleman. This is K B Shyam Kumar, Company Secretary MRPL. I hope all of you safe and in good health. It gives me immense pleasure to welcome you all to the 33<sup>rd</sup> Annual General Meeting of the Company being held today. This meeting is being held through Video Conferencing and Other Audio Visual Means in accordance with the circular issued by Ministry of Corporate Affairs and Securities and Exchange Board of India. At the outside I would like to welcome Shri Subhash Kumar, Chairman. Shri Om Prakash Singh, Director T&FS- ONGC. Shri Vinod S Shenoy, Director Refinery HPCL. Shri Rohit Mathur Joint Secretary MOP&NG. Shri R. T Agarwal, Independent Director & Chairman of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. Shri M Venkatesh, Managing Director and CEO. Smt. Pomila Jaspal Director Finance and CFO. Shri Sanjay Varma Director Refinery who are attending this AGM through Video Conferencing.

I would now request Chairman and Directors to introduce themselves.

Shri Subhash Kumar Chairman and CMD ONGC.

**Subhash Kumar:**

Hello.... good evening to all. This is Subhash Kumar I'm Chairman of the Company. I'm Director Finance ONGC holding additional charges of C&MD of ONGC. Today I'm very happy to join to this meeting of MRPL. Welcome all of you to AGM. Thank you.

**K B Shyam Kumar:**

Shri Om Prakash Singh, Director T&FS of ONGC

**Om Prakash Singh:**

Good Afternoon to all. I'm Om Prakash Singh, Director Technology and Fields Services of ONGC.

I'm also good of MRPL and Thank you.

**K B Shyam Kumar:**

Shri Vinod S Shenoy, Director Refinery HPCL.

**Vinod S. Shenoy:**

Good Afternoon to all. I am Vinod S. Shenoy, Director Refinery of Hindustan Petroleum Corporation Limited and Nominee Director on the Board of MRPL. Thank you

---



**Mangalore Refinery and Petrochemicals Ltd**

(A Govt. of India Enterprise and a subsidiary of ONGC Limited)

Website: [www.mrpl.co.in](http://www.mrpl.co.in) Email: shyamkumar@mrpl.co.in

CIN : L23209KA1988GOI008959

---

**K B Shyam Kumar:**

Shri Rohit Mathur, Director MOP&NG Nominee

**Rohit Mathur:**

Namaskar, I am Rohit Mathur Government of India nominee on the Board of MRPL. Thank you.

**K B Shyam Kumar:**

Shri R. T Agrarwal, Independent Director

**Shri R. T Agarwal:**

Namaskar...I am R. T Agarwal ID and Chairman of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. Thank you.

**K B Shyam Kumar:**

Shri M Venkatesh, Managing Director, CEO.

**M Venkatesh:**

Good Afternoon everybody. I am M Venkatesh Managing Director of MRPL.

**K B Shyam Kumar:**

Smt. Pomila Jaspal, Director Finance and CFO.

**Pomila Jaspal:**

Namaskar.. I am Pomila Jaspal Director Finance, MRPL, and Welcome you all.

**K B Shyam Kumar:**

Shri Sanjay Varma, Director Refinery

**Sanjay Varma:**

Namaskar.... I am Sanjay Varma, Director Refinery, MRPL, Thank You

**K B Shyam Kumar:**

Apart from the Director we also have representative of Statutory Auditors, Cost Auditors, and Secretarial Auditors who have joined this meeting through video Conferencing. The webcast of this meeting is provided by National Securities Depository Limited through its website. The Company has made necessary arrangements in order to enable the members of the Company to participate and vote on the items to be considered at this Annual General Meeting. I would like to take you through the certain important aspects regarding participation of members in the meeting. Facility of joining the AGM through Video Conferencing Other Audio Visual Means is being available for members at first come first served basis. All the members who have joined this

---



**Mangalore Refinery and Petrochemicals Ltd**

(A Govt. of India Enterprise and a subsidiary of ONGC Limited)

Website: [www.mrpl.co.in](http://www.mrpl.co.in) Email: shyamkumar@mrpl.co.in

CIN : L23209KA1988GOI008959

---

meeting or by default placed on mode by the host. Once the question and answers session starts the moderator will announces the name of the shareholders who have registers themselves as speaker's shareholders. The speaker shareholders thereafter will be unmuted by host. The speaker may put on his or her videos if he or she desires to seen. While speaking we would request the shareholder to use earphones for better sound clarity. Speaker Shareholder request to announce their names, Folio numbers or DP ID and Client ID before speaking and limit their queries not more than 2 minutes during the AGM. If the member faces any technical issues he or she may contact helpline number of NSDL mentioned in the notice of AGM. The Statutory registers as required under Companies Act, 2013 and other documents of AGM are open for inspection on the Company's website. Members who have not voted earlier through remote e-voting may cast their vote during the course of this AGM through e-voting facility. Now I request the chairman to take the proceedings of the meeting further. Thank you....

**Subhash Kumar:**

Good evening ladies and gentleman...I have been informed by Company Secretary that requisite quorum is present to conduct the proceedings of meeting. I call this meeting to order.

**Subhash Kumar:**

Smt. Esha Srivastava Government nominee has sought leave of absence in view of some official exigencies.

**M Venkatesh:**

Thank you sir. I would request respected Chairman to address the members.

**Subhash Kumar:**

At the outside maybe I will stop the video for efficiency of communication. Dear shareholders, Good Evening to all and my Heartiest Greetings to you on behalf of MRPL.I welcome you all to the 33<sup>rd</sup> Annual General Meeting of your Company. Thank you for joining us today. The 33<sup>rd</sup> Annual Report, containing AGM Notice, Board's Report for the financial year 2020-21 and the audited financial statements, has already been sent to all the members. With your permission, I would like to take them as read. I shall briefly touch upon the events that shaped the economy and industry during the last fiscal the performance of your Company and the business outlook.

---



## **Mangalore Refinery and Petrochemicals Ltd**

(A Govt. of India Enterprise and a subsidiary of ONGC Limited)

Website: [www.mrpl.co.in](http://www.mrpl.co.in) Email: shyamkumar@mrpl.co.in

CIN : L23209KA1988GOI008959

---

During the last year, COVID-19 pandemic has impacted businesses and lives across the globe. Over three million lives were lost around the world. Global Economy contracted to minus 3.3%. Lockdowns that were imposed globally have impacted all businesses. Global growth is expected to rise above 5% in 2021 aided by fiscal support and vaccine powered recovery.

India is also combating the effects of this global pandemic. The population was confined to homes for much of the first quarter of the last fiscal. Businesses were shut, consumption slumped and investments were hit. The country witnessed shutdowns in April, May and June of the current fiscal too. Despite the revenue crunch, the government has continued to provide relief to poorer households, ensured relief to small and medium enterprises and has put in place multiple measures targeting economic recovery. Government's continued stimulus on infrastructure and social sectors will be required to guide the pace of recovery. India's recovery has been stronger than earlier expected. Indicators including exports, energy consumption, automobile sales and manufacturing are beginning to show an uptick.

