

DIRECTORS' REPORT 2020-21

Dear Members,

On behalf of the Board of Directors, I hereby present the 62nd Annual Report on the performance of your Company containing Audited Financial Statements together with the Auditors' Report and the Comments of the Comptroller and Auditor General of India for the year ended March 31, 2021.

1. SIGNIFICANT HIGHLIGHTS

A. FINANCIAL HIGHLIGHTS

During the year, the Company has earned total revenue of Rs. 10,561.45 crore as against Rs. 13,648.71 crore in the previous year 2019-20. The Net profit margin of the Company for financial year 2020-21 was 16.49%.

The Profit Before Tax (PBT) in the year 2020-21 was Rs. 723.07 crore against PBT of Rs. 2,120.10 crore in the previous year. The Profit After Tax (PAT) was Rs. 1,741.59 crore in the financial year 2020-21 as against Rs. 2,584.06 crore in the previous year. PAT for the financial year 2020-21 has reduced by Rs. 842.47 crore (32.60%) as compared to 2019-20 primarily due to lower crude oil price realization at US\$ 43.98/bbl (Previous year US\$ 60.75/bbl) which was partially offset due to settlement of old income tax litigation cases under Vivad Se Vishwas' scheme, 2020, which resulted in a reversal of income tax liability of Rs. 1,158.54 crore.

The average INR/USD exchange rate was Rs. 74.23 in the year 2020-21 as against Rs. 70.90 in the previous year. The key financial figures for the Financial Year (FY) 2020-21 are summarized below:

(Rs. in crore)

Particulars	Financial Year 2020-21	Financial Year 2019-20
Income from Operations	8,618.38	12,128.52
Other Income	1,943.07	1,520.19
EBDITA	3208.49	4,110.73
Finance Cost	498.71	498.80
Depreciation, Depletion and Amortisation	1,537.68	1,491.83
Exceptional items	-449.03	-
Profit Before Tax	723.07	2,120.10
Profit After Tax	1,741.59	2,584.06
Appropriations		
Interim Dividend	379.55	975.96
Tax on Interim Dividend	-	200.56
Final Dividend of previous year	173.51	189.77
Tax on Final Dividend of previous year	-	39.00
Re-measurement of the net Defined Benefit Plans transferred from Other Comprehensive Income	-17.04	860.45
Transfer to Debenture Redemption Reserve	-	-872.13
Transfer on disposal of investment measured by Fair Value through the statement of Other Comprehensive Income (FVTOCI)	-	-1.32

B. OPERATIONAL HIGHLIGHTS

(i) Crude Oil

During the year 2020-21, crude oil production was 2.964 MMT (inclusive of Company's share of 0.012 MMT from Kharsang JV and 0.015 MMT from Dirok JV) as against the production in the previous year (3.133 MMT). The crude oil sale was 2.872 MMT as compared to 3.055 MMT in the previous year.

The price realization in respect of crude oil was USD 43.98/bbl in the year 2020-21 as against USD 60.75/bbl in the year 2019-20 registering reduction of USD 16.77/bbl. The reduction on price realisation coupled with lower rate of crude oil has resulted in fall in revenue from crude oil by 29.10% during the year.

Cyclic Steam Stimulation (CSS) was successfully implemented for the first time in India by the Company in 2019 and had been implemented in wells at Baghewala field. Continuous production is underway from the Baghewala structure.

(ii) Natural Gas

During the year 2020-21, natural gas production was 2642 MMSCM (inclusive of 162 MMSCM as Company's share from Dirok JV) as against production of 2801 MMSCM in the previous year. The production from Assam & Arunachal Pradesh was 2292 MMSCM and that of Rajasthan was 188 MMSCM. The sale of

natural gas was 2270 MMSCM against 2403 MMSCM in the previous year.

The average natural gas price realization was USD 2.09 / MMBTU in the year 2020-21 as against USD 3.46 / MMBTU in the year 2019-20 resulting in decrease of natural gas price by USD 1.37/MMBTU. As a result of decreased price realization and lower sales quantity, revenue from natural gas decreased by 38.43% during the year 2020-21.

(iii) Liquefied Petroleum Gas (LPG)

During the year 2020-21, LPG production was 33,910 metric tons against 28,990 metric tons in the Year 2019-20. The sale of LPG was 34,076.93 metric tons against 28,962.68 metric tons in the previous financial year.

LPG revenue was Rs. 116.38 Crore in the year 2020-21 as against Rs. 112.22 Crore in year 2019-20 leading to the increase of Rs. 4.16 Crore in revenue from LPG.

Condensate revenue was Rs. 37.07 Crore in the year 2020-21 as against Rs. 25.56 Crore in the year 2019-20

(iv) Pipeline Operations

During the year 2020-21, crude oil pipeline transported 5.97 MMT of crude oil as against 5.72 MMT in the previous year. The



OIL's 61st AGM organised on virtual platform

Naharkatia - Bongaigaon sector transported 2.87 MMT of crude oil for the Company, 0.94 MMT of crude oil for ONGC & 0.0045 MMT of crude oil from Dirok field (AAP/ON-94/1). The Barauni - Bongaigaon sector transported 2.16 MMT of imported crude oil for Bongaigaon Refinery. The Company also transported 1.699 MMT of petroleum products through Numaligarh-Siliguri Product Pipeline with pipeline utilization of 98.7%.

