

CHAIRMAN'S MESSAGE



Dear Members,

On behalf of Board of Directors of Oil India Limited, I thank all of you for your continued support. I am happy to present OIL's Maiden Integrated Annual Report for the year 2020-21. Your Company has completed 62 glorious years of its existence on 18th February 2021 and has maintained excellent track record of its performance.

Certain major developments during the year have had positive impact on the current and future business scenario of your Company. As part of its diversification strategy, your Company acquired additional 54.16 % stake in Numaligarh Refinery Limited (NRL) on 26th March, 2021. It was a historic day for all stakeholders of NRL and OIL, two great Organizations based in NE. For OIL, acquisition of majority shares of NRL was not only a strategic business decision but one of the defining moments of OIL's corporate journey as an E&P Company making it a truly vertically integrated Company in the oil & gas value chain.

Your Company currently operates 04 (Four) NELP blocks covering an area of 3909 sq km, 2(two) in the states of Assam & 1 (one) each in Mizoram and Andhra Pradesh. Your Company has started preparatory work to start drilling campaign in NELP Block AA-ONN-2010/2 and AA-ONN-2010/3 located in Assam.

The Company has been awarded a total of 25 (twenty-five) blocks under Open Acreage Licensing Policy (OALP) Round covering a total area of 48,796 sq. km. These acreages are in the state of Assam, Arunachal Pradesh, Tripura, Nagaland, Odisha, Rajasthan and offshore areas in Andaman and Kerala-Konkan. The Company has also been awarded 2 (two) blocks, one each in Tripura (47.23 sq. Km) and KG Offshore (93.90 sq. Km), under Discovered Small Field Round-II. This spreads our domestic E&P acreage significantly and will help in future growth of the Company through successful exploration efforts. During 2020-21, your Company has acquired 13103.3 LKM of 2D and 1979.5 sq.km 3D seismic data in OALP blocks. Your Company is also taking various initiatives to boost exploration-development activities and to step up production of Oil and Gas.

Your Company's CSR interventions have been making difference to the lives of the people and local communities through various programme

and projects. During the year 2020-21, your Company spent Rs. 105.25 Crore against statutory requirement of Rs. 49.12 Crore towards CSR activities.

Your Company also undertook various initiatives to sensitise the masses on the novel Corona virus and contain its spread. The Company's CSR Projects were also leveraged for it such as health check-up camps, sewing & distribution of face masks etc. Distribution of covid care kits and sanitisers were undertaken to contain the Covid-19 pandemic besides sanitization of office premises and public places. Your Company contributed Rs. 25.00 Crore towards the Prime Minister's Citizen Assistance and Relief in Emergency Situation (PMCARES) Fund to strengthen India's fight against Covid 19 in FY 2020-21 in addition to the contribution of Rs. 13.00 Crore in the last financial year. Further, the Company is also setting up PSA oxygen plants, providing oxygen compressors, oxygen cylinders and oxygen concentrators besides augmenting healthcare infrastructure at various locations to effectively counter the Covid-19 pandemic.

Your Company also witnessed certain external events during the year which were beyond the control of the Management, which had adverse impact on Company's performance. Consequent to the unfortunate Blowout at Baghjan well No 5 on 27th May, 2020, the Company had to take immediate steps for capping, killing and abandonment of the well which was successfully completed on 3rd December, 2020. Your Company's management acknowledges the tremendous support received from all stakeholders during this period. Covid-19 pandemic also had unprecedented impact on the demand of petroleum and petroleum products due to global lock downs and sharp contraction in the economic activities.

In spite of the adversities faced by the Company, your Company reported sound financials with revenue of Rs. 10,561.45 Crore and Profit after Tax of Rs. 1,741.59 Crore during 2020-21. Your Company maintained track record of receiving "Nil Comments" on its accounts for 2020-21 from Comptroller & Auditor General of India for 19th consecutive year. Other significant events and highlights of 2020-21 are detailed in the Integrated Annual Report 2020-21.

I would like to take this opportunity to reiterate your Company's commitment towards pursuing the highest standards of Corporate Governance. We have always been proud of our robust and transparent processes and structures in place. Our Corporate Governance practices meet the stipulations of Regulators including the Guidelines issued by the Department of Public Enterprises.

We have been committed and shall remain so in managing the risk of the business and to the future growth of Company to ensure maximum value creation for our stake-holders. I am confident that with your trust, encouragement, re-assurance and promised support, we can ensure higher levels of progress and prosperity for the Company.

Jai Hind

(S.C. Mishra)

Chairman & Managing Director