The lockdowns caused by the pandemic have completely skewed the energy consumption patterns. Fuel consumption has been impacted with travel being restricted and this in turn has caused a drastic change in the margins available for producers. Consequently, global refining margins continue to be at low levels even after a full year after the onset of the pandemic.

India is the third largest consumer of energy. At close to 18% of the world's population, the per capita energy consumption is only 0.6 metric tons oil consumption when compared to China's at 2.42 metric tons and USA's at 6.84 metric tons. This suggests significant increase in energy use in the next two decades of growth.

There is a significant churn happening among Oil, Natural Gas, Coal and Renewables in the energy basket. Conventional energy sources are still the primary contributors to the energy needs. The share of Coal is over 50% and Oil and Gas 36%. The Government is doing well by encouraging different forms of energy. The share of renewables is increasing. Despite the efforts to decarbonize, conventional fossil based energy sources are not going to lose traction in the medium term in India. Oil is important not only as an energy source but also as the only cost-effective source of petrochemicals in the world today. The per capita consumption of plastics is still low in the country and is expected to rise going forward. For India, oil & gas will continue to remain significant well into the next decade.

---



## **Mangalore Refinery and Petrochemicals Ltd**

(A Govt. of India Enterprise and a subsidiary of ONGC Limited)

Website: [www.mrpl.co.in](http://www.mrpl.co.in) Email: shyamkumar@mrpl.co.in

CIN : L23209KA1988GOI008959

---

FY 2020-21 was very challenging for your Company. There was near complete destruction in demand for transportation fuels due to lockdown. Export demand was also low as many parts of the world were already under lockdown. Domestic LPG and Polypropylene for manufacture of PPEs continued to be in demand. This resulted in shutting down of certain units while still keeping other units in operation. The Refinery weathered these adversities through timely decisions and courage. Despite these hardships, there have been notable achievements by your Company. Your support has been crucial to our efforts.

I would like to place before you some of the major highlights during FY 2020-21:

- The Company has achieved 1755 days without Reportable Lost Time Injuries as on 31<sup>st</sup> March 2021 translates to 24.17 million safe working man hours.
- Your company achieved a turnover of INR 50, 974 Crores but incurred a loss of INR 240 Crores as lower demand for products impacted the prices and refinery margins globally. Gross Refining Margin (GRM) stood at 3.71 USD/bbl.
- The Refinery had an excellent operational availability of 99.48% which is an indication of its reliability. The Capacity Utilization of the Plant matched product demand and when pandemic situation eased by Quarter 4 of FY 2020-21, the Capacity Utilization was 100%.
- The Company is continuously diversifying its source of Crude supplies to diminish the risk of disruption. Eight new crudes were processed during the year.
- Isomerization Unit achieved the highest ever Capacity Utilization of 105% in December 2020.
- In March 2021 highest ever monthly production of 43.054 Thousand Metric Tons of Polypropylene was achieved.
- Polypropylene Marketing has been expanded beyond Southern India covering western and central India and the company's position has been fortified as a reliable supplier, especially in terms of quality.

Further, your company has expanded its presence firmly in the international market by exporting (Direct exports) High quality polypropylene to four countries yielding better realization in export market during FY 20-21. Subsequently the foot print has now been expanded to nearly 16 countries even covering African nations.

---



## **Mangalore Refinery and Petrochemicals Ltd**

(A Govt. of India Enterprise and a subsidiary of ONGC Limited)

Website: [www.mrpl.co.in](http://www.mrpl.co.in) Email: [shyamkumar@mrpl.co.in](mailto:shyamkumar@mrpl.co.in)

CIN : L23209KA1988GOI008959

---

- In the nation's fight against COVID, production of niche Polypropylene grade was maximized for use in the manufacture of protective masks.
- The total domestic sales (direct sales) of all products during FY 2020-21 was 1691 Thousand Metric Tonnes with a sales value of INR 7,207 Crores.
- Due to losses, the Board expresses its inability to declare dividend for FY 2020-21.

- 

Y

our Joint venture Company Shell MRPL Aviation Fuel and Services Limited achieved a sales turnover of INR 249.3 Crores in the current financial year as against INR 815.8 Crores in the previous financial year. The dip in revenue for Financial Year 2020-21 was on account of travel restrictions in the wake of COVID pandemic.

Your refinery has a high complexity factor enabling processing of different types of crudes optimally. The risk of disruption in Crude flows is relieved by multiple sourcing options. The company has been maximizing efficiency. On the input side, it has commenced use of cheaper fuel substitute like Natural Gas. On the asset side, integration of the Refinery with its subsidiary has been initiated which would lead to product diversification and synergy benefits. On the output side, multi-marketing model is being ensured through Retail Sales, Direct Sales, Merchant Sales and synergies with group Refining Company.

MRPL has increased its Retail Footprint to 27 outlets presently which is expected to be increased to 40 outlets by the end of the present year. We have received good response for setting up of new Retail Outlets at 110 locations in Kerala and 413 locations across Karnataka. Retail Marketing would be expanded to cover the states of Tamil Nadu, Andhra Pradesh, Telangana and Goa in the medium and long term.

FCC Gasoline Treatment Unit is a new asset which was commissioned successfully in July 2021. This will enable refinery complex to meet the growing domestic demand of BS VI grade Petrol. On the infrastructure side, Desalination Plant is nearing Mechanical completion with commissioning expected in Sep 2021. Oil Marketing Terminal at Devangonhi near Bengaluru is being set up which would fuel MRPL's Retail ambitions and also enable MRPL to place aviation turbine fuel (ATF) through the Mangaluru- Bengaluru Product pipeline and get transportation cost advantage.

---



## **Mangalore Refinery and Petrochemicals Ltd**

(A Govt. of India Enterprise and a subsidiary of ONGC Limited)

Website: [www.mrpl.co.in](http://www.mrpl.co.in) Email: shyamkumar@mrpl.co.in

CIN : L23209KA1988GOI008959

---

MRPL today is characterized by the ability to process wide range of Crude stocks to produce regulation compliant fuels and petrochemicals. Your company intends to be a total fuel solution provider. Study and evaluation of a new 2<sup>nd</sup> Generation Advanced Bio-Fuels Technology is underway. The company has also tied-up for supplies for dispensing Compressed Natural Gas at identified Retail Outlets that are being set up. The company is also exploring Bio-ATF manufacture.

The technologies that the Refinery would adopt in the future would be market driven. Land is being procured for the next phase of Expansion. With the next stage of growth, company would have covered significant ground from a being a “Fuels only” to a ‘Fuels also” entity.

MRPL has been undertaking Corporate Social Responsibility (CSR) activities under the tag of “Samrakshan”. MRPL has been rededicating itself to ensuring sustainable and equitable development through a well-orchestrated CSR program in accordance with Section 135 of the Companies Act 2013.

During 2020 - 21, the Company spent an amount of INR 25.36Crores on CSR activities including Healthcare, Education, Community development projects, livelihood support and environment care.

In the present financial year, medical grade Oxygen plants have been set up at seven Government hospitals in Karnataka at an approximate cost of INR 6.5 Crores in the fight against COVID pandemic.