The total revenue earned from transportation business was Rs. 361.45 crore in the financial year 2020-21 against Rs. 327.50 crore in the year 2019-20. The Company also earned revenue of Rs. 13.48 crore in 2020-21 from its telecom business as against Rs. 12.71 crore in previous year.

(v) Renewable Energy

SI No.	Plant Name	Location	Unit Generated in 2020-21 (Mn. Kilo Watt hr)
01	5 MW Solar Power Plant	Jaisalmer, Rajasthan	8.92
02	9 MW Solar Power Plant	Jaisalmer, Rajasthan	16.04
03	13.6 MW Wind Power Plant	Ludurva, Rajasthan	15.71
04	54 MW Wind Power Plant	Dagri, Rajasthan	50.26
05	38 MW Wind Power Plant	Chandgarh, Madhya Pradesh	62.85
06	16 MW Wind Power Plant	Patan, Gujarat	25.16
07	27.3 MW Wind Power Plant	Kotiya, Gujarat	66.15
08	25.2 MW Wind Power Plant	Unchawas, Madhya Pradesh	51.58

C. EXPLORATION HIGHLIGHTS

i. Exploration Activities and Discoveries

Your Company drilled 12 (twelve) exploratory wells and 24 (twenty four) development wells during 2020-21. During the year, the Company has made 1 (one) gas discovery in Assam and has achieved Reserve Replacement Ratio (RRR) of 1.16 under 2P category.

The Company has won the coveted Federation of Indian Petroleum Industry (FIPI) Award 2020 in the category "Oil & Gas Exploration - Company of the Year".

In order to intensify exploration, the Company has inducted an innovative technology of Airborne Gravity Gradiometry and Gravity-Magnetic (AGG & GM) survey over terrains with difficult logistics in OALP and nominated blocks in the North-East. Adoption of this technology will enable us to reduce exploration cycle time and prioritize areas for exploration focus in geologically complex and logistically inaccessible areas.

During the year 2020-21, the Company had carried out 13,103.28 LKM of 2D & 2104.08 sq km of 3D seismic survey in its nominated acreages and OALP Blocks. The Company is the first operator

The total installed capacity of the Company in respect of renewable energy stands at 188.10 MW (excluding projects for captive utilization), comprising of 174.10 MW of wind energy projects and 14 MW of solar energy projects. In addition, solar plants of 0.799 MW are being used for captive utilization of electrical energy.

Your Company generated revenue of Rs. 123.08 crore from renewable energy projects (wind as well as solar plants) during 2020-21. The electricity generated from wind and solar plants during 2020-21 is summarized below:

to commence exploration activities in OALP blocks in the country by starting 2D & 3D seismic acquisition in OALP blocks in Rajasthan. The Company has also commenced the seismic data acquisition campaign within a month from the award of PEL in the OALP block (AA-ONHP-2019/01) awarded under OALP-V round. The exploration block is located in Biswanath district in Assam and is logistically difficult due to riverine terrain and flood prone areas. The Company has deployed its in-house crew using State-of-the-art cable-less seismic data



View of OIL's Wind Energy Generation site in Rajasthan

acquisition system for the same. So far, the Company has completed committed seismic acquisition in 10 OALP blocks and seismic acquisition is under progress in 8 OALP blocks.

ii. Acreage

Your Company's In-Country operations are spread over the areas in the states of Assam, Arunachal Pradesh, Mizoram, Tripura, Nagaland, Odisha, Andhra Pradesh and Rajasthan and offshore areas in Andaman, Kerala-Konkan and KG shallow waters.



Director (E&D) and Director (O) taking shot for seismic data acquisition campaign in OALP-V block in Assam

The Company is operating in 03 (three) PEL and 25 (twenty five) PML areas, allotted under the nomination regime in the States of Assam, Arunachal Pradesh and Rajasthan. The Company also holds Participating Interest (PI) in 06 (six) NELP Blocks with operatorship in 04 (four) Blocks and as Non-operator in the remaining 02 (two) Blocks as on 31-03-2021. The Company has further expanded its acreage base through participation under OALP bid rounds. OIL has been awarded 4 blocks under OALP Round – V. Earlier OIL was awarded 21 blocks under OALP bid rounds- I to III, and 2 blocks under Discovered Small Field round-II. The strategy of your company is to consolidate its position as the leading Operator in the North-East and carry out exploration in Category II & III sedimentary basins of India in line with the Government of India's vision to intensify exploration in Indian sedimentary basins and increase domestic oil and gas production.

Out of the 4 blocks awarded to the Company under OALP-V round, 2 blocks are located in Assam & Arunachal Pradesh and

other 2 blocks are located in Rajasthan. The Company has also been awarded 2 (two) blocks as operator one each in Tripura and Krishna-Godavari Offshore areas under DSF-II Bid round. The total domestic operating acreages of the company cover an area of 57982.3 sq km.

The Company also holds 40% PI in the joint venture Pre-NELP Block Kharsang and 44.086% PI in block AAP-ON-94/1.

The Company is also the operator of the onshore Block Shakthi-II in Gabon covering an area of 3761.25 sq. km with 50% PI.

