



ऑयल इंडिया लिमिटेड
(भारत सरकार का उद्यम)
Oil India Limited
(A Government of India Enterprise)



ANNUAL REPORT

2013-14

“The **Fastest Growing**
Energy Company with
Global Presence Providing
Value to **stakeholders**”



ऑयल इंडिया लिमिटेड
(भारत सरकार का उद्यम)

Oil India Limited
(A Government of India Enterprise)



BOARD OF DIRECTORS

Functional Directors

Shri. S. K. Srivastava, Chairman & Managing Director
 Shri. N. K. Bharali, Director (HR&BD)
 Shri. S. Rath, Director (Operations)
 Smt. R. S. Borah, Director (Finance)
 Shri. S. Mahapatra, Director (E&D)

Government Nominee Directors

Shri. S. Panda
 Shri. Nalin K Srivastava

Independent Directors

Prof. Shekhar Chaudhuri
 Shri. Anup Mukerji
 Prof. Gautam Barua
 Shri. Suresh Chand Gupta
 Prof. Bhaskar Ramamurthi

Company Secretary

Shri. S.R.Krishnan

Registered Office

P.O.Duliajan,
 Distt. Dibrugarh,
 Assam – 786 602
 Ph : 0374-2804510
 Fax : 0374-2800433

Corporate Office

Plot No. 19, Sector – 16A,
 Noida, Distt. G.B.Nagar,
 U.P – 201301
 Ph : 0120-2419000
 Fax : 0120-2488310
 Visit us at : www.oil-india.com

Registrar and Share Transfer Agent

M/s Karvy Computershare Pvt. Ltd.
 (UNIT : OIL INDIA LIMITED)
 Plot no. 17-24, Vittalrao Nagar, Madhapur,
 Hyderabad-500081
 Tel No : 040-44655180 Fax No.040 -23420814
 E-mail : einward.ris@karvy.com

Bankers

Allahabad Bank
 Axis Bank
 Canara Bank
 Corporation Bank
 HDFC Bank
 ICICI Bank
 IDBI Bank
 Indian Bank
 Indian Overseas Bank
 Punjab National Bank
 State Bank of India
 Standard Chartered Bank
 Syndicate Bank
 United Bank of India
 Union Bank of India

Statutory Auditors

M/s. Saha Ganguli and
 Associates
 Chartered Accountants
 ‘NEELAMBER’
 28 B, Shakespeare Sarani,
 4th Floor, Room No. 4E,
 Kolkata-700017

M/s. B.M.Chatrath & Co.
 Chartered Accountants
 “Centre Point”, 4th Floor,
 Room No. 440,
 21, Hemanta Basu Sarani,
 Kolkata-700001

Cost Auditor

M/s Mani & Co.
 Cost Accountants
 ‘Ashoka’, 111,
 Southern Avenue,
 Kolkata – 700 029



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OIL INDIA LIMITED

Regd. Office: P.O. Duliajan, Distt. Dibrugarh, Assam – 786 602

CIN : L11101AS1959GOI001148 Email: investors@oilindia.in

Ph:0374-2804510 Fax: 0374-2800433

Website: www.oil-india.com

NOTICE

NOTICE is hereby given that the 55th Annual General Meeting of the Shareholders of Oil India Limited will be held on Saturday, the 27th day of September, 2014 at 11.00 AM at Bihutoli, Duliajan, Distt. Dibrugarh, Assam-786 602, to transact the following business:-

(A) ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2014 and the Statement of Profit & Loss for the year ended on that date together with Reports of the Auditors, Directors and Comments of the Comptroller & Auditor General of India thereon.
2. To confirm the payment of Interim Dividend and Second Interim Dividend and to declare Final Dividend for the financial year 2013-14 on the equity shares of the Company.
3. To appoint a Director in place of Shri N.K.Bharali (DIN:03262719), who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri S.Rath (DIN:03495179), who retires by rotation and being eligible, offers himself for reappointment.
5. To authorise Board of Directors to decide remuneration / fees of the Statutory Auditors of the Company appointed by the Comptroller & Auditor General of India for the financial year 2014-15.

(B) SPECIAL BUSINESS

6. To appoint Smt. Rupshikha Saikia Borah (DIN:06700534), as Director of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act 2013, Rules made thereunder, Smt. Rupshikha Saikia Borah (DIN:06700534), who was appointed as Director (Finance), by the President of India vide letter no C-31014/1/2012-CA dated. 29.07.2013 and subsequently appointed as an additional director by the Board Of Directors with effect from 01.10.2013 to hold office until the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 proposing the candidature of Smt. Rupshikha Saikia Borah for the office of a director of the Company, be and is hereby appointed as Director (Finance) and Chief Financial Officer of the Company, liable to retire by rotation, on terms & conditions determined by the Govt. of India.

7. To appoint Shri. Subhasish Panda (DIN: 02331848), as Director of the Company and in this regard to consider and if though fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and all other applicable provisions of the Companies Act, 2013, Rules made thereunder, Shri. Subhasish Panda (DIN: 02331848), who was appointed as a Government Nominee Director, by the President of India vide letter no.C-31033/1/2012-CA/FTS:18688 dated. 26.02.2014 and appointed as an additional director by the Board of Directors with effect from 26.02.2014 to hold office until the date of this Annual General meeting, in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 proposing the candidature of Shri. Subhasish Panda for the office of a Director of the Company, be and hereby appointed



as a Director of the Company, liable to retire by rotation.”

8. To appoint Shri. Sudhakar Mahapatra (DIN: 06941346), as Director of the Company and in this regard to consider and if thought fit, to pass with or without modification (s), the following resolution as an **Ordinary Resolution**

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act 2013, Rules made thereunder, Shri. Sudhakar Mahapatra (DIN: 06941346), who was appointed as Director (Exploration and Development), by the President of India vide letter no.C-31014/4/2012-CA/FTS:22762 dated. 01.08.2014 and subsequently appointed as an additional director by the Board of Directors with effect from 04.08.2014 to hold office until the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 proposing the candidature of Shri. Sudhakar Mahapatra for the office of a director of the Company, be and is hereby appointed as Director (Exploration and Development) of the Company, liable to retire by rotation, on terms & conditions determined by the Govt. of India.”

9. To ratify the remuneration of the Cost Auditors for the financial year 2014-15 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant of section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and auditors) Rules, 2014, the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2014-15, be paid the remuneration as set out in the statement annexed to the notice convening this meeting.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to do all the acts and take all such steps as may be

necessary, proper or expedient to give effect to this resolution.

By Order of the Board
OIL INDIA LIMITED

Place: NOIDA
Dated: 01.09.2014

Sd/-
(S. R. Krishnan)
Company Secretary

NOTES

- (a) **A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself. Such a proxy need not be a member of the Company. Proxies, in order to be valid and effective, must be delivered at the registered office of the company duly filled, stamped & signed not later than 48 hours before the commencement of the meeting. As per the provisions of the Companies Act, 2013, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.**
- (b) A brief resume of Directors seeking appointment / re-appointment is annexed hereto.
- (c) A statement setting out the material facts pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
- (d) Members / Proxies / Authorised Representatives are requested to bring the attendance slip duly filled and signed along with copy of Annual Report to the meeting.
- (e) Corporate members are requested to send a duly certified copy of the resolution authorizing their representatives to attend and vote at the meeting.
- (f) Members are informed that in case of joint holders attending the meeting, only such joint holder who is first in the order of names will be entitled to vote.



- (g) The Annual Report duly circulated to the members of the Company, is available on the Company's Website at www.oil-india.com.
- (h) Relevant documents referred to in the accompanying notice are open for inspection by the members at the Registered Office / Corporate Office of the Company on all working days i.e. Monday to Friday, between 9:30 a.m. and 11:00 a.m. upto the date of the Annual General Meeting.
- (i) The Register of Members and Share Transfer Books of the Company will remain closed from the 20th September, 2014 to 27th September, 2014 (both days inclusive) for the purpose of ascertaining the eligibility of members for payment of dividend. The dividend payable on Equity Shares, if approved by the members, will be paid to those members whose names appear on the Company's Register of members and as per beneficial owner's position received from NSDL & CDSL as at the close of working hours on 19th September, 2014.
- (j) Share transfer documents and all correspondence relating thereto, should be addressed to the Registrar and Transfer Agent (RTA), M/s Karvy Computershare Pvt. Ltd., 17-24, Vittal Rao Nagar, Madhapur, Hyderabad – 500081; Phone No.: 040-44655180; Fax No.: 040-23420814; Email: einward.ris@karvy.com.
- (k) Pursuant to Section 72 of the Companies Act, 2013 shareholders holding shares in physical form may file their nomination in the prescribed Form SH-13 with the Company's RTA. In respect of shares held in demat/electronic form, the nomination form may be filed with the respective Depository Participant.
- (l) Members may send their requests for Non-receipt of Shares, change / updation of Address, Bank A/c details, ECS mandate, Email address, Nominations:
- (i) For shares held in dematerialised form - to their respective Depository Participant i.e. the agency where the demat account has been opened.
- (ii) For shares held in physical form - to the RTA, M/s Karvy Computershare Private Limited, Hyderabad.
- (m) Pursuant to the provisions of section 205A & 205C of the Companies Act, 1956, the Company has transferred all unpaid dividend declared upto the financial year 2005-06 and interim dividend for the financial year 2006-07 to Investor Education & Protection Fund (IEPF) established by the Central Government. Upon completion of 7 years, the Company would transfer the unclaimed / unpaid final dividend for the financial year 2006-07 in October, 2014. The dividend for the financial year 2007-08 and thereafter, which remains unpaid or unclaimed for a period of 7 years would be transferred to the IEPF on respective due dates. Hence the members, who have not encashed their dividend warrant so far for the financial years 2007-08 to 2013-14 are requested to write to the RTA, M/s. Karvy Computershare Private Limited, Hyderabad or to the Company for claiming the unpaid dividend.
- (n) Pursuant to Section 101 and 136 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, Annual Report of the Company has been sent through email to those members whose email ID is registered with the Company / Depository. Those members who have not registered their email ID are requested to write to the RTA / their Depository Participant for registering the same.
- (o) In terms of Section 108 of Companies, Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is providing the facility to its members to exercise their right to vote by electronic means on any or all of the businesses specified in the Notice. The cut-off date for this purpose is 22.08.2014.

Facility for E-Voting

- (1) Details of the process and manner of e-voting along with the User ID and Password are being sent to the members along with the notice:
- By email to those members whose email ID is registered with the Company / Depository Participant.
 - By post to those members whose email ID is not registered with the Company / Depository Participant.



- (2) The instructions and other information relating to e-voting are as under:
- i. Launch internet browser by typing the URL: <https://evoting.karvy.com>.
 - ii. Enter the login credentials (i.e. User ID and Password mentioned in the notice). However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for logging in.
 - iii. After entering these details appropriately, Click on "LOGIN".
 - iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
 - v. You need to login again with the new password.
 - vi. On successful login, the system will prompt you to select the "EVENT" i.e. Oil India Limited.
 - vii. On the voting page, enter the number of shares (which represents the number of votes as on the Cut Off date) under "FOR / AGAINST / ABSTAIN" or alternatively, you may partially enter any number of votes in "FOR" and partially in "AGAINST" such that the total number of votes cast "FOR/AGAINST" taken together should not exceed your total shareholding. In case you do not wish to cast your vote you may choose the option "ABSTAIN".
 - viii. Voting has to be done for each item of the Notice separately. In case you do not cast your vote on any specific item it will be treated as abstained.
 - ix. Members holding multiple demat accounts / folios shall choose the voting process separately for each demat account / folio.
- x. You may then cast your vote by selecting an appropriate option and click on "Submit".
 - xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the Resolution(s).
 - xii. Corporate / Institutional members are required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at email ID: manish@rmgcs.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Oil India Limited, 55th Annual General Meeting".
- (3) The e-voting period commences on 18.09.2014 (10.00 AM) and ends on 20.09.2014 (6.00 PM). During this period, the members of the Company as on the cut-off date, being 22.08.2014, may cast their vote by electronic means in the manner and process set out herein above. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast, the member shall not be allowed to change it subsequently. Further, the members who have cast their vote electronically shall not be able to vote at the Annual General Meeting in case poll is held at the meeting.
- (4) In case of any query pertaining to e-voting, please visit Help & FAQ's section of <https://evoting.karvy.com>.
 - (5) The voting rights of the members shall be in proportion to their shares of the paid up equity share capital of the Company, as on the cut-off date, being 22.08.2014.
 - (6) The Board of Directors have appointed CS Manish Gupta, Partner, M/s RMG & Associates, Company Secretaries as Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner.



- (7) The Scrutinizer shall within a period not exceeding 3 (three) working days from the conclusion of the e-voting period unblock the votes in the presence of at least 2 (two) witnesses not in the employment of the Company and will make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company or any other officer authorized by Chairman.
- (8) The Results on resolutions shall be declared on or after the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.
- (9) The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company (www.oil-india.com) and on Service Provider's website (<https://evoting.karvy.com>) within 2 (two) days of declaration of the results and would also be communicated to the BSE Limited and the National Stock Exchange of India Limited.

EXPLANATORY STATEMENT

ITEM NO. 6

Smt. Rupshikha Saikia Borah was appointed as Director (Finance) of the Company by the President of India vide letter no C-31014/1/2012-CA dated. 29.07.2013 issued by Ministry of Petroleum and Natural Gas and was accordingly appointed as an Additional Director w.e.f 01.10.2013 to hold office upto this Annual General Meeting. The Company has received a notice in writing pursuant to the provisions of section 160 of the Companies Act, 2013, proposing the candidature of Smt. Rupshikha Saikia Borah for the office of Director (Finance). Smt. Rupshikha Saikia Borah, if appointed, will be liable to retire by rotation. Pursuant to provisions of Section 203 of the Act & Rules made there under, she shall also be the Chief Financial Officer of the Company. The terms and conditions regulating the appointment of Smt. Rupshikha Saikia Borah is to be determined by the Government of India.

Smt. Rupshikha Saikia Borah is not disqualified from being appointed as a Director in terms of Section

164 of the Companies Act, 2013 and has given her consent to act as a Director.

None of the Directors / Key Managerial Personnel of the Company except Smt. Rupshikha Saikia Borah is interested or concerned in the resolution.

The board recommends the resolution for your approval.

ITEM NO. 7

Shri. Subhasish Panda was appointed as a Government Nominee Director of the Company by the President of India vide letter no.C-31033/1/2012-CA/FTS:18688 dated. 26.02.2014 issued by Ministry of Petroleum and Natural Gas and was accordingly appointed as an Additional Director w.e.f. 26.02.2014 to hold office upto this Annual General Meeting. The Company has received a notice in writing pursuant to the provisions of section 160 of the Companies Act, 2013, proposing the candidature of Shri. Subhasish Panda for the office of Director (Government Nominee). Shri. Subhasish Panda, if appointed, will be liable to retire by rotation.

Shri. Subhasish Panda is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director.

None of the Directors / Key Managerial Personnel of the Company except Shri. Subhasish Panda is interested or concerned in the resolution.

The board recommends the resolution for your approval.

ITEM NO. 8

Shri. Sudhakar Mahapatra was appointed as Director (E&D) of the Company by the President of India vide C-31014/4/2012-CA/FTS:22762 dated. 01.08.2014 issued by Ministry of Petroleum and Natural Gas and was accordingly appointed as an Additional Director w.e.f 04.08.2014 to hold office upto this Annual General Meeting. The Company has received a notice in writing pursuant to the provisions of section 160 of the Companies Act, 2013, proposing the



candidature of Shri. Sudhakar Mahapatra for the office of Director (E&D)). Shri. Sudhakar Mahapatra, if appointed, will be liable to retire by rotation. The terms and conditions regulating the appointment of Shri. Sudhakar Mahapatra is to be determined by the Government of India.

Shri. Sudhakar Mahapatra is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director.

None of the Directors / Key Managerial Personnel of the Company except Shri. Sudhakar Mahapatra is interested or concerned in the resolution.

The board recommends the resolution for your approval.

ITEM NO. 9

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s

Mani & Co., Cost Auditor at an aggregate remuneration of Rs.3 lakhs plus applicable taxes and out of pocket expenses to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

None of the Directors / Key Managerial Personnel of the Company are interested or concerned in the resolution.

The board recommends the resolution for your approval.



Name of Director	Shri N. K. Bharali	Shri S. Rath	Mrs R. S. Borah
Date of Birth	01.02.1955	19.05.1955	01.03.1959
Date of Appointment	14.09.2010	31.03.2011	01.10.2013
Qualification	<ul style="list-style-type: none"> Bachelor's degree in Petroleum Engineering from Indian School of Mines (ISM), Dhanbad. Post Graduate from Indian Institute of Management (IIM), Ahmedabad. 	<ul style="list-style-type: none"> M.Sc in Applied Geology from IIT, Kharagpur Dip. in Management from IGNOU. Offshore Prospecting Course Geological, Survey of Japan. 	<ul style="list-style-type: none"> Chartered Accountant Post Graduation in Commerce from Delhi School of Economics
No. of shares held	3000 (Jointly with Smt. Erani Bharali)	1750 (Jointly with Smt. Smita Rath) 300 (Individually)	5000 (Jointly with Shri N.M. Borah)
Experience in specific functional areas	<p>Shri Bharali has over three decades of experience in Petroleum exploration and production industry. Shri Bharali has worked in different functional areas relating to Production of oil & gas, Strategic & Corporate planning, HRM & HRD. He is ardent learner & corporate facilitator in the sphere of HR & Industrial relations. Shri Bharali has experience of leading many workforce initiatives & welfare measures & setting HR strategy to facilitate business growth through the change management initiatives. His manifold competencies and expertise include strong persuasive interpersonal & communication skill, excellent art of negotiation, resource deployment, career design, policy formulation; risk taking, quick decision making, corporate performance planning, goal setting & talent acquisition etc. He has travelled extensively across the globe & led business delegation to UK, Venezuela, Europe, South East Asia, Gulf countries & Australia etc. Shri Bharali was holding the position of GGM (HR&BD) at corporate office, Noida prior to taking over as Director (HR&BD).</p>	<p>Currently holding position of Director (Operations), Shri Rath has diverse and rich experience of over three decades in Petroleum exploration, development and production and is responsible for Company's exploration, development, resource management, oil, gas and LPG production and pipeline business. He has worked in different functional & geographical areas of OIL both in-country & overseas. He led the strategic organizational change initiative as Chief Coordinator. He has also served as Deputy Director General in DGH. He is an active member of Association of Petroleum Geologists & Indian Geological Congress.</p>	<p>Mrs. Rupshikha Saikia Borah has taken over as Director (Finance) of Oil India Limited (OIL) October, 2013. She is the first ever lady functional director in the Board of OIL. Ms. Borah has to her credit over 27 years of rich experience in diverse fields of Financial Management, Audit and Strategic Planning. She had been honoured with the 'Best CA Professional Woman Achiever Award' by The Institute of Chartered Accountants of India and had also received a special commendation "Petrofed Woman Executive of Oil & Gas Industry Award" by Petrofed, India.</p> <p>Mrs. Borah is a post graduate in Commerce from Delhi School of Economics and has the distinction of being the first lady Chartered Accountant from the North-East India. Her laurels include the prestigious Fulbright Hubert Humphrey Fellowship, USA. She is a keen golfer and loves travelling.</p>
Directorship Held in Other Company	<ol style="list-style-type: none"> Ind-Oil Netherlands BV Oil India International Ltd. 	<ol style="list-style-type: none"> Brahmputra Cracker and Polymer Ltd. Oil India (USA) Inc. 	<ol style="list-style-type: none"> Oil India Sweden AB Oil India International Ltd. Oil India (USA) Inc.
Membership / Chairmanship of the Committee of the Board of other companies in which they are Directors	Chairman, Audit Committee Oil India International Limited	-	Member, Audit Committee Oil India International Limited



Name of Director	Shri S. Panda	Shri S. Mahapatra
Date of Birth	27.10.1968	22.03.1957
Date of Appointment	26.02.2014	04.08.2014
Qualification	<ul style="list-style-type: none"> • M.Phil (Environment), JNU, New Delhi • M.A (Governance and Development), IDS, UK 	<ul style="list-style-type: none"> • M.Sc (Geology), Utkal University, Bhubaneswar • International Diploma in "Petroleum Exploration and Reservoir Evaluation" from NTH, Trondheim, Norway
No. of shares held	NIL	NIL
Experience in specific functional areas	<p>Mr. Subhasish Panda joined the Indian Administrative Service in the year 1997 and was allotted Himachal Pradesh as his cadre. He has done his M.Sc and M.Phil. in Environmental Sciences from the Jawaharlal Nehru University, New Delhi. He has also done his M.A in Governance and Development from the Institute of Development Studies, University of Sussex, UK. He has more than ten years of experience in district administration in various capacities of Sub-Divisional Magistrate, Additional Deputy Commissioner and Deputy Commissioner-Cum-District Collector. He has worked as the Head of various Departments including Department of Social Justice&Empowerment, Town & Country Planning, Urban Development, Information Technology, Tourism. He has also had two stints as the Managing Director of the HP Tourism Development Corporation. He has served in the State as Director Institutional Finance-cum-Special Secretary (Finance). He has been Advisor Planning to the State Government. Before joining the Ministry of Petroleum & Natural Gas on deputation from the State Government, he was functioning as Secretary to the Government of HP in charge of General Administration, Urban Development, Town & Country planning, Housing, Sainik Welfare and Secretariat Administration.</p>	<p>Shri Sudhakar Mahapatra, joined Oil India Ltd as Director (Exploration & Development) on 4.08.2014. He is Msc. in geology and having an International Diploma in "Petroleum Exploration and Reservoir Evaluation" from NTH, Trondheim, Norway. He possesses experience of more than 33 years in various facets of petroleum exploration and development which includes exploration strategy & planning, integrated Geoscientific evaluation, Discovery appraisal, acreage management, reserve management, Techno-commercial evaluation of opportunities, management of strategic unit abroad etc. He possesses deep understanding of exploration management under PSC/JV regimes, E&P business development process, Domestic and global petroleum sector, various software's/ technologies of the sector. Prior to joining OIL, he has worked in ONGC and OVL in various capacities. He headed SBU unit at Nigeria and E&P group at OVL Delhi. He has also won many awards and recognitions as a geologist and a manager. He also has to his credit many publications in National and International journals besides presentations at international forums.</p>
Directorship Held in Other Company	-	-
Membership / Chairmanship of the Committee of the Board of other companies in which they are Directors	-	-



DIRECTORS' REPORT

Dear Members,

(₹ in crore)

On behalf of the Board of Directors, I hereby present the 55th Annual Report on the operations of the Company containing its Audited Statements of Accounts together with the Auditors' Report and Comments of the Comptroller and Auditor General of India for the year ended March 31, 2014.

1. SIGNIFICANT HIGHLIGHTS

The financial and operational performance of the Company is as under:-

i) Financial highlights

During the year, OIL has earned total revenue of Rs.11,241.34 crore against Rs. 11,456.32 crore in the previous year. The crude oil production* was 3.466 MMT in the year FY14 against 3.661 MMT in FY13. Decrease in total revenue was due to lower crude oil production and higher subsidy share borne by the company. The Profit before Tax (PBT) earned in FY14 was Rs. 4,410.44 crore against PBT of Rs. 5,283.23 crore in the FY13. After deduction of the taxes, Profit after Tax (PAT) was Rs. 2,981.30 crore in FY14 against Rs. 3,589.34 crore in FY13, showing a decrease of Rs. 608.04 crore over the previous year.

On expenditure side, the employee cost increased to Rs.1,473.18 crore in FY14 from Rs. 1,310.63 crore in FY13 on account of higher provision for superannuation benefit. Depreciation, Depletion and Amortization (DD&A) cost has increased to Rs. 1,177.02 crore in FY14 from Rs. 837.63 crore in FY13 due to higher write off of dry wells and higher capitalization of assets & wells. Other components were comparable with previous year.

During the year, Company has made plan investment of Rs. 2,938 crore which is highest in any year by OIL till date and expects to increase in future with the increase in exploratory and operational activities. The summarized Profit and Loss Account is given below:

*Excluding JV Share.

PARTICULARS	2014	2013
Income from Operations	9612.70	9947.57
Other income	1628.64	1508.75
EBDITA	5656.24	6123.46
Finance Cost	68.78	2.60
Depreciation, Depletion, Amortization and impairment	1177.02	837.63
Profit Before Tax (PBT)	4410.44	5283.23
Profit after Tax (PAT)	2981.30	3589.34
Appropriations		
Interim Dividend	1262.39	1382.61
Tax on Interim Dividends	214.54	224.29
Proposed Final Dividend	30.06	420.80
Tax on Proposed Dividend	5.11	71.51
Transfer to General Reserve	1469.20	1490.13
Total Appropriations	2981.30	3589.34

ii) OPERATIONAL HIGHLIGHTS

PRODUCTION OF CRUDE OIL

The crude oil production was 3.466 MMT against production of 3.661 MMT in FY13. Main reason for shortfall in achievement is direct, indirect and consequential losses arising out of blockades, bundhs etc in operational areas and more than expected decline rates in well head potential of existing wells.

LPG PRODUCTION

During 2013-14, LPG production was 46640 tonnes against production of 46010 tonnes in FY 2013. Along with LPG, a total of 24385 tonnes of condensate were also recovered as by-product.

NATURAL GAS PRODUCTION

The natural gas production of 2625.81 MMSCM was achieved from fields in Assam, Arunachal Pradesh and Rajasthan during the year. The Sale of Natural Gas during the year was 2090.11 MMSCM.

**RENEWABLE ENERGY**

The 13.6 MW and 54 MW Wind Energy Power Projects were established in Jaisalmer, Rajasthan in the Financial Years 2011-12 & 2012-13, produced 21.0 million units and 85.51 million units respectively in the FY 2013-14 resulting in a revenue of Rs. 58.24 crore (including generation based incentives etc.).

2. ACREAGE

Your Company's current in-country operations spreads over 5 (five) onshore Petroleum Exploration License (PEL) and 22 (Twenty Two) Petroleum Mining Lease (PML) areas in the states of Assam, Arunachal Pradesh, Mizoram, Andhra Pradesh, Puduchery and Rajasthan. Besides, your Company is venturing into shallow and deep water in KG Basin, Cauvery, Andaman and Mumbai offshore either jointly or in partnership with other consortium partners.

Your Company, at the end of NELP IX bidding round as on 31.03.2014 is holding Participating Interest (PI) in total of 27 NELP Blocks out of which OIL has the right of operatorship / joint operatorship in 12 blocks and as non-operator in 15 blocks. In addition your Company is holding 40% PI in one CBM Block (AS-CBM-2008/IV) in Assam.

3. OIL AND GAS RESERVES

Your Company has made seven oil and gas discoveries during the year, six from Upper Assam Basin and one from its operated Shakthi block, Gabon.

Your Company has a strong oil and gas reserves base as furnished below:

Particulars	1P	2P	3P
Oil + Condensate (MMSKL)	38.9238	97.3055	138.0075
GAS (BCM)	24.7170	47.4380	69.8040
O+OEG (MMSKL)	63.5801	143.5286	205.9580

4. CAPITAL STRUCTURE

The paid-up capital of the Company is Rs 601.14 crore divided into 60,11,35,955 shares of Rs.10/- each. During the year, the Government of India transferred 47,53,745 (0.79%) of its holding in OIL in favour of CPSE Exchange Traded Fund (ETF) on 27.03.2014.