Your Company values sustainability as an important driver for future readiness in a dynamic market environment.

- Your Company is in the process of establishing a biodiversity park in about 41 acres of marshy land adjacent to the Refinery. In this process MRPL has entered into an MOU with Dr. Shivarama Karnatha Pilikula Nisarga Dhama, the domain experts in this subject. The process of establishing this park will take approximately 60 months and it is expected to be developed completely by the year 2024.
  - Your Company has established a Vermi compost production facility inside its premises for converting plant /tree wastes like leaves, branches, etc. into compost which shall be used as manure in horticulture activities and green belt development. This will help in reducing
-



## **Mangalore Refinery and Petrochemicals Ltd**

(A Govt. of India Enterprise and a subsidiary of ONGC Limited)

Website: [www.mrpl.co.in](http://www.mrpl.co.in) Email: [shyamkumar@mrpl.co.in](mailto:shyamkumar@mrpl.co.in)

CIN : L23209KA1988GOI008959

---

dependency on inorganic fertilizer which is presently being used. The first batch of Vermi compost of 40 kg was harvested on 26<sup>th</sup> Mar 2021.

- Your Company is establishing a tree park in approximately 25 acres of land at Panambur, Mangalore near the Desalination Plant. This is being done in coordination with Karnataka Forest Department.
- Your company commissioned the use of Natural Gas in the Refinery on 10<sup>th</sup> Mar 2021. This will aid not only in reduction in cost of fuel and cost of Hydrogen generation but also reduction in carbon footprint.

MRPL is committed to carrying out refinery operations in a sustainable manner. This will help to sustain our business in a safe, efficient and responsible manner.

Your Company fosters a culture of care for Health, Safety, Environment and wellbeing of employees and communities. Training of Human Capital and use of advanced technologies are intricate to this culture. Best practices and procedures of the industry are adopted. The Company has implemented internationally recognized ISO standards in Environment Management System, Quality Management System, Energy Management System and OHSAS. To ensure good health of our employees, annual Medical Check-up is carried out in compliance with the Rules under the Factories Act. In the current times, vaccination drive against COVID has been carried out at our hospital for our health workers, employees and their dependents, CISF personnel and secondary workforce.

The Company pulls all the stops to reduce its energy and water footprint. Energy integration through modifications, optimum energy use in operations and maximization of treated effluent and treated sanitary water are efforts in this context.

MRPL is committed to good Corporate Governance practices that would ensure conduct of business in a principled, transparent and accountable manner. Your company discharges its functions with the highest integrity protecting the interests of all stakeholders. An unqualified report from the Joint Statutory Auditors and 'Nil' comments from C&AG is a matter of pride for all of us.

Your Company has been complying with all the requirements of Corporate Governance as stipulated in the Companies Act, 2013, SEBI Listing Regulations and DPE guidelines except the

---



**Mangalore Refinery and Petrochemicals Ltd**

(A Govt. of India Enterprise and a subsidiary of ONGC Limited)

Website: [www.mrpl.co.in](http://www.mrpl.co.in) Email: shyamkumar@mrpl.co.in

CIN : L23209KA1988GOI008959

---

non-availability of required number of Independent Directors on the Board of MRPL, for which we have already sought appointment from our Administrative Ministry. The Board of Directors of MRPL strive continuously for betterment in its internal control system in operations, finance, legal compliance and risk management knowing well that good practices and commercial success are not inimical to each other.

The market mayhem wrought by COVID is causing short term pain. The response to the situation has been courageous to keep the Company's operations going during the year. Expenses were rationalized. This has kept the losses low in a year when Crude prices swung by more than 60USD/bbl and the benchmark GRM (Singapore) were negative for the first half of the year. The intervening period would continue to remain challenging. The Company has taken up many actions to consolidate its operations. It is maintaining fiscal discipline. It has initiated the process of merger of its subsidiary OMPL with itself. It has built synergies with group refining company and it is moving along with its Retail Expansion Plans. While present year performance has been severely impacted on account of the pandemic, the resilience of the company shows that it has the structural capability to withstand and overcome the current short-term crisis that is engulfing the whole world.

In conclusion, on behalf of the Board of Directors, I take this opportunity and privilege to thank all our esteemed shareholders whose trust and confidence is a great source of strength for us. I would like to also thank the Government of India, Ministry of Petroleum and Natural Gas and other associated ministries and departments of Government of India as well as Government of Karnataka for their continued support and guidance to us at all times. I gratefully acknowledge the support provided by our Parent Company, Oil and Natural Gas Corporation Limited.

Last but not the least; I would like to place on record my sincere gratitude to every employee of MRPL for the hard work and dedication towards the Company year after year.

Thank You....Jai Hind....

**K B Shyam Kumar:**

Thank you sir for addressing the members with your words of wisdom. Now I request the chairman to start the proceedings of the meeting.

**Subhash Kumar:**

---



## **Mangalore Refinery and Petrochemicals Ltd**

(A Govt. of India Enterprise and a subsidiary of ONGC Limited)

Website: [www.mrpl.co.in](http://www.mrpl.co.in) Email: [shyamkumar@mrpl.co.in](mailto:shyamkumar@mrpl.co.in)

CIN : L23209KA1988GOI008959

---

Let's begin the proceedings of 33<sup>rd</sup> of Annual General Meeting. The notice of 33<sup>rd</sup> Annual General Meeting and 33<sup>rd</sup> Annual Report had been sent by e-mail to shareholders debenture holders whose e-mail IDs were registered with the Company the Depository Participants, to Directors, Statutory Auditors and Debenture Trustees. With your permission I consider them as read. Joint Statutory auditors and Comptroller and Auditor General of India had no comments, qualifications or observations on the Standalone and Consolidated Financial Statements for the Financial Year ended 2020-21. The proposed business will be conducted as per the provisions of Companies Act, 2013 and rules made there under SEBI (LODR) Regulations, 2015 and Secretarial Standards on General Meeting SS-2 issued by Institute of Company Secretaries of India. Remote e-voting facility were provided to all the members entitled to Board on all resolutions are set forth in the notice in terms of SEBI (LODR) Regulations, 2015, the provisions of Companies Act, 2013 and rules made there under. The remote e- voting were commenced on Wednesday 1<sup>st</sup> September 2021 at 9:00 A M and ended on Friday 03<sup>rd</sup> September 2021 at 5:00 P M. Shri Manish Gupta, from M/s RMG & Associates, Practicing Company Secretaries, New Delhi appointed as scrutinizer is present through Video Conferencing for scrutinizing the remote e-voting and e-voting process. In additions the facility of voting in AGM has also been provided through NSDLs platform. Members attending the AGM may go through the voting page of MRPL e-voting website and may cast their votes. The facility of Board shall be kept open up to 15 minutes after the conclusion of the AGM. Before conducting the voting I request the Company Secretary to inform the Ordinary and Special Businesses proposed before the members.

### **K B Shyam Kumar:**

Thank you sir... There are 4 ordinary business proposed before the members.