Oil and Gas Reserves

a. Domestic

Your Company has strong oil and gas reserves base of domestic assets including JVs. The particulars of oil and gas reserves as on 31.03.2021 are furnished below:

Reserves	1P	2P	3P
Oil + Condensate Reserves (MMT)	29.6611	73.6264	96.4460
Balance Recoverable Gas (BCM) *	86.3353	134.4013	172.1591
O+OEG (MMTOE)	105.5532	190.8397	245.7515

*Based on projected volume of gas under various sales contracts, 1P, 2P and 3P Gas Reserves are 20.7660, 57.1120 and 72.7090 BCM respectively.

b. Overseas

As on 31.03.2021, oil & gas reserves position of 06 (six) overseas assets (Company's Proportionate Share) namely Niobrara Shale Oil (USA), License-61 (Russia), Vankorneft (Russia), TaasYuryakh (Russia), Carabobo (Venezuela) & Golfinho-Atum (Mozambique) is as furnished below:

Reserves	1P	2P	3P
Oil+Condensate (MMT)	13.4076	32.5406	53.1424
Gas Reserves (MMTOE)	13.2647	21.8506	25.9646
O+OEG (MMTOE)	26.6723	54.3912	79.1070

2. CAPITAL STRUCTURE

The Authorized Share Capital of the Company is Rs. 2000 Crore. The Issued, Subscribed and Paid Share Capital of the Company is Rs. 1084.41 Crore comprising of 108.44 crore shares of Rs. 10 each. At present, the Government of India, the Promoter of the Company is holding 56.66% of the total Issued & Paid-up Capital of the Company. The balance 43.34% of the Equity capital is held by Public and others including Bodies Corporate, Mutual Funds, Banks, FPIs Resident Individuals etc.

3. DIVIDEND

Your Company paid an Interim Dividend @ Rs. 3.50 per share (i.e. 35% on the paid up equity share capital) amounting to Rs. 379.55 crore for the financial year 2020-21. The Board of Directors have recommended a Final Dividend of Rs. 1.50/- per share (i.e. 15% on the paid up equity share capital) amounting to Rs. 162.66 crore for the financial year 2020-21, subject to the approval of the shareholders at the 62nd Annual General Meeting of the Company.

4. CREDIT RATINGS

The Company's financial prudence is reflected in the strong credit rating ascribed by ratings agencies as given below:

Category	Rating Agency	Rating	Remark
International			
Long Term	Moody's Investor Service	Baa3 (Negative)	At par with India's Sovereign rating
Long Term	Fitch Ratings	'BBB-' (Negative)	At par with India's Sovereign rating
Domestic			
Long Term	CARE Ratings	CARE AAA	Highest Rating
Short Term	CARE Ratings	CARE A1+	Highest Rating

5. DETAILS OF THE LOANS, GUARANTEES OR INVESTMENTS/ DEPOSITS

The particulars of investment made, loans extended, guarantees and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the standalone financial statements. (Ref. Note no. 6,7,15, and 42 to the standalone financial statements).

6. RELATED PARTY TRANSACTIONS

All contracts / arrangements / transactions entered by the Company during the year with related parties were in ordinary course of business and at arm's length basis. The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at www.oil-india.com Attention is also invited to Note 43.4 to the financial statements and Form AOC-2 attached herewith.

7. HUMAN ASSETS

Human Resource Management is an integrated approach focusing on Organization's faith to work with people to manage change and strive for continued excellence. The Company believes in building positive employee-employer relationship by nurturing initiatives, innovations and aspirations of the employees. It is ensured that the human resource policies and practices are sensitive to employees' needs.

As on 31st March 2021, Company has 6,190 employees consisting of 1,669 executives and 4,521 unionized employees. During the year, the Company has taken a number of measures to improve performance management and performance culture in the Company through policy interventions and improvement of systems and processes. Some of the important measures includes enhancing transparency and objectivity of HR processes, adoption of competency based HR tools, HOPE (Help Our People Excel), a Reward and Recognition Scheme for reinforcing high performance behavior, improving speed and efficacy of HR service delivery through IT based processes, etc.



CMD, OIL, felicitating women employees on International Women's Day

8. SPORTS

The Company believes that sports is an integral part of all round development of human personality and achieving excellence in sports has real bearing on national prestige and morale. Therefore, employees are encouraged to participate and excel in sports. The Company has actively supported and promoted sports under the umbrella of Petroleum Sports Promotion Board (PSPB), All India Public Sector Sports Promotion Board (AIPSSPB) and other bodies duly recognized by the Government of India. The Company participated in various sports events in Football, Golf, Cricket etc. during the year.

Some of the glimpses of OIL in sports are:

- OIL Football Team was the Winner in the 12th Bodousa Cup Invitational Football Tournament held at Tinsukia.
- Runner-up of 67th Lokopriya Gopinath Bordoloi Football Tournament held at Guwahati.
- OIL's Golf "A team" was the Winner and "B team" was the Runners-up in the XXXXI PSPB Inter Unit Golf tournament held in Greater Noida.