Consequently, the Government of India's holding in OIL reduced from 68.43% to 67.64%. The Earning per Share (EPS) of the Company as on March 31, 2014 is Rs. 49.59/- as compared to Rs. 59.71/- at the end of previous financial year.

5. DIVIDEND

Based on the provisional financial trend, your Company paid First and Second Interim Dividend @ 110% and 100% respectively for the year, totaling to Rs. 1262.39 crore. The Board of Directors is now pleased to recommend a final dividend @ 5% on the paid up capital amounting to Rs. 30.06 crore, subject to the approval of the shareholders at the ensuing Annual General Meeting.

6. HUMAN ASSETS

Human Resource Management at OIL is an integrated approach focusing on Organization's faith to work with people and work through them to manage change and strive for continued excellence. OIL works towards building positive employee-organization relationship through nurturing initiatives, innovations and aspirations with best HR practices and commitment and provide professional working environment. HR policies and practices are always sensitive to employees needs. As on 31st March 2014, Company has 7813 employees consisting of 1441 Executives and 6372 Unionised Employees in the Company.

7. SPORTS

OIL believes that sports today 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 play and excel in sports. As a result of above encouragement, Oil India participated in National and International Sports Events in Table Tennis, Cricket, Chess and brought laurels to the Company.

8. 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 representations of various priority sections



in Executive and Unionized Employees categories in the Company as on March 31, 2014 is as under:

CATEGORY	SC	ST	OBC	Minority	PWD	Women
Executives	187	127	312	108	7	107
Unionised Employees	439	743	1884	410	56	250
Total	626	870	2196	518	63	357

9. CORPORATE GOVERNANCE

As stipulated under Clause-49 and 55 of the Listing Agreement, the Management Discussion & Analysis Report, Report on Corporate Governance and the Business Responsibility Report have been incorporated as Annexure to the Directors' Report. Your Company also complies with the Secretarial Standards issued by ICSI and Corporate Governance Guidelines enunciated by the Department of Public Enterprises, Government of India.

10. RTI ACT 2005

In order to promote transparency and increased accountability, Company has put up in place the mechanism for implementation of Right to Information Act 2005. CPIO / CAPIO at offices across the country have been nominated to provide the information to the citizen of the country under the Act. The names, designation and address of the CPIO/CAPIO are available on the website. Company has also put up an information manual on the web containing details like organization structure, powers and duties of officers, rules and regulations, directory of officers, remuneration of officers, remuneration of workmen and information of the public at large. Complaints received during the year were expeditiously replied.

11. IMPLEMENTATION OF OFFICIAL LANGUAGE (RAJBHASHA)

In pursuance of Official Language Policy / Act / Rules / Orders of the Govt. of India efforts are continuing towards increasing the use of Hindi in Official work. Hindi Workshops were conducted regularly so as to enable officers and employees to work in Hindi conveniently and efficiently. Further, the Company has formulated various incentive schemes for promotion of

Hindi. Meetings of Official Language Implementation Committee were held in each quarter. The responsibility of the Chairmanship of Duliajan Town Official Language Implementation Committee (TOLIC) was also borne by our Company. In-house Journal "OIL NEWS" was published in Trilingual form i.e. Assamese, Hindi and English. Hindi Month was observed in a befitting manner in all spheres of OIL. To propagate Official Language Hindi, amongst employees and school going children, various literary competitions were held during Hindi Month Celebration. Important documents, to be laid on the table of Parliament, were also brought out in bilingual form.

Further, story collections of Dr Nagen Saikia, a famous writer of Assamese was translated and published in Hindi by OIL Corporate Office, Noida. This is in appreciation of close link between the two languages and to popularize Assamese writings in hindi.

Nominated Executives and Employees of the Company participated in Official Language Conference of Petroleum PSUs held under the direction of MOP&NG at Kochi on 14th and 15th February, 2014. OIL Management always encourages participation of its employees in various seminars and conferences, including Vishwa Hindi Sanmelan held Overseas.

12. VIGILANCE

"Vigilance Wing" is headed by Chief Vigilance Officer, which helps in ensuring functioning of the organization in a transparent manner. Main thrust is placed on the preventive vigilance rather than punitive vigilance. Towards this objective, several Contract & Procurement Operation & maintenance related system improvement measures were undertaken. Intensive inspections were carried out and corrective measures were suggested.

A Vigilance Awareness Week was organized during the year at corporate office and other office locations. In order to spread awareness and sensitize employee against harmful effects of corruption, various competitions were organised across your Company. KIT (Keep In Touch) and CTY (Catch Them Young) awareness programs were conducted for executives of all levels to sensitize them on Contracts & Procurement procedures, Conduct, Discipline and Appeal Rules and Central Vigilance Commission (CVC) guidelines etc.



13. RESEARCH AND DEVELOPMENT

The Company accords utmost importance to up-gradation of technologies and expertise in various areas of activities through its own Research & Development Centre. During the year, the Company formulated Revised R&D Policy keeping in view the DPE Guidelines on R&D. Further, Company undertook various R & D projects during the year over and above those committed under the MoU. The details of specific areas of Research and Development (R&D), benefits derived as a result of R&D efforts, future plan of action and R&D expenditure are given in the Annexure to the Report.

14. RECENT DEVELOPMENTS

14.1 Acquisition of 4 per cent. participating interest in Mozambique Offshore Area Rovuma 1 field

OIL, together with OVL, acquired a 10 percent participating interest in the Mozambique block in the Area 1 Rovuma Field by acquiring the shares of Videocon Mozambique Rovuma 1 Limited (name changed to Beas Rovuma Energy Mozambique Ltd). OIL holds a 40 per cent stake in BREML which translates to 04 per cent participating interest in Area 1, Rovuma off shore.

14.2 Acquisition of 45 per cent. participating interest in Bangladesh offshore block SS04 and block SS09.

During the Bangladesh offshore bidding round 2012, OIL and OVL combine won bid for SS04 and SS09 blocks. The award was announced in February, 2014. SS04 and SS09 are shallow sea blocks expected to contain oil and gas. OIL and OVL have PI of 45% each and 10% PI belongs to BAPEX (Bangladesh Petroleum Exploration and Production Co. Ltd.)

14.3 Acquisition of 50% shareholding of WorldAce Investments Ltd (Licence 61 in Tomsk region Russia)

On 4th July 2014, OIL completed acquisition of 50% shareholding of WorldAce Investments Ltd., a Cyprus based wholly owned subsidiary of M/s. Petroneft Resources Ltd. (PTR) which owns Licence 61 in Tomsk region in Russia through LLC Stimul-T, a

Russia based wholly owned subsidiary. This marks OIL's entry into Russia and a significant contribution to company's overseas E&P portfolio.

14.4 Acquisition of 60 per cent. participating interest in Myanmar offshore block M-4 and block YEB

OIL together with M/s. Oil Max Energy Pvt. Limited, M/s. Mercator Limited and M/s. Oil Star (local company of Myanmar) (known as OIL consortium) won two blocks namely M-4 and YEB in bidding round announced by Government of Myanmar. The blocks were awarded in May, 2014. M-4 is gas bearing block and YEB is oil bearing block. OIL's participating interest is 60% in each block and OIL is the operator. The Production Sharing Contracts for the blocks are yet to be signed.

14.5 Acquisition of 5 per cent equity interest in IOCL

In February 2014, the GoI approved the sale of 10 per cent. equity interest in IOCL, which is equivalent to 242,795,248 shares of IOCL. The acquisition of these shares took place on 14th March 2014 in an off-market transaction, with OIL and ONGC each acquiring five per cent of the issued share capital of IOCL.

15. SUBSIDIARIES/ COMPANIES IN WHICH OIL HAS SHAREHOLDING

15.1 Subsidiaries

i) Oil India Sweden AB

Oil India Sweden AB is a wholly owned subsidiary of Oil India Limited, India. The company was incorporated on the 20th of November 2009 as a private limited company (AB). The activities of the Company are: to own shares in other companies, perform administrative tasks and associated activities; to incorporate, to participate in and to finance companies or businesses etc.

ii) Oil India Cyprus Ltd.

Oil India Cyprus Limited was incorporated in Cyprus on 21st October 2011 as a private limited liability Company under the Cyprus Companies Law, Cap. 113. Oil India Limited holds 76% in the Company. The balance 24% is held by Oil India Sweden AB.



iii) Oil India (USA) Inc.

Oil India (USA) Inc. is a Wholly Owned Subsidiary of OIL with Branch Office at Houston, USA. It holds 20% stake in Niobrara Shale Oil and Gas Asset. The Company was incorporated on 26th September, 2012.

iv) Oil India International Limited (OIL)

OIL, the 100% subsidiary of Oil India Limited was incorporated on 20.09.2013. The registered office of OIL is situated in New Delhi. OIL received the commencement of business certificate on 28.02.2014.

v) Oil India International B.V

Oil India International B.V, a 100% subsidiary of OIL was incorporated in Netherlands on 2nd May, 2014.

iv) DNP Ltd.

DNP Limited was incorporated on June 15, 2007. The main object of DNP Limited is acquisition, transportation and distribution of natural gas in all forms. The registered office of DNP Limited is situated at Guwahati, Assam. Our Company has acquired a 23% equity stake in DNP Limited.

v) IndOil Netherlands B.V

Oil India Sweden AB owns 50% of the shares in Indoil Netherlands B.V which in turn holds 7 per cent Equity interest in Petrocarabobo SA (joint venture company), Project Carabobo-1, Venezuela. The principal activities of Indoil Netherlands B.V. are holding in exploration, production, marketing, trade, transport and extraction of oil, gas, hydrocarbons and minerals.

15.2 Companies in which OIL has shareholding

i) Numaligarh Refinery Ltd (NRL)

Numaligarh Refinery Limited was incorporated in 1993. NRL is a Category -I Mini Ratna PSU having a 3 MMTPA Refinery at Numaligarh, in Golaghat District of Assam. The Company is a subsidiary of Bharat Petroleum Corporation Limited. OIL is holding 26% of the paid up equity in NRL.

ii) Brahmaputra Cracker and Polymer Ltd (BCPL)

BCPL was incorporated on January 8, 2007 with the objective of establishing a gas cracker project complex at Lepetkata, Dibrugarh, Assam, to, inter alia, process natural gas, naphtha or any petroleum product and to distribute and market petrochemical products in India and abroad. The registered office of BCPL is located at Guwahati, Assam, India. OIL holds 10% equity share capital of BCPL.

iii) Suntera Nigeria 205 Ltd.

OIL acquired a 25% equity stake in Suntera Nigeria 205 Limited, Nigeria pursuant to a Share Purchase Agreement signed with Suntera Cyprus and IOCL on August 31, 2006. Suntera Nigeria 205 Limited was incorporated with the main object to engage in the petroleum business including the prospecting and exploration for and production and development of crude oil and natural gas.

vi) Beas Rovuma Energy Mozambique Ltd. (BREML)

OIL holds 40% share in BREML. BREML holds 10% PI in the Rovuma Area 1 Offshore Block in Mozambique.

vii) WorldAce Investments Ltd.

OIL holds 50% share in World Ace Investments Ltd, a company incorporated in Cyprus. WorldAce Investments Ltd. holds 100% share in LLC Stimul-T, Russia which is the license holder for License 61, Tomsk Region, Russia.

16. STATUTORY REQUIREMENTS

None of the Directors of your Company is disqualified as per provisions of Section 164(2) of the Companies Act, 2013. Your Directors have made necessary disclosures as required under various provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Information as required under Section 217 (1)(e) of the Companies Act, 1956 read with Companies (Disclosures of particulars in the Report of Board of Directors) Rules, 1988 is given in Annexure I forming part of this Report. Details of the Employees who drew remuneration exceeding the limits laid down under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 (as amended from time to time) are uploaded on OIL's website.



17. STATUTORY AUDITORS AND COST AUDITORS

The Statutory Auditors of your Company are appointed by the Comptroller & Auditor General of India (C&AG). M/s Saha Ganguli & Associates and M/s B M Chatrath & Co. were appointed as Joint Statutory Auditors for the financial year 2013-14. Comments of the C&AG forms part of this Report.

The Cost Audit Report for the financial year 2012-13 was filed within the statutory time limit. M/s Mani & Co. is the cost auditor of the Company for the financial year 2013-14. The report is being finalized and will be filed as per the schedule.

18. AWARDS AND RECOGNITIONS

Oil India Limited received the following awards during the year 2013-14:

- (i) Corporate Excellence Award 2013 for Best Investor Relations in June, 2013 instituted by Star of the Industry Group.
- (ii) "BT Star Best National PSU" and "BT Star Best PSU in Excellence in Market capitalization" in June, 2013 conferred by Bureaucracy Today.
- (iii) The Golden Peacock Environment Management Award in July, 2013.
- (iv) The 1st edition of the PSU awards in the category- Human Resource Utilization, in July, 2013.
- (v) The Minetech Award 2013.
- (vi) The reputed "EFI (Employers' Federation of India) national award for excellence in employee relations for strong commitment to employee relations" in the pan India category in October, 2013.
- (vii) In the 7th ENERTIA Awards 2013 - India's Awards for Sustainable Energy & Power, OIL was declared "Winner" in the Category V: Fuels & Resources- Award for Best Energy Resources & Oil & Gas Sector Organisation / Company of the year.
- (viii) Case Study on Project "RUPANTAR" a flagship and award winning CSR Project of OIL received the Best Case Study Award.
- (ix) The India Pride Award 2013-14, in December 2013, for Excellence in CSR in the category Public Sector

Undertakings – Central instituted by the Dainik Bhaskar group.

- (x) "Best Employer, India 2013" award by M/s Aon Hewitt, the HR Consulting and Outsourcing Agency. The Company also bagged "The Aon Hewitt Voice of Employee Award, Public Sector Enterprises, India 2013."
- (xi) In Petrotech-2014 held at the India Exposition Mart Ltd., Greater Noida, OIL stall was declared the Winner in the Best Display in Raw Space category.
- (xii) In January, 2014, OIL received Greentech Environment Award 2013 in Gold Category in Petroleum Exploration Sector for sustainable achievement in environment management.
- (xiii) New Delhi Institute of Management (NDIM), a premier MBA School, awarded OIL for exemplary leadership and for contributing immensely to the societal issues. The award is in recognition of OIL's various social welfare programs/activities and CSR projects.
- (xiv) Vigilance Excellence Award 2013-14 at a Conclave of Vigilance Officers organized by the Institute of Public Enterprise (IPE) at Hyderabad.
- (xv) CIDC Partners in Progress Trophy 2014 in March, 2014, for its display of utmost commitment & drive to create a vibrant work environment for the construction fraternity especially for achieving targets of "Mission Skilling India", under various CIDC initiatives.
- (xvi) OIL was conferred with 'CAG Pick of the Year' award by Dalal Street Investment Journal (DSIJ), India's No.1 investment magazine which organized the PSU Awards 2013 to honour the Public Sector Undertaking (PSU) for their commendable performance.
- (xvii) The Greentech HR Award for training Excellence in "Gold Category" and Asia's Best Employer Brand for Excellence in Training.

19. CHANGES IN THE BOARD OF DIRECTORS

- (i) Pursuant to MOP&NG Letter No. C-31014/1/2012-CA dated. 29.07.2013, Mrs R.S. Borah assumed charge of the post of Director (Finance) of Oil India Limited w.e.f 01.10.2013 vice Shri T.K. Ananth Kumar who superannuated from the services of the Company on 30.09.2013.



- (ii) Pursuant to MOP&NG Letter No. O-23012/1/2012-ONG-I dated. 31.01.2014, Shri B.N.Talukdar was relieved from the post of Director (E&D), OIL on 05.02.2014 and he took charge of the post of Director General, DGH on 06.02.2014.
- (iii) Pursuant to MOP&NG Letter No. C-31033/1/2012-CA/FTS:18688 dated. 26.02.2014, Shri Subhasish Panda, Director (E-III), MOP&NG was appointed as the Government Nominee Director (w.e.f 26.02.2014) on the Board of Oil India Limited vice Mrs Rashmi Aggarwal, who had ceased to be Government Nominee Director on the Board of Oil India Limited w.e.f 20.01.2014.

20. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) that in the preparation of the annual accounts for the financial year ended 31st March 2014, all applicable accounting standards have been followed along with proper explanations relating to material departures;
- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that were 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 or loss of the Company for the year under review;
- (iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records

in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- (iv) that the Directors had prepared the accounts for the financial year ended 31st March 2014 on a 'going concern' basis.

21. ACKNOWLEDGEMENT

With the initiatives emanating from the vision of making the Company as fastest growing energy company with highest profitability and with our combined zeal, commitment, experience and expertise, your Directors look forward to a year of fruitful operations. Your Directors acknowledge the guidance and support of the Ministry of Petroleum & Natural Gas, all other Ministries and agencies in Central and State Governments. Your Directors express their gratitude and thanks to the Shareholders, Customers, Suppliers and other business partners/associates for their continued co-operation and patronage. Your Directors wish to place on record their deep sense of appreciation for the devoted services of all Oil Indians for its success.

For and On behalf of the Board of Directors.

Sd/-

(S K Srivastava)

Chairman & Managing Director

Dated : 14.07.2014

Place : Noida



PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988

A. ENERGY CONSERVATION

I. Conservation of Crude Oil

A total quantity of 3486.63 KLS of crude oil was saved / retrieved from different operational activities in fields during the year by adopting the following measures:

- (i) Use of Oil Soluble Demulsifier (OSD).
- (ii) Regular & proper maintenance of Crude Oil Transportation Trunk / Branch pipelines to minimize pumping power requirement. This is further reduced by treating the crude oil with flow improver chemical / heat treatment.
- (iii) Water Clarification Plant and use of De-Oilier.
- (iv) Retrieved from various pits and sumps.
- (v) Action initiated for recovery of crude oil from tank bottom sludge & lagoon sludge using ionic liquids in collaboration with IIT, Chennai
- (vi) A Biodegradation study carried out for the crude oils in Makum and Hapjan fields have helped to achieve low to moderate level of biodegradation and water washing.
- (vii) Action initiated to prevent scale formation at ITF – Tengakhat, have helped in effective control of scale formation at all field installations.
- (viii) To control fluid loss during work over operations in depleted wells, a Modified Xanvis pill was used by introducing FLC-2000 with Xanvis pill. This showed very encouraging results
- (ix) Utilization of Nanoparticle Stabilized Micro-emulsions for Enhanced Oil Recovery.
- (x) All out efforts to reduce crude oil consumption from different operational activities in fields.

II. Recovery of Condensate

Total volume of condensate recovered from the following work spheres during the year was about 260025.72 KL.

- Duliajan Field (Gas wells): 223891 KL.

- LPG Plant, Duliajan : 35852.94 KL (24380MT)
- Rajasthan Project : 282 KL.
- Duliajan Power Station : 0.630 KL

III. Conservation of Natural Gas

- (i) Installed two Low-Pressure Booster compressors (2.5 MMSCFD each) at Hapjan GCS & Makum OCS resulting in significant conservation of Natural Gas, which otherwise was flared.
- (ii) Installed one Gas Lifter Compressor (3.0 MMSCFD) at Hapjan GCS yielding steady gas recovery at Hapjan OCS
- (iii) High Pressure Gas Flaring being prevented from Baghjan EPS, by supplying the same to the Assam Gas Company Ltd, after laying a 100 mm NB Pipeline from Baghjan EPS to Assam Gas Company Ltd
- (iv) Gas Flaring of Mechaki Field being stopped by drawing a 100 mm NB Pipeline from Mechaki Field to Doom Dooma operational Area of OIL in Assam
- (v) Low Pressure Gas (0.7 Kg/cm²) of Moran Field was preserved instead of Flaring by Re-using the same through Very Low Pressure (VLP) Stabilisers
- (vi) Action initiated for replacing the boilers at various Production Installations by installing Indirect Heaters, in phased manner, which will result in saving of natural gas, presently used as fuel.

IV. Conservation of Electricity

Various measures taken for the conservation of electricity during the year 2013-2014, have resulted in an annual energy saving of 355,24,91,683 kWh

- (i) Energy efficient SON fittings had been commissioned in New TDX area, MTDC, Main road at NIA, Well 21 and CMT in Duliajan
- (ii) One of 70W SON new luminaries, 25 nos of 150W SON new luminaries and 26 nos of 400W SON Flood light luminaries had been installed in Field HQ
- (iii) The digital scroll compressor in the field of air



conditioning and refrigeration system has been introduced which has led to energy efficiency and also automatic setting of consumption of only required electrical power at a particular time.

- (iv) A total of 300 of analog type ceiling fan regulators are replaced with electronic regulators.
- (v) Installation of two of energy efficient split air conditioners with green refrigerant using R410A has been done.
- (vi) Electrical motor driven (EMD) submersible pumps were installed in place of two of Diesel Engine Driven (DED) reciprocation pumps for supply of water to Kumchai EPS. (helped in saving 3,650 Ltr of Diesel).
- (vii) Use of Natural Gas instead of conventional Electric Boilers for producing Distilled Water, helped to conserve Electrical Energy [1920 kWh].
- (viii) Installed seven no. LED Solar Street Lights in domestic area of PHQ, Noonmati.
- (ix) Replaced 60 W /100W BC lamp fittings with 15W CFL fittings at Moran Field , Pipelines Sphere & FHQ, Duliajan.
- (x) Installed 97 star rated energy efficient air conditioners at FHQ Duliajan & Pipelines sphere.
- (xi) Replaced five old refrigerators with BEE star rated ones in Pipeline sphere.
- (xii) Installed 150 electronic chokes in Pipeline Sphere to replace the conventional ones.

V. Conservation of Diesel (HSD)

- (i) Saved diesel of worth Rs. 2,78,589.70, through generation of roof top 30 KW Solar Power for electricity consumption at OIL Corporate office premises, NOIDA, during 2013-14 by generating 33,165.44 Kwh of electricity.
- (ii) Apart from saving 1,93,000 litres of diesel by replacing the diesel driven prime movers with electrical motors, OIL took additional following steps to conserve diesel:
- (iii) Use of captive power for calibration & testing of logging tool in the Logging Truck.
- (iv) Use of gas pressure to load condensate in browser at FGS 285, Deohal.
- (v) Replacement of diesel pumps with electrical submersible pump at Kumchai EPS to meet industrial water requirements.

- (vi) Introduction of BIO DIESEL Fuel in diesel engines is in trial phase which will minimize the carbon emission as well as saving in HSD.

VI. Carried out total 23 Energy Audits in Fields, 2 at Noida, through PCRA.

VII. Utilisation of Renewable Sources of Energy:

Use of Solar & Wind Energy

- (i) 30 KWp roof top Solar power system erected for the Corporate Office building at Noida generated 33,165.44 Kwh of electricity during the last year.
- (ii) Use of Solar Lighting at Tanot-GGS (Rajasthan) & Pilot Plant at Baghewala (Rajasthan).
- (iii) Two nos of 100 KWp Solar Plants are installed in the Assam & Rajasthan Fields.
- (iv) Commissioning of 20 KWp Solar Power Plant at RS-5, Jagiroad ,Pipeline.
- (v) Replacement of 30 KVA Generator Sets in the Field Operation with Solar Generator Set.
- (vi) Installation of Solar Lighting Systems for Security Camp at Well-279, in place of using 15KVA Diesel Generator Sets.
- (vii) Use of solar lanterns as emergency lights for control room and field application in Pump Station 5, Noonmati, Pipeline.

VIII. Promotion of Energy Conservation Awareness Activities:

As per the advice of Ministry of Petroleum & Natural Gas, GOI, the department conducted various promotional awareness programs were organized in the transport, industrial and domestic sector (in and around OIL's operational areas) on topics: Hydrocarbon / energy conservation/ Environment/ Health issues etc, Educative pamphlet / leaflets etc. were also distributed among the masses at various sectors including display of Posters, conducting awareness quiz etc.

- (i) Two Refresher Course on DTP were organised at Duliajan & Jorhat in collaboration with PCRA.
- (ii) Conducted Workshop on 'Driving with Fuel Efficiency', through PCRA at OIL, Noida office during celebration of Oil & Gas Conservation Fortnight (OGCF).
- (iii) Conducted Workshop on 'LPG Saving while Cooking',



through PCRA at OIL Residential Complex, Sector: 15A, Noida, during celebration of Oil & Gas Conservation Fortnight (OGCF).

- (iv) Encouraged OIL Employees of OIL, Noida to adopt Car Pool System during the Oil & Gas Conservation Fortnight (OGCF)- 29 Employees came forward for the cause, which helped us to save Mileage of 6,340 Km vis-a-vis saving of 576.36 Lts of Petrol, which amounts to Rs 41,837 and reduced air pollutants in the tune of 4, 12,100 mg in the atmosphere (65 mg/Km).
- (v) As a part of the Celebration of National Energy Conservation Day on 14th December - 50% of the Lights of the Corporate Office Building, Noida were kept off as a Notional Observation, which resulted to Real Time saving of 1,463 KWH units of electrical energy.
- (vi) As a part of the Celebration of National Energy Conservation Day on 14th December, Suggestion were invited pertaining to the "Scope of Energy Conservation in the Corporate Office Building, Noida" - 22 Suggestions, out of total 39, are in the process for Implementation.

IX. Strategies/Initiatives taken to address environmental issues :

- (i) 46 drums of used / burnt lube oil generated during different maintenance activities of Gas Turbines in FHQ is collected has been sent to authorized recycler as per policy of OIL.
- (ii) Installation of one Precision AC with R407C refrigerant has been done. These refrigerants are used as an alternative to R22 which has adverse effect on environment.
- (iii) Total Water Drift from North East Field is approx. 47,140 KLPD out of which 20% is re-injected and 95% of the produced formation water is recycled to subsurface.
- (iv) Mandatory use of Forest Stewardship Council (FSC) certified paper & printed paper products with FSC logo, is followed in all sphere of OIL, as a policy decision w.e.f 12th September, 2012.
- (v) OIL has undertaken an initiative to carry out treatment, recycling and final disposal of e-waste material in a safe & scientific methods as per norms of Central Pollution Control Board/ State Pollution Control Board as per policy guidelines issued by GOI by an authorized dealer.
- (vi) Action initiated for installation of one ETP Plant in

Tengakhat field area of capacity 5,000 Klpd.

- (vii) Waste Water are treated by Hydrogen Peroxide Treatment, Wet Air Oxidation Treatment, Tilted Plate Interceptor (TPI), Dissolved Air Flotation (DAF), Bio-tower, Ultra Filtration & Reverse Osmosis Systems etc.
- (viii) OIL has planted about more than 10,000 trees during the last year in its operational areas, average survival rate is about 80%.
- (ix) The use of weedicides and pesticides is avoided in OIL's installations as a policy and the Company resorts to manual grass cutting for up-keepment of its various premises.
- (x) OIL in collaboration with Assam Agricultural University has been regularly carrying out various environmental projects in its operational areas in Assam to assess the impact of the prime pollutants generated in the oil fields on the environment. Some of the major areas covered by these studies are effect of formation water on cultivation, effect of heat and light on germination etc. The findings of the studies play a major role in designing the pollution control policy of the company.
- (xi) OIL has set up incinerator and an effluent treatment plant for treatment of Bio-medical waste
- (xii) All Oil Collecting Stations, Gas Collecting Stations and LPG plant are connected with Flare Systems and Closed Blow Down Vessels & safety release flare systems for arresting hydrocarbon emissions
- (xiii) Hazardous Mineral oil, Chrome compounds have been replaced in Drilling Fluid with other eco-friendly water based environment friendly chemicals like: Bentonite Powder/ Barytes Powder/Caustic Soda/MC (HVG)/ CMC(LVG)/ Linseed Oil/ Drilling Detergent/XC-Polymer/ Magcoasphasol/FLC-2000/PAC(R) /PAC(SL)/ Sodium Bicarbonate etc.