The first ordinary business relates to adoption of auditors financial statements including consolidated financial statements of the Company for the financial year ended on 31<sup>st</sup> March, 2021 together with the Board's Report, the Auditor's Report thereon and comments of the Comptroller and Auditor-General of India in terms of section 102 (2)(i), 143(6) and other applicable provisions of the Companies Act, 2013 and Rules there under.

The Second ordinary business relates to appointment of Shri Subhash Kumar DIN Number 07905656 who retires by rotation and eligible offers himself for re-appointment as a Director.

---



**Mangalore Refinery and Petrochemicals Ltd**

(A Govt. of India Enterprise and a subsidiary of ONGC Limited)

Website: [www.mrpl.co.in](http://www.mrpl.co.in) Email: shyamkumar@mrpl.co.in

CIN : L23209KA1988GOI008959

---

The Third ordinary business relates to appointment of Shri Vinod S. Shenoy DIN Number 07632981, who retires by rotation and being eligible offers himself for re-appointment as a Director.

The forth Ordinary Business Relates to authorize Board of Directors of the Company to fix the remuneration of the Joint Statutory Auditors of the Company for the Financial Year 2021-22, in terms of the provisions of Section 139(5) read with Section 142 of the Companies Act, 2013.

There are 7 Special Businesses proposed before the members.

The first special business is to appoint Shri Rohit Mathur DIN number 08216731 as Director of the Company.

The second special business is to appoint Smt. Esha Srivastava DIN Number 08504560, as Director of the Company.

The third Special business is to appoint Shri Om Prakash Singh DIN Number 08704968 as Director of the Company.

The fourth Special business is to ratify the remuneration of the Cost Auditors for the Financial Year 2021-22. The fifth Special Business is enhance the Borrowing powers of Board from ₹ 25,000 crore to ₹ 33,500 crore.

The sixth special business is to create on the movable and immovable properties of the Company, both present and future, in respect of borrowings.

The seventh special business is to raise funds upto ₹ 5000 crore through issue of Non-Convertible Debentures (NCDs)/Bonds.

Thank you sir.....

**Subhash Kumar:**

I now request all the members who have already registered to raise their queries if any on these businesses set out in notice of the meeting. Each member to be allot maximum 2 minutes to speak the in order to enable as many members as feasible to participate in the proceedings. Members are requested to confine their quarries with respect to the businesses set out in the notice of this meeting. Personal issues, grievances, share related matters if any may be taken up at other

---



## **Mangalore Refinery and Petrochemicals Ltd**

(A Govt. of India Enterprise and a subsidiary of ONGC Limited)

Website: [www.mrpl.co.in](http://www.mrpl.co.in) Email: [shyamkumar@mrpl.co.in](mailto:shyamkumar@mrpl.co.in)

CIN : L23209KA1988GOI008959

---

appropriate forums to save time at meaningful interaction of business in hand. Each member shall inform his DP ID number and Client ID number before raising the queries.

### **K B Shyam Kumar:**

The first speaker is Shri Rajni Kant Company Secretary ONGC. Mr. Rajni Kant you have been unmuted. If you wish switch on your video now.

### **Rajni Kant- Representative of ONGC**

Thank you, Respected Chairman, Board of Directors and dear fellow shareholders and I Rajni Kant Company Secretary ONGC would like to convey my greetings to one and all on behalf of ONGC as a major Shareholders of MRPL. Sir it noted that refining industry as whole suffers significant demand contraction in its products in past 18 months and this led to major change in the refining business with its globally. Despite this note the MRPL had manage to exhibit the excellent physical performance. The performance of the company especially in ensuring supply of essential fuels and polypropylene to the country in challenging times is appreciable. The company's efforts to expend fuels advantage and polypropylene marketing are also heartening to note. MRPL Contribution to the sustainability its form of establishments of Biodiversity Park, Tree Park and usage of natural gas in the refinery is also note worthy and commendable. We understand that refining net throughput of MRPL during FY 21 was lower at 11.50 MMT against 14.14 MMT during the FY 20. Due to outbreak of COVID-19 pandemic globally and resulted lockdown. Consequently there was contraction in demand for petroleum products which further decreased the price and refining margin affecting the bottom line of the Company. In such stress Global market conditions MRPL could manage to register its standalone turnover of Rupees 50974 crore held and reduced its losses in 2499.89 crore over that of last year. Sir I would like to say that is virtual AGM has saved a lot of time for all of us cost and efforts in travelling and most importantly change the way in which the AGM has been conducted. Coming to the business items ONGC management held decided to support all the resolutions as proposed in the notice of this meeting. After considering the interest of shareholders of MRPL and also overall interest of ONGC group of Companies. Accordingly we have cast our votes in favour of all the resolutions set out in the notice. We are confident that performance of MRPL will recover to the pre-pandemic level to increasing pace of recovery of demand resulting in good interest for the shareholders. Chairman Saab, we appreciate the efforts of the management in seamless

---



## **Mangalore Refinery and Petrochemicals Ltd**

(A Govt. of India Enterprise and a subsidiary of ONGC Limited)

Website: [www.mrpl.co.in](http://www.mrpl.co.in) Email: shyamkumar@mrpl.co.in

CIN : L23209KA1988GOI008959

---

arrangements of this meeting through video conferencing particularly the Company Secretary and his team, info.com. team, public relation team and all other associated executives. ONGC as the Promoters and majority shareholders also like to place on record its commitment to render all necessary support to MRPL in this tiring times. And also would like to place its record its confidence in the management, also would like to place its record its confidence in the management and the employees to effective complete recovery at the earliest. Last but not least, on behalf of ONGC the parent company I place on record as sincere appreciation and gratitude to all the fellow shareholders for attending this meeting and sparing their valuable times and making this AGM grand and fruitful event. Namaskar Jai Hind. Thank you

### **K B Shyam Kumar:**

Thank you Sir. The second Shareholder, Liju Mathai. Liju Mathai you have been unmated. If you wish switch on your video now. Please go ahead and ask your question.

### **Liju Mathai- Shareholder:**

Good evening I am Liju Mathai from Mascut. Good evening Chairman Respected Board Members and dignitary from different oil Companies from ONGC HPCL and Government nominees and I am shareholder of MRPL right from the IPO time's means it's from last 3 decades. Not only shareholder of only MRPL I am Shareholder for all the oil companies like ONGC, BPCL, HPCL, IOCL, Petronet all the Companies I am having the shares. Sir the IPO was issued in the in the range of thirty it's between thirty five to forty. Thirty five I think if I am not wrong. Because it is three decade old and still it's trading at near to the IPO value. What is the reason even though the today market is at life time high? What is the reason for shares is still trading at low price. See the oil product is the oil hot cake in India. Everyday government is increasing the price based on the crude oil. But still shareholders are not getting any benefit because of that. Second question I want to ask chairman has told that there is merger between OMPL and MRPL to increase the synergy. What benefit ONGC shareholder got because of that merger? Third thing question chairman of HPCL often used to tell that there is Merger between MRPL and HPCL. This I started to hearing from, last 3 years. But why it's taking so much of time to do the merger. These all the 3 companies whether it's the ONGC or MRPL or HPCL are all govt. company. It should be done at the faster way. So that you can get that synergy. And company should be benefited; here it's taking year and years to merge these 3 companies. Third I am monitoring the financial condition of the MRPL from last 3 years. It's running in loss. Okay last year we can say that