9. IMPLEMENTATION OF GOVERNMENT DIRECTIVES FOR PRIORITY SECTIONS

The Company attempts to comply with the directives of the Government of India for priority sections of the society. The representation of various priority sections in executive and unionized employees categories in the Company as on 31st March, 2021 is as under:

Category	SC	ST	OBC	Minority	PWD	Women
Executives	240	156	411	132	32	204
Unionized Employees	401	681	1606	262	83	199
Total	641	837	2017	394	115	403

10. IMPLEMENTATION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is committed towards prevention of sexual harassment of women at workplace and takes prompt action in the event of reporting of any such incidents. The Company has in place mechanism for prevention of sexual harassment in line

with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. In this regard, Internal Complaints Committees (ICCs) have been constituted at various offices of the Company to deal with sexual harassment complaints, if any and to conduct enquiries. During the year, one complaint was received.

11. CORPORATE GOVERNANCE

In compliance with the SEBI (LODR) Regulations, 2015, the Management Discussion & Analysis Report, Corporate Governance Report and the Business Responsibility Report have been furnished as a part of this Annual Report. Your Company also complies with the Corporate Governance Guidelines enunciated by the Department of Public Enterprises, Government of India.

12. RTI ACT, 2005

Your Company has implemented Right to Information Act, 2005 in order to provide information to citizens and to maintain accountability and transparency. The Company has appointed Central Public Information Officer, (CPIO), Assistant Public Information Officer (APIO) and the First Appellate Authority (FAA) in all its offices to perform the functions provided under the Act. In line with the Government directives, the RTI Cell is successfully processing and disposing RTI applications. The RTI portal, hosted on the Company's website is also being maintained and regularly updated as per the proactive disclosure under the RTI Act.

During 2020-21, the Company received 278 RTI applications and 264 applications were disposed off which includes 7 applications carried forward from previous year. The Applications and Appeals were replied to within the statutory timeframe.

RTI STATUS FOR THE YEAR 2020-21 (AS ON 31.03.2021)

Total Applications Received	Applications Disposed	Pending Applications	First Appeal	Appeals disposed off	Pending Appeals	Second Appeal Before CIC
278	264	14	42	42	--	07

*Includes applications/appeals carried over from the previous year.

13. IMPLEMENTATION OF OFFICIAL LANGUAGE (RAJBHASHA)

The Company puts continuous efforts for increased use of Official Language Hindi in official work in line with the Official Language Policy/Act/Rules / Orders of the Govt. of India. Hindi Workshops were conducted regularly so as to enable officers and employees to work in Hindi conveniently and efficiently. Quarterly Meetings of Official Language Implementation Committee were held regularly. The responsibility of the

Chairmanship of Duliajan Town Official Language Implementation Committee (TOLIC) was also borne by our Company. Half-yearly meeting of TOLIC were organised as per schedule of Department of Official Language. Executives/ Employees were encouraged to attend Hindi Training Classes and to write more and more words in Hindi through Incentive Scheme formulated by the Company. Total of 126 Nos. of officers and employees took training of Hindi through Hindi class and workshop in Official Language Section. 34 officers



OIL's programme enables officers and employees to work in Hindi conveniently and efficiently

and employees were passed and given incentives as per company rules. To Propagate Official Language Hindi, amongst employees, TOLIC members and students, various literary competitions were held during Hindi Month Celebration. New initiative of Hindi section i.e. Aaj Ka Shabd is being prepared and published in OIL web daily.

The Company has been awarding "OIL Shreemanta Shankardev Fellowship for Comperative Studies of Literature (Assamese and Hindi)" to Hindi research fellows of the Guwahati University since 2003. This fellowship is given by the Company to a selected research fellow of the university every year for the comparative studies of Literature. The amount for fellowship and other facilities are at par with University Grant Commission (UGC) fellowship.

The Company bagged the First Petroleum Rajbhasa Shield for the year 2019-20 for best implementation of Official Language in office jobs.

Annual programme of Official Language Hindi for the year 2020-21, which was issued by Deptt. of Official Language, Ministry of Home Affairs, Govt. of India, was circulated to all Spheres/ Deptts. of the Company and regular monitoring and reviewing jobs are being done in Quarterly Meeting with Departmental representatives. In-House Hindi Journal "OIL KIRAN" was published regularly. In-House Journal "OIL NEWS" was published in Trilingual form i.e. Assamese, Hindi and English.

14. PUBLIC PROCUREMENT POLICY FOR MICRO & SMALL ENTERPRISES(MSEs)

The Company adheres to the Public Procurement Policy for MSEs. The budgeted and actual procurement of goods and services from MSEs during the year 2020-21 are as under:

(Rs. in crore)

S.No	Particular	Status on 31.03.2021
1	Budgeted procurement of goods and services from MSEs	424
Actual procurement		
2	a) Total value of goods and services procured from MSEs (including MSEs owned by SC/ST entrepreneurs).	683
3	b) Percentage of procurement of goods and services from MSE (including MSEs owned by SC/ST entrepreneurs) out of total procurement	22.32 % on total procurement and 35.44 % excluding the cost of high technology goods & services OEM / Proprietary items & spares.