B. RESEARCH AND DEVELOPMENT-Form-B

B.I Specific Areas in Which Research And Development have been Carried Out :

1. Geochemical Studies of the Tertiary Formations Encountered in Murkongselek Well No.2 (Loc. MSC)
2. Detailed Geochemical Studies of the produced oils from Langpar formation of Barekuri Area
3. Reservoir Fluid Identification Through Geochemical Analysis of Sidewall Cores



4. Study On Biodegradation Pattern Of Oils From Makum And Hapjan Fields of OIL's Operational Areas
5. Surface Geochemical Exploration Using Adsorbed Soil Gas Method
6. Downhole Chemical Injection Through Gas Lift Lines To Mitigate Wax Deposition Problems in The Production Tubings and Flow Lines
7. Investigation on dissolution of tank bottom sludge using environment friendly ionic liquids (collaborative project with IIT-M, Chennai)
8. Consultancy services for flow assurance in Digboi branch pipeline
9. Novel method for remediation of wax deposition in oil wells
10. Solvent stimulation jobs
11. Study on Injection water quality monitoring
12. Corrosion monitoring in Numaligarh-Siliguri Pipeline
13. Evaluation and development of oilfield chemicals
14. Development of bactericides and field monitoring for effective SRB control
15. Case study on the effect of corrosive bacterial populations in inducing corrosion in Water Injection Station # 21
16. Study and control of scale formation at various field locations
17. Screening of endophytic fungi having biofuel generation potential from biodiesel plants of Assam
18. Laboratory Study of Some Important Parameters of Reservoir Fluids for ASP/ SP Chemical EOR
19. Creation of data bank with respect to IFTs of crude of OIL's wells at 40, 60 and 80 °C
20. Development of Acid Number Data Bank
21. Core flow study for ASP with the available surfactant
22. Studies on Interfacial Properties, Wettability Alteration and Rheological Behaviour of Nanoparticle Stabilized Microemulsions for its use in Enhanced Oil Recovery
23. Laboratory and Simulation Study for Feasibility of Alkaline Surfactant Polymer (ASP) / Surfactant Polymer (SP) / Alkali Surfactant (AS) Flooding in OIL's Reservoirs
24. Organic Geochemistry of Paleocene- Oligocene sediments of Upper assam self and their significance

in interpretation of paleo-climatic condition of deposition.

B.II Benefits Derived as a Result of the above R&D Efforts

1. The Geochemical studies of drill-cuttings and sidewall cores have given an insight into the source rock characteristics and the potential of the various formations encountered in Murkongselek Well No. 2 (Loc. MSC). This study has been helpful in oil to oil and source to oil correlations of the Langpar oils in the Barekuri area.
2. The Biodegradation study shows that most of the oils in Makum and Hapjan fields have undergone low to moderate level of biodegradation and water washing.
3. Surface Geo-chemical analysis will help to delineate the prospective area for hydrocarbon exploration.
4. Few liquid flow improvers could be identified and which showed improvement in the crude quality in terms of pour point, viscosity reduction as well as reduced wax deposition.
5. The ionic liquids will be very useful in mitigating the problem of accumulation of sludge in crude oil storage tanks.
6. The Flow Assurance study by the consultant will help in identifying measures for mitigating wax deposition related problems and adopting state-of-the-art practices in pipeline operations.
7. The venturi ejector for water removal in the annulus will help in remediating wax deposition problem in a large number of wells (self-flowing wells with packers, gas lift wells).
8. The solvent stimulation jobs in Digboi fields were taken up on an experimental basis to evaluate the feasibility of solvent jobs in an old and matured field like Digboi. Production monitoring shall help in ascertaining the applicability of stimulation jobs for Digboi field.
9. The development of injection water quality database will be helpful in future for analysis, interpretation and treatment design.
10. The corrosion study in Numaligarh-Siliguri Pipeline (NSPL) has helped to calculate the general corrosion rates as well as pitting corrosion analysis.
11. This study on the effect of corrosive bacterial populations at Water Injection Station #21 has given



an understanding about the possible role of corrosive bacterial populations in causing Bio-Corrosion in the flow lines of this Water Injection Station.

12. The recommendations which followed the study on scale formation at ITF – Tengakhat helped in effective control of scale formation at all the field installations that have significant scale formation potential.
13. Base IFTs between oil and formation water, acid number of the reservoir crude, compositional analysis of reservoir crude, chemical analysis of crude and formation water especially of the prospective reservoirs may be very useful for SP/ASP studies.
14. Additional recovery in SP core flow study indicates how much more tertiary oil can be recovered in SP chemical EOR.
15. Nanoparticle Stabilized Micro-emulsions may be useful in Enhanced Oil Recovery in future.
16. Consultancy for Lab and Simulation Study for feasibility of ASP/SP/ASP flooding in OIL's Reservoirs is likely to be a step forward for implementation of EOR in OIL's fields.
17. The desktop and the internal audit of all the processes confirms R & D Department's commitment and adherence to highest reliability and accuracy using internationally accepted methods under ISO/IEC 17025:2005.

B.III Future Plan of Action

1. Adoption of Corporate R&D Policy approved by OIL Board.
2. Preparation of R&D Manual for implementation of policy.
3. Close interaction with the academic institutions with which collaborative projects have been taken up.
4. Emphasis on R&D activities oriented towards patents, IPR, publications and presentations.
5. Close monitoring of R&D MoU projects.

B.IV R&D Expenditure

(₹ in Lakhs)

Year	2012-2013	2013-2014
Capital	1102	747
Revenue	2638	3127
Total	3740	3874

C. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

The following are the major new technology absorptions that have taken place in the organization during the last financial year:

- (i) Modified Xan-vis pill for spotting: To control fluid loss during work-over operations in depleted wells a Modified Xanvis pill was used by introducing FLC-2000 with Xanvis pill. Such modified pills have been tried in some wells and the results were found to be encouraging.
- (ii) In-house design of cement slurry for J-band NAG well Loc-HVK in Deohal area and completion of 95/8" Production casing cement job successfully with good cement bond.
- (iii) Use of KCL-PHPA-Polyol mud system at Loc-HUP in Chabua field for the first time and completion of the well without any down-hole problem with good caliper and good cement job.
- (iv) Use of NDDF with in-house effort at Loc-NLE. The well was completed as an oil producer without any down-hole problem during the drilling phase.
- (v) Procurement of One no of 750 HP rig: Completed Third party and pre dispatch inspection. Rig will be ready for dispatch on 21/04/2014. Expected to be commissioned by October 2014
- (vi) New Item procurement for increasing work efficiency & reducing fatigue of work force at rigs, thereby enhancing HSE standards
 - Power Slip- Technical scrutiny completed. Price bid to be opened.
 - BOP Handling System – Order placed. Expected delivery December 2014.
 - Independent Rotary Drive – Tender to be floated
- (vii) Technology at Makum OCS:Electrostatic Emulsion Treater: After several field trials and re-examination of the design criteria of the EET, the supplier has changed the transformer. Currently, under field trial and delivering desired output from the unit.
- (viii) Technology at Baghjan EPS: Installation of 01 no. Emulsion Treater, to contain the BS & W content of the dispatched crude and improve the crude quality, is in progress.



- (ix) Installed and commissioned of two Low-Pressure Booster compressors (2.5 MMSCFD each) at Hapjan GCS resulting in significant reduction in LP Flare. Installed and commissioned one Gas Lifter Compressor (3.0 MMSCFD) at Hapjan GCS yielding steady flow of gas to GL wells of Hapjan OCS & Makum OCS maintaining required pressure.
- (x) Major modification of LT OH distribution line :A total of seven LT feeder has been modified and four of new LT feeders have been erected.
- (xi) Up gradation of LT OH line and Up gradation of UG power cable : Up gradation of LT overhead lines conductors (approximate: 5000m) with higher current carrying capacity from rabbit to dog ACSR conductors in the areas of substation-7, SS-4, B-Type SS &New TDX substation has been carried out. Old PILC cable has been replaced with the latest technology XLPE 240sqmm (2000m) underground cable in 11KV Ring Main System.
- (xii) Introduction of digital scroll compressor: The digital scroll compressor in the field of air conditioning and refrigeration system has been introduced which has led to energy efficiency and also automatic setting of consumption of only required electrical power at a particular time.
- (xiii) Installation & Commissioning of robust, proven and state-of-the-art IP based Radio communication system for replacement of the existing primary communication system (MART and landline cable network) to cater various applications like improved voice communication services (quality wise as well as quantity wise), internet, intranet, FAX, SCADA, ERP, Surveillance etc has been completed in March, 2014.
- (xiv) Installation & Commissioning of remote Media Gateways (Mini Exchanges) in Madhuban, new TDX area & Boys' ET hostel has been completed. Functionality test for media gateways for Chabua CGGS & Women ET Hostel has been done and installation will be taken up after sites are ready.
- (xv) One Pneumatic Torque Wrench (190-350 N-m) has been installed and commissioned at ICE Shop as a more efficient substitute for the conventional manual torque wrenches.
- (xvi) Electrical motor driven (EMD) submersible pumps were installed in place of two Diesel Engine Driven (DED) reciprocation pumps for supply of water to Kumchai EPS. The electrical energy required to drive the EMD Pump is utilised from the already existing natural gas based captive power plant at the EPS. Total energy saved in 01 year in the form of HSD= 3650 Ltrs.
- (xvii) One Fork Lift Truck has been procured for ICE Shop for more efficient handling of materials.
- (xviii) A Modern Storage system has been installed and commissioned in the new ICE Godown. This will make a huge difference in the way material and equipment are stored and retrieved in the Godown.
- (xix) IHS Kingdom Suit Software: Kingdom Suit software has been successfully installed on 10th February' 2014. CCG processed Jorajan-Santi area merged data volume has been loaded in the Kingdom Software for scanning of data for identification of geophysical anomalies.
- (xx) Commissioned three numbers of additional online IR Gas detector in LPG Recovery Plant. Now total forty one of Online Gas Detectors are in operation for LPG Recovery and LPG Filling Plant.
- (xxi) Commissioned GD and PT units of Electronic carousel system of LPG Filling Plant.
- (xxii) OIL hospital: Nerve stimulator and mapper for easy identification of nerves and doing regional blocks.
- (xxiii) Replacement of Coal Tar Enamel coating of pipeline with rubber Polyethylene cold applied tape for refurbishment/ rehabilitation in the trunk pipeline system.
- (xxiv) Strengthening of pipe by use of cold applied composite material has been inducted as a new technology after study and trial at PLKM 860.2 under PS-8 Base.
- (xxv) A new approach for integrity management of RoW has been adopted and action for Implementation started.
- (xxvi) Field trial was successfully carried out jointly with R&D for injection of liquid flow improver in casing-tubing annulus of three of wells with gaslift completion for flow assurance.
- (xxvii) Mutual solvent stimulation job using EGMBE as a solvent was carried out jointly with R&D in CBA Well-14 & CBA Well-8.



- (xxviii) Analysis of few wells of Barekuri, Jorajan and Deohal fields was successfully carried out by WELLFLOW software for well optimization
- (xxix) A Water Injection Station with a total pumping capacity of 450 KLPD was constructed inside HJC EPS with in-house efforts, to test the effectiveness and applicability of pressure maintenance through water injection in Eocene Sand (Kamkhat Block).
- (xxx) Two nos. of Coiled Tubing Units (CTU) supplied by M/s NOV Hydra Rig were successfully commissioned within a period of 2 (two) months including mobilization from Kolkata Dock.
- (xxxi) Special Well Completion Equipment were procured during the year for better completion design of high priority NAG Wells.
- (xxxii) A Gravel pack contract was made ready and LOA was issued on 06.11.2013, for hiring the services of a reputed service provider for sand control through gravel pack in four of NAG wells.
- (xxxiii) Seismic Volume Rendering and Extraction Module of petrel was upgraded to the latest version in Team Centre. This software is used to highlight attribute values/anomalies of interest in a SEGY volume, to evaluate the extent of one or several features, displaying rendered objects with interpreted horizons, well path and logs etc.
- (xxxiv) Automated Structural Interpretation (Ant Tracking) Module of Petrel was also upgraded to the latest version in Team Centre. This Module is being utilised for greater accuracy in fault interpretation, understanding of fault and fracture trends.
- (xxxv) Petrel Geoscience Core Software license was upgraded to Petrel 2013 in Development section. This software can be combined and applied to

different areas for Geo-cellular Model building. Using the Geoscience Core Software, Structural, Facies and Property models can be built. Initiatives are also being taken up to procure few add-on modules of Petrel.

- (xxxvi) During the year, two Reservoir Engineering Software namely OFM and SCAL was acquired, while another two other Software's namely MEPO and PROSPER are in the process of acquisition and is expected to be installed in the near future. These software's would work in tandem with OIL's existing software's i.e. ECLIPSE and PETREL and would add value to the existing Reservoir Engineering Studies.
- (xxxvii) Eclipse Suite, Petrel-re and Eclipse Parallel were upgraded with renewal of Three (3) Year AMC during the year for Reservoir Simulation. Since OIL has benefited immensely under existing AMC in terms of regular maintenance, upgrades etc. through online communication with the vendor as well as their visits, the up gradation will help in improving the dynamic models of the oil and gas reservoirs to predict their performance.
- (xxxviii) Acquisition process of F.A.S.T Decline Plus software for GFD&RA Section is in progress. The software will help Reservoir Engineer for Oil & Gas Reserves Estimation.
- (xxxix) Advanced logging tools from M/S Schlumberger is in the process of mobilization

D. FOREIGN EXCHANGE EARNINGS & OUTGO

(₹ in crore)

Particulars	2012-13	2013-14
(i) Foreign Exchange Earnings	1.29	0.26
(ii) Foreign Exchange Outgo	324.49	298.13



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. ECONOMIC SCENARIO & INDUSTRY ANALYSIS

Global economy began its modest recovery in FY2013-14 with improved demand from OECD economies in the second half of 2013 and is expected to accelerate in the current year. The global growth is projected to strengthen to 3.6% in 2014 and then 3.9% in 2015.

India's GDP growth for FY 2013-14 came at 4.7%, lower than Government estimate of 4.9% and slightly above 4.5% growth of FY 2012-13. Financial / business services utilities drove growth in FY 2013-14 while manufacturing continued to be laggard. Indian Rupee depreciated from level of around Rs.54.5/US\$ in the beginning of FY 2013-14 to Rs.63/US\$ reflecting weakening of 20%. Although upstream players tend to gain materially from depreciation of Rupee, the benefits of upstream PSUs got offset by increase in the under recoveries burden of Oil Marketing Companies (OMCs) which increased materially in FY 2013-14.

Global energy consumption increased by 2.3% in 2013. Growth in 2013 accelerated for oil, coal and nuclear power. Oil remained the world leader in fuel with 32.9% of global energy consumption but continued to lose market. Emerging economies accounted for 80% of global increase in energy consumption even though growth in these countries was below average.

Global production did not keep pace with global consumption rising just by 560,000 barrels per day or 0.6%. The US recorded largest growth in the world and accounted for 96% of the increase in production. Dated Brent averaged \$108.66 per barrel in 2013, a decline of \$ 3.01 per barrel from 2012.

In India, domestic production of oil and gas lags domestic consumption which results in reliance on imports. According to DGH, total production of oil and gas was 37.78 MMT and 40.68 BCM respectively during fiscal year 2013-14. The contribution of private sector and joint venture companies to India's total oil and gas production increased from 18.5% FY 2006 to 31.97% in FY 2014.

To bridge the wide gap of demand and supply in crude

oil consumption, Government has initiated various steps such as New Exploration Licensing Policy, Introduction of CBM policy, Underground coal gasification – shale gas, Encouraged acquisitions overseas, 100% FDI permitted in exploration, refining, pipeline, marketing activities etc. Further, Govt. has allowed Shale Oil & Gas exploitation to OIL and ONGC in their nominated Blocks.

Although, number of initiatives has been taken, there are a large number of areas of concern such as subsidy, pricing mechanism, gas pricing infrastructure, development of bilateral and regional strategic energy partnership etc.

2. SWOT ANALYSIS OF OIL

OIL's senior management team has extensive experience in the oil and gas industry with many of its executives having numerous decades of relevant industry experience. The Company also benefits from the extensive in-house technical capabilities of the personnel who have a highly experienced team of experts. OIL has deployed experience management team across its various geographic operations in order to implement projects / overseas projects and has proven track record of attracting and retaining talent throughout its organisation.

The Company has large proved plus probable reserves of crude oil and natural gas in the upper Assam basin. The company reserves provide an abundant and stable long term source of hydrocarbons crude oil and natural gas production.

The Company has strong reservoir management skills for ageing and depleting fields. OIL deploys a wide array of Improved Oil Recovery (IOR) or Enhanced Oil Recovery techniques (EOR) at an early stage in the life of oil field in order to achieve maximum recovery from its oil reserves from ageing and depleting fields.

The Company has efficient and optimal cost structure resulting from its status as an integrated exploration and production company with over five decades of operating experience.



The Company has strong balance sheet position with cash and cash equivalent of Rs.11543.68 crore and cash from operating activities of Rs.2658.71 crore in FY 2014.

The Company has adopted strategy of balanced growth of portfolio of assets by continuing to acquire exploration acreage, discovered blocks, producing properties domestically and internationally.

The Company has selectively diversified its domestic operation through downstream integration and focus on its inorganic growth. The Company has also diversified into non-conventional and renewable energy source.

Amidst these strengths, there are various concerns / risks also. Fluctuations in crude oil prices adversely affect the oil revenues and a substantial decrease in international oil price for crude oil also has a material adverse effect in business. Oil is required to share under recoveries of OMCs which adversely affect in case of steep increase in international oil price. This concern has been put forward to the Ministry for favourable solution

OIL being relatively new player in business of acquiring international assets, has to venture into more difficult and hostile environment both politically and geographically where exploration, production and development will be more technologically challenging and expensive. Most major international oil and gas exploration and production companies have been in business of acquiring international assets for a long period and have accumulated large share of world acreage resources

To mitigate the above risks and concerns, OIL intends to continue acquiring exploration acreages, discovered blocks and producing properties. Domestically, it intends to continue to pursue its selective bidding strategy in future NELP rounds in order to acquire more geographically balanced exploration acreages across India.

Internationally, OIL will seek to continue acquiring both exploration acreages and, in order to mitigate the risks associated with exploration, producing property. OIL intends to implement this strategy through joint ventures with other leading industry participants.

In January, 2014 OIL together with OVL, has acquired a 10 per cent Participating interest in the Mozambique block in the Area 1 Rovuma Field by acquiring the shares of Videocon Mozambique Rovuma 1 Limited. OIL's Participating Interest in the block is 04 per cent. The first production and revenue from the field is expected to be generated and recognized in fiscal year 2019.

In the Bangladesh offshore bidding round 2012, results for which was announced in February, 2014, OIL and OVL Consortium won the bid for SS04 and SS09 blocks. SS04 and SS09 are shallow sea blocks expected to contain oil and gas. OIL and OVL have PI of 45% each and 10% PI belongs to BAPEX (Bangladesh Petroleum Exploration and Production Co. Ltd.). BAPEX is jointly carried by OIL and OVL. The PSC has already been signed with OVL acting as the Operator for both the Blocks.

On 4th July 2014, OIL completed acquisition of 50% shareholding of WorldAce Investments Ltd., a Cyprus based wholly owned subsidiary of M/s. Petroneft Resources Ltd. (PTR) which owns Licence 61 in Tomsk region in Russia through LLC Stimul-T, a Russia based wholly owned subsidiary. This marks OIL's entry into Russia and a significant contribution to company's overseas E&P portfolio.

OIL together with M/s. Oil Max Energy Pvt. Limited, M/s. Mercator Limited and M/s. Oil Star (local company of Myanmar) (known as OIL consortium) won two blocks namely M-4 and YEB in bidding round announced by Government of Myanmar. The blocks were awarded to OIL consortium in May,2014. M-4 is gas bearing block and YEB is oil bearing block. OIL's participating interest is 60% in each block. The Production Sharing Contracts for the blocks are yet to be signed.

OIL believes that the demand for natural gas within the Indian Market will continue to increase. It therefore intends to focus its attention and capital resources on the commercialization of its natural gas reserves and resources through both upstream and downstream investment.

OIL intends to seek and develop additional diversification opportunities along the oil and gas value chain,



particularly opportunities which will complement its existing expertise acquired over five decades in the upstream oil sector. OIL has recently started to focus on non-conventional and renewable energy resources including wind power projects, solar power projects and shale oil and gas, and believes that by diversifying into these areas, to have more sustainable development of its business in the long run.

OIL has developed a capital expenditure plan to accelerate its exploration and development activities in its existing acreages and plans to incur capital expenditure of approximately Rs.190 billion during the twelfth Five Year Plan (Fiscal Year 2013 to Fiscal Year 2017).

3. SEGMENT-WISE/PRODUCT WISE PERFORMANCE

3.1 Crude Oil Production

The Production of crude oil was 3.466 MMT which is marginally lower than the previous year's production of 3.661 MMT.

The main reasons for shortfall in achievement can be attributed to the following:

1. Direct, indirect and consequential losses arising out of blockades, bundhs etc, across the operational areas.
2. More than expected decline rates in well head potential of existing wells.

3.2 Natural Gas Production

The natural gas production and sale of 2625.81 MMSCM and 2090.11 MMSCM respectively were achieved from Assam AP and RP fields during the year.

3.3 LPG Plant Operation

The availability of the LPG Recovery Plant was of the order of 99.45 % and the plant efficiency in terms of butane recovery was 99.21% compared to the design figure of 98.00%. The plant processed an average of 2.14 MMSCMD (78.35 MMSCFD) gas with an average butane of 1.23 % (v/v) in the feed gas. The Recovery Plant was in operation for 356 days and a total of 46640

tonnes of LPG were produced during the year which is 101.40% of excellent target of 46000 tonnes. Along with LPG, a total of 24385 tonnes of condensate were also recovered as by-product. Out of this, 19353.19 tonnes of condensate was sold to private parties and the balance quantity was added to the crude oil production of the company. LPG Filling Plant was in operation for 266 days. A total of 46786 tonnes of LPG were delivered to the marketing agency, IOCL.

3.4 Pipeline Operation

OIL operates a total network of 1220 kms of Crude Oil Pipelines. This 5.5 MMTPA capacity pipeline transports crude oil produced from oilfields in Upper Assam to the public sector refineries at Numaligarh, Guwahati and Bongaigaon. The pipeline runs through the states of Assam, West Bengal and Bihar traversing hostile terrain, dense forests and cuts across 78 rivers including the mighty Brahmaputra. The 600 Km pipeline segment between Bongaigaon and Barauni has been re-engineered to enable oil flow in either direction and is now transporting RAVVA crude from Barauni to Bongaigaon.

4. FINANCIAL PARAMETERS (WITH RESPECT TO OPERATIONAL PERFORMANCE)

During the year, OIL has earned total revenue of Rs.11,241.34 crore against Rs. 11,456.32 crore in the previous year. The crude oil production* was 3.466 MMT in the year FY14 against 3.661 MMT in FY 13. Decrease in total revenue was due to lower crude oil production and higher subsidy share borne by the company. The PBT earned in FY14 was Rs. 4,410.44 crore against Rs.5,283.23 crore in the FY13. After deduction of the taxes, PAT was Rs.2,981.30 crore in FY14 against Rs.3,589.34 crore in FY 13, showing a decrease of Rs.608.04 crore over the previous year.

On expenditure side, the employee cost increased to Rs.1,473.18 crore in FY 14 from Rs.1,310.63 crore in FY13 on account of higher provision for superannuation benefit. DDA (depreciation, depletion and amortization) cost has increased to Rs.1,177.02 crore in FY14 from Rs.837.63 crore in FY13 due to higher write off of dry wells and higher capitalization of assets & wells. Other components were comparable with previous year.



During the year, company has made plan investment of Rs.2,938 crore which is highest in any year by OIL till date.

In terms of the decision of the Govt. of India, OIL shared the under recoveries of Oil Marketing Companies (OMCs) on petroleum products amounting to Rs. 8,736.84 crore for the year ended 31.03.2014 as compared to Rs.7,892.17 crore in the previous year.

* Excluding JV Share.

5. INTERNAL CONTROL SYSTEM

Internal Audit is a corporate and advisory function having independent status within the Organization. Internal Audit Department ensures that internal controls, risk management and governance process, as designed and implemented by management are adequate and effective. In this respect, Audit Committee and Board of Directors also supervise and monitor the systems at regular intervals to safeguard the interest of stakeholders. In house team and outsourced professionals carry out Internal Audit functions jointly.

To further strengthen internal control systems, Internal Audit Manual has been prepared. The Manual provides guidance and acts as a tool for the Internal Auditor of the Company to identify and manage internal auditing activities that needs to be considered while carrying out the assignment. Besides Internal Audit Manual, an Audit Checklist (Commercial) has been prepared for various functions which has been extensively used by the members of the Internal Audit.

6. HEALTH, SAFETY AND ENVIRONMENT

As a Company engaged in E&P activities, OIL pays utmost importance to Health, Safety & Environment (HSE) and the same is reflected in its vision statements that "OIL is fully committed to Health, Safety & Environment". OIL can achieve the goal of sustainable development through proper management of HSE risks. OIL is committed to continuously review & improve HSE initiatives to prevent accidents, minimize environmental impact, and reduce health and safety risks. To this effect, HSE policy has been put in place by the Company. Also, to provide the framework and structure to meet the highest level of HSE expectations, a HSE—

MS manual along with a guide has been prepared and adopted for all the operational areas.

7. HUMAN RESOURCE

The objective of Human Resource Management (HRM) is to nurture an environment sustaining the positive culture and core values which would continuously inspire human resources to achieve excellence in all endeavors and maximize stakeholders' value. In the present scenario of competition and striving for excellence, human resource plays a pivotal role in an organization's success. In order to develop employees' competencies for superior performance, during the year, 2096 employees were trained through courses organized in-house, 991 employees were trained through in-country programs and 108 were trained through overseas programs.

8. INDUSTRIAL RELATIONS

Harmonious and cordial relations were maintained with the employees. The Employees Union extended full co-operation and actively participated with the management in sorting out employees' problems and grievances. There was no mandays loss due to industrial relations problem.

9. CORPORATE SOCIAL RESPONSIBILITY

OIL since inception has engaged itself directly with local communities, identifying their basic needs, and integrating their needs with business goals and strategic intent. Fulfilling its duty of providing care to the society, OIL has embarked upon massive programs of educational, health, sports, cultural and infrastructural development endeavors; an attempt to invest technology with a human face. Some of which are as under :

9.1 Health

- i. SPARSHA - OIL's Mobile Health Care services were carried out in remote areas of Dibrugarh and Tinsukia to cater to the primary health care needs of the people in OIL operational areas. In 2013-14, OIL conducted 774 camps, screening and extending primary healthcare services to more than 1,29,555 patients in Dibrugarh, Tinsukia, Manabhum and South Bank. In



addition, the Primary Healthcare Services are also provided by the OIL Dispensary in South Bank and Manabhaum regions.