---



**Mangalore Refinery and Petrochemicals Ltd**

(A Govt. of India Enterprise and a subsidiary of ONGC Limited)

Website: [www.mrpl.co.in](http://www.mrpl.co.in) Email: shyamkumar@mrpl.co.in

CIN : L23209KA1988GOI008959

---

because of COVID. But COVID has not affected the oil marketing oil companies. Other areas only it has been affected. Informal sector only it has been affected. Oil market companies oil Refining companies running during that time also. Last year okay we can agree that there is COVID. But what about 2019, what about 2018. All these years its running in loss. This is the thing. Moreover Chairman has told that few outlets at Kerala as well as Karnataka. And there is the terminal they are going to build at build at Bangalore. What is the need for starting terminal in retail outlet when you have a presence of HPCL at Bangalore? And you have a retail outlet at HPCL at Kerala. You are increasing your cost. You can do your supply to this to your own company. Once you place terminal you have to place terminal Manager, DGM terminal all your overheads are getting increases. Lot of safety norms, infrastructure, of all of these day by day its increasing. You have to place 100 of staffs there. So, instead of setting up a new terminal and retail outlets you can use your partner HPCL even though this HPCL and MRPL going to be merged, so they can use the same setup and reduce the cost. Thank you very much.

**K B Shyam Kumar:**

Thank you sir shareholder number 3.

**M Venkatesh:**

We will reply at the end of the all the questions. So we will take up the next speaker.

**K B Shyam Kumar:**

Shareholder speaker number 3 Sharadkumar Jivaraj Shah. Sir

**Sharadkumar Jivaraj Shah- Shareholder:**

Yeah.

**K B Shyam Kumar:**

You have been unmuted. If you wish please switch on your video now. Please ask your question.

**Sharadkumar Jivaraj Shah-Shareholder:**

Can you see my video sir. Hello are you hearing me.

**K B Shyam Kumar:**

Yes sir.

**Sharadkumar Jivaraj Shah- Shareholder:**

Sir first thing what, I congratulate our new Chairman and new Secretary, and welcome them in MRPL. And Next thing is that I am very old shareholder from the beginning and what I am looking at least to have a good benefit make it merge with HPCL then definitely shareholders will

---



**Mangalore Refinery and Petrochemicals Ltd**

(A Govt. of India Enterprise and a subsidiary of ONGC Limited)

Website: [www.mrpl.co.in](http://www.mrpl.co.in) Email: shyamkumar@mrpl.co.in

CIN : L23209KA1988GOI008959

---

get the benefit. So I just waiting for that so we can do faster and better. And in ONGC also I became a shareholder I think during IPO time still ONGC is also not doing really fair. Another point sir we are in oil business whether our company has come in contact in Brunel Energy Company. That I would like to know.

**M Venkatesh:**

Can you repeat your question sir.

**Sharadkumar Jivaraj Shah- Shareholder:**

Brunel Brunel Energy, Brunel Energy, Brunel Energy

**M Venkatesh:**

Okay .

**Sharadkumar Jivaraj Shah- Shareholder:**

Brunel Energy

**M Venkatesh:**

Okay .

**Sharadkumar Jivaraj Shah- Shareholder:**

Okay, should I continue now.

**M Venkatesh:**

Yes.

**Sharadkumar Jivaraj Shah- Shareholder:**

This year sir definitely see what basically performance is not good, that is I looked from balance sheet but what I felt that this year you are reduced 3300 crores losses and this losses reduction of losses itself will be called as a profit to the company, that is my thinking and EPS is also be improved by ₹ 14 to 16. GRM is also increased by 3.94 and chairman speech say that Singapore GRM was negative at first half. Looking at all these, this is very good performance at least I can say for this year. And what is my observation is any reason for reduction in case are I referred Report page no. 162 and 257 basically our cost of material is reduced and what is missing in balance sheet at Oil Company should have a crude oil price and dollar price for each month like a share price which you give for each month. And if you see Castrol, Reliance you just see how that crude price is moving how that dollar price moving which directly our performance. So that is a must in all oil companies balance sheet which is missing but at the same time when I referred page number, 85

---



## **Mangalore Refinery and Petrochemicals Ltd**

(A Govt. of India Enterprise and a subsidiary of ONGC Limited)

Website: [www.mrpl.co.in](http://www.mrpl.co.in) Email: shyamkumar@mrpl.co.in

CIN : L23209KA1988GOI008959

---

and 86it gives me real good information s, from where we purchased and how you purchased and how much you used crude oil. So that is the good thing. Sir when I referred... one minute... one minute sir... and another thing this even this purchase stock price is reduced, inventory is reduced, annual cost is reduced, other expenses are reduced, the total effective total expenses are reduced, And this has helped to reduce the last thing, but reducing all these expenses for 1 particular year is not sufficient MRPL has to continue this process of controlling expenses in all future year. So that at least the company will come from loss to the profit. And where the material cost is reduced I have not understood why excise duty is increased this year. Another thing what I found up to October 20 MRPL started supply the MS. It's a good thing. Another thing now what I found in 14 and 94 you are putting desalination plant. I am totally against desalination plant. Because the cost of water is very high in desalination plant. This is the only we have to go for desalination plant only that particular area you need not have any source of getting water. In our place we can get water from roads, railways, and pipelines. So I am not in favour of desalination plant. When I referred page no. 15sir we have got 2 turbines, and we used life cycle oil and refinery fuel. Why not use natural gas, and if you see in the chairman speech that it says natural gas is cheaper. And another thing is carbon fuels is also used and as same time the MRPL is the subsidiary of ONGC so getting natural gas at least to the MRPL not all over India, because, all over India people are not getting gas except new Bombay we are got some companies got PNG connections. So in such cases, what I am tell for personally why not you go for natural gas & if you have anything reservation please inform us. Another thing you saying in balance sheet what is the quarterly net of the MRPL is debt to equity ratio is main to MRPL and we have got in proposal in resolution increase in borrowings, if we start increase in borrowings what will happen to debit and equity ratio of the company. And another thing you proposed 3000 crores NCD. My thinking is very clear sir, the shareholder who are there from micro side they will not get anything. And why you are going for NCD is mainly because the promoter holding 71.63%.And if you come out for the right issue what will happen ONGC has to invest and which I personally feel ONGC is not really interested. It looks like that. And sir, when my company is not in profit how we can company spends 25crores per year in a CSR which is not understood by me sir. And my previous speaker is also said that all refineries are profit what wrong in MRPL. And all share went up from last year by 57% my share price remain stagnant at 30, 40, 35. Another thing I like to say that sir, my company, that semi power gas is introduced solution work for MRPL. Even I myself for BPCL other oil companies also. I like to inform to you

---



**Mangalore Refinery and Petrochemicals Ltd**

(A Govt. of India Enterprise and a subsidiary of ONGC Limited)

Website: [www.mrpl.co.in](http://www.mrpl.co.in) Email: shyamkumar@mrpl.co.in

CIN : L23209KA1988GOI008959

---

sir our Chairman Dr. S Rammaiah Ayer who was the Chairman of Semi power gas and Ekab solution expired this year on 12<sup>th</sup> January 2021 sir. I definitely look for a better performance and the early merger of MRPL in HPCL. Thank you very much for giving me opportunity and even ONGC secretary present, So that we also can seeing of what MRPL shareholders are thinking. Thank you very much giving me opportunity sir, Thank you very much.