15. VIGILANCE

The Vigilance Wing is headed by Chief Vigilance Officer (CVO), who functions as a link between the Central Vigilance Commission (CVC), the Central Bureau of Investigation (CBI), the Management and acts as an advisor to Head of the Organisation on Vigilance matters. Vigilance basically functions under three facets: (i) Preventive (ii) Punitive and (iii) Participative.

Preventive Vigilance: This calls for constant review of roles, procedures and practices for refining and improving the system thereby reducing scope for corruption and also leading to better operational results. To strengthen the preventive facet of Vigilance framework, during the year 2020-21, several system improvement measures were recommended and implemented on the basis of scrutiny of various Contracts & Purchases files, inspections of installations both periodic and surprise, intensive examinations of high value projects/works done internally as well as by Chief Technical Examiner (CTE) of CVC. Additionally, policy matters were also taken up for improvements like amendment in CDA Rules, introduction of Policy on Empanelment of Advocates, Hospital manual, etc. to name a few. Extensive use of technology through E-procurements, E-payments, Bill tracking system etc. has further emerged as effective tools of preventive vigilance. To create awareness and to sensitize employees about the Company rules and regulations, 12 (twelve) in-house programs were conducted in various spheres of the Organization. The programs included "Keep in Touch" (KIT), Catch Them Young (CTY) and "Vigilance Sensitization".

Punitive Vigilance: Based on complaints received by the Department from various sources including the CVC and the concerned Ministry, investigations were done and taken to their logical conclusion. During the year 2020-21, disciplinary

proceedings against 09 officials were initiated.

Participative Vigilance: One major event towards Participative Vigilance is "Vigilance Awareness Week" (VAW). As per CVC's directive, VAW-2020 was observed from 27th October - 2nd November, 2020 across the Company on the theme "Vigilant India, Prosperous India". The week kick started with an Integrity Pledge on 27th October, 2020, at all spheres. Several activities were conducted both within and outside the Company to highlight the objectives of vigilance in an endeavour to demonstrate a strong correlation between Vigilant India and Prosperous India. This year, most of these activities were organized through online mode due to Covid-19 protocols. Some of these activities include training, Seminar/ Webinars, Workshops, Quiz, Debate, together with several competitions in nearby schools and colleges. Online Vendors' Grievance Redressal Camp was also organised at FHQ, Duliajan amongst the vendors enabling them redress their problems. A special digital issue of Vigilance in-house journal "InTouch" was also released on the occasion of VAW-2020.

In addition to above, continuous efforts are on to imbibe ethical behavior by encouraging everyone to take the online "Integrity Pledge". The link for online "Integrity Pledge" has been made available in OIL's website and can be easily accessed by the employees, their families, vendors/contractors/stakeholders etc. Vigilance Mechanism/structure in the Company under the able guidance of Shri Rajiv Kumar Gupta, IFS as Chief Vigilance Officer is quite robust and capable of handling any challenges.

16. RESEARCH AND DEVELOPMENT

The Research & Development team of the Company provides techno economically feasible and practical solutions to frequently encountered oilfield problems. Over the years, Company has developed expertise and competence in the core



CMD with Functional Directors and CVO releasing OIL's Vigilance in-house journal 'In Touch'



Director (F), OIL with Directors of EIL, BPCL & NRL at signing ceremony of Share Purchase Agreement for acquisition of Equity Stake in NRL

oilfield operational and applied research in the areas of geochemistry, oilfield chemicals, flow assurance, oil field operations - well stimulation, water shut-off, oilfield & pipeline corrosion, IOR/EOR and petroleum microbiology which has benefitted the Company immensely.

As technological up-gradation, state of the art equipment have been procured and successfully put into service, which would help in developing effective research based solutions.

In the present global scenario, knowledge-based assets, or Intellectual Property Rights (IPRs), especially patents, have special significance for organizational growth and competitiveness. Realizing this, the R&D unit of the Company has initiated patenting activities in the recent years

17. START-UP INITIATIVES

In line with GOI's flagship initiative "Start-up India" was launched in Jan 2016 to build a strong ecosystem for nurturing innovation and start-up in the country, the Company had set up Start-up Fund with a corpus of Rs. 50 crore approved by OIL Board in Sept 2016 for extending technical and financial support to the Start-ups to grow through innovation. The Company onboarded Indian Institute of Technology, Guwahati (IITG) to facilitate incubation of OIL's Start-ups.

During FY 2020-21, the Company supported 03 nos. of Start-ups and all three Start-ups have already demonstrated their archetype in the workshop. Although, progress of work of the Start-ups, was hampered by the Covid pandemic and State-wise restriction on movement, all the Start-ups have reached their field trial phase.

During the year, one of the Start-ups promoted by OIL was awarded the Indian Achiever's Award 2021 for Promising Start-

up in Recognition of Outstanding Innovation & Novel contribution to the Indian Oil & Gas industry.

18. SUBSIDIARIES / JOINT VENTURES / ASSOCIATE COMPANIES

A. Material Subsidiary

Numaligarh Refinery Limited

Numaligarh Refinery Limited (NRL) was incorporated in 1993 and is a Category - I Mini Ratna PSU having a 3 MMTPA Refinery at Numaligarh, in Golaghat district of Assam. As part of its diversification strategy, the Company was already holding 26% paid up equity in NRL. The Company further acquired additional 54.16% stake in NRL on 26th March 2021, thereby enhancing its stake to 80.16%. The Company is now the promoter and has management control of NRL. The stake enhancement in NRL will enable the Company to become an integrated energy company focussed in the North-East region in India.