- ii. OIL has initiated project on Reduction of Infant Mortality Rate (IMR) and Maternal Mortality Rate (MMR). To this effect, an MOU was signed with IL&FS in December, 2013. Villagers are being sensitized about IMR and MMR with the help of community health workers like ASHA and Anganwadi by organizing health camps. The 1st health camp was held in Lakhpathar area in March, 2014.
- iii. The nursing school in OIL Hospital Duliajan conducts 3 years General Nursing Midwifery (GNM) training courses which is recognized by the Directorate of Medical Education, Government of Assam. Stipend is paid to the students in addition to limited hostel accommodation, uniform and protective clothing. The annual intake is 20 young women from OIL's operational areas.

9.2 Education

- i. Every year, OIL rewards meritorious students of operational areas passing class X & XII with OIL Awards and OIL Merit Scholarship. For 2013-14 Rs. 75 lakhs have been earmarked to reward around 1600 students from OIL Operational areas of Assam and Arunachal Pradesh including OIL employees' children across India.
- ii. Computer Literacy project OIL-DIKHYA is being implemented through State Institute of Rural Development (SIRD), Assam and IL & FS Education and Technical Services via mobile education vans / buses which visit each of the areas and schools. In the second phase of implementation (2013-14 batch), the target beneficiaries were the students of Class VI, VII and VIII. During the year 6 schools were covered and 660 children were provided with Computer Education. Further the Computer training centre under project 'Rupantar' offers various short term courses to students as well as other candidates at a subsidized rate and till date 53,000 students have been trained.
- iii. Adult Literacy Programme under project OIL-DIKHYA is being implemented in the districts of Dibrugarh, Tinsukia and Sivasagar. It targets illiterate and semi-illiterate people from Tea Gardens. During the year 60

venues were covered and 300 adults got benefitted with the programme.

- iv. During 2013-14 OIL introduced "OIL Shikshya Ratna Puraskar" for recognizing the all-round contribution of the teaching fraternity from provincialised schools and colleges under Dibrugarh University within the districts of Tinsukia and Dibrugarh. The award, consisting of cash incentive of Rupees One Lakh and a citation to each awardee was presented on the occasion. During the year OIL Shikshya Ratna Puraskar was awarded to 5 teachers.
- v. OIL India Super 30, is a free residential coaching for IIT/Engineering entrance for the students of BPL families & backward sections of the society hailing from Assam & Arunachal Pradesh. The students are provided with free food, boarding and coaching for eleven months starting from July to May (of each year) for the JEE Mains, Advance & other Engg. entrance examination. During 2013-14, 5 students were selected in IIT/ISO, 10 in NIT/IIIT, 12 in State Engineering Colleges and 32 in other institutes/colleges.
- vi. OIL has been extending support to the communities of PWD and physically challenged students under project SAKSHYAM. OIL has adopted and extended support to the two schools in terms of infrastructure development, running costs etc. In the first phase financial assistance amounting to Rs. 31 lakh for extension of services & construction of a shelter home at Mrinaljyoti Rehabilitation Centre (Duliajan) and financial assistance amounting to Rs.18.45 lakh for incurring the running cost (excluding staff salaries) of Moran Blind School-J.A.A.B. (Moran) has been acceded to be provided to both the institutions

9.3 Livelihood - Sustainable Self-employment Avenues

- i. Oil India Rural Development Society (OIRDS) is designed to provide source of livelihood to the people living in operational area through development projects. Two core areas namely- the Agriculture Project & the Handicraft Training and Production Centre (HTPC) have been taken. In HTPC nine-month stipendiary training is being imparted in Weaving, Cutting & Tailoring, and Embroidery & Knitting to young girls from OIL operational areas. During 2013-14, 42 rural women were imparted training.



- ii. Under Agriculture project with farmers, OIRDS introduces high yielding paddy seeds specially collected from Regional Agriculture Research Centre, Titabor and organic manure to revitalize the paddy fields and boost production. Till date, OIRDS has adopted more than 90 villages covering nearly 13000 farm families under its Agriculture Project.
- iii. Project RUPANTAR is a CSR initiative started with State Institute of Rural Development (SIRD) Assam in September, 2003, with a central focus to assist Self Help Groups for development of Agro based industries like bamboo cultivation, floriculture, fishery, sericulture, organic farming, etc and other allied activities like duck farming, pig rearing, goat farming, dairy farming, handloom, small business, etc. During 2013-14, OIL supported another 350 SHGs / JLGs consisting of 2350 families. Since, 2003, OIL has formed 1150 SHGs investing Rs. 885 lakh till date.
- iv. OIL launched Project SWABALAMBAN in 2013-14 under which it signed three significant MoUs with Indian Institute of Entrepreneurship (IIE), Guwahati, Construction Industry Development Council (CIDC), New Delhi and IL&FS Educational Technology Services (IETS), New Delhi for capacity building and placement linked skill training of youths from OIL's operational areas. Through these three MoUs, OIL aims to provide skill based employment oriented training to 25000 youths from the catchment areas where OIL operates within a five year period.
- v. Project KAMDHENU : During the year OIL signed an MOU with IRMA for carrying out the baseline Survey and need assessment study in the districts of Dibrugarh and Tinsukia of Assam to assess the feasibility for implementing OIL's Dairy Project. KAMDHENU to this effect, IRMA is carrying out necessary studies.

9.4 Special Component Plan (SCP) and Tribal Sub-Plan (TSP)

Oil India SC/ST Employees Welfare Association recommends / monitors the implementation of various schemes under SCP and TSP. OIL gives stress especially in the development of primary education, rural roads, etc. Of the total CSR budget, the budget allocated for SCP component is 24% and TSP component is 3%.

10. ACREAGE

10.1 Domestic

Areas under Nomination

At present, OIL has 5 Petroleum Exploration License (PEL) covering area of about 1230 sq.km granted on nomination basis within the country and 22 Mining Lease (ML) spread across area of about 5004 sq.km. These Blocks are in the state of Assam, Arunachal Pradesh and Rajasthan.

Areas under NELP, with OIL as Operator/Joint Operator

Till NELP IX, Company had 12 blocks with area of 18,463 Sq. Km. in the state of Assam, Mizoram, Andhra Pradesh, Puducherry, Andamans, Rajasthan, Cauvery and Mumbai offshore.

Areas under NELP, with OIL as Non-Operator

OIL has 15 blocks with 61,296 Sq. Km. in Krishna Godavari (Deepwater & Shallow Offshore), Andaman (Deepwater), Assam (Onshore), Mahanadi offshore (Deepwater), Gujarat-Kutch (Shallow Offshore), West Bengal (Onshore) as non-operator.

Areas under Pre-NELP JVs, with OIL as Non-Operator viz Kharsang PSC & Block AAP-ON-94/1(Dirok)

OIL has 2 blocks with 201 Sq. Km in Assam & Arunachal Pradesh as non-operator.

10.2 Overseas

E & P Blocks, with PI/Operatorship by OIL

OIL's overseas E & P portfolio comprises of 14 blocks and are spread over 10 countries covering Libya, Gabon, Nigeria, Yemen, Egypt, Venezuela, USA, Mozambique, , Bangladesh and Russia. In addition to the above, OIL has PI in a Multi-product pipeline in Sudan. The status of the major developments in the blocks is as under:-



Libya [Area-86 & Block-102/4](OIL-Operator) (OIL-50%, IOCL-50%):

As per MWP, OIL has completed drilling of three wells, however there were no commercial hydrocarbon discoveries. Process of relinquishment of the blocks is currently under progress.

Libya [Area 95/96 ~4 Blocks] (SIPLEX-50%, IOCL-25%, OIL-25%)

The consortium has completed drilling of five wells against drilling of eight wells as per MWP. All the drilled wells discovered substantial oil & gas during testing. Presently drilling of sixth well is in progress.

Gabon: Block SHAKTHI-II (G4-245)

In Gabon, where OIL is the operator, a discovery has been made in the third well. The well produced oil with gas from the N'Dombo sand. This is the first discovery of OIL in an overseas venture as an operator. New PSC was signed on 16.01.2014 for exploration and appraisal for a period of 9 years in terms of 3 phases of 3 years each. New assigned PI- OIL (50%) and IOCL (50%).The block has been renamed as SHAKTHI II (G4-245).

Nigeria : OML 142 (Earlier OPL-205) [M/s Suntera Nigeria 205 Limited : 70% interest (OIL- 25% PI, IOCL- 25% PI, and Suntera 142 holding limited- 50 % PI in Suntera Nigeria 205 Limited), Summit Oil – 30% PI and operator].

OIL along with IOCL acquired 50% participating interest in JV M/s. Suntera Nigeria 205 Ltd in 2006, which holds 70% interest in the onland block OPL-205. M/s. Summit, the operator of the block has 30% interest in the acreage. M/s. Suntera, Nigeria is the designated Technical party for the block.

The onland block covers an area of around 1295 sq.km (after mandatory relinquishment) and is located in the Northern part of Niger Delta. The block has an old gas/condensate discovery which is yet to be developed. The Operator has completed acquisition of 3D Seismic data in the Block recently.

Yemen [Blocks 82 and 83] (Medco Energi:38.25% - Operator, Kuwait Energy: 21.25%, OIL: 12.75%,

IOCL:12.75% and Yemen Oil & Gas Company:15%) OIL, as a part of an international consortium led by M/s. Medco Energi, Indonesia was awarded exploration blocks 82 & 83 in 2006 Bid round of Yemen. Subsequently, PSC was signed on 13th May 2008 and Presidential decree was received on 17th March 2009.

These exploration acreages covering combined areas of over 2100 sq.km are located in the South Central Part of the country within the oil prolific Sayun Masila Basin.

The operator has already completed seismic API in Block 83. Based on results of the updates, available dataset, geoscientific study/review and the techno-economic evaluation, the potential of Block 83 was found to be very low as a result of which the consortium has relinquished Block 83.

The operator has already initiated preparation for Seismic acquisition in Block 82. However, completion of work programme got delayed due to frequent disturbances at the site. The Block validity has been extended upto Decemebr 2014.

Egypt [Blocks 3 & 4] (GSPC-50%, HPCL-25% and OIL-25%).

OIL in consortium with M/s GSPC (50% PI & operator) and HPCL (25% PI) was awarded two offshore blocks, Block 3 (South Quesir) & 4 (South Sinai) in the 2008 GANOPE bidding round. Both these blocks with combined offshore acreage of 9325 sq.km are located in the Gulf of Suez and have work commitments of 3D seismic and wells (2 each). Boundary dispute with neighboring country led to the reduction of the block3 (South Quesir) by 1562 sq km. PAC signing got delayed due to geo-political situation of the country. Due to the changed geo-political situation, OIL is considering to exit from both the Blocks.

Venezuela : Carabobo Project-I: C1 North and C1 Central Blocks [IndOil Netherlands B.V : 7% (OIL – 3.5%, IOC – 3.5%), OVL – 11%, Repsol, Spain-11%, PdVSA-71%]

The consortium won Carabobo Project 1 in 2010.



The project is endowed with sufficient proven reserves of ultra heavy oil (around 8° API) to sustain production of at least 400,000 – 480,000 BOPD during a 25 to 40 years period. Cumulative production from the project during this period is estimated to be approximately 3 to 5 billion barrels of oil.

The contract has been signed on 12th May, 2010. The Mixed Company to operate the project has been incorporated.

Currently, the development activities in the field are under progress. First oil production from the project has started on 27th December 2012. Current average monthly production from the project stands at approximately 6,500 BOPD.

USA: Liquid rich Shale Asset: [Carrizo Oil & Gas Inc-60% - Operator; OIL-20% and IOCL-10%, Haimo Oil & Gas LLC- 10%]

OIL and IOCL have jointly acquired 20% and 10% respectively in Carrizo Oil & Gas Inc's ("Carrizo") liquid rich shale assets in the Denver – Julesburg (D-J) Basin in Colorado, USA. The acquisition became effective from 1st October, 2012. OIL has formed 100% wholly owned subsidiary in Texas, USA in the name of Oil India (USA) Inc.

OIL acquired approx 12,655.88 net acres of the asset and subsequently added additional area of 2174.04 acres during the year 2013-14.

Mozambique - Area 1, Rovuma Basin : [Anadarko-26.5% - Operator, Mitsui -20%, BPRL-10%, BREML(OVL60%+OIL40%) - 10%, OVL-10%, ENH-15%, PTTEP-8.5%]

During the year OIL together with OVL, has also acquired a 10 per cent Participating interest in the Mozambique block in the Area 1 Rovuma Field by acquiring the shares of Videocon Mozambique Rovuma 1 Limited. The name of the acquired company was subsequently changed to Beas Rovuma Energy Mozambique Limited (BREML). The first production and revenue from the field is expected to be generated and recognized in fiscal year 2019.

Bangladesh- Shallow Offshore (Block SS-04 &

SS-09) - (OVL: 45% - Operator, OIL: 45 %, BAPLEX: 10%)

The OIL-OVL consortium were awarded the shallow offshore Blocks SS-04 and SS-09 in the Bangladesh Bid Round-2012. The total area of the two blocks is 14,295 sq. km with Block SS-04 spread over 7,269 Sq km. and Block SS-09 spread over 7,026 sq. km. The Production Sharing Contracts for both Blocks were signed on 17th February, 2014 in Dhaka, Bangladesh.

Product Pipeline in Sudan [OIL–10% PI and OVL–90% PI]

The Project involved construction of 12" X 741 Km long Cross country Multi Product Pipeline from Al-Rawyan to Port Sudan. The Pipeline has been built on Build, Operate, Lease and Transfer basis. The consortium engaged M/s Dodsall Pte Ltd. as EPC contractor for the project. Project was completed in record time of 15 months (Target was of 16 months). The pipeline got commissioned in 2005.

11. DISCOVERY OF OIL AND GAS

Your Company has made seven oil and gas discoveries during the year; six from Upper Assam Basin and one from its operated Shakthi block in Gabon.

11.1 Sologuri-1 (Loc. DIBC)

The well, located in West Sologuri Structure within Dibrugarh PEL was drilled down to a depth of 3962 m within basement to probe the the hydrocarbon prospects within Paleocene-Eocene formations. The well has encountered a few prospective sand ranges within Lakadong + Therria formation and is currently producing oil from one of the tested sands The discovery of oil in this well has opened up new avenues for exploration and exploitation of hydrocarbon in Paleocene-Eocene Formations in Sologuri area.

11.2 South Kathaloni-3 (Loc. HVX)

The well, located in South Kathaloni structure within Hugrijan M/L was drilled down to 3710 m within basement to probe the hydrocarbon prospects within Paleocene-Eocene formations. The well has



encountered a few prospective sand ranges within Lakadong + Therria formation and is currently producing oil from one of the tested sands. The discovery of oil in this well has opened up new avenues for exploration and exploitation of hydrocarbon in Paleocene-Eocene Formations in South Kathaloni area.

11.3 Baruanagar-3 (Loc. BE)

The well, located in Baruanagar structure within Borhat PEL (now converted to Borhat ML) was drilled down to 4375 m to probe the hydrocarbon prospects within Lakadong + Therria formations. The well has encountered a few prospective sand ranges within Lakadong + Therria formation. The discovery of oil in this well has opened up a new area for exploration and exploitation of oil in Baruanagar area.

11.4 NHK-610 (Loc. HVJ)

The well, located in East Deohal structure within Hugrijan M/L was drilled down to 2984 m to probe the hydrocarbon prospects within Barail formations. The well has encountered prospective sand range within Barail formation and is currently producing gas from the tested sands. The discovery of gas in this well has opened up new areas for exploration and exploitation of hydrocarbon in Barail Formation in East Deohal structure.

11.5 NHK-614 (Loc. NLE)

The well, located in the central part of Jaipur Structure within Nahorkatiya Extension ML was drilled down to a depth of 3233 m to probe the hydrocarbon prospects within Barail and Tipam formations. The well has encountered a few prospective sand ranges within Tipam formation and is currently producing oil from one of the tested sands. The discovery of oil in the Middle Tipam Formation has opened up a new reservoir for exploration and exploitation of oil in Jaipur area.

11.6 NHK-405 (Loc. HDL-II)

The well lies in the South Nagajan area of Greater Jorajan oilfield within Hugrijan ML and has discovered gas on testing the new/unappraised Upper Tipam sand during workover operations. The discovery of gas in

this well has opened up a new reservoir for exploration and exploitation of gas in South Nagajan area.

11.7 Lassa-1 (Loc. SC)

The well Lassa-1 located in Lassa structure of Shakthi Block, Gabon, was drilled to a depth of 2141 m within Basement to probe the hydrocarbon prospects within N'Dombo Formation. The well has encountered two hydrocarbon prospective sand ranges within the targeted formation and on testing produced oil along with some amount of gas. The oil discovery in the Shakthi Block, Gabon, within the N'Dombo Formation in well Lassa-1 marks Oil India limited (OIL) maiden success in overseas exploration venture as operator and open up areas for future exploration and exploitation within the block.

12. STATUS OF RESERVES

12.1 The position of Crude Oil and Natural Gas reserves of the Company as of 31.03.2014 is as follows:

IN-PLACE VOLUME	1P	2P	3P
STOIP (MMSKL)	843.47	907.90	963.21
GIIP (BCM)	316.45	344.32	372.33
O+OEG (MMSKL)	1155.74	1246.11	1326.88
CUMMULATIVE PRODUCTION TILL 31.03.2014			
Oil+Condensate (MMSKL)	181.25		
Gas (BCM)	80.37		
RESERVES	1P	2P	3P
Oil +Condensate(MMSKL)	38.9238	97.3055	138.0075
Gas (BCM)	24.717	47.438	69.804
O+OEG (MMSKL)	63.5801	143.5286	205.9580

12.2 **Accretion:** The accretion to oil and gas volume during 2013-14 under OIL's area of operation in Assam, A.P. & Rajasthan is given in table below:

IN-PLACE VOLUME	1P	2P	3P
STOIP (MMSKL)	3.8586	6.1800	-3.8484
GIIP (BCM)	8.9317	2.8734	-4.7156
O+OEG (MMSKL)	12.7107	9.0301	-8.4204
Estimated Ultimate Recovery (EUR)	1P	2P	3P
Oil +Condensate(MMSKL)	1.3923	6.0613	6.8181
Gas (BCM)	3.7709	2.2307	5.6282
O+OEG (MMSKL)	5.1632	8.2921	12.4463



13. NEW INITIATIVES

During the year, the Company has successfully commissioned 5 MW Solar Power Plant on 20.01.2014, Ramgarh Jaisalmer, Rajasthan. The said project was completed in 100 days only and OIL could achieve MOU generation target 3 weeks ahead of schedule. The plant produced 1.72 million units till 31st March, 2014 generating revenue Rs. 0.47 crore. Additionally 998 Renewable Energy Certificates (REC) based on quantity injected were issued to OIL. Besides above, OIL had earlier commissioned 67.6 MW Wind Power Project.

14. FUTURE OUTLOOK

- (i) Since OIL has significant presence in the NE part of India and presently operating in the Upper Assam basin which happens to be one of the most prolific basins in India, OIL will concentrate efforts in the NE to achieve such reserve accretion.
- (ii) To enhance primary RF water injection and other

EOR/IOR technologies will be adopted which has the ability to liberate additional production capacity of around 0.32 to 0.35 MMTPA of crude over the next 12 to 15 year period, if focused approach has been adopted and implemented.

- (iii) OIL will continue to pursue acquisition of prospective overseas E & P opportunities to ensure energy security for the country, to grow by enhancing own E & P portfolio and decrease risks in existing E & P portfolio.
- (iv) In addition to pursuing conventional assets, OIL would also look towards acquisition of non-conventional assets, such as, oil sands, shale gas, shale oil etc.
- (v) While E & P business continues to be OIL's core focus, selective diversification into mid-stream, downstream and renewable energy segments, such as, pipelines, CGD, LNG, refineries, wind/solar energy etc would also be planned to balance the existing portfolios and play an important role in energy distribution/ marketing.



BUSINESS RESPONSIBILITY REPORT

Section A: General Information about the Company

1. *Corporate Identity Number (CIN) of the Company* : L11101AS1959GOI001148
2. *Name of the Company* : Oil India Limited
3. *Registered address* : Duliajan, Assam
4. *Website* : www.oil-india.com
5. *E-mail id* : oilindia@oilindia.in
6. *Financial Year reported* : 2013-14
7. *Sector(s) that the Company is engaged in (industrial activity code-wise)*
 - (i) Extraction of Crude Oil
 - (ii) Extraction of Natural Gas
 - (iii) Transportation of Crude Oil
 - (iv) LPG
8. *List three key products/services that the Company manufactures/provides (as in balance sheet)*
 - a. Crude Oil
 - b. Natural Gas
 - c. LPG
9. *Total number of locations where business activity is undertaken by the Company*
 - i) Number of International Locations (Provide details of major 5)
 - ii) Number of National Locations

Refer Point No 25 of the Report on Corporate Governance

10. *Markets served by the Company - Local/State/National/International*

Markets served by the Company are National and International. OIL's customers include PSUs like NRL, IOCL, BVFCL etc.

Section B: Financial Details of the Company

1. *Paid up Capital (INR)* : 6011359550
2. *Total Turnover (INR)* : 9612.70 crore
3. *Total Profit after Taxes (INR)*: 2981.30 crore
4. *Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)*.
Incurred an expenditure of 2.03% of OIL's Profit after Tax (reference fiscal year 2012-13) for CSR activities in 2013-14.
5. *List of activities in which expenditure in 4 above has been incurred:-*

The major areas in which the above expenditure has been incurred includes education, healthcare, sustainable livelihood generation / self employment, women empowerment, capacity building and skill development for the community.

Section C: Other Details

1. *Does the Company have any Subsidiary Company/Companies?*
Yes. Details provided in the Directors' Report.
2. *Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)*
The Subsidiaries of OIL are SPVs / Investment arms for acquisition of overseas E&P Assets, therefore BR initiatives are undertaken through OIL only.
3. *Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]*

OIL supplies crude oil to refineries viz. NRL, IOCL etc, which have their own BR mechanism in place. Moreover, our contracts with external agencies also address the BR issues.

**Section D: BR Information**

b) Details of the BR head

1. *Details of Directors (s) responsible for BR*

a) Details of the Director responsible for implementation of the BR policy/policies

DIN Number : 02809123

Name : Shri S. K. Srivastava

Designation : Chairman and Managing Director

S. No. Particulars**Details**

- | S. No. | Particulars | Details |
|--------|----------------------------|--------------------------|
| 1. | DIN Number (if applicable) | NA |
| 2. | Name | Shri V.Sharma |
| 3. | Designation | Resident Chief Executive |
| 4. | Telephone number | 0374-2800525 |
| 5. | e-mail id | varun@oilindia.in |

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

S. No.	Questions	P	P	P	P	P	P	P	P	
		1	2	3	4	5	6	7	8	9
1.	<i>Do you have a policy / policies for....</i>	Y	Y	Y	Y	Y	Y	N	Y	Y
2.	<i>Has the policy being formulated in consultation with the relevant stakeholders?</i>	Y	Y	Y	Y	Y	Y		Y	Y
3.	<i>Does the policy conform to any national /international standards? If yes, specify? (50 words)*</i>	Y	Y	Y	Y	Y	Y		Y	Y
4.	<i>Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?</i>	Y	Y	Y	Y	Y	Y		Y	Y
5.	<i>Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?</i>	Y	Y	Y	Y	Y	Y		Y	Y
6.	<i>Indicate the link for the policy to be viewed online?</i>	Y	Y	Y	Y	Y	Y		Y	Y
7.	<i>Has the policy been formally communicated to all relevant internal and external stakeholders?</i>	The policies have been communicated to key internal stakeholders. The communication is an ongoing process to cover all internal and external stakeholders. More over every citizen of India has free access to these policies under RTI Act, 2005.								
8.	<i>Does the company have in-house structure to implement the policy/policies.</i>	Yes								
9.	<i>Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?</i>	Yes, the Company has the mechanism in place. Board Committees such as SIGC, Audit, HSE, CSR and SD Committee are responsible for the policies falling in their respective domain.								
10.	<i>Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?</i>	At regular intervals audits are conducted by the Internal Audit Team combined with audit conducted by Statutory Auditors.								

*OIL voluntarily follows principles and policies for transparency which are of international standards apart from adhering to statutes and policies of the Government of India.

Note : Principles 1 to 9 are detailed at the end of this report.



2a. If answer to S.No.1 against any principle is 'No', please explain why (tick upto 2 options) :

S. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	The company has not understood the principles									
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles							Y		
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within 6 months.									
5.	It is planned to be done within next 1 year.									
6.	Any other reason (please specify) It is planned to be done in the future							Y		

3. Governance related to BR

1. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

OIL Board meets 12-13 times in a year to assess the business and financial performance. Besides the above, the BR initiatives are also discussed by the Committees of the Board.

2. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

OIL published its first Sustainability Report "DARPAN" for 2012-13 and the same was uploaded on the Company's website www.oil-india.com. It is being published annually.

Section E: Principle-wise performance

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

OIL policies regarding ethics, bribery and corruption extend to Group, Joint Ventures, Suppliers, contractors and other associated entities. OIL Customers have separate policies of their own covering the said aspects, moreover contracts & Agreement also cover the same.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 or words or so.

As specified in the Report on Corporate Governance, the total number of investor complaints received during the year was '544'. All complaints received during the year 2013-14 have been duly attended to by the Company / RTA and as on 31.03.2014 there was no outstanding complaint.

Principle 2:

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

All crude oil and natural gas processing installations/ terminals are designed taking cognizance of environmental concerns, risk and/or opportunities involved.

1157 km long cross country crude oil pipeline is operated in an environmental friendly manner.

654 km pipeline for evacuation of petroleum products of NRL commissioned in 2008 eliminates surface transportation to the tune of 1.72 MMTPA.

2. For each such product, provide the following details in respect of resource use (Energy, Water, Raw Material etc) per unit of product (Optional).

Associated natural gas produced during E&P operation is utilized for captive power generation for OIL's internal



consumption and the balance quantity is distributed to external consumers. Very low pressure gas which otherwise been flared is compressed through BOO (Build-Own-Operate) project for monetization. Pipeline transportation of crude oil to refineries and evacuation of petroleum products of NRL through product pipeline substantially reduce the use of energy and water at consumers' end. These effort have also helped in reducing of CO2 emission.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? (i) If yes, what percentage of your inputs was sourced sustainable? Also, provide details thereof, in about 50 words or so.

In Northeastern field, total water draft is about 47,140 KLPD out of which about 20% is re-injected.

4. Has the company taken any steps to procure goods and services from local small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity & capability of local & small vendors?

Yes, OIL has taken adequate steps to procure goods and services from local small producers, including communities surrounding their place of work. Significant steps have been taken to improve the capacity and capability of local and small vendors with the following initiatives:

- concession to bonafide local small scale entrepreneurs to participate in OIL's tenders,
- holding entrepreneurship development program from time-to-time,
- sourcing of all skilled and unskilled labourers from local communities,
- outsourcing of services like transport/transportation and small value service and maintenance contracts to local communities.

5. Does the company have mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5 – 10%, >10%). Also provide details thereof, in about 50 words or so.

Yes, OIL has definite mechanism to recycle-waste generated in the process of hydrocarbon exploitation.

Recycle >10%

- 95% of produced formation water is recycled to subsurface
- All bio-medical waste generated are re-incinerated
- Integrated waste recycling management at corporate office.