**K B Shyam Kumar:**

Thank you sir, Speaker shareholder no. 4 Shri Manjit Singh. Shri Manjit Singh you have been unmuted. If u wish you can switch on

**Host:**

Sir, Mr. Manjit Singh has not yet joined.

**K B Shyam Kumar:**

Not yet joined.

**Host:**

You can go to the next speaker

**K B Shyam Kumar:**

Speaker shareholder no. 5 Surendranath Kapoor. Shri Surendranath Kapoor, you have been unmuted

**Surendranath Kapoor- Shareholder:**

Yes Sir

**K B Shyam Kumar:**

You have been unmuted

**Surendranath Kapoor- Shareholder:**

Namaskar Sir, Namaskar Sir, you can hear me.

**K B Shyam Kumar:**

Yes Sir.

**Sanjay Varma:**

Namaskar.

**Surendranath Kapoor- Shareholder:**

---



## **Mangalore Refinery and Petrochemicals Ltd**

(A Govt. of India Enterprise and a subsidiary of ONGC Limited)

Website: [www.mrpl.co.in](http://www.mrpl.co.in) Email: shyamkumar@mrpl.co.in

CIN : L23209KA1988GOI008959

---

Namaskar Sir, firstly I would also second the views of earliest speakers. When we look at the performance of the company also and the shareholders value also. Everything have only eroded over the period over the past few years. Sir correct me sir in the year 2017-18 the stock used to trade at price of 135-140 rupees and even after that, a lot of capex has gone through and lot of expansion lot of value additions as gone through by the Company, Assets have been increased what could be the probable reasons forget one year of COVID but then also the performance has been languishing over the years. So what steps the management is looking to improve not only improve but substantially improve or whether the structure of business has turned into such a way that it can't be easy to generate cash. If I look at our q1 performance where second wave of COVID evoked we had losses of 300 crore. I would like to know our current and net debt both short and long term as on 30 June, what is our cost of fund, what are the re repayment schedule, how OMPL performance over the last year and how it is performing I think polypropylene main product and their prices have been moved correct me if I'm wrong so what is the contributions of the OMPL on a standalone basis, how OMPL contributed to consolidated venture, Sir in MRPL press release part in MRPL results ,mentioned that main initiatives are taken to improve the improve marketing margin you could elaborate what exactly meant also how is this gasoline plant that petrol plant going to operate and as a shareholder it is true fact company had not been able to service shareholders or to create shareholder value and even ONGC largest shareholder they should acknowledge and should be support from the back where is hurdles or bottle neck or head winds being Government enterprise that company on continuous basis reporting losses, eroding market value, eroding confidence of your investors who has reposed faith in the Company over the period of time, Our investments in the sector What are we planning going forward, who are our customers, HPCL merger part already people have spoken about we also would like to know in this dynamic market If I could use the Stock market you have to secure your place why is this company unable to perform, brainstorming should be done on the fact, after spending so much of money providing so much of employment, why is the shareholder only is left behind of not receiving anything, what is management doing about it I think the person from Muscat very well informed what has been manipulations over last decade, the board, finance people have to take note of it, I have requested last AGM also please look for interaction with shareholders on regular basis and told we will look for it but no steps have been taken if taken kindly update me, not to repeat try to break company cycle from loss and net debt equity ratio also nothing more to add try to improve

---



**Mangalore Refinery and Petrochemicals Ltd**

(A Govt. of India Enterprise and a subsidiary of ONGC Limited)

Website: [www.mrpl.co.in](http://www.mrpl.co.in) Email: [shyamkumar@mrpl.co.in](mailto:shyamkumar@mrpl.co.in)

CIN : L23209KA1988GOI008959

---

sir, take steps that will improve confidence of stakeholders who have put money into company please take care of your investors they are at your mercy, Thank you, that's all from my side, you can unmute now.

**K B Shyam Kumar:**

Thank you sir. Speaker Shareholder No 06 Shri Santosh Kumar Saraf, Shri Santosh Kumar Saraf, You have been unmuted Sir.

**Santosh Kumar Saraf - Shareholder:**

Honourable Chairman, Members and officers and shareholders, brothers and sisters. My name is Santosh Kumar Saraf. I am calling from Kolkata. First of all my greetings to all, I wish Directors, officers shareholders and their families, good health during this COVID period. I express my condolence to those who have left us in this COVID time. I pray to God to give peace to their souls and give courage to their family to lead a normal life during this COVID time.

Sir.... Are you able to understand my Hindi.

**Subhash Kumar:**

Yes absolutely.

**Santosh Kumar Saraf - Shareholder:**

Sir, I thank the Management for receiving the request of questioning and once again thankful and I salute you sir. Sir please tell what is the average realization price of Aviation Turbine Fuel and at what price it's been got. Whether it's incurring profit or loss? Please tell us about it

Sir, you have taken steps regarding Rain water harvesting. How much water can be harvested whether it can be recycled and further actually financially what steps are taken? Please tell us about it. Sir, you said that employees are being vaccinated in MRPL Hospital, I am really thankful to you. Sir please tell me that employees plus casual employees and their family is being vaccinated or not. I understand that if they are not vaccinated they have to be done in their home otherwise it is not helpful. This year new 23 new employ has been recruited which are 5 women employee, 1 SC and 1 ST. but I see total employees are 1948 out of which 135 are women, not even 10%. I request you sir that you have taken steps for women empowerment and I think women is not weak in any matter, may be lifting of weight or boxing or wrestling or playing hockey not weak in any matter. Sir fair support to this skill is and gives power.

---



**Mangalore Refinery and Petrochemicals Ltd**

(A Govt. of India Enterprise and a subsidiary of ONGC Limited)

Website: [www.mrpl.co.in](http://www.mrpl.co.in) Email: shyamkumar@mrpl.co.in

CIN : L23209KA1988GOI008959

---

And what steps have been taken regarding single use of plastic. Single use plastic should be at least used in plant or office. Kindly inform about usage of plastic in our company.

Thank you sir for giving me such a wonderful opportunity. Thank you god bless you all.

**K B Shyam Kumar:**

Thank you Sir. Next shareholder is Ms Elizabeth. Ms Elizabeth you have been unmuted.

**Elizabeth- Shareholder:**

Hello? Can you hear me sir?

**K B Shyam Kumar:**

Yes madam.

**Elizabeth- Shareholder:**

Respected Chairman Mr. Subhash Kumar, M D M.Venkatesh, honourable Directors, including representative from Government, my fellow shareholders to attending this virtual meet. I am Mrs. C E Mascaren. I am attending from Mumbai. First of all before going ahead I will thank over company secretary Mr. K B Shyam Kumar and his team for sending Annual reports and also registering my request to speak. Thank you so much and also giving me this platform where, at least audio is quite clear I thank that platform managing is also very good the moderators and all. Thank you so much.