B. Subsidiaries

i. Oil India Sweden AB

Oil India Sweden AB is a wholly owned subsidiary of the Company. The said Company was incorporated on the 20th November, 2009 as a private limited Company (AB). Presently the Company holds 50% shareholding in IndOil Netherlands BV, Netherlands and the other 50% is held by IOCL. IndOil holds the 3.5% Participating Interest (PI) in the Venezuelan Asset namely PetroCarababo S.A.

ii. Oil India Cyprus Ltd.

Oil India Cyprus Ltd. was incorporated in Cyprus on 21st October, 2011 as a private limited liability Company under the

Cyprus Companies Law. The Company holds 76% of the share capital of Oil India Cyprus Ltd. The balance 24% is held by Oil India Sweden AB. This Company was primarily formed for funding loan by OIL in the Venezuelan Asset, namely PetroCarababo S.A. The Company is under process of winding up.

iii. Oil India(USA) Inc.

Oil India (USA) Inc. is a wholly owned subsidiary of the Company incorporated on 26th September, 2012 in Texas, USA. It holds 20% stake in a Niobrara Shale Oil and Gas Asset in USA. During 2020-21, the company's net profit stood at US\$ 0.28 Mn

iv. Oil India International B.V (OIIBV)

Oil India International B.V, a wholly owned subsidiary of the Company was incorporated in Netherlands on 2nd May, 2014. It holds 50% stake in WorldAce Investments Limited which holds 100% in Stimul T. As operating company, Stimul T holds 100% in License-61 in Russia.

v. Oil India International Pte. Ltd. (OIPL)

Oil India International Pte. Ltd. is a wholly owned subsidiary of the Company. The Company was incorporated in Singapore on 6th May, 2016 as a private Company limited by shares. The company holds 33.5% stake each in Vankor India Pte. Ltd (VIPL) and Taas India Pte. Ltd. (TIPL) which in turn hold 23.9% and 29.9% in JSC Vankorneft and LLC TYNGD respectively.

vi. Oil India International Limited (OIL)

OIL, a wholly owned subsidiary of the Company was incorporated on 20th September, 2013. The purpose of the company is to act as an overseas investment arm of OIL. Since none of its objects associated with formation could be achieved, it had been decided to wind up the Company through voluntary liquidation which is under progress.

C. JOINT VENTURE / ASSOCIATE COMPANIES

vii. HPOIL Gas Private Ltd. (HPOIL)

HPOIL has equity participation in the ratio of 50:50 from OIL & HPCL. The company has been formed to develop CGD Network in Ambala-Kurukshetra and Kolhapur Districts. The Company has its registered office at Mumbai and Project office at Ambala and Kolhapur. Project implementation work is in progress. The company is currently operating eight CNG station at Ambala-Kurukshetra and six CNG stations at Kolhapur Geographical Areas (GAs). During FY 2020-21, HPOIL earned Rs. 9.64 Cr revenue by selling 1685087 Kg of CNG.

viii. Purba Bharati Gas Private Limited (PBGPL)

A Joint Venture Company (JVC) in the name of "Purba Bharati Gas Private Limited" was incorporated on 19th Nov 2019 with equity participation of 26% from the Company, 26% from GAIL Gas Limited and 48% from Assam Gas Company Limited. The Company has been formed for development of CGD network in Kamrup-Kamrup Metropolitan Districts and Cachar, Hailakandi and Karimganj Districts. The registered office of

the Company is in Guwahati. PBGPL has started domestic pipe natural gas supply in Cachar, Hailakandi and Karimganj Districts GA with 270 nos. domestic connections.

ix. Suntera Nigeria 205 Ltd.

The Company acquired 25% equity stake in Suntera Nigeria 205 Ltd., Nigeria pursuant to a Share Purchase Agreement (SPA) signed with Suntera Cyprus and Indian Oil Corporation Limited (IOCL) on August 31, 2006. Suntera Nigeria 205 Ltd. was incorporated with the main object to engage in the petroleum business including the prospecting exploration production and development of crude oil and natural gas. The registered office of Suntera Nigeria is at Lagos.

x. Beas Rovuma Energy Mozambique Ltd. (BREML)

The Company holds 40% share in BREML. BREML holds 10% Participating Interest in the Rovuma Area 1 Offshore Block in Mozambique. The Company was incorporated in British Virgin Islands but has been redomiciled to Mauritius on 23rd January 2018.

xi. IndOil Netherlands B.V

The Company through its wholly owned subsidiary Oil India Sweden AB, owns 50% of the shares in Indoil Netherlands B.V which in turn holds 7% equity shares in Petrocarabobo S.A. (joint venture Company), for Project Carabobo-1, Venezuela.

xii. WorldAce Investments Ltd.