Remediation 5 – 10%

Oily sludge is collected in centrally located sludge pits for bio-remediation.

Remediation < 5%

Phytoremediation of oil spills has been taken up at pilot scale in association with Institute of Advanced Studies in Science and Technology, Guwahati.

Principle 3

1. Please indicate the total number of employees.

Total number of Employees : 7813

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.

Total number of employees hired on temporary/contractual/casual basis : 153

3. Please indicate the Number of permanent women employees.

Number of permanent women employees: 339

4. Please indicate the Number of permanent employees with disabilities.

Number of permanent employees with disabilities: 63

5. Do you have an employee association that is recognized by management?

Yes



6. *What percentage of your permanent employees is members of this recognized employee association?*

99% of the Permanent Employees is members of the recognized employee association.

7. *Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.*

S.No.	Category	No of complaints filed during the financial year	No of complaints pending as on 31.03.2014
1.	Child labour / forced labour/ involuntary labour	Nil	NA
2.	Sexual harassment	Nil	NA
3.	Discriminatory employment	Nil	NA

8. *What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year*

Permanent Employees	41%
Permanent women employees	44%
Contractual/Temporary/Casual employees	15%
Employees with Disabilities	16%

Note : Contractual and other casual workers deployed by different contractors receive mandatory on-site safety training and On-the-Job Skill Upgradation Training.

Principle 4

1. *Has the company mapped its internal and external stakeholders? Yes/No*

Yes The Company has a clear set of identified stakeholders, both internal as well as external

2. *Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?*

Yes. The company's CSR initiatives, apart from laying special emphasis on disadvantaged, vulnerable, and marginalized stakeholders, also focuses on SC/ST/PwD and women centric projects and programs.

The CSR initiatives taken up at Oil India Limited are

governed by need assessment studies (E.g. by Dibrugarh University, Enterprises Group, New Delhi), baseline surveys (e.g. WEBCON, Kolkata) and feasibility studies (e.g. FAITH, New Delhi) of the targeted areas. As such all CSR activities are need based and realistic. At regular intervals OIL conducts formative researches & social audits of the ongoing activities so as to ensure their proper implementation & further improvements if any.

3. *Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.*

Yes. The company has taken many special initiatives in this regard. The details are mentioned below.

a) Developmental Projects for Scheduled Castes and Scheduled Tribes:

Oil India has always laid great emphasis in implementing various developmental projects in and around its operational areas which has a large number of the Scheduled Tribe/Scheduled Caste population. The projects are implemented within the scope of the Government's policy on Special Component Plan (SCP) and Tribal Sub-Plan (TSP). Oil India SC/ST Employees Welfare Association recommends/monitors the implementation of various schemes under SCP and TSP.

b) Empowerment of People with Disabilities:

Through its Project SAKSHYAM, OIL has been extending support and care to physically challenged children. OIL has adopted and extended support to the following rehabilitation centres in terms of infrastructure development, running costs etc. Details of these centres with support by OIL under CSR in FY 2012-13 and 2013-14 are given as under:

Financial Year	Support to Institutions for PwDs for infrastructure development	Amount Sanctioned (₹)
2012-13	Mrinaljyoti Rehabilitation Centre, Duliajan	8,91,164.00
	Rural Blind Society, Bihpuria	10,00,000.00
	Moran Blind School	1,60,000.00
	Total	20,51,164.00
2013-14	Mrinaljyoti Rehabilitation Centre, Duliajan	31,00,000.00
	Moran Blind School	18,45,000.00
	Assam Association of the Deaf	20,000.00
	Total	49,65,000.00



- c) Empowering women & youth through sustainable livelihood generation initiatives:** In order to help the large number of unemployed youth of the society and strengthen rural economy, OIL had started ambitious projects like Project 'RUPANTAR' and Oil India Rural Development Society (OIRDS). Project 'Rupantar' has been generating livelihood opportunities by assisting through formation of Self Help Groups and providing training on economic activities in agro-based sector thereby helping the unemployed youth & women to find alternate employment by providing a scope for entrepreneurship. On the other hand OIRDS through its Agriculture Project has helped the youth to find employment through commercialization of agriculture. The Handicraft Training and Production Centre (HTPC) have been training young women from OIL's operational areas in production of handloom products, knitting, cutting, tailoring and embroidery.
- d) Healing through Mobile Dispensary Services:** OIL has been extending primary health care services to the needy and poor, free of cost in the remotest villages of OIL's operational areas through its mobile dispensary services under Project 'SPARSHA'. Annually over 750 mobile health camps are held, catering to over 1.30 lakh patients in the operational district of Tinsukia and other Districts of Assam as well as Arunachal Pradesh.
- e) Capacity Building and Skill Development of rural youth for employment opportunities through Project SWABALAMBAN :** OIL has started a landmark initiative with Indian Institute of Entrepreneurship (IIE), Guwahati, Construction Industry Development Council (CIDC), New Delhi and IL&FS Educational Technology Services (IETS), New Delhi for capacity building and placement linked skill training of youth from OIL's operational areas.
- f) Strengthening the roots through Education:** Under Project DIKHYA, OIL is imparting Computer Education to the students of selected rural schools. Project DIKHYA also includes Adult Literacy programme for the disadvantaged adults in the select villages of OIL operational areas.
- g) Project 'Super 30'** is a CSR initiative on education through which free residential coaching is provided to students of BPL families of Assam and Arunachal Pradesh for admission to IIT/Engineering colleges.

Presently, OIL has three centres at Guwahati, Jorhat and Dibrugarh in Assam. Through this project many talented students from marginalized families have been placed in reputed engineering institutes of the country.

- h)** OIL has instituted the Merit scholarships and OIL Awards to extend meritorious students passing Class Xth & XIIth from rural areas.

Principle 5

1. *Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?*

OIL tries to extend its value system to those in the value chain through contracts that sets standards for compliance with these values. The Company is aware of the challenges and constantly tries to extend its circle of influence along the value chain in order to propagate responsible business practices. Apart from the internal stakeholders, the policy extends to its suppliers / contractors / others. Moreover, OIL has been a signatory to the Principles of UN Global Compact since 2006.

2. *How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?*

Till date the Company has not received any complaint on Human Rights.

Principle 6:

1. *Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.*

Besides honouring company's vision statement "OIL is fully committed to health, safety and environment (HSE)", policy related to Principle 6 extends to all 'stakeholders' and society at large in its operational domain. Restoring environment has been a keyword in OIL's business.

2. *Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.*



Yes, OIL has taken strategic initiative to address global environmental issues like climatic change, global warming, etc. E & P Business being sensitive to environment, OIL has thus initiated a process of low carbon transformation as under:

- estimated its carbon inventory and formulated a low carbon strategy in all sphere of its operations,
- The carbon foot print for the base year 2009-10 has been worked out to be 1.43 million CO₂e.
- OIL has identified GHG emission abatement opportunities through technology induction and process improvement initiatives.
- OIL has set-up few solar power stations and wind mills for harnessing non-conventional energy and thereby reducing GHG emission.
- Other measures for reducing GHG emission like phasing out of CFC, reduction in natural gas flaring and mass tree plantation have been taken up as ongoing process.

Moreover, OIL has been a signatory to the Principles of UN Global Compact since 2006.
(<http://oil-india.com/Environmentclearance.aspx>)

3. *Does the company identify and assess potential environmental risks? Y/N*

Yes, Potential Environmental Risks are being identified and assessed on continuous basis. The baseline scenarios of all the environmental factors are assessed for all projects during its design, execution, operation and maintenance phases. Environment Impact Assessment (EIA) studies are carried out by independent external expert agencies and appropriate environment and social management and monitoring plans are developed for mitigation of risks. Hazard identification and HAZOP study are taken up periodically for new projects and old installations as well.

4. *Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also if yes, whether any environmental compliance report is filed?*

No.

5. *Has the company undertaken any other initiatives on clean technology, energy efficiency, renewable energy etc Y/N. If yes please give hyperlink for webpage etc.*

Yes, OIL has undertaken many initiatives on clean technology, energy efficiency and renewable energy. Some of the initiatives are mentioned below:

- OIL could conserve about 193,000 litres of diesel consumption in this energy efficient drive.
- OIL initiatives for harnessing of renewable energy has a few distinguished achievements in the field of solar and wind energy applications.
- Use of Solar Lighting at Tanot-GGS (Rajasthan) & Pilot Plant at Baghewala (Rajasthan).
- One each of 54 MW & 13.6 MW Wind Power installed in Jaisalmer Districts of Rajasthan, which respectively Generated 85.51 million & 21 million of Kwh of Electricity for the Rajasthan Rajya Vidyut Prasaran Nigam Ltd.
- Commissioned 5 MW Solar Power Plant in Rajasthan on 20.01.2014 and started commercial generation w.e.f 23.01.2014.
- Commissioning of 20 KWp Solar Power Plant at RS-5, Jagiroad, Pipeline.
- Saved diesel of worth Rs. 2,78,589.70, through Generation of roof top 30 KW Solar Power for electricity consumption at OIL Corporate office premises, Noida, during 2013-14 by generating 33,165.44 Kwh of electricity.

6. *Is the Emission/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?*

Yes, All emissions and waste generated in the process of exploitation of hydrocarbons are within the permissible limits stipulated by CPCB/ SPCB.

7. *Number of show cause/legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.*

Nil



Principle 7

1. *Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:*

Yes, some of the major ones are :

Standing Conference of Public Enterprises, Social Security Association of India, Petroleum Conservation Research Association, Petroleum Federation of India, All India Association of Employees, The Associated Chambers of Commerce and Industry of India, Petroleum Sports Promotion board, Federation of Indian Chamber of Commerce and Industry, All India Management Association and Confederation of Indian Industry.

2. *Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes / No; if yes specify the broad areas (Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, others)*

Oil India does not engage in any lobbying for issues of Corporate Interest. However, since we operate in a highly regulated industry we interact with the Central and State Governments at various levels under the supervisions and overview of management and also express views and opinions on different issues confronting the Company/Industry.

Principle 8

1. *Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.*

CSR at Oil India Limited is guided by its social vision - "OIL is a responsible corporate citizen deeply committed to socio-economic development in its areas of operations". Overall, the company's CSR and Sustainability practices are guided by and undertaken keeping in perspective the overarching principles under the DPE guidelines, 2013 (on CSR & Sustainability) and the Companies Act, 2013.

The company has been carrying out social welfare activities in and around its' operational areas in upper Assam since the year 1962. The social interventions of the company reached new heights with the

commencement of the 21st century and have been growing in variety, size, and reach since then. The company lays focus on its thrust areas for CSR, viz. Education, Health, Rural Development, Sports, Infrastructure, Women Empowerment, Support to the differently abled, Skill Development, Sustainable Livelihood Generation, Biodiversity Conservation, Ecotourism, Water Conservation, Renewable Sources of Energy for the rural folk, promotion of culture, etc. Thus far, the company has laid its CSR footprint in over 1400 villages across its operational states of Assam and Arunachal Pradesh and aims to continue expanding it, with time.

As such, OIL believes that business has a responsibility beyond its basic responsibility to its shareholders; a responsibility to a broader constituency that includes its key stakeholders: including employees, suppliers, customers, government, NGOs, environmental groups, special interest groups - the people of the communities in which it operates. Keeping in perspective the larger good of the society, OIL since inception has engaged itself directly with local communities, identifying their basic needs, and integrating their needs with business goals and strategic intent.

In the changing milieu of Corporate Social Responsibility across the world and especially in India, Oil India Limited is committed to walk hand in hand with the communities in its' operational states, as well as the natural environment therein.

2. *Are the programs/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?*

Yes, OIL has been partnering with NGOs as well as government/semi-government agencies for implementing the various CSR projects. Here it is important to mention that OIL's association with government/semi-government agencies for implementing the CSR projects, is mainly due to unavailability of credible national/international NGOs with considerable work experience in North East India. That said the company has been implementing its CSR projects with some of the best partners in the industry. For example, the following CSR projects are using NGOs/government/semi-government institutions:

a) Project Rupantar: Started in the year 2003, it is one



of the flagship CSR projects of OIL towards generating alternate and sustainable sources of livelihood for women and youth of OIL's operational areas. Project 'Rupantar' is being implemented by State Institute of Rural Development (SIRD), Assam. Till date OIL has formed 1150 SHGs, investing an amount of Rs 885 lakh under the project and 1479 trainings have been conducted in which 1,32,488 youth/women have participated. In addition, since 2004, SIRD is successfully implementing a computer education programme under OIL's Project Rupantar at OIL's Fields' Headquarters at Duliajan. The Computer centre offers various short term courses to students as well as other candidates at a subsidized rate. Moreover, SIRD has been regularly imparting training on Information Education and Communication (IEC) and Panchayati Raj Institution (PRI), rural development etc. Till date 53,000 students have been trained in the Computer training centre under project Rupantar.

- b) Agriculture Project:** It is one of Company's first CSR project under the aegis of Oil India Rural Development Society. Extensive in-field trainings are provided to the beneficiaries by experts from Agriculture Department, Government of Assam and Assam Agriculture University for proper and adequate use of technology for development of agriculture. High yielding seeds are collected for the beneficiaries from Agriculture Research Centre, Titabor, Jorhat district, Assam. OIL has adopted more than 90 villages and over 1300 farm families under the project till date.
- c) Project Sparsha:** OIL Hospital in association with St. Luke's Hospital, Tinsukia & Chabua has been implementing the mobile health care project which caters to the primary health care needs of the people of OIL's operational areas. The team carries out screening of and provides primary healthcare services to around 1.30 lakh patients annually through 750 medical camps in and around OIL operational villages in Upper Assam as well as in Arunachal Pradesh.
- d) Utkarsh- Super 30:** This is an educational initiative for empowering young students of marginalized families of North East, through which free residential coaching is provided to a group of selected IIT aspirants of Assam and Arunachal Pradesh in cooperation with an NGO named Centre for Social Responsibility and Leadership, New Delhi. OIL has started three branches under the project, in Guwahati, Jorhat, and Dibrugarh in the state of Assam. The number of students adopted per year is around 90 (30 each for the 3 centers).

- e) Project Dikhya:** OIL has taken up the projects for promoting computer literacy and adult literacy in the selected areas of OIL's operational districts under the aegis of Project 'Dikhya'. The project would be implemented by SIRD, Assam and IL&FS Education & Technical Services, via mobile education vans/buses, which visit each of the areas and schools. In the FY 2013-14, overall 660 students across 6 schools and 300 adults across 60 centres were covered under the program.
- f) Project Swabalamban:** In order to provide skill based employment oriented training to 25,000 youth in the next five years- OIL as part of its CSR initiative signed MoUs in December, 2013, with three agencies namely Indian Institute of Entrepreneurship, Guwahati, Construction Industry Development Council, New Delhi, and IL&FS Educational Technology Services, New Delhi for capacity building and placement linked training of youth from OIL's operational areas. Skill based placement oriented training will focus on sectors like Construction Industry, Hospitality & Housekeeping Management, Industrial Sewing, Jewellery Making, Electrician, besides setting up of livelihood clusters in domains like handloom and handicrafts. More than 625 youth have undergone training under the project and over 200 of them have been placed in the industry, in the various vocations mentioned above.
- g) Project Kamdhenu:** OIL signed an MOU, in FY 2012-13 with Institute of Rural Management, Anand (IRMA) for carrying out the baseline Survey and need assessment study in the districts of Dibrugarh and Tinsukia of Assam to assess the feasibility for implementing OIL's "Dairy Development Project Kamdhenu". To this effect, IRMA is carrying out necessary studies.
- h) Educational fairs & exhibitions:** OIL has been associated with the Assam Tribune group in Guwahati, Dibrugarh, Silchar, and Shillong for organizing educational fairs.
3. *Have you done any impact assessment of your initiative?*
- a) Company's monitoring and evaluation mechanism involves both internal as well as external authorities for impact assessment of the different CSR initiatives pertaining to the concerned area of development. In



case of implementation of the Company's CSR projects, internally, the officials from department of Public Relations & Corporate Communication are made responsible for periodically monitoring the implementation, wherein the department conducts field visits, public meetings, etc. at equal intervals to assess whether the progress made in a particular CSR activity conforms to the set rules in the policy. Moreover, departments like Internal Audit; Finance & Accounts of the Company also does the necessary auditing of the activities, its related finances, etc. to access the same.

- b) State Institute of Rural Development (SIRD) and St. Luke's Hospital, the implementing agencies for Project Rupantar and Mobile Health Dispensary respectively in the OIL operational areas, conducts independent audits and assessments of the ongoing activities. External agencies like Enterprises Group (New Delhi) had carried out a study of OIL's ongoing CSR activities.
- c) OIL has external monitoring and evaluation exercises carried out for its CSR projects, through competent third parties. In the FY 2012-13, the company got external monitoring and evaluation of its' CSR projects, which were a part of the MoU with MoP&NG, carried out through Webcon Consulting (India)Ltd.. Webcon Consulting (India) Ltd. (formerly West Bengal Consultancy Organisation Ltd. and commonly known

as WEBCON) is an ISO 9001: 2008 certified, multi-functional consultancy organisation in the public sector promoted by a consortium of all-India and State level financial institutions and nationalized banks for playing a catalytic role in the promotion and proliferation of industry, infrastructure and entrepreneurship in the country in general and in the Eastern and North-Eastern Regions in particular.

- d) Webcon Consulting (India) Ltd. had carried out monitoring of 3 projects which formed the CSR MoU targets for FY 2012-13, namely: Project Rupantar (OIL's flagship project on empowering local communities for sustainable livelihood generation); Project Dikhya (OIL's project for promotion of computer and adult literacy); and OIL's project on reduction of Infant Mortality Rate (IMR), in OIL operational districts in Assam.
- e) Additionally, Dibrugarh University had carried out a number of Social Audit (social impact assessment) and need assessment studies of CSR projects of OIL.

4. *What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?*

Details of the company's direct contribution to CSR projects in OIL operational areas in Assam, Arunachal Pradesh and Rajasthan are provided below.

A. STATEMENT OF CSR EXPENDITURE FOR THE YEAR 2013-14

S.No.	Budget head	Total Amount (₹ in Lakh)
1	Development of Education	547.53
2	Development of Health	155.07
3	Rural Development	499.65
4	OIRDS (Oil India Rural Development Society) and Handicraft Training & Production Centre (HTPC)	80.00
5	Infrastructure Development	1552.57
6	Development of sports	104.80
7	Fund for Corporate Office	1200.00
8	Advertisement of Souvenir	250.00
Total		4389.62



B. EXPENDITURE INCURRED IN MAJOR VISIBLE PROJECTS 2013-14

S.No.	Budget head	Total Amount (₹ in Lakh)
1	Project Dikhya	500.00
2	Swabalamban Skill/Capacity Building project	600.00
3	Project Kamdhenu	60.00
4	Project Sakshyam	30.00
5	Merbeel Eco Tourism Project	100.00
6	Project Seuji : Tree Plantation	50.00
7	Greater Duliajan Township Development	300.00
8	Distribution of Umbrella, School bag & Note Book	50.00
9	LPG connection for BPL Families	1050.00
10	Kaziranga Amphitheatre	50.00
11	Arogya Project Infant Mortality	50.00
12	CSR initiatives in Rajasthan Project	59.41
Total		2899.41
(A+B) Grand Total		7289.03

In addition to the above mentioned, the company's CSR interventions in the operational states of Andhra Pradesh and Mizoram are as under:

KG Basin, Andhra Pradesh :-

- Support for construction of Welfare hostels in Kakinada for the underprivileged school students
- Health Camps in and around operational areas
- Assistance towards relief and rehabilitation activities in the cyclone affected areas of Andhra Pradesh
- Infrastructural development works in Ammalapuram, Andhra Pradesh

Mizoram :-

- Development of infrastructure and support to sports and socio-cultural events

5. *Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.*

The large scale involvement of the target beneficiaries and communities at large in OIL's CSR initiatives is a strong testament to the holistic adoption of OIL's socio-

economic upliftment and community development programs by the local people of its operational areas and society at large.

Successful adoption of community development initiatives is also visualized through impact assessment studies conducted at regular intervals by OIL as well as the project implementing agencies. Project based success stories are documented as well as photographic evidences of project implementation are maintained.

Principle 9

1. *What percentage of customer complaints consumer cases are pending as on the end of financial year?*

NIL

2. *Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)*

OIL is regulated by the Ministry of Petroleum and Natural Gas. The productivity, quality and safety of



Company's performance / products is of prime concern and for our customers.

- 3. *Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.*

No.

- 4. *Did your company carry out any consumer survey/ consumer satisfaction trend.*

Our Crude Oil is sold to the refineries and the natural gas to the gas utility companies. In the case of Crude Oil at the point of sale, we have daily audit of quality done. We also regularly check the integrity of our product pipelines through standard pipeline inspection methods, hardware testing etc. OIL carries out Consumer Perception Surveys at periodical intervals, e.g LPG department sells LPG both in packed and bulk to IOCL. LPG department also sells condensate to three private parties. In this regard LPG department collects the customer feedback in the form of Assessment of Customer perception from IOCL and also from three condensate parties yearly. The assessment is based on certain parameters related to activities (quantitative/qualitative).

Principles to assess compliance with Environmental, Social and Governance norms

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

- 1. Businesses should develop governance structures, procedures and practices that ensure ethical conduct at all levels; and promote the adoption of this principle across its value chain. Businesses should communicate transparently and assure access to information about their decisions that impact relevant stakeholders.
- 2. Businesses should not engage in practices that are abusive, corrupt, or anti-competition.
- 3. Businesses should truthfully discharge their responsibility on financial and other mandatory disclosures.

- 4. Businesses should report on the status of their adoption of these Guidelines as suggested in the reporting framework in this document.
- 5. Businesses should avoid complicity with the actions of any third party that violates any of the principles contained in these Guidelines

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

- 1. Businesses should assure safety and optimal resource use over the life-cycle of the product – from design to disposal – and ensure that everyone connected with it- designers, producers, value chain members, customers and recyclers are aware of their responsibilities.
- 2. Businesses should raise the consumer's awareness of their rights through education, product labelling, appropriate and helpful marketing communication, full details of contents and composition and promotion of safe usage and disposal of their products and services.
- 3. In designing the product, businesses should ensure that the manufacturing processes and technologies required to produce it are resource efficient and sustainable.
- 4. Businesses should regularly review and improve upon the process of new technology development, deployment and commercialization, incorporating social, ethical, and environmental considerations.
- 5. Businesses should recognize and respect the rights of people who may be owners of traditional knowledge, and other forms of intellectual property.
- 6. Businesses should recognize that over-consumption results in unsustainable exploitation of our planet's resources, and should therefore promote sustainable consumption, including recycling of resources.

Principle 3: Businesses should promote the wellbeing of all employees

- 1. Businesses should respect the right to freedom of association, participation, collective bargaining, and provide access to appropriate grievance Redressal mechanisms.



2. Businesses should provide and maintain equal opportunities at the time of recruitment as well as during the course of employment irrespective of caste, creed, gender, race, religion, disability or sexual orientation.
3. Businesses should not use child labour, forced labour or any form of involuntary labour, paid or unpaid.
4. Businesses should take cognizance of the work-life balance of its employees, especially that of women.
5. Businesses should provide facilities for the wellbeing of its employees including those with special needs. They should ensure timely payment of fair living wages to meet basic needs and economic security of the employees.
6. Businesses should provide a workplace environment that is safe, hygienic humane, and which upholds the dignity of the employees. Business should communicate this provision to their employees and train them on a regular basis.
7. Businesses should ensure continuous skill and competence upgrading of all employees by providing access to necessary learning opportunities, on an equal and non-discriminatory basis. They should promote employee morale and career development through enlightened human resource interventions.
8. Businesses should create systems and practices to ensure a harassment free workplace where employees feel safe and secure in discharging their responsibilities.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Businesses should systematically identify their stakeholders, understand their concerns, define purpose and scope of engagement, and commit to engaging with them.
2. Businesses should acknowledge, assume responsibility and be transparent about the impact of their policies, decisions, product & services and associated operations on the stakeholders.
3. Businesses should give special attention to stakeholders in areas that are underdeveloped.

4. Businesses should resolve differences with stakeholders in a just, fair and equitable manner

Principle 5: Businesses should respect and promote human rights

1. Businesses should understand the human rights content of the Constitution of India, national laws and policies and the content of International Bill of Human Rights. Businesses should appreciate that human rights are inherent, universal, indivisible and interdependent in nature.
2. Businesses should integrate respect for human rights in management systems, in particular through assessing and managing human rights impacts of operations, and ensuring all individuals impacted by the business have access to grievance mechanisms.
3. Businesses should recognize and respect the human rights of all relevant stakeholders and groups within and beyond the workplace, including that of communities, consumers and vulnerable and marginalized groups.
4. Businesses should, within their sphere of influence, promote the awareness and realization of human rights across their value chain.
5. Businesses should not be complicit with human rights abuses by a third party.

Principle 6: Business should respect, protect, and make efforts to restore the environment

1. Businesses should utilize natural and manmade resources in an optimal and responsible manner and ensure the sustainability of resources by reducing, reusing, recycling and managing waste.
2. Businesses should take measures to check and prevent pollution. They should assess the environmental damage and bear the cost of pollution abatement with due regard to public interest.
3. Businesses should ensure that benefits arising out of access and commercialization of biological and other natural resources and associated traditional knowledge are shared equitably.
4. Businesses should continuously seek to improve their environmental performance by adopting cleaner



production methods, promoting use of energy efficient and environment friendly technologies and use of renewable energy.

5. Businesses should develop Environment Management Systems (EMS) and contingency plans and processes that help them in preventing, mitigating and controlling environmental damages and disasters, which may be caused due to their operations or that of a member of its value chain.
6. Businesses should report their environmental performance, including the assessment of potential environmental risks associated with their operations, to the stakeholders in a fair and transparent manner.
7. Businesses should proactively persuade and support its value chain to adopt this principle.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Businesses, while pursuing policy advocacy, must ensure that their advocacy positions are consistent with the Principles and Core Elements contained in these Guidelines.
2. To the extent possible, businesses should utilize the trade and industry chambers and associations and other such collective platforms to undertake such policy advocacy.

Principle 8: Businesses should support inclusive growth and equitable development

1. Businesses should understand their impact on social and economic development, and respond through appropriate action to minimize the negative impacts.
2. Businesses should innovate and invest in products, technologies and processes that promote the wellbeing of society.

3. Businesses should make efforts to complement and support the development priorities at local and national levels, and assure appropriate resettlement and rehabilitation of communities who have been displaced owing to their business operations.
4. Businesses operating in regions that are underdeveloped should be especially sensitive to local concerns.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. Businesses, while serving the needs of their customers, should take into account the overall well-being of the customers and that of society.
2. Businesses should ensure that they do not restrict the freedom of choice and free competition in any manner while designing, promoting and selling their products.
3. Businesses should disclose all information truthfully and factually, through labelling and other means, including the risks to the individual, to society and to the planet from the use of the products, so that the customers can exercise their freedom to consume in a responsible manner. Where required, businesses should also educate their customers on the safe and responsible usage of their products and services.
4. Businesses should promote and advertise their products in ways that do not mislead or confuse the consumers or violate any of the principles in these Guidelines.
5. Businesses should exercise due care and caution while providing goods and services that result in over exploitation of natural resources or lead to excessive conspicuous consumption.
6. Businesses should provide adequate grievance handling mechanisms to address customer concerns and feedback.