Now, I come to the annual report, it's a good Document with, which is informative and self-explanatory. Also adhering to all the corporate governance norms. Now, going into the workings, our revenue down, PAT, it back to losses. But I find that GRM this year is this year 3.71 as against last year 0.23 which looks quite good and I feel we should come in profit for the future. Can you just give whether it will be two or three years we will again turn around the corner? And even if the profit our market cap is not going up., stock exchange is not giving any thumps up to our capitization. If little dividend is paid deep pocketed investors may invest in our company like what is happening these days, the market is hungry for investment. But here is the company it is not becoming that regular I hope in future we will become hope for the best. Next I congratulate for all the Awards and the Accolade as given in the Annual Report, if I talk time is restricted.

I also appreciate the CSR work done to the society on page 18 so well it's documented. 5 Focal areas are identified very well. Thank you very much

Now my queries sir How many of employees were affected by COVID, How many recovered,

---



## **Mangalore Refinery and Petrochemicals Ltd**

(A Govt. of India Enterprise and a subsidiary of ONGC Limited)

Website: [www.mrpl.co.in](http://www.mrpl.co.in) Email: shyamkumar@mrpl.co.in

CIN : L23209KA1988GOI008959

---

fatalities and vaccination level. And whatever care and protocols had done?

Next question is how various crude process in August 20 from different countries like UAE, Oman, US...etc how its margins rely on all these crudes?

Next question is HSD and MS supply to Reliance starting from October 20 is having you made any profits from this supply?

Next is we are highest majority dispatch of 101.818 for the month of January 2021. How much margin we got in this venture and whether it's increased further. Next is what is the RLNG taken into refinery for the first time on March 21?

Now what is the demand for ATF. How much margin we get in a year. Whether any scope for increasing now as the aviation is going open out more if the COVID 3<sup>rd</sup> will not come. Our company has made joint venture with SHELL. What is the development? Our company has informed MOP&NG to set out 2G ethanol plant in Karnataka. Land is earmark. What is the capex for this and how do you point the same. We have well defined code of conduct for the board and senior management. This is very good. How many probs were detected by the refinery entity?

Last but not the least can you spell out 3 years future plans of our company and what you have learnt lessons from the one and two COVID. I supported all the resolutions. I wish the company all the best. I look out great future for good market Cap. All of you have every good health and wealth. Thank you one again.

### **K B Shyam Kumar:**

Thank you madam. All the shareholders queries I have been taken. Chairman Saabh

### **Subhash Kumar:**

I think I am while I will request MD to take most of the questions. But I must thank to all the shareholders, they had very insightful questions starting from Mr. Mathai, Mr. Sharadkumar, Mr. Kapoor, Mr. Saraf and Madam Elizabeth. I really appreciate the kind of depth to which they were gone for understanding the performance of the Company and I really appreciate a kind of concern of last 2 shareholders of Mr. Saraf and Madam for praising of our company. Madam we also share the pain of everybody faced during this pandemic, and wish everybody to survive. I could only to take one or 2 question the rest I request to Venkatesh to kindly to take to. And there is couple of questions on merger and why it's taking time and what is the end game and also I think there was a suggestion as to whether when the ONGC producing natural gas and by that gas cannot sourced to

---



## **Mangalore Refinery and Petrochemicals Ltd**

(A Govt. of India Enterprise and a subsidiary of ONGC Limited)

Website: [www.mrpl.co.in](http://www.mrpl.co.in) Email: shyamkumar@mrpl.co.in

CIN : L23209KA1988GOI008959

---

MRPL So I think as per as merger is concerned the plan is there now it can all 3 entities in fact HPCL has also one of the promoter of the MRPL. HPCL MRPL and ONGC all are listed entity. And consequently whatever processes are gone through as per the legal process the impact of merger of OMPL, the OMPL is not listed entity. This itself is taking time. Because there are certain timelines defined under the process, and the team is working to make it happen at the earliest. The benefits from merger of MRPL and OMPL are clear; the entire company can start functioning in a integrated basis and consequently there not in any inefficiency within the whole. As regards, gas and Crude as you know we have a system of allocation of gas and crude whatever ONGC produces in the country cannot be supplied necessarily to MRPL unless its allocated to the process of mandated by the Government. Consequently ONGC gas today is not going to MRPL. Same is to for crude also. Crude as of allocated whatever the crude is domestically produced that is among the companies. As per as the timeline of merger are concerned we are working, all of us are working by the broad dimension. All entities being listed entities all processes will need to be followed and consequently there will proper transparency and valuation institutes which will address the process which will take as much time as required by the law. These were some of the things, another thing was the performance of the company despite other company is doing well probably the reference was to integrated company which have present posting refining and marketing. And there was also question on why we are building our terminals; by the end of the day probably the more money has been made, for all money has made for last year in marketing rather than in refining site. That is one of the rational why MRPL is also thinking that it should have at least part of significant quantity to be sold its own outlets. There was a suggestion why to recreate when group of company already has its infrastructure, so MRPL and HPCL in fact PMHL work very closely and very efficiently that in fact some of the tenders they have started participating together. So that within the group we do not actually compete and the products of MRPL are already lifted by HPCL. However for the legal entity at the transfers across the entity also invite certain taxation and all consequences and all result of which once fulfil merger happens value realisation will improve. First it will happen merger of OMPL with MRPL and the consequent face when it happens that help to realise the value. These are the some of thought I address. I now request MD MRPL to handle the rest of the issues

### **M Venkatesh:**

Thank you sir respected chairman sir. You have almost covered all of the critical questions and

---



## **Mangalore Refinery and Petrochemicals Ltd**

(A Govt. of India Enterprise and a subsidiary of ONGC Limited)

Website: [www.mrpl.co.in](http://www.mrpl.co.in) Email: shyamkumar@mrpl.co.in

CIN : L23209KA1988GOI008959

---

answers sir. I will try to balance of it. First of all thanks for the major shareholder ONGC company secretary in recognising the performance of Company in critical condition. Thank you so much with regard to Liju Mathai Chairman has replies many of your questions and queries with respect to MRPL HPCL merger. I would like to just add the retail outlet is going to be value addition both MRPL and HPCL rather than competing the HPCL. So we are ensuring that this kind of retail outlets will only add Value to HPCL, if or when the HPCL take place at the right time. With respect to the Shareholder, share price is given by Market sentiments, I can say so. However our performance of 18-19 was profit. 19-20 was a COVID year for a last quarter FY 19-20. 20-21 as you can see we significantly recovered, but much work has to be done further for recovery we will assure whatever possible in our end with the support of all stakeholders and our parent Company and shareholder we will try our best to recover the margin from wherever we are today. With respect to Standalone refinery is always the challenge across the globe whereas our chairman was pointing out, there are certain market margins we can capture and we are looking forward for increased direct market Participation capture the market margins available in the market. I hope we have answered your questions. In case we have not we will reply to you through e-mail sir. With respect to Mr. Sharadkumar Jivraj Shah thanks for complementing our performance. Chairman saabh has answered with respect to HPCL and MRPL merger, we are touch with multiple petroleum sector companies but whatever you are mentioned we are not in touch with them. With respect to desalination plant, of course the water is costly from the desalination plant, no doubt about it. But in refining sector is water intensive and it's practically impossible to transport the kind of water required by road or rail just for sake of mentioning you know, it takes above 600 trucks per day to operate the plant if water source dries up and depending on rain water is of course not a good strategy and we have embark upon desalination plant to de-risk the main component of raw material, one of the main component of raw material for MRPL. We will optimize the water consumption of from desalination plant to reduce the operating Cost. With respect to gas turbine the gas is available from March 2021 we have maximize to the extent possible the available line, there is some debottlenecking done by the supplier GAIL, and as and when it happens by December we will maximize further with available infrastructure we have. We are having a gas turbine modification to consume more gas than what we have consumed today. With respect to natural gas and refining gas the performance, the refinery gas will be cheaper than natural gas, the natural gas consumption will be considered based on economics. The debt equity ratio or the mode