The Company through its wholly owned subsidiary OIIBV holds 50% share in World Ace Investments Ltd, a Company incorporated in Cyprus. World Ace Investments Ltd. holds 100% share in LLC Stimul-T, Russia which is the license holder for License 61, Tomsk Region, Russia.

xiii. Vankor India Pte. Ltd. (VIPL)

The Company through its wholly owned subsidiary Oil India International Pte. Ltd (OIPL) holds 33.5% share in VIPL, a Company incorporated in Singapore on 20th May, 2016. VIPL holds 23.9% share in JSC Vankorneft, Russia which holds two producing licenses in Eastern Siberia, Russia. Cumulatively till 31.03.2021, an amount equivalent to USD 340.14 million has been received at the VIPL level as dividend corresponding to OIL's stake in the project.



Aerial view of TIPL

xiv. Taas India Pte. Ltd. (TIPL)

The Company through its wholly owned subsidiary Oil India International Pte. Ltd. (OIPL) holds 33.5% share in TIPL, a Company incorporated in Singapore on 23rd May, 2016. TIPL holds 29.9% shares in LLC "TYNGD", Russia which holds two producing licenses in Eastern Siberia, Russia. Cumulatively till 31.03.2021, an amount equivalent to USD 179.30 million has been received at the TIPL level as dividend corresponding to OIL's stake in the project.

19. ANNUAL REPORT OF SUBSIDIARIES AND CONSOLIDATED FINANCIAL STATEMENTS

In accordance with Section 134 of the Companies Act, 2013 and the applicable Accounting Standards, Audited Consolidated financial statements for the year ended 31st March, 2021 of the Company and its subsidiaries forms part of this Annual Report.

A report on the performance and financial position of the subsidiaries, associates and joint venture companies of the Company as per the prescribed form (Form AOC-1) of the Companies Act, 2013 also forms part of this Annual Report.

The Complete Annual Reports of subsidiaries of the Company are available on the Company's website.

20. STATUTORY REQUIREMENTS

Your Directors have made necessary disclosures as required under various provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. Information on the Conservation of Energy, Technology Absorption, Foreign Exchange Earnings & Outgo etc. as required under Section 134 of the Companies Act, 2013 and the Rules made thereunder is given in the Annexure-I to this Report.

In view of the exemption given by Ministry of Corporate Affairs to Government Companies from applicability of Section 197 of the Act, the details of the employees who drew remuneration exceeding the limits laid down in the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not annexed to the Report.

21. STATUTORY AUDITORS, COST AUDITORS AND SECRETARIAL AUDITORS

M/s SRB & Associates and M/s P.A & Associates were appointed as Joint Statutory Auditors for the financial year 2020-21 by the Comptroller & Auditor General of India (C&AG). The Statutory Auditors have audited the Accounts of the Company for FY 2020-21 and submitted the Report to the Company. The C&AG has given "NIL" comments on Financial Statement 2020-21 of the Company.

The Cost Audit Report for the financial year 2019-20 given by M/s Dhananjay V. Joshi & Associates was filed within the statutory time limit. For the financial year 2020-21, M/s Shome & Banerjee, Cost Accountants are the Cost Auditor of the Company. The report is being finalized and will be filed within the stipulated time frame.

M/s P.P. Agarwal & Co., Practicing Company Secretaries were appointed as the Secretarial Auditor of the Company for FY 2020-21. The Secretarial Audit Report confirming compliance to the applicable provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015, SEBI Guidelines and all other relevant rules and regulations relating to Capital Market except the board Composition is annexed as Annexure-II to this Report. Oil India Limited being a Government Company, request have been made to the administrative ministry viz. Ministry of Petroleum and Natural Gas for compliance of Board Composition.

As a measure of good corporate governance, the Secretarial Audit Report of our material subsidiary is also annexed hereto

22. ANNUAL RETURN

As required under the provisions of the Companies Act, 2013, the Annual Return for the financial year ended March 31, 2021 in the prescribed form MGT-7 has been prepared hosted on the website of the Company at the following weblink : <https://www.oil-india.com/8Financial-results>.

23. AWARDS AND RECOGNITIONS

During the year 2020-21, following recognitions and awards/accolades were conferred upon the Company by different agencies

- **Exploration & Production- Company of the Year and Excellence in Human Resource Management by Federation of Indian Petroleum Industry (FIPI) at FIPI Award 2020**, New Delhi.
- **7th Annual CSR INDIA 2020 Award** in recognition of outstanding CSR practices and achievements by Greentech Foundation for CSR Project in the area of Education and Skill Development.
- **Apex India Foundation Award, 2019**, 'Platinum Award' under Livelihood Creation for project OIL Jeevika and 'Gold Award' under Woman Empowerment for Project OIL Arogya in Petroleum Exploration Sector.
- **Mahatma Award 2020** for CSR excellence for Corporate Social Responsibility(CSR) initiatives.
- **CSR Times Award 2020**, best PSU for its Corporate Social Responsibility (CSR) projects OIL Swabalamban on Skill Development and OIL Dikhya on Education at the 7th National CSR E-Summit in a virtual summit & awards.
- **CSR Leadership Awards** for its Corporate Social Responsibility (CSR) Initiatives in the area Health and Skill Development. The awards in the category 'Concern for Health' and 'Skill Development' were announced at the World CSR Day Presents CSR Leadership Awards, Mumbai.
- **Grow Care Safety Award 2020**, Gold Award for 'Outstanding achievement in Safety Management in Petroleum Storage and Transportation Sector' and 'Outstanding achievement in Environment Management in Petroleum Exploration Sector.'



CMD, OIL and Director (E&D) receiving FIPI Award 2020 from Hon'ble Minister Shri Dharmendra Pradhan

- **Apex India Green Leaf Award 2019**, 'Platinum Award' in Energy Efficiency category in Petroleum Exploration Sector to Drilling Installation Rig:S-4; 'Golden Award' for Eco-Innovation Category in Petroleum Exploration Sector to Drilling Operation, Technical Services & Cementing Sections of Drilling Services and 'Golden Award' for Plant Efficiency Category in Petroleum Exploration Sector.
- **Greentech Safety Award 2020** for outstanding achievements in 'Industry Sector Safety Excellence' by Greentech Foundation.
- **Apex India Corona Warrior-2020** to Fire Service Department by Apex India Foundation.
- **National Awards of Excellence in PSU** in the category of 'Reskilling of Employees(Training & Development)'
- **Best Training & Development program**, for in-house training program on Basic Life Support & First Responder (BLS&FR) and **Organisation with best HR Practices**, for conducting various training programmes amidst the challenging pandemic situation at **29th edition of World HRD Congress Awards, Mumbai.**
- **Rank -2** in '**Dream Companies to Work For**' Awards by World HRD Congress for Learning & Development Initiatives.
- '**Petroleum Rajbhasha Shield**' award for exceptional work in Rajbhasha Hindi by Ministry of Petroleum & Natural Gas for the year 2019-20.

24. POLICY ON DIRECTORS' APPOINTMENTS ETC./ PERFORMANCE EVALUATION

The Company being a Government Company, the provisions of Section 134 (3)(e) and Section 134(3)(p) of the Companies Act, 2013 regarding policy on Directors' appointment and remuneration, annual evaluation of the performance of the Board, Committees and individual directors are not applicable in view of the Gazette notification dated. 05.06.2015 issued by the Government of India, Ministry of Corporate Affairs granting exemptions to Government Companies.

Further, the said notification also exempted Government Companies from the provisions of Section 178 (2) which requires performance evaluation of every director by the Nomination & Remuneration Committee.

Similar exemption on the matter for listed CPSEs is awaited from SEBI.

25. CHANGES IN THE BOARD OF DIRECTORS

- In terms of Letter No. C-31034/2/2017-CA/FTS: 49128 dated 08.09.2017 issued by Ministry of Petroleum & Natural Gas (MoP&NG), Prof. (Dr.) Asha Kaul (DIN: 06987839), Dr. Priyank Sharma (DIN: 07940638), Shri S. Manoharan (DIN: 03521659), Ms. Amina R. Khan (DIN: 07940639) ceased to be Independent Directors on the Board of Company w.e.f. 8th September, 2020 on completion of their tenure.
- In terms of Letter No. C-31033/1/2016-CA/FTS: 42979 dated 11th December, 2020, issued by MoP&NG, Shri Asheesh Joshi, Director (E-I) has been appointed as Govt. Nominee Director on the Board of the Company w.e.f. 22nd December, 2020 vice Shri Rohit Mathur, Joint Secretary (G), MoP&NG who ceased to be Director of the Company on 10.12.2020.

c. Shri Biswajit Roy, Ex-Director (HR&BD) [DIN: 07109038] and Dr. Pattabhiraman Chandrasekaran, Ex-Director (E&D) [DIN: 07778883] superannuated from the services of the Company on 30th June, 2021 (after close of working hours) and hence ceased to be Directors of the Company w.e.f. 01st July, 2021. Further, in terms of letter no. CA-31014/2/2021-PNG (38058) dated 24th June, 2021 issued by Ministry of Petroleum & Natural Gas, Shri S.C.Mishra, Chairman & Managing Director and Shri Harish Madhav, Director (Finance) of the Company, have assumed the additional charge of the post of Director (E&D) and Director (HR), respectively w.e.f. 1st July, 2021.

The Board had taken note of the valuable contributions made by Shri S. Manoharan, Prof. (Dr.) Asha Kaul, Dr. Priyank Sharma, Ms. Amina R. Khan, Shri Rohit Mathur, Shri Biswajit Roy and Dr. Pattabhiraman Chandrasekaran during their respective tenures.

26. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 (5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

- iii. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the directors have prepared the annual accounts on a going concern basis;
- v. the directors, have laid down internal financial controls in the Company which are adequate and are operating effectively; and
- vi. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

27. ACKNOWLEDGEMENT

Your Directors thank the customers, vendors, investors, Auditors, bankers and employees of the Company for their continued support during the year. Your Directors place special appreciation for the contribution made by the employees at all levels. The consistent growth of the Company was made possible by their hard work, solidarity, co-operation and support.

Your Directors acknowledge the guidance and support of the MoP&NG, all other Ministries and Agencies in Central and State Governments and place their sincere thanks.

For and on behalf of the Board of Directors

Sd/-
Place: Noida
Date: 19.08.2021

(Sushil Chandra Mishra)
Chairman & Managing Director
DIN : 08490095



CMD, OIL felicitating Shri Himanta Biswa Sharma, Hon'ble Chief Minister of Assam during his visit to OIL's Field Headquarters, Duliajan