REPORT ON CORPORATE GOVERNANCE

1. PHILOSOPHY ON CORPORATE GOVERNANCE

OIL believes that “Corporate Governance is about accountability, transparency, effectiveness and responsibility between various key players”. It is a commitment to values and ethical conduct of business. OIL Philosophy of Corporate Governance revolves around two pillars:-

- Transparency
- Accountability

Transparency means explaining the Company policies and actions to those to whom Company is responsible. OIL believes that transparency increases accountability.

Accountability is the obligation of an individual or organization to account for its activities, accept responsibilities for themselves and to disclose the results in a transparent manner. Accountability also includes the responsibility for money or other entrusted properties.

OIL believes in keeping crystal clear relations with its stakeholders, thus leading to better accountability.

2. BOARD OF DIRECTORS AND ITS COMPOSITION

The Board of the Company consists of 5 (five) Executive Directors (EDs) including the Chairman & Managing Director and 7 (seven) Non-Executive Directors (NEDs). Out of these 7 (seven) NEDs, 5 (five) are Independent Directors (IDs), 2 (two) are Government Nominees from

Ministry of Petroleum & Natural Gas (Administrative Ministry). Independent Directors are persons with considerable professional experience and expertise in areas like business, industry, finance, audit, law and public enterprises.

Pursuant to Article 118, 119 and 120 of the Articles of Association of the Company, all the directors of the Board of the Company are appointed by the President of India through Administrative Ministry.

The Board of the Company is structured on the basis of Clause 49 of the Listing Agreement and Guidelines on Corporate Governance for CPSEs by Department of Public Enterprises, Government of India. In accordance with the above, where the Chairman of the Board is an Executive Director, at least half of the Board should comprise of Independent Directors. Presently, OIL has only 5 (five) IDs against 7 (seven) required to ensure the compliance. The Company has requested the Ministry of Petroleum and Natural Gas for appointment of 2 (two) more IDs on its Board to ensure compliance to Listing Agreement and DPE Guidelines. Board reviewed the performance of the Company at regular intervals. During the year, the

Board met 13 times on April 10, 2013, May 25, 2013, August 13, 2013, August 22, 2013, August 27, 2013, September 20, 2013, November 12, 2013, December 19, 2013, January 28, 2014, February 12, 2014, February 24, 2014, March 21, 2014 and March 24, 2014.

The composition of the Board and the details of the attendance at the meetings are (31.03.2014) given below:

S.No	Name and Type	DIN	Attendance at Board Meeting (Attended/ Held)	Attendance at AGM	Tenure	Directorship in Other Public Companies	Chairmanship / Membership (includes OIL)		Number of Shares held in the Company
Executive Directors									
1.	Shri.S.K.Srivastava Chairman & Managing Director	02809123	12/13	Yes	01.05.2012- 30.06.2015	3	Nil	Nil	2850
2.	Shri. N. K. Bharali, Director (HR&BD)	03262719	13/13	Yes	14.09.2010- 31.01.2015	2	Nil	Nil	3000
3.	Shri. S. Rath, Director (Operations)	03495179	12/13	Yes	31.03.2011- 31.05.2015	2	Nil	1	2550
4.	Smt.R.S. Borah Director(Finance)	06700534	7/7	Yes	01.10.2013 - 30.09.2018	3	Nil	1	5000



Directors whose period of office ended during the year									
5.	Shri. T.K. Ananth Kumar, Director (Finance)	00337930	6/6	Yes	18.01.2007-30.09.2013	NA	NA	NA	NA
6.	Shri. B. N. Talukdar, Director (E&D)	01926119	7/9	Yes	01.12.2007-05.02.2014	NA	NA	NA	NA
Government Nominee Directors									
7.	Shri Nalin Kumar Srivastava	06682842	8/10	Yes	22.08.2013 - till further order	Nil	Nil	Nil	Nil
8.	Shri. S. Panda	02331848	0/2	NA	26.02.2014- till further order	Nil	Nil	Nil	Nil
Directors whose period of office ended during the year									
9.	Smt. Rashmi Aggarwal	02814174	6/8	Yes	08.08.2012-20.01.2014	NA	NA	NA	NA
10.	Shri Atul Patne	00389250	2/3	NA	08.08.2012-13.08.2013	NA	NA	NA	NA
Independent Directors									
11.	Prof. Shekhar Chaudhuri	00052904	6/13	No	16.09.2012-15.09.2015	3	Nil	3	Nil
12.	Shri. Anup Mukerji	01460272	11/13	Yes	16.09.2012-15.09.2015	2	2	1	Nil
13.	Prof. Gautam Barua	01226582	10/13	Yes	16.09.2012-15.09.2015	2	Nil	2	Nil
14.	Shri. Suresh Chand Gupta	00541198	13/13	Yes	16.09.2012-15.09.2015	2	2	1	Nil
15.	Prof. Bhaskar Ramamurthi	01914155	4/13	No	16.09.2012 - 15.09.2015	Nil	Nil	1	Nil

- # None of the Directors on the Board is a Member of more than 10 committees and Chairman of more than 5 committees across all the companies in which he/ she is a Director.
- # None of the Directors are inter-se related to other Directors of the Company.
- # N.A – Not applicable

2.1 TRAINING AND EVALUATION OF NON-EXECUTIVE BOARD MEMBERS

The NEDs are eminent personalities having wide experience in the field of business, education, industry, commerce and administration. On their induction, detailed presentation on the business module, performance, plans etc. of OIL are given to them. The Board is regularly updated about all the statutory provisions / guidelines being issued by various Govt. Bodies / Departments. Further, detailed presentations are also made on business related issues, risk assessment, impact of regulatory changes on strategy etc. at the Board/ Committee/ other meetings by senior executives/ professionals/ consultants. Board Members are also nominated by the Company for suitable

programmes / seminars from time to time. The evaluation of performance of EDs is carried out through a laid down procedure by DPE. However, in case of NEDs, appropriate guidelines / procedures are being prepared by DPE.

3. BOARD COMMITTEES

The Board has constituted various committees which deal with specific issues. While constituting these committees attention has been given to keep a judicious mix of NEDs and EDs who possess requisite knowledge for discharging the responsibilities assigned to the Committee. Shri. S.R. Krishnan, the Company Secretary acts as Secretary to all the Committees of the Board.

3.1 AUDIT COMMITTEE

Audit committee is constituted in accordance with the Companies Act, 2013, Clause 49 of the Listing Agreement and DPE Guidelines on Corporate Governance. The composition of the Audit Committee is as under:



S.No	Name	Category	Chairman / Member	Date of Appointment (A)/ Cessation(C)	Attendance (Attended/Held)
1.	Shri S C Gupta	Independent Director	Chairman	26.10.2012 (A)	7/7
2.	Shri.Anup Mukerji	Independent Director	Member	26.10.2012 (A)	7/7
3.	Prof. Gautam Barua	Independent Director	Member	18.01.2013 (A)	6/7
4.	Smt.Rashmi Aggarwal	Govt. Nominee	Member	20.01.2014 (C)	4/6

The terms of reference, role and power of the Audit Committee as stipulated by the Board and are in conformity with the Companies Act, 2013, Listing Agreement and DPE Guidelines.

During the year, the Audit Committee met 7 times on May 25, 2013, August 08, 2013, August 13, 2013, September 7, 2013, November 12, 2013, January 17, 2014 and February 12, 2014.

Director (Finance) & Director (Operations) are permanent invitees to the Audit Committee Meetings. Statutory Auditors and Internal Auditors also attend the meetings, answer and clarify questions raised at the Audit Committee.

3.2 SHAREHOLDERS' / INVESTORS' GRIEVANCES COMMITTEE (SIGC)

The Shareholders'/Investors' Grievances Committee specifically looks into redressing of Shareholders' and Investors' complaints/grievances pertaining to transfer/transmission of shares, non-receipt of annual reports, dividend payments, issue of duplicate certificates and other miscellaneous complaints. The Committee also oversees and reviews performance of the Registrar and Share Transfer Agents and recommends measures for overall improvement in the quality of investor services. During the year, the SIGC met 3 times on May 23, 2013, August 08, 2013 and February 24, 2014.

The composition of the Committee during the year is as under:-

S.No	Name	Category	Chairman / Member	Date of Appointment (A)/ Cessation(C)	Attendance (Attended/Held)
1.	Shri. Anup Mukerji	Independent Director	Chairman	06.11.2012 (A)	3/3
2.	Shri. S.C.Gupta	Independent Director	Member	06.11.2012(A)	3/3
3.	Prof. Bhaskar Ramamurthi	Independent Director	Member	06.11.2012(A)	0/3
4.	Shri. S. Rath	Director (Operations)	Member	06.11.2012(A)	3/3
5.	Smti R.S.Borah	Director (Finance)	Member	01.10.2013 (A)	1/1
6.	Shri. T.K. Ananth Kumar	Director (Finance)	Member	30.09.2013 (C)	2/2
7.	Shri. B.N.Talukdar	Director (E&D)	Member	05.02.2014 (C)	1/2

The total number of complaints received during the year was 544. All complaints received during the year 2013-14 have been duly redressed by the Company / RTA and there was no outstanding complaint as on 31.03.2014.

3.3 REMUNERATION COMMITTEE (RC)

Remuneration Committee reviews and recommends Perks and Allowances and Performance Related Payment (PRP) etc. payable to Board level and below Board Level executives within the framework of the DPE Guidelines. The Composition of the Committee during the year is as under:-

S. No	Name	Category	Chairman/ Member	Date of Appointment (A) / Cessation (C)
1.	Shri S. C. Gupta	Independent Director	Chairman	06.11.2012(A)
2.	Shri Gautam Barua	Independent Director	Member	06.11.2012(A)
3.	Shri Shekhar Chaudhuri	Independent Director	Member	06.11.2012(A)



There was no Remuneration Committee Meeting during the year.

The Pay of the Directors is decided by the Government of India. The Perquisites/PRP being paid to the employees of the company are extendable to the Executive Directors as per DPE Guidelines. Independent Directors are paid sitting fees only as fixed by the Board within limits set by the Government of

India. The Government Nominee Directors do not receive any pecuniary benefits including sitting fees from the Company. The Company has not issued any Stock Options to its Directors / Employees.

Details of remuneration of Executive Directors and Sitting Fees of Independent Directors for the year ended 31st March, 2014 is furnished as under:

(Rs.)

S.No	Names & designation of Executive Director	Salary and allowances	Contribution to PF and other Funds	Other benefits	Total
1.	Shri S. K. Srivastava, CMD	4411766	424116	1134786	5970668
2.	Shri N. K. Bharali, Director (HR&BD)	3830232	212594	848556	4891382
3.	Shri S. Rath, Director (Operations)	3780689	400684	807070	4988443
4.	Mrs. R. S. Borah, Director (Finance) (w.e.f 01.10.2013)	1623201	104742	292520	2020463
5.	Shri T. K. Ananth Kumar, Director (Finance) (Upto 30.09.2013)	2914216	114084	542000	3570300
6.	Shri B. N. Talukdar, Director (E&D) (Upto 05.02.2014)	3914815	371138	259685	4545638

Details of the sitting fees paid to Independent Directors during the year:

S.No.	Name of Independent Director	Sitting Fees (in Rs)
1.	Shri Anup Mukerji	4,40,000
2.	Prof. Bhaskar Ramamurthi	1,40,000
3.	Prof. Gautam Barua	4,80,000
4.	Prof. Shekhar Chaudhuri	2,60,000
5.	Shri Suresh Chand Gupta	5,00,000

3.4 HUMAN RESOURCE MANAGEMENT (HRM) COMMITTEE

The Human Resource Management Committee considers all issues / areas concerning the Human Resource Planning & Management, HR Policies & Initiatives and Promotions to the level of E-9 I. During the year, the HRM Committee meeting met 3 times on May 25, 2013, January 28, 2014, February 24, 2014.

The Composition of the Committee is as under:-

S.No	Name	Category	Chairman / Member	Date of Appointment (A)/ Cessation(C)	Attendance (Attended/Held)
1.	Prof. Gautam Barua	Independent Director	Chairman	06.11.2012 (A)	3/3
2.	Prof. Shekhar Chaudhuri	Independent Director	Member	06.11.2012 (A)	3/3

3.5 BUSINESS DEVELOPMENT COMMITTEE (BDC)

The Business Development Committee oversees and explores new areas of business, proposals for collaborations, joint ventures, amalgamations, mergers

and acquisitions etc. During the year, the BDC met 5 times on July 15, 2013, October 21, 2013, November 11, 2013, December 19, 2013 and February 24, 2014. The Composition of the Committee is as under:-



S.No	Name	Category	Chairman / Member	Date of Appointment (A)/ Cessation(C)	Attendance (Attended/Held)
1.	Shri Shekhar Chaudhuri	Independent Director	Chairman	06.11.2012 (A)	4/5
2.	Prof. Gautam Barua	Independent Director	Member	06.11.2012(A)	5/5
3.	Shri S. K. Srivastava	CMD	Member	06.11.2012(A)	2/5
4.	Shri N. K. Bharali	Director (HR&BD)	Member	06.11.2012(A)	4/5
5.	Shri S. Rath	Director (Operations)	Member	06.11.2012(A)	5/5
6.	Smt. R. S. Borah	Director (Finance)	Member	01.10.2013 (A)	4/4
7.	Shri T. K. Ananth Kumar	Director (Finance)	Member	30.09.2013 (C)	1/1
8.	Smt. Rashmi Aggarwal	Govt. Nominee	Member	20.01.2014 (C)	1/3
9.	Shri B. N. Talukdar	Director (E&D)	Member	05.02.2014 (C)	1/4

3.6 HEALTH, SAFETY & ENVIRONMENT (HSE) COMMITTEE

HSE Committee is constituted to assist the Board for evolving, monitoring and reviewing appropriate systems

to deal with Health, Safety and Environmental issues and ensuring compliance to statutory provisions. During the year, the Committee met once on 9th July, 2013. The composition of the Committee is as under:

S.No	Name	Category	Chairman / Member	Date of Appointment (A)/ Cessation(C)	Attendance (Attended/Held)
1.	Prof. Bhaskar Ramamurthi	Independent Director	Chairman	06.11.2012 (A)	1/1
2.	Shri Anup Mukerji	Independent Director	Member	06.11.2012 (A)	1/1
3.	Shri Atul Patne	Govt. Nominee Director	Member	13.08.2013 (C)	0/1

3.7 CORPORATE SOCIAL RESPONSIBILITY (CSR) AND SUSTAINABLE DEVELOPMENT (SD) COMMITTEE

CSR Committee functions as a built-in, self-regulating mechanism whereby it monitors and ensures its active

compliance with the spirit of the law, ethical standards, and international norms. During the year, the CSR & SD Committee met 2 times on 9th July, 2013 and 26th March, 2014. The current Composition of the Committee is as under:

S.No	Name	Category	Chairman / Member	Date of Appointment (A)/ Cessation(C)	Attendance (Attended/Held)
1.	Prof. Bhaskar Ramamurthi	Independent Director	Chairman	06.11.2012 (A)	2/2
2.	Shri S. C. Gupta	Independent Director	Member	06.11.2012 (A)	2/2
3.	Shri Nalin K. Srivastava	Govt. Nominee Director	Member	22.08.2013 (A)	0/1
4.	Shri N. K. Bharali	Director (HR & BD)	Member	06.11.2012 (A)	1/2
5.	Shri S. Rath	Director (Operations)	Member	06.11.2012 (A)	2/2
6.	Smt. R. S. Borah	Director (Finance)	Member	01.10.2013 (A)	1/1
7.	Shri Atul Patne	Govt. Nominee Director	Member	13.08.2013 (C)	0/1
8.	Shri T. K. Ananth Kumar	Director(Finance)	Member	30.09.2013 (C)	1/1



The terms of reference of the CSR Committee includes:-

- review, agree and establish the Company's CSR strategy
- review and monitor CSR activities and compliance with CSR policies
- develop and encourage effective two-way communication concerning CSR issues within the business.
- review best practice in key CSR areas by appropriate external reports and by benchmarking wherever possible.
- Approve Sustainable Development Policy and revise the same at periodical intervals.
- Approve SD Plan, annual SD Budget (short, medium and long term) in the context of the SD Guidelines.
- Oversee SD Performance

4. CODE OF CONDUCT FOR MEMBERS OF THE BOARD AND SENIOR MANAGEMENT & CODE ON INSIDER TRADING

A copy of the Code of Conduct has been placed on the Company's website 'www.oil-india.com'. All members of the Board and senior management have confirmed their compliance to the Code of Conduct for the year under review. A copy of Compliance Certificate is placed as under:-

"I hereby confirm that the Company has obtained from the members of the Board and Senior Management

Personnel, affirmation that they have complied with the Code of Conduct for Directors and senior management in respect of the financial year 2013-14."

Sd/-
(S.K.Srivastava)
CMD

In pursuance of the SEBI (Prohibition of Insider Trading) Regulations, 1992, the Board has approved the "Code of Conduct for Prevention of Insider Trading" to prevent purchase and/ or sale of shares of the Company by an Insider on the basis of unpublished price sensitive information. Insiders (Directors, Key Executives, Designated Employees and Statutory Auditors) are prohibited to deal in the shares of the Company during the closure of Trading Window.

5. CEO/ CFO CERTIFICATION

In terms of Clause 49 of the Listing Agreement, the certification by the CEO/ CFO on the financial statements and internal controls relating to financial reporting for the year 2013-14 was submitted to the Board.

6. ANNUAL GENERAL MEETINGS/ EXTRA-ORDINARY GENERAL MEETINGS

Location, date and time of Company's AGMs with details of special resolutions passed are as under:

AGM	Date	Time	Venue	Special Resolutions
52 nd	September 24, 2011	11:00 AM	Bihutoli, Duliajan, Assam	None
53 rd	September 15, 2012	11:00 AM	Bihutoli, Duliajan, Assam	None
54 th	September 21, 2013	11:00 AM	Bihutoli, Duliajan, Assam	None

7. DISCLOSURES

a). Related Party Transactions

The Company does not have any material/significant related party transactions, which may have potential conflict with its interests. Disclosures regarding transactions with related parties are given in the Notes to Accounts of the Financial Statements.

b). Compliances

The Company has complied with the applicable rules and regulations of regulatory authorities on capital market and no penalty or strictures have been imposed

on the Company by any Statutory Authorities on any matter related to Capital Market during the last three years. All returns/reports were filed within stipulated time with stock exchange(s)/other authorities.

c). Whistle Blower Policy

The Company has adopted a whistle blower mechanism and no personnel have been denied access to the Audit Committee. OIL endeavors to work against corruption in all its forms through well defined Whistle Blower Policy. The policy provides all the employees with free access to the Management in case they observe unethical or improper practices or any other wrongful



conduct in the Company and to prohibit managerial personnel from taking any adverse personal action against those employees.

8. MEANS OF COMMUNICATION

The Company's website 'www.oil-india.com' contains separate dedicated section 'Investor Relations' where the shareholders information is available. Annual Report, Shareholding Pattern, Corporate Governance Report, Investors Relation Handbook etc. are also available on the web-site in a user-friendly manner.

The Company's website also displays official news releases. The Website contains presentations made to institutional investors or to the analysts.

The Quarterly Results/Annual Results are communicated by means of newspapers and website publications.

These financial results are normally published in leading English Newspapers viz. Times of India, Hindustan Times, Economic Times and vernacular dailies (Dainik Janambhumi) having wide circulation across the country.

Annual Report containing inter-alia, Audited Accounts, Consolidated Financial Statements, Directors' Report, Management Discussion and Analysis (MD&A) Report, Auditors' Report, Corporate Governance Report including Information for the Shareholders and other important information is sent to the members and others entitled thereto.

OIL has adopted a "Go Green" approach wherein it is adopting methods which reduce harm to the nature. With regards to this we hereby request all our stakeholders to provide us with their E-mail IDs so that minimum use of paper is done, thus protecting the environment.

9. SHAREHOLDERS' INFORMATION

9.1 Annual General Meeting

Date, Day and Time	27.09.2014 (Saturday, 11:00 AM)
Venue	Bihutoli, Duliajan
Book Closure Dates	20.09.2014 to 27.09.2014 (Both dates inclusive)

9.2 Dividend Policy and Dividend Payment Date

As per DPE Guidelines, all profit making Oil PSUs should declare minimum Dividend of 30% of Post Tax Profit. First Interim Dividend for the year 2013-14 was declared on 28.01.2014 and Second Interim Dividend was declared on 21.03.2014 and were paid within 30 days.

9.3 Investors' Education & Protection Fund (IEPF)

During the year, Company has transferred the following amount to Investor Education and Protection Fund as per the applicable provisions of the Companies Act and the rules made thereto :

Type and Year	Amount (in Rs)
Final Dividend 2005-06	1,34,000
Interim Dividend 2006-07	1,85,900
Second Interim Dividend 2006-07	1,38,750

All Shareholders, whose dividend is unpaid are requested to lodge their claim with M/s Karvy Computershare Pvt. Ltd., RTA.

Given below are the proposed dates for transfer of the unclaimed dividend to IEPF in the year 2014-15 by the Company.

Financial Year	Type of Dividend	Date of Declaration	Due for transfer to IEPF (Tentative Dates)
2006-07	Final	29.09.2007	29.10.2014
2007-08	Interim	24.12.2007	23.01.2015
	Final	27.09.2008	27.10.2015

9.4 TENTATIVE FINANCIAL CALENDAR

Financial Results (2014-15)	Last date for submission to Stock Exchanges
Quarter 1	14th August, 2014
Quarter 2	14th November, 2014
Quarter 3	14th February, 2015
Annual /Quarter 4	30th May, 2015

9.5 STATUS OF DEMATERIALIZATION (As on March 31, 2014)

	No of shares	%
NSDL	552414224	91.90
CDSL	44869953	7.46
Physical	3851778	0.64
Total	601135955	100.00



10. OUTSTANDING GDRs/ADRs/WARRANTS OR CONVERTIBLE INSTRUMENT

No GDRs/ ADRs/ Warrants or Convertible Instruments have been issued by the Company

11. INVESTOR SERVICES

The Company serves its investors through M/s. Karvy Computershare Pvt. Ltd., RTA. Other facilities, such as remittance of dividend through Electronic Clearing Services (ECS), Bank mandate, incorporation of Bank details on dividend warrants, direct deposit of dividends, reminders for unclaimed dividends, nomination facility, issue of public notice for lost share certificates, issue of duplicate share certificates etc. are also provided to the investors.

11.1 Share Transfer System

Physical Shares:

The physical transfer of shares takes place through a Share Transfer Deed which is lodged by the transferee either with the Company or Registrar and Transfer Agent and is processed by the RTA. SIGC has been empowered for issuance of duplicate share certificates in lieu of loss of original share certificates/ mutilated share certificates and other matters connected with or incidental thereto. Powers to approve Share Transfers / Transmissions and other matters connected with or incidental thereto is delegated to the RTA.

Demat Shares

OIL share is traded electronically in dematerialized form. Beneficiary gives purchase / sale instructions to their Depository Participant. ISIN Number is INE274J01014. Settlement of trades are done on NSE/BSE which are connected to NSDL and CDSL. Confirmation in respect of the request for dematerialization of shares is sent to the respective depositories i.e. NSDL and CDSL expeditiously. Pursuant to Clause 47(c) of the Listing Agreement, certificates on half yearly basis confirming due compliance of share transfer formalities by the Company and certificate for timely dematerialization of the shares as per SEBI (Depositories and Participants) Regulations, 1996 are sent to the Stock Exchanges.

In addition, as a part of the capital integrity audit, a “Reconciliation of Share Capital” confirming that the total issued capital of the Company is in agreement with the total listed capital, number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL, is placed before the Board on a quarterly basis.

12. ADDRESS FOR SHAREHOLDERS’ CORRESPONDENCE

For transfer/transmission/dematerialization of shares, payments of dividend, bonus shares and other queries relating to shares of the Company:

For Shares held in Physical Form	For Shares held in Demat Form
<p>Registrar and Share Transfer Agent Karvy Computershare Pvt. Ltd. Plot No.17-24, Vittalrao Nagar, Madhapur,Hyderabad – 500 081 Tel No.040-44655000, Fax No.040-23420814, Toll Free No.1800-3454-001 E-mail : einward.ris@karvy.com Web Site:www.karvy.com Regd Office: Karvy House 46, Avenue 4, Street No.1, Banjara Hills, Hyderabad – 500 034</p>	<p>To the Investors’ Depository Participant(s) and/ or Karvy Computershare Private Limited</p>



13. LISTING

The equity shares of the Company are listed on the following Stock Exchanges:

Name & Address	Telephone/Fax/E-mail ID/Website ID	Stock Code	Listing Fees (2014-15)
National Stock Exchange of India Ltd.(NSE) Exchange Plaza, Plot no. C/1, Block-G, Bandra Kurla Complex, Bandra (E), Mumbai – 400051	Telephone: 022-26598100-8114 Fax: 022-26598120 E-mail: cc_nse@nse.co.in Website: www.nseindia.com	OIL	Paid
BSE Ltd (BSE) Floor 25, P.J. Towers, Dalal Street, Mumbai – 400051	Telephone: 022-22721233/4 Fax : 022-22721919 E-mail: info@bseindia.com Website: www.bseindia.com	533106	

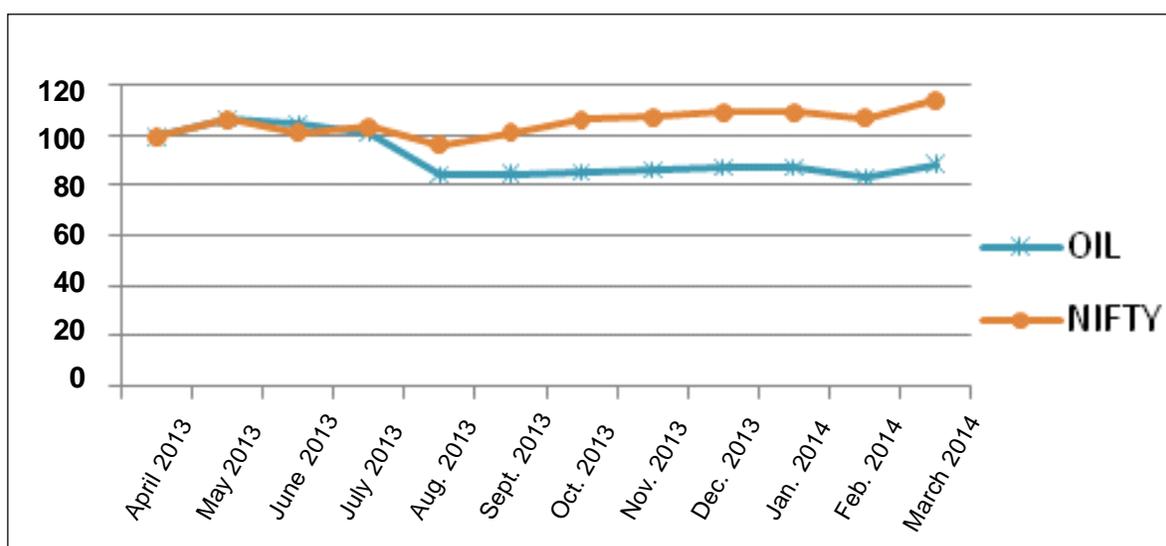
14. NAME, DESIGNATION AND ADDRESS OF COMPLIANCE OFFICER

NAME	DESIGNATION	ADDRESS
Shri. S.R.Krishnan	Company Secretary	Oil India Limited Plot No. 19, Sector 16 A, Film City, Noida - 201301, U.P

15. STOCK MARKET INFORMATION

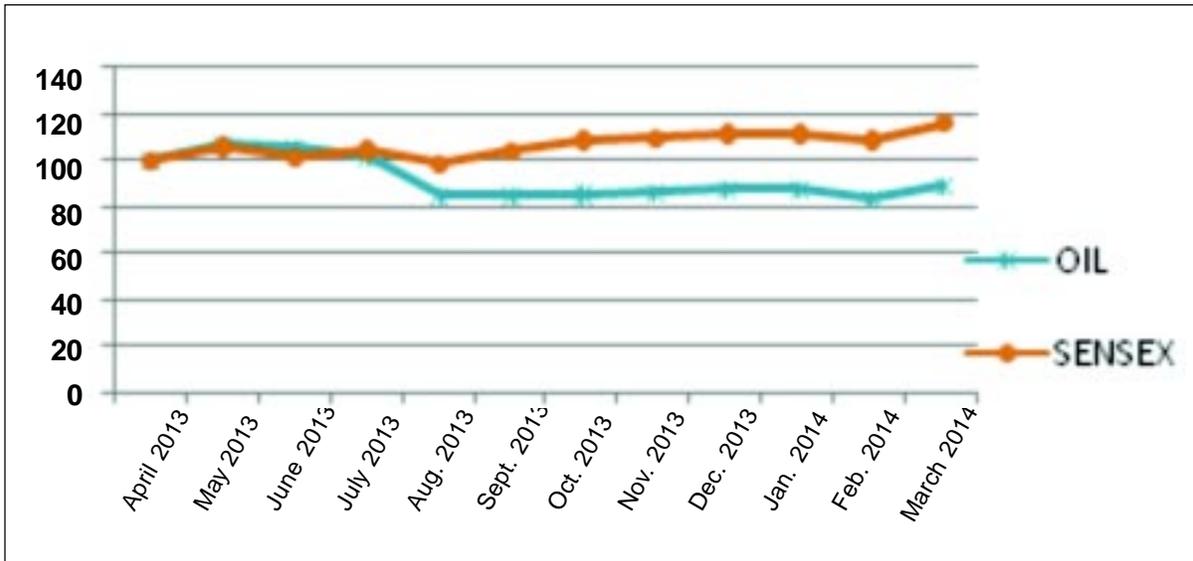
The stock price performance of OIL in comparison to S&P CNX NIFTY and BSE sensex is plotted below:

OIL SHARE PERFORMANCE : OIL VS. NIFTY (2013-14)





OIL SHARE PERFORMANCE : OIL VS. SENSEX (2013-14)



*All share Prices are rebased at 100

15. MARKET PRICE DATA: HIGH LOW AND VOLUME DURING EACH MONTH IN LAST FINANCIAL YEAR

BOMBAY STOCK EXCHANGE			NATIONAL STOCK EXCHANGE			
MONTH	HIGH (Rs.)	LOW (Rs.)	VOLUME	HIGH (Rs.)	LOW (Rs.)	VOLUME
April 2013	574.00	507.05	4,89,450	574.90	505.15	83,18,914
May 2013	629.70	540.10	9,66,250	629.90	543.00	1,76,49,824
June 2013	625.00	530.00	13,29,375	621.00	530.00	1,03,42,213
July 2013	589.00	473.75	6,83,811	589.35	471.75	93,69,547
Aug 2013	530.00	415.00	7,80,287	530.00	415.10	63,13,338
Sep 2013	498.00	426.00	7,74,156	499.00	426.15	84,84,574
Oct 2013	477.15	432.90	4,16,263	481.00	432.00	52,83,570
Nov 2013	487.50	449.35	17,34,805	487.50	448.20	63,85,329
Dec 2013	489.50	450.60	6,05,041	492.00	450.20	71,99,922
Jan 2014	490.55	451.10	3,75,742	491.00	450.05	66,37,855
Feb 2014	463.95	439.00	3,42,897	464.00	438.00	51,76,073
Mar 2014	500.00	445.25	8,70,542	495.00	445.00	65,71,125



17. I) SHAREHOLDING PATTERN AS ON 31.03.2014

S. NO	Category of Shareholder	Folios	Shares	Holding %
1	Promoters	1	406631998	67.64
2	Bodies Corporates	894	71002053	11.81
3	Foreign Institutional Investors	309	55692623	9.26
4	Mutual Funds	111	37147068	6.18
5	Resident Individuals	106731	18028698	3.00
6	Indian Financial Institutions	19	10983239	1.83
7	Banks	11	444723	0.07
8	Non Resident Indians	1662	461271	0.08
9	H U F	2942	419515	0.07
10	Clearing Members	173	308161	0.05
11	Directors	5	13400	0.00
12	Trusts	8	3206	0.00
	Total	112866	601135955	100.00

II) DISTRIBUTION SCHEDULE (31.03.2014)

Category	Folios	%	Total Shares	Amount	%
1-500	105959	93.88	7930253	79302530	1.32
501- 1000	2519	2.23	1870363	18703630	0.31
1001- 2000	1647	1.46	2412902	24129020	0.40
2001- 3000	1875	1.66	4402128	44021280	0.73
3001- 4000	164	0.15	571640	5716400	0.10
4001- 5000	96	0.09	443978	4439780	0.07
5001- 10000	156	0.14	1137536	11375360	0.19
10001& Above	450	0.40	582367155	5823671550	96.88
Total	112866	100	601135955	6011359550	100

18. UNCLAIMED / UNDELIVERED SHARES

The status of unclaimed / undelivered shares is as follows:-

Balance as on 01.04.2013		Received during the year		Dispatched during the year		Balance as on 31.03.2014	
Cases	No. of Shares	Cases	No. of Shares	Cases	No. of Shares	Cases	No. of Shares
173	89275	116	73300	137	94375	152	68200

Notes: The voting rights on unclaimed shares have been frozen.



19. AUDIT QUALIFICATIONS

As far as Audit Qualification are concerned, the Company is in the regime of unqualified financial statements.

20. RISK MANAGEMENT

The framework for risk assessment and minimization thereto is in place. On evaluations and further improvements, if any, suggested by experts it shall be further improved upon.

21. COMPLIANCE CERTIFICATE: CORPORATE GOVERNANCE

A Certificate from M/s Chandrasekaran Associates, Practicing Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement and DPE Guidelines on Corporate Governance is annexed.

22. SECRETARIAL COMPLIANCE REPORT

Secretarial Compliance Report confirming compliance to the applicable provisions of the Companies Act, 1956 / 2013, Listing Agreement, SEBI guidelines and all other relevant rules and regulations relating to Capital Market, obtained from M/s S. R. & Associates, Practicing Company Secretaries is annexed.

23. ADOPTION OF NON-MANDATORY REQUIREMENTS

The following non-mandatory requirements have been implemented and have been reflected elsewhere in this report:

- 1) The Company has constituted CSR & Sustainable Development Committee, Remuneration Committee, HSE Committee and Business Development Committee.
- 2) With regard to Shareholders' Rights of access to Financial Results, the results are being published widely

in newspapers and also hosted on the company's website.

- 3) The Company is in the regime of Unqualified Audit Reports.
- 4) A well defined Whistle Blower Policy / Mechanism is in place.

24. GUIDELINES ON CORPORATE GOVERNANCE BY DPE

The guidelines issued by DPE on Corporate Governance are being followed. Presidential Directive for Revision of Pay and Allowances issued by the MOP&NG has been implemented. No items of expenditure have been debited in books of accounts, which are not for the purpose of business. No expenses, which are personal in nature, have been incurred for the Board of Directors and top management. The administrative and office expenses 4.45% (4.57% previous year) of total expenses during 2013-14.

25. PROJECT LOCATIONS

Field Headquarters Duliajan, Assam – 786602	Rajasthan Project 2-A, District Shopping Centre, Saraswati Nagar, Basni, Jodhpur, Rajasthan-342005
Pipeline Headquarters P.O. Udayan Vihar Narengi, Guwahati	Eastern Producing Area Digboi Oil Fields, Digboi – 786171
KG Basin Project, 11-4-7, 3rd Floor, Nookalamma Temple Street, Ramaraopet, Kakinada-53004, Andhra Pradesh	Moran Oil Fields Moran, Distt Sivasagar, Assam-785669
Kolkata Branch 4, India Exchange Place, Kolkata-700001	Gabon Project La Sabliere, immeuble FIDJI, Pres de la Cour Constituionelle Gabon
Carabobo Project Venezuela	Project Carizzo, Houston, Texas, USA



CERTIFICATE ON CORPORATE GOVERNANCE

OIL India Limited

Plot No. 19,
Sector – 16A, Noida,
Distt: Gautam Budh Nagar
Uttar Pradesh – 201301

We have examined the compliance of conditions of Corporate Governance of OIL India Limited for the year ended March 31, 2014 as stipulated in the Clause 49 of the Listing Agreement entered into with the Stock Exchanges and Guidelines on Corporate Governance for central Public Sector Enterprises, 2010 issued by Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprise, Government of India (DPE) and annexure mentioned there under.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof, adopted by the Company for ensuring the compliance of the condition of Corporate Governance as stipulated in above mentioned Clause of the Listing Agreement and DPE Guidelines. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to best of our information and according to the explanation given to us, we certify that except the composition of the Board of Directors with respect to appointment of Independent Director in the Company pursuant to Clause 49, the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and DPE Guidelines.

We further state that such compliances neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Chandrasekaran Associates
Company Secretaries

Sd/-
Dr. S. Chandrasekaran
Senior Partner
(Membership No. FCS 1644, CP 715)

Place: Delhi

Date: 27.05.2014



SECRETARIAL AUDIT REPORT

To,
Oil India Limited
Plot No. 19,
Sector-16A, Noida,
Distt: Gautam Budh Nagar
Uttar Pradesh-201301

We have examined the registers, records and documents of Oil India Limited (the Company) for the financial year ended 31st March 2014 in the light of the provisions contained in-

- The Companies Act, 1956 and the Rules made thereunder;
- The Depositories Act, 1996 and the Regulation made thereunder;
- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- The Securities and Exchange Board of India (Prohibition of Insider Trading Regulations), 1999 and
- The listing agreement with the National Stock Exchange and Bombay Stock Exchange.

A. Based on our examination and verification of the records made available to us and according to the clarifications and explanations given to us by the Company, we report that the Company has, in our opinion, complied with the applicable provisions of the Companies Act, 1956 and the rules made thereunder and of the various Acts and the Rules, Regulations and Guidelines made thereunder, listing agreement as mentioned above and of the Memorandum and Articles of Association of the Company, with regard to:

1. Maintenance of various statutory and non-statutory registers and documents and making necessary changes therein as and when the occasion demands.
2. Filing with the Registrar of Companies the Forms, returns and resolutions.
3. Service of the requisite documents by the Company on its members, Registrar and Stock Exchanges.
4. Composition of the Board, appointment, retirement and resignation of directors subject to clause 49 for appointment of Independent Director.
5. Remuneration of executive and non executive directors.
6. Service of notice and agenda of Board Meetings and Meetings of the committee of directors.
7. Meeting of the Board and its committees.
8. Holding Annual General Meeting and production of the various registers thereat.
9. Recording the minutes of proceedings of board meetings, committee meetings and General Meetings.
10. Appointment and remuneration of Auditors and Cost Auditors;

11. The Company has declared dividend and paid to the eligible shareholders in compliance with the provisions of section 205 of the Act during the year.
12. The Company has transferred the unclaimed/unpaid dividend to Investor Education and Protection Fund in compliance with the provisions of section 205C of the Act during the year.
13. Borrowings and registration, modification and satisfaction of charges;
14. The Company has made investment in wholly owned subsidiaries and/or Joint Ventures abroad.
15. Form of balance sheet as prescribed under part I of Schedule VI to the Act and requirements as to Profit & Loss Account as per Part II of the said Schedule;
16. Giving guarantees in connection with loans taken by subsidiaries and associate companies;
17. Registration of transfer & transmission of shares and debentures, issue and allotment of shares and debentures and issue and delivery of original and duplicate certificates of shares and debentures held in physical mode.
18. Payment of interest on debentures and redemption of debentures.
19. Dematerialisation and Rematerialisation of shares.
20. Execution of contracts, affixation of common seal, registered office and the name of the Company.
21. Requirement of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) regulations 2011.
22. Requirement of the Securities and Exchange Board of India (Prohibition of Insider Trading regulations) 1999
23. Requirements set out in the listing agreement with the aforementioned stock exchanges.
24. Generally, all other applicable provisions of the Act and the rules made under that Act.

B. We further report that-

the Company has complied with various requirements relating to disclosures, declarations made by the Directors with respect to directorships, memberships of committees of the Board of Companies of which they are directors, their shareholding and interest of concern in the contracts entered into by the Company in the pursuing its normal business.

S R & ASSOCIATES
Company Secretaries
Sd/-

GEETA SHUKLA
Partner
FCS : 7040
C P : 7741

Place : Kolkata
Date : 28.04.2014



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OIL INDIA LIMITED

Report on the Financial Statements

1. We have audited the accompanying financial statements of Oil India Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and Significant Accounting Policies and Additional Notes, in which are incorporated the Company's share in the total value of assets, liabilities, expenditure and income based on fifteen audited and eighteen unaudited financial statements of Joint Ventures for exploration and production of crude oil and natural gas.
2. The attached financial statements and other financial information include Company's share of net of fixed assets, net current liabilities, expenses and incomes aggregating to Rs 210.01crore, Rs.40.77crore, Rs.313.74crore and Rs.48.51crore respectively as at March 31, 2014 in respect of fifteen of its unincorporated joint ventures, the accounts of which have been audited by the auditors of the respective Joint Ventures and relied upon by us.
3. The attached financial statements and other financial information include Company's share of net of fixed assets, net current assets, expenses and incomes aggregating to Rs. 301.59 crore, Rs. 191.67 crore, Rs. 206.87 crore and Rs.175.33 crore respectively as at March 31, 2014 in respect of eighteen of its unincorporated joint ventures, the accounts of which have not been audited by the auditors of the respective Joint Ventures. The financial statements and other financial information have been incorporated based on un-audited financial statements prepared by the Management and relied upon by us.
4. The audited and the unaudited statements of the above unincorporated joint ventures are prepared to meet requirements of production sharing contracts and are special purpose statements and none of the statements audited as well as unaudited, are drawn up in the same format as presented by the Company.

Management's Responsibility for the Financial Statements

5. Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting

Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") which as per the General Circular No.15/2013 dated 13.09.2013 issued by Ministry of Corporate Affairs continues to apply under Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

6. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
7. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
8. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

9. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) In the case of the Balance Sheet, of the state of



affairs of the Company as at 31st March, 2014;

- b) In the case of the statement of Profit and Loss, of the profit for the year ended on that date;and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter Paragraph

- 10. Without qualifying our report, we draw attention to the following Notes appearing in the Financial Statement:
 - i. Note 16.2 - regarding uncertainty related to the outcome of appeal filed by the Company against the order of Hon'ble High Court and consequential payment of decreed amount of Rs.99.05 crore shown under "Other Non-Current Assets" and not treating the same as expense.
 - ii. Note 31.7.2- regarding recognition of gain on foreign currency translation of Rs 238.96 crore.
 - iii. Note 31.7.3 - regarding uncertainty due to non provision of the recoverable dues of Rs.94.47 crore from Suntera Nigeria 205 Ltd. shown under "Short Term Loans and Advances" in which the Company is having 25% interest in equity.
 - iv. Note 31.12- regarding Use of Depreciation method on other Production Facilities being part of Producing Properties, in preference to the Depletion Method based on Unit of Production as recommended vide "Guidance Note on Accounting for Oil & Gas Producing Activities-2013" issued by the Institute of Chartered Accountants of India.

Report on Other Legal and Regulatory Requirements

- 11. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of

Section 227 of the Act, and on the basis of our examination of the books and records of the company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

- 12. As required by Section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Act;
 - e) Disclosure in terms of clause (g) of sub-section (1) of Section 274 of the Act is not required for Government Companies as per Notification No.GSR 829(E) dated October 21, 2003 issued by the Department of Company Affairs.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Act nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For SAHA GANGULI & ASSOCIATES
Chartered Accountants
Firm Regn.No.302191E

Sd/
(S. K. Saha)
Partner
Membership No.051392

Place: Noida
Date: 27.05.2014

For B.M. CHATRATH & CO.
Chartered Accountants
Firm Regn.No.301011E

Sd/
(P. R. Paul)
Partner
Membership No.051675



ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 11 of our report to the members of Oil India Limited ('the company') for the year ended 31st March 2014.)

1. (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets. However, the records of the land are in the process of updating and reconciling with physical verification.
- (b) The fixed assets and joint venture assets have been physically verified by the Management in phased manner designed to cover all items over a period of five years, which is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such verification.
- (c) None of the substantial part of fixed assets has been disposed off by the Company during the year.
2. (a) Stocks of Crude Oil and Liquefied Petroleum Gas (LPG) have been physically verified by the management during the year and stock of stores and spare parts (excluding stock in transit and/or under inspection with suppliers/contractors) have been physically verified by the management in phased manner. The frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records in respect of stocks of crude oil, LPG and stock of stores and spare parts. No material discrepancies have been noticed on verification between the physical assets and the book records.
3. (a) The Company has granted unsecured loans to two parties covered in the register maintained under section 301 of the Companies Act, 1956 ("the Act"). The amount outstanding at the year-end was ₹ 360.50 crores and the maximum amount outstanding at any time during the year was ₹ 381.00 crores.
- (b) The rate of interest and other terms and conditions of the loan granted is not prima facie prejudicial to the interest of the Company.
- (c) The repayment of principal and the payment of interest is not over due.
- (d) There is no overdue amount in respect of loans granted to the party listed in the register maintained under section 301 of the Act.
- (e) The Company has not taken any loans secured or unsecured, from companies firms or other parties covered in the register maintained under section 301 of the Act and consequently, the requirements of clause (iii)(f) and (iii)(g) of paragraph 4 of the Order, are not applicable.
4. There exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. We have not observed any continuing failure to correct major weaknesses in internal control system of the Company.
5. (a) The particulars of contracts or arrangement that need to be entered into the register maintained under Section 301 of the Act have been so entered.
- (b) The transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Act and exceeding the value of ₹ 5 lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted deposits from the public. Hence, the provisions of Sections 58A, 58AA or any other relevant provisions of the Act and the Rules framed there under are not applicable to the Company.
7. The Company has an internal audit system commensurate with the size and nature of its business. **However, the coverage of the area and monitoring of the internal audit system need to be strengthened.**
8. The Central Government of India has prescribed maintenance of cost records under Section 209(1)(d) of the Act for the production of crude oil, natural gas, LPG, and pipeline activities for transportation of crude oil. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the rules made by the Central Government for the maintenance of such cost records and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
9. (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, and other material statutory dues applicable to it.



(b) No undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, customs duty and excise duty were in arrears, as at 31.03.2014 for a period of more than six months from the date they became payable.

(c) Details of disputed dues in respect of income tax, sales tax, wealth tax, service tax, customs duty and excise duty which have not been deposited on account of any dispute are given below:-

Name of the Statute	Nature of Dues	Period to which the amount relates Financial year	Amount (₹ in Crores)	Forum where Dispute is pending
Assam Taxation (on specified land) Act, 2004	Tax on land	2004-05 to 2013-14	702.02	High Court, Guwahati.
Central Excise Act, 1944	Excise Duty	December 2008 to December 2009	14.27	CESTAT, Kolkata
		January 2010 to December 2010	11.92	-do-
		January 2011 to December 2011	17.47	-do-
		January 2012 to December 2012	31.54	-do-
		January 2013 to June 2013	9.68	-do-
	Service Tax	April 11 to Dec 11	19.8	-do-
		January 12 to	9.31	-do-
		September 12 July'08 to Mar'09	0.34	Comm.Central Excise & S. Tax (Appeal)
		April 09 to Mar'10	0.40	-do-

10. The Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses during the financial year and in the immediately preceding financial year.

11. The Company has not defaulted in repayment of dues to any financial institution or bank. The Company has not issued any debentures.

12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. The Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore the provisions of paragraph 4 (xiii) of the Order are not applicable to the Company.

14. The Company is not dealing or trading in shares, securities, debentures and other investments. Therefore, the provisions of Clause 4 (xiv) of the Order are not applicable to the Company.

15. The terms and conditions of the guarantees given by the Company for loans taken by its subsidiaries and others from bank or financial institutions are not prejudicial to the interest of the company.

16. Term loans raised by the Company were applied for the purpose for which the loans were obtained.

17. The Company has raised short term bridge loan with an intent to replace it by long term loan which has been used for long term investment.

18. The Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.

19. The Company has not issued any debentures during the year.

20. The Company has not raised any money by public issue during the year.

21. No fraud on or by the Company has been noticed or reported during the course of our audit.

For SAHA GANGULI & ASSOCIATES
Chartered Accountants
Firm Regn.No.302191E

For B.M. CHATRATH & CO.
Chartered Accountants
Firm Regn.No.301011E

Sd/
(S. K. Saha)
Partner
Membership No.051392

Sd/
(P. R. Paul)
Partner
Membership No.051675

Place: Noida
Date: 27.05.2014



**COMMENTS OF THE COMPTROLLER AND AUDITOR
GENERAL OF INDIA UNDER SECTION 619(4) OF
THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF
OIL INDIA LIMITED FOR THE YEAR ENDED
31 MARCH 2014**

The preparation of financial statements of Oil India Limited for the financial year ended 31st March 2014 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the Company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the Standards of Auditing prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 27th May 2014.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 619(3)(b) of the Companies Act, 1956 of the financial statements of Oil India Limited for the financial year ended 31st March 2014. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' Report under section 619(4) of the Companies Act, 1956.

For and on behalf of the
Comptroller & Auditor General of India
Sd/-

(YASHODHARARAY CHAUDHURI)
Principal Director of Commercial Audit &
Ex-officio Member, Audit Board-II
Kolkata

Place : Kolkata
Dated : 30th June, 2014



OIL INDIA LIMITED
Balance Sheet as at 31st March, 2014

(₹ in crore)

	Note	As at 31 st March, 2014	As at 31 st March, 2013
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	1	601.14	601.14
Reserves and surplus	2	20107.04	18610.34
		20708.18	19211.48
Non-Current Liabilities			
Long-term borrowings	3	1515.25	0.00
Deferred tax liabilities (Net)	4	1314.19	1218.63
Other Long-term liabilities	5	2.17	1.05
Long-term provisions	6	752.96	447.08
		3584.57	1666.76
Current Liabilities			
Short-term borrowings	7	8267.44	1057.81
Trade payables	8	398.41	292.45
Other current liabilities	9	1122.18	1416.10
Short-term provisions	10	793.67	1137.48
		10581.70	3903.84
TOTAL		34874.45	24782.08
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	11	5459.10	4976.94
Intangible assets	12	19.63	17.93
Capital work-in-progress	13	2077.16	1769.01
Non-current investments	14	11256.61	1857.07
Long-term loans and advances	15	518.10	526.86
Other non-current assets	16	102.01	103.91
		19432.61	9251.72
Current assets			
Current investments	17	200.00	0.00
Inventories	18	968.69	644.33
Trade receivables	19	465.67	902.67
Cash and cash equivalents	20	11543.68	12132.93
Short-term loans and advances	21	1502.67	959.91
Other current assets	22	761.13	890.52
		15441.84	15530.36
TOTAL		34874.45	24782.08
Additional Notes	31		
Significant Accounting Policies	32		

Notes referred to above form an integral part of the financial statements.
In terms of our report of even date.

For Saha Ganguli & Associates
Chartered Accountants
Firm Reg. No. 302191E

For B. M. Chatrath & Co.
Chartered Accountants
Firm Reg. No. 301011E

For and on behalf of the Board of Directors

Sd/-
(S.K.SAHA)
Membership No: 051392

Sd/-
(P.R.PAUL)
Membership No: 051675

Sd/-
(S.R.KRISHNAN)
Company Secretary

Sd/-
(MRS. RUPSHIKHA S. BORAH)
Director (Finance)

Sd/-
(S.K.SRIVASTAVA)
Chairman & Managing
Director

Place: Noida
Date: 27th May, 2014



OIL INDIA LIMITED
Statement of Profit and Loss for the year ended 31st March, 2014

	Note	Year ended 31 st March, 2014	Year ended 31 st March, 2013
(₹ in crore)			
I. Revenue from operations	23	9612.70	9947.57
II. Other income	24	1628.64	1530.45
III. Total Revenue (I +II)		11241.34	11478.02
IV. Expenses:			
Changes in inventories of finished goods	25	7.87	(27.37)
Employee benefits expense	26	1473.18	1310.63
Finance costs	27	68.78	2.60
Depreciation, Depletion, Amortization and Impairment	28	1177.02	837.63
Other expenses	29	4104.05	4071.30
Total Expenses		6830.90	6194.79
V. Profit before exceptional and extraordinary items and tax (III - IV)		4410.44	5283.23
VI. Exceptional Items		0.00	0.00
VII. Profit before extraordinary items and tax (V - VI)		4410.44	5283.23
VIII. Extraordinary Items		0.00	0.00
IX. Profit before tax (VII - VIII)		4410.44	5283.23
X. Tax expense:			
(1) Current tax		1333.58	1551.99
(2) Deferred tax		95.56	141.90
XI. Profit for the year from continuing operations (IX-X)		2981.30	3589.34
XII. Profit for the year from discontinuing operations		0.00	0.00
XIII. Tax expenses of discontinuing operations		0.00	0.00
XIV. Profit from discontinuing operations after taxes (XII-XIII)		0.00	0.00
XV. Profit for the year (XI+XIV)		2981.30	3589.34
XVI. Earnings per equity share (₹):	30		
(1) Basic		49.59	59.71
(2) Diluted		49.59	59.71
Additional Notes	31		
Significant Accounting Policies	32		

Notes referred to above form an integral part of the financial statements
 In terms of our report of even date.

For Saha Ganguli & Associates
 Chartered Accountants
 Firm Reg. No. 302191E

For B. M. Chatrath & Co.
 Chartered Accountants
 Firm Reg. No. 301011E

For and on behalf of the Board of Directors

Sd/-
(S.K.SAHA)
 Membership No: 051392

Sd/-
(P.R.PAUL)
 Membership No: 051675

Sd/-
(S.R.KRISHNAN)
 Company Secretary

Sd/-
(MRS. RUPSHIKHA S. BORAH)
 Director (Finance)

Sd/-
(S.K.SRIVASTAVA)
 Chairman & Managing
 Director

Place: Noida
 Date: 27th May, 2014

**NOTE-1****Share capital**

(₹ in crore)

	As at 31 st March, 2014	As at 31 st March, 2013
Authorised:		
200,00,00,000 (Previous year 200,00,00,000) Equity Shares of ₹10/- each	2000.00	2000.00
Issued, Subscribed and Fully Paid up:		
60,11,35,955 (Previous year 60,11,35,955) Equity Shares of ₹ 10/- each fully paid up	601.14	601.14

1.1 Details of shareholders holding more than 5% shares in the company is set out below:

Category	As at 31 st March, 2014		As at 31 st March, 2013	
	No of Shares	% to Equity	No of Shares	% to Equity
President of India	406,631,998	67.64%	411,385,743	68.43%

1.2 The reconciliation of the shares outstanding as at 31st March, 2014 & 31st March, 2013 is set out below:

Particulars	31 st March, 2014	31 st March, 2013
	No of Shares	No of Shares
Outstanding at the beginning of the year	601,135,955	240,454,382
Addition during the year	0	360,681,573
Outstanding at the end of the year	601,135,955	601,135,955

1.3 In the FY 2012-13 equity shares 36,06,81,573 of ₹10 each allotted as fully paid by way of bonus shares.**NOTE-2****Reserves and surplus**

(₹ in crore)

	As at 31 st March, 2014		As at 31 st March, 2013	
(a) Securities Premium Account				
Balance as per last financial statement	2390.12		2750.80	
Less: Bonus Shares Issued	0.00	2390.12	360.68	2390.12
(b) Foreign Currency Translation Reserve				
Balance as per last financial statement	0.00			
Addition during the year	(2.72)	(2.72)		0.00
(c) Foreign Currency Monetary Item Translation Difference Account				
Balance as per last financial statement	0.00			
Addition during the year	31.83			
Amortised during the year	(1.61)	30.22		0.00
(d) General Reserve				
Balance as per last financial statement	16220.22		14730.09	
Add: Amount transferred from surplus balance	1469.20	17689.42	1490.13	16220.22



(e) Surplus Balance				
Balance as per Statement of Profit & Loss	2981.30		3589.34	
Less: Appropriations				
Interim Dividend	1262.39		1382.61	
Tax on Interim Dividend	214.54		224.29	
Proposed Final Dividend	30.06		420.8	
Tax on Proposed Final Dividend	5.11		71.51	
Transfer to General Reserve	<u>1469.20</u>	0.00	<u>1490.13</u>	0.00
		<u>20107.04</u>		<u>18610.34</u>

2.1 The Board of Directors has recommended a final dividend of ₹ 0.50 per share which is subject to the approval of the shareholders in the ensuing Annual General Meeting over and above the interim dividend of ₹ 21 (₹ 11 and ₹ 10) per share paid in two phases.

2.2 The balance in Foreign Currency Translation Reserve Account reflects the exchange difference arising out of translation of monetary items related to Non Integral Foreign Operation.

NOTE-3

Long-term borrowings

(₹ in crore)

	As at 31 st March, 2014	As at 31 st March, 2013
Unsecured Loan		
External Commercial Borrowings	1515.25	0.00
	<u>1515.25</u>	<u>0.00</u>

3.1 Syndication loan of USD 250 million drawn from banks on 26.12.2013 repayable on the date falling five years from the date of drawal.

NOTE-4

Deferred tax liabilities (Net)

(₹ in crore)

	As at 31 st March, 2014	As at 31 st March, 2013
A. Deferred tax liability		
Timing differences in "Depreciation/Depletion"	1717.13	1525.81
B. Deferred tax assets		
Timing differences in "Disallowance"	402.94	307.18
C. Deferred tax liability (Net) (A-B)	<u>1314.19</u>	<u>1218.63</u>

**NOTE-5****Other Long-term liabilities**

(₹ in crore)

	As at 31 st March, 2014	As at 31 st March, 2013
Trade Payables		
Dues to Micro, Small and Medium Enterprises	0.00	0.00
Dues to Others	2.12	0.93
Others		
Liabilities- For Capital Exp. & others	0.05	0.12
	2.17	1.05

5.1 Refer to note no. 31.9 for dues to Micro, Small and Medium Enterprises.

NOTE-6**Long-term provisions**

(₹ in crore)

	As at 31 st March, 2014	As at 31 st March, 2013
Provision for employee benefits	294.69	234.36
Other provisions		
Well Abandonment Cost	458.27	212.72
	752.96	447.08

6.1 Provision for employee benefits includes superannuation benefits as per Note No 31.1.2

NOTE-7**Short-term borrowings**

(₹ in crore)

	As at 31 st March, 2014	As at 31 st March, 2013
Secured Loans		
Short Term Loan from Banks (Secured by pledge of Term Deposit Receipts)	1971.78	1021.86
Unsecured Loans (Foreign Currency)		
Short Term Credit	49.47	35.95
Short Term Bridge Loan	6246.19	0.00
	8267.44	1057.81



NOTE-8

Trade payables

(₹ in crore)

	As at 31 st March, 2014		As at 31 st March, 2013	
Trade Payables				
Dues to Micro, Small and Medium Enterprises	1.72		1.86	
Dues to Others	396.69	398.41	290.59	292.45
		<u>398.41</u>		<u>292.45</u>

8.1 Refer to note no. 31.9 for dues to Micro, Small and Medium Enterprises.

NOTE-9

Other current liabilities

(₹ in crore)

	As at 31 st March, 2014		As at 31 st March, 2013	
(a) Interest Accrued but not due on Borrowings	0.38		0.00	
(b) Unpaid Dividend	8.83		231.10	
(c) Other payables				
- Statutory Liabilities	228.17		290.21	
- Advance received from Customers	75.88		3.00	
- Liabilities- For Capital Exp. & others	594.03		676.88	
- Employees	214.89		214.91	
		<u>1122.18</u>		<u>1416.10</u>

NOTE-10

Short-term provisions

(₹ in crore)

	As at 31 st March, 2014		As at 31 st March, 2013	
(a) Provision for employee benefits	523.86		395.69	
(b) Provision for others				
Proposed Final Dividend	30.06		420.80	
Tax on Proposed Dividend	107.27		71.51	
Cost of unfinished Minimum Work Programme	127.28		240.77	
Others	5.20	269.81	8.71	741.79
		<u>793.67</u>		<u>1137.48</u>

10.1 Provision for employee benefits includes superannuation benefits as Note No 31.1.2.

10.2 In terms of Department of Public Enterprise order for revision of pay package of executives and non-unionised supervisors of CPSEs w.e.f 01.01.2007, a superannuation defined contribution plan has been formulated and approved by the competent authority. In recognition of such defined contribution plan liability w.e.f 01.01.2007, company has provided ₹ 106.55 crore during the year (Previous year ₹ 29.24 crore) and the cumulative liability as on 31.03.2014 stands at ₹ 460.95 crore (Previous year ₹ 354.40 crore).

10.3 Provision has been made towards cost of non-fulfilment of Minimum Work Programme (MWP) payable to Government of India as per terms of the Production Sharing Contract (PSC) of Blocks.



Tangible assets

(₹ in crore)

Particulars	Gross Block				Depreciation/Depletion				Net Block	
	Cost as at 1st April, 2013	Additions during the year	Deletions / Adjustments during the year	Cost as at 31st March, 2014	Up to 31st March, 2013	For the year	Deletions / Adjustments during the year	Up to 31st March, 2014	As at 31st March, 2014	As at 31st March, 2013
Land										
-Freehold	95.66	5.70	(15.65)	85.71	0.00	0.00	0.00	0.00	85.71	95.66
- Leasehold	1.85	2.54	0.00	4.39	0.00	0.44	0.00	0.44	3.95	1.85
Building (Including Roads & Bridges)	274.71	5.19	12.67	292.57	114.29	12.40	6.77	133.46	159.11	160.42
Producing Properties										
-Acquisition Cost	25.58	9.81	0.12	35.51	6.43	2.75	0.00	9.18	26.33	19.15
-Producing Wells	7130.57	961.22	0.00	8091.79	3565.38	453.27	0.00	4018.65	4073.14	3565.19
-Production Facilities	920.23	52.80	(12.85)	960.18	712.16	24.25	(5.84)	730.57	229.61	208.07
Plant & Machinery	2612.99	214.39	(8.95)	2818.43	1715.52	255.43	(8.81)	1962.14	856.29	897.48
Furniture & Fixtures	27.43	1.90	(0.48)	28.85	17.49	2.11	(0.48)	19.12	9.73	9.94
Vehicles	40.65	1.38	(0.33)	41.70	23.19	5.13	(0.31)	28.01	13.69	17.46
Office equipment	4.13	0.06	(0.04)	4.15	2.72	0.20	(0.04)	2.88	1.27	1.41
Railway Siding	1.93	0.00	0.00	1.93	1.62	0.04	0.00	1.66	0.27	0.31
Total	11135.73	1254.99	(25.51)	12365.21	6158.80	756.02	(8.71)	6906.11	5459.10	4976.94
Previous Year	10079.10	1132.31	(75.68)	11135.73	5604.90	612.64	(58.75)	6158.80	4976.94	

11.1 Lands for projects and drillings operations are acquired primarily through bipartite negotiation with the occupiers/pattadars. In case, however, bipartite negotiation fails, lands are acquired with the intervention of government officials under the relevant land laws. Upon successful negotiation or government order, as the case may be, consent letters are obtained from the occupiers/pattadars and surface compensation for the standing crops on the lands are settled and the same are capitalized either as Freehold Land or as Capital work in progress/Acquisition cost under Producing Properties. At the same time occupiers/pattadars are advised to submit documentary evidences in support of their legal possession of the lands. Pending submission of these documents and upon settlement of surface compensation, liability for land value is determined and capitalised under respective heads. Land cost forming part of Producing Properties/Capital work in progress is either amortized or charged off depending on discovery in the well. Land cost forming part of the Land under Possession is not amortized. Out of the total lands measuring 26064.41 Bigha under the possession of the company, lands measuring 6311.24 Bighas have been mutated and 3480.20 Bighas have been applied for mutation & for the balance, the verification of title deed of the land is in the process as on 31.03.2014. The Company is in the process of strengthening the acquisition process and the mutation of those lands including maintenance of systematic records thereof.

NOTE-12

Intangible assets

(₹ in crore)

Particulars	Gross Block				Amortisations			Net Block	
	Cost as at 1st April, 2013	Additions during the year	Deletions / Adjustments during the year	Cost as at 31st March, 2014	Up to 31st March, 2013	For the year	Up to 31st March, 2014	As at 31st March, 2014	As at 31st March, 2013
Right of Use	10.53	1.23	0.00	11.76	0.00	0.11	0.11	11.65	10.53
Computer Software	53.54	1.37	1.66	56.57	46.14	2.45	48.59	7.98	7.40
Total	64.07	2.60	1.66	68.33	46.14	2.56	48.70	19.63	17.93
Previous Year	62.14	1.93	0.00	64.07	42.82	3.32	46.14	17.93	

12.1 Right of use for laying pipelines does not bestow upon the company, the ownership of land and hence, treated as Intangible Assets.



NOTE-13

Capital work-in-progress

(₹ in crore)

Particulars	As at 1 st April, 2013	Additions during the year	Deletions / Adjustments during the year	Capitalised during the year	Transfer to Profit and loss	Balance as at 31 st March, 2014	Balance as at 31 st March, 2013
Tangible Assets							
Buildings (Including Roads & Bridges)	43.49	119.37	0.00	16.94	0.00	145.92	43.49
Plant & Machinery	359.30	257.28	0.00	239.31	0.00	377.27	359.30
Acquisition Cost-Land	29.46	12.08	(0.68)	9.81	4.79	26.26	29.46
Development Cost - Wells	299.10	882.39	(0.94)	808.08	17.78	354.69	299.10
Development Cost - Production Facilities	318.24	204.04	0.00	32.42	0.00	489.86	318.24
Intangible Assets							
-Acquisition Cost-Others	53.67	3.10	0.00	0.00	0.00	56.77	53.67
-Exploration Costs	903.44	566.76	0.94	153.14	568.18	749.82	903.44
Capital work in progress (Gross)	2006.70	2045.02	(0.68)	1259.70	590.75	2200.59	2006.70
Less: Provisions	237.69	15.29	0.00	0.00	129.55	123.43	237.69
Capital work in progress (Net)	1769.01	2029.73	(0.68)	1259.70	461.20	2077.16	1769.01

NOTE-14

Non-current investments

(₹ in crore)

	As at 31 st March, 2014	As at 31 st March, 2013
A. Trade Investments (valued at cost)		
Unquoted Equity Instruments		
- Oil India Sweden AB	Subsidiary 256.11	224.98
- Oil India Cyprus Limited	Subsidiary 0.01	0.01
- Oil India (USA) Inc.	Subsidiary 52.77	-
- Oil India International Limited	Subsidiary 100.00	-
- Beas Rovuma Energy Mozambique Ltd	Joint Venture 6,337.39	-
- Numaligarh Refinery Limited	- 483.65	483.65
- Brahmaputra Cracker & Polymer Limited	- 113.29	105.79
- DNP Limited	- 38.46	38.46
- Suntera Nigeria 205 Limited	- 0.01	0.01
Quoted Equity Instruments		
- Indian Oil Corporation Limited	- 2,670.75	-
B. Other Unquoted Investments (valued at cost)		
Investment in Debentures		
-The East India Clinic Limited, 5% Non Redeemable Debenture Stock 1957 (Carried at a nominal value of ₹ 1/- only)	- -	-
Investment in Capital Fund		
- Contribution to Capital Fund of Petroleum India International	- 5.00	5.00
Tax Free Bonds		
a) National Highway Authority of India	123.62	123.62
b) Power Finance Corporation Limited	128.49	128.49
c) Indian Railway Finance Corporation Limited	147.01	447.04
d) Rural electrification Corporation Limited	500.02	300.02
e) India Infrastructure Finance Corp Ltd.	300.03	-
	11,256.61	1,857.07



14.1 The aggregate amount of unquoted investments is ₹ 8585.86 crore (Previous year ₹ 1857.07 crore).

14.2 The aggregate market value of quoted investments is ₹ 3386.99 crore (Previous year Nil).

14.3 The details of investment are as under: -

Name of Body Corporate	3/31/2014		3/31/2013	
	No of Shares	Face Value	No of Shares	Face Value
Oil India Sweden AB	3678403	EURO 11.1945	3334140	EURO 11.1945
Oil India Cyprus Limited	760	EURO 1	760	EURO 1
Oil India (USA) Inc.	1000000000	\$0.01	3000	\$0.01
Oil India International Limited	100000000	₹ 10	-	-
Beas Rovuma Energy Mozambique Ltd	5120	No par value	-	-
Numaligarh Refinery Limited	191264202	₹ 10	191264202	₹ 10
Brahmaputra Cracker & Polymer Limited	113287159	₹ 10	105795019	₹ 10
DNP Limited	38460000	₹ 10	38460000	₹ 10
Indian Oil Corporation Limited	121397624	₹ 10	-	-
Suntera Nigeria 205 Ltd	62502	Naira 1	62502	Naira 1

14.4 Mode of valuation of investments is given in Note no 32.9.

NOTE-15

Long-term loans and advances

(₹ in crore)

	As at 31 st March, 2014	As at 31 st March, 2013
Secured, considered good		
Capital Advance	1.54	10.65
Loans & advances to employees	165.64	148.51
Unsecured, considered good		
Security Deposit	2.41	2.27
Inter Corporate Loans	348.20	364.60
Advance recoverable in cash or kind or for value to be received	0.31	0.83
	<u>518.10</u>	<u>526.86</u>

15.1 Loans & advances to employees include amount due from Whole time directors and Other Officers of the Company as under:

(₹ in crore)

Particulars	Balance as at	
	3/31/2014	3/31/2013
Directors	0.14	0.14
Other Officers	0.25	0.25
Total	0.39	0.39

15.2 Inter Corporate Loans represent loans given to

- M/s DNP Limited of ₹ 98.20 crore for a period of 10 years, which carries an interest of 10% per annum (8% per annum upto 19.04.2011). First instalment of Repayment of loan commenced from 01.04.2013. The Current portion of the loan outstanding is shown under 'Short-term loans and advances'.
- M/s Brahmaputra Cracker & Polymer Limited of ₹ 250.00 crore for a period of 5 years. The rate of interest is SBI Base Rate plus 0.50% prevailing on the date of signing of the Loan agreement and shall remain valid for one year. The interest on loan will be reset every year thereafter at prevailing SBI Base Rate at that point of time plus 0.50%. Repayment of loan will be commenced after the moratorium period of 2 years.

**NOTE-16****Other non-current assets**

(₹ in crore)

	As at 31 st March, 2014	As at 31 st March, 2013
Long term trade receivables		
Unsecured, considered good	0.00	2.44
Others		
Deposit under Site Restoration Scheme	2.96	2.42
Decreed amount paid under appeal	99.05	99.05
	<u>102.01</u>	<u>103.91</u>

16.1 Long term trade receivables represents non-current portion of receivables against lease rent under finance lease arrangement. Refer to note no. 31.5.

16.2 In terms of Hon'ble High Court order, Company has paid decreed amount of ₹ 99.05 crore in the FY 2012-13 arising out of dispute with a contractor. Company's appeal against such decreed amount is admitted and pending before the Hon'ble High Court and the Company considers it to be recoverable and as such not treated as expense.

NOTE-17**Current investments**

(₹ in crore)

	As at 31 st March, 2014	As at 31 st March, 2013
Unquoted Investment		
Mutual Funds		
a) Investment in Fixed Maturity Plan of SBI	100.00	0.00
b) Investment in Fixed Maturity Plan of UTI	100.00	0.00
	<u>200.00</u>	<u>0.00</u>
17.1 Aggregate market value/NAV of un-quoted investment -Mutual Funds	214.07	0.00
17.2 Mode of valuation of investments is given in Note no 32.9.		

NOTE-18**Inventories**

(₹ in crore)

	As at 31 st March, 2014		As at 31 st March, 2013	
Finished Goods				
Crude Oil	79.26		86.96	
Liquefied Petroleum Gas	0.22		0.40	
Condensate	0.06	79.54	0.05	87.41
Stores and spares	942.38		603.51	
Less: Provision for slow / non-moving inventory and other stores	54.22	888.16	47.55	555.96
Assets awaiting disposal		0.99		0.96
		<u>968.69</u>		<u>644.33</u>

18.1 Stores and spares includes Goods in transit ₹ 121.80 crore (Previous year ₹ 126.70 crore).

18.2 Mode of valuation of inventories is given in Note no 32.10.

**NOTE-19****Trade receivables**

(₹ in crore)

	As at 31 st March, 2014		As at 31 st March, 2013	
Outstanding for a period:				
Exceeding six months				
(a) Unsecured, considered good	27.07		35.28	
(b) Doubtful	13.78		31.67	
	<u>40.85</u>		<u>66.95</u>	
Less: Provision for doubtful debts	<u>13.78</u>	27.07	<u>31.67</u>	35.28
Others				
(a) Unsecured, considered good	438.60		867.39	
(b) Doubtful	0.12		0.29	
	<u>438.72</u>		<u>867.68</u>	
Less: Provision for doubtful debts	<u>0.12</u>	438.60	<u>0.29</u>	867.39
		<u>465.67</u>		<u>902.67</u>

NOTE-20**Cash and cash equivalents**

(₹ in crore)

	As at 31 st March, 2014		As at 31 st March, 2013	
(a) Balances with Banks				
Current Accounts		124.45		337.58
Term Deposits (Maturity of 12 months or less)		11414.10		11791.62
Cash Credit Account with State bank of India, Kolkata		4.39		2.65
(b) Cash in Hand		0.74		1.08
		<u>11543.68</u>		<u>12132.93</u>

20.1 Current Accounts includes an amount of ₹ 8.83 crore (Previous year ₹ 231.10 crore) in respect of earmarked balances with bank for unpaid dividend.

20.2 Term deposits includes ₹ 1971.78 crore (Previous Year ₹ 1021.86 crore), pledged as Security against Short Term Loans from Banks.



Short-term loans and advances

(₹ in crore)

	As at 31 st March, 2014	As at 31 st March, 2013
Unsecured, considered good		
Loans & advances to related parties		
Advance against acquisition of Equity Shares	83.30	73.94
Advance to Oil India International	0.02	0.00
Advance to Oil India (USA) Inc.	1.57	1.53
Loans to Beas Rovuma Energy Mozambique Ltd	75.46	0.00
Loans to M/s Suntera for working capital	94.47	64.07
Loans & advances to others		
Security Deposit	1.13	0.86
Advance recoverable in cash or kind or for value to be received	142.64	186.27
Income Tax paid against Demand	1741.26	1268.26
Less: Provision for Taxation	(857.91)	(859.44)
Loans & advances to employees	48.18	62.35
Leave Encashment Fund	160.25	145.67
Inter Corporate Loan (PSU) to M/s DNPL	12.30	16.40
Doubtful		
Loans to M/s Suntera for working capital	7.89	7.89
Less: Provision for doubtful loans & advances	7.89	7.89
	0.00	0.00
Advance recoverable in cash or kind or for value to be received	365.52	227.92
Less: Provision for doubtful loans & advances	365.52	227.92
	0.00	0.00
Inter Corporate Deposits (PSU) to M/s IDPL	28.33	28.33
Less: Provision for doubtful loans & advances	28.33	28.33
	0.00	0.00
	1502.67	959.91

21.1 For Leave Encashment fund refer to note no. 31.1.3.

21.2 Advance against acquisition of equity shares includes advances amounting to ₹ 0.06 crore (Previous year ₹ 0.06 crore), ₹ 69.63 crore (Previous year ₹ 52.78 crore) & ₹ 13.61 crore (Previous year ₹ 21.10 crore) paid to Oil India Cyprus Limited, Oil India (USA) Inc. & M/s BCPL respectively pending allotment.

21.3 Loans & advances to employees includes amount due from Whole time directors and Other Officers of the Company as under:

(₹ in crore)

Particulars	Balance as at	
	3/31/2014	3/31/2013
Directors	0.01	0.21
Other Officers	0.02	0.02
Total	0.03	0.23

**NOTE-22****Other current assets**

(₹ in crore)

	As at 31 st March, 2014	As at 31 st March, 2013
Accrued interest on Term Deposits & investments	760.80	890.25
Other Receivables	0.33	0.27
	761.13	890.52

NOTE-23**Revenue from operations**

(₹ in crore)

	Year ended 31 st March, 2014	Year ended 31 st March, 2013
Sale of Products		
Crude Oil	7280.71	7812.59
Natural Gas	1304.08	1150.66
Liquefied Petroleum Gas	106.60	121.20
Condensate	106.11	121.15
Sale of Services		
Income from Pipeline Transportation		
Crude Oil - Pipeline	183.61	196.00
Refined Product	144.96	123.03
Natural Gas - Pipeline	0.67	0.60
	329.24	319.63
Other Operating Revenues		
Claims towards under-recovery of Natural Gas Price	406.63	391.55
Income from Business Development Services	8.96	7.50
Income from Renewable resources	52.04	9.77
Generation based incentive-Wind Energy	4.08	0.00
Income from Finance Lease	4.16	4.32
Income from OFC Fibre Leasing	10.09	9.20
	9612.70	9947.57

23.1 As per directive of MOP&NG, Crude Oil price calculation is based on the monthly average price of benchmarked International Basket of Crude Oil which is further adjusted for quality differential. As per directive of MOP&NG, Discount is allowed on the sale of crude oil and LPG.

23.2 LPG price is governed as per the MOU between the Company and Indian Oil Corporation Ltd.

23.3 Natural Gas price is as notified by MOP&NG and applicable to operating areas of the company. Subsidy extended to the eligible customers in North East India is reimbursed by Government of India and shown as Other Operating Revenue.

23.4 In terms of decision of Government of India (GOI), the company has shared under-recoveries of Oil Marketing Companies (OMCs) on price sensitive products viz Crude Oil & LPG for the year 2013-14 by extending the discount in the Crude Oil & LPG based on the rates of discount communicated by Petroleum Planning and Analysis Cell (PPAC), Ministry of Petroleum and Natural Gas (MoP&NG). Sales value of Crude Oil & LPG are shown net of such discount of ₹ 8566.23 crore (Previous year Rs. 7766.08 crore) and Rs. 170.62 crore (Previous year Rs. 126.09 crore) respectively.

**NOTE-24****Other income**

(₹ in crore)

	Year ended 31 st March, 2014	Year ended 31 st March, 2013
Dividend from Equity Instruments	19.56	19.13
Dividend from Mutual Funds	107.88	50.38
Interest Income	1171.58	1400.93
Exchange (Loss)/Gain-Net	236.22	21.70
Miscellaneous Income	36.75	23.71
Excess provision written back	56.65	14.60
	1628.64	1530.45

NOTE-25**Changes in inventories of finished goods**

(₹ in crore)

	Year ended 31 st March, 2014		Year ended 31 st March, 2013	
Opening Stock				
Crude Oil	86.96		59.80	
Liquefied Petroleum Gas	0.40		0.24	
Condensate	0.05	87.41	0.00	60.04
Closing Stock				
Crude oil	79.26		86.96	
Liquefied Petroleum Gas	0.22		0.40	
Condensate	0.06	79.54	0.05	87.41
		7.87		(27.37)

NOTE-26**Employee benefits expense**

(₹ in crore)

	Year ended 31 st March, 2014	Year ended 31 st March, 2013
Salaries & Wages	1488.85	1388.56
Contribution to provident and other funds	355.04	294.56
Staff Welfare Expenses	112.53	68.14
	1956.42	1751.26
Less: Allocation to Capital account & recoveries	483.24	440.63
	1473.18	1310.63

26.1 Contribution to provident and other funds includes an amount of ₹106.55 Crore (Previous year ₹ 29.24 crore) on account of superannuation defined contribution benefit plan. {Refer Note 10.2}

**NOTE-27****Finance costs**

(₹ in crore)

	Year ended 31 st March, 2014	Year ended 31 st March, 2013
Interest expenses		
-Secured loan	8.51	2.18
-Unsecured loan ^{27.1}	60.27	0.42
	68.78	2.60

27.1 In line with the approval of the Govt. of India, Company has financed the acquisition of 40% shares in Videocon Mozambique Rovuma 1 Limited (renamed as Beas Rovuma Energy Mozambique Limited) out of foreign currency borrowings. However, interest servicing on these foreign currency borrowings amounting to ₹ 21.01 crore is being done out of Company's internal resource generation in India.

NOTE-28**Depreciation, Depletion, Amortization and Impairment**

(₹ in crore)

	Year ended 31 st March, 2014	Year ended 31 st March, 2013
Depreciation	257.32	164.05
Depletion	455.82	399.77
Amortisation	2.67	3.32
Exploration Cost written off	461.21	270.49
	1177.02	837.63

NOTE-29**Other expenses**

(₹ in crore)

	Year ended 31 st March, 2014	Year ended 31 st March, 2013
Statutory Levies	2878.85	3043.85
Consumption of Stores & spares parts	137.89	113.57
Consumption of Fuel	32.94	27.98
Cost of contractual services	709.43	596.44
Insurance, rent, rates & taxes	34.31	32.96
Profit Petroleum	18.26	15.31
Provisions		
Exploration cost	15.29	22.98
Cost of unfinished Minimum Work Programme	18.81	58.52
Loans & advances	137.60	75.09
Inventories	6.60	0.15
Trade receivables	0.30	0.43
Others	(1.60)	5.81
	177.00	162.98



Prior period item

Depreciation, Depletion & Amortisation	(0.65)		0.00	
Consumption of Stores & spares parts	(1.93)		0.00	
Employee benefit expense	3.61		0.00	
Cost of contractual services	17.64	18.67	0.00	0.00

Sundry Expenses

	96.70	78.21
	<u>4104.05</u>	<u>4071.30</u>

29.1 Statutory levies represent Royalty ₹1276.08 crore (Previous year ₹ 1332.55 crore) and Cess ₹1602.77 crore (Previous year ₹ 1711.30 crore).

29.2 The Company has reviewed the recent judgement of the Supreme Court with regard to payment of Royalty on Pre-discount price of crude oil and is of the opinion that no liability on this account is anticipated at this stage.

29.3 The details of Payment to statutory auditors included under Sundry