---



## **Mangalore Refinery and Petrochemicals Ltd**

(A Govt. of India Enterprise and a subsidiary of ONGC Limited)

Website: [www.mrpl.co.in](http://www.mrpl.co.in) Email: shyamkumar@mrpl.co.in

CIN : L23209KA1988GOI008959

---

of financial funding for the Company, we are working along with our parent company HPCL and guidance with the board, we will keep in mind your suggestions sir. With respect to Shri Surendranath Kapoor's questions what are the capital expenditure for next few years, we have cut down the capital expenditure to extend the bare minimum required. But the future projects are kept in mind at the right time we will be investing the directions and support on the board for future growth of the Company. At the outlook of capital expenditure is roughly about 400, 500 or 600 crores per year for the survival and operability of the complex. The share prices, yes we had a Share value of 100 to 120 rupees per share 2, 3 years back. We had a bad year in the FY 19-20. However we would like to mention FY 18-19 was a profit year though the refining margins were very low even at that point of time. Going forward we would be looking forward for a better opportunity and better performance for Q3, Q4, and turn around FY 21-22 itself. And not withstanding that all efforts are reduce the operating cost. What are the marketing margins? Marketing margins are there in terms of HSD and MS even ATF margins are available. We are trying to capture those marketing margins inherently available in the market by improving our direct sales and thereby improving the GRM sir. FGTU FCC gasoline unit how will contribute the question by Shri Sharadnath Kapoor Saabh. The FGTU unit is inherently going to produce BS VI quality, MS blend, petrol blend, thereby enabling the refining complex to improve the petrol productions gasoline as we call petrol as we call in general term the demand of petrol has gone up the surplus the pre –code level, we are catering to the current domestic demand and we will be in the position to cater to the increase the domestic demand also. So the advantage of this particular unit improved BS6 quality petrol available from the refinery complex. We are we have in renewable we have 6 mega watt of power and we are looking at power import and tried to get the power from green power from the Greek to the extent possible the bottling the infrastructure of the power for the refining complex is the ongoing process, we are touch with the state and central government to handle infrastructure as when the infrastructure got created we are also look at cheaper and green power to operate the refinery sir.

And Santosh Kumar Saraf Saabh thanks for your suggestion. Single use plastic we are inherently in our daily operation we have reduced our plastic consumption per se. Polypropylene water produced is also going for high value market like medical applications protective equipments, personal protective equipments for auto mobile segments and for bagging segment so we are very conscious of single use plastic is reduced. And we look at your suggestion very actively sir. With

---



## **Mangalore Refinery and Petrochemicals Ltd**

(A Govt. of India Enterprise and a subsidiary of ONGC Limited)

Website: [www.mrpl.co.in](http://www.mrpl.co.in) Email: shyamkumar@mrpl.co.in

CIN : L23209KA1988GOI008959

---

respect to vaccination we have we have we have realized need for vaccinating our people it's one of the way forward for the generating productivity. We have covered 74% of our single dose total employees and we will be daily vaccinating 130,140 vaccines per day on a continuous basis.

And there was another question on secondary workforce and families of workers we are we very conscious of vaccinating of our secondary workforce also and their family members also, according to their numbers and needs and such kind of vaccination is also being done in the consultation with the district administration, and our doctors and paramedical. We are thank full to your concern about secondary workforce we are we are responsible for health of secondary workforce and their families also sir and we assure you the vaccination efforts will continue. With respect to Madam Elizabeth question on ATF realization, ATF is demand completely distracted demand product. There were no flights taking off domestically even now the international segment flights have been curtailed to the large extent. Very specific flights between the country to country has been allowed while we have responded to the fact that slowly and steadily ATF demand is picking up. The margins in the global market as well as domestic market is picking up. ATF realization for 21 was roughly about 21000 per KL. But that leave in the apart we are looking at positive improved growth of ATF as the economic continuous to open up of course the international segment ban has been extended from august end to September end. We are hopeful that October the international segment also should open up for bringing in better ATF demand for the country. With respect to the mortality we have 2 mortalities because of COVID. Unfortunately one from MRPL, another from Central Industrial Security Force. However the hospitalization is now NIL. We are addressing the mental health of employees also as well as secondary workforce and people who work for our projects. So we are regretful to say the 2 of the personnel one from MRPL and one from CISF expired because of COVID and hope that we don't have any further cases of mortality. Our team is actively working in consultation with our doctor and district administration to improve the vaccination rate as well as and to maintain the COVID protocol all our work culture all our activities strictly adhered to COVID protocol and we are able to sustain the lower number of COVID per day basis. So any other questions which we are missed we will reply through e-mail. I hope we would have answered all the questions. Thank you chairman Saabh and thank you Company Secretary.

**K B Shyam Kumar:**

---



**Mangalore Refinery and Petrochemicals Ltd**

(A Govt. of India Enterprise and a subsidiary of ONGC Limited)

Website: [www.mrpl.co.in](http://www.mrpl.co.in) Email: shyamkumar@mrpl.co.in

CIN : L23209KA1988GOI008959

---

Thank you sir. With this behalf we have taken all the questions of the shareholders who have registered as a Speaker. I now request Chairman Saab to order to conduct Voting.

**Subhash Kumar:**

Now I order to conduct voting at e-voting platform for all the businesses proposed before this meeting for passing of ordinary and special Resolutions. The facility to vote shall open for 15 minutes after the conclusion of this AGM. After completion of E-voting the Scrutinizer will scrutinize the votes cast by the shareholder through e-voting and e-voting during the AGM had submit the consolidated results of remote E-voting and e-votes cast during the AGM within 48 hours of the conclusion of this meeting. All the resolution passed based on scrutinizers report on consolidated voting result. The consolidated voting result along with the scrutinizers report will be placed in the company's website immediately after the results are declared. With this we conclude 33<sup>rd</sup> Annual General Meeting on behalf of Board of Directors I thank all of you for attending the 33<sup>rd</sup> Annual General Meeting of your Company. Please take care. Thank you and Jai Hind.

**M Venkatesh:**

Thank you sir, Thank you very much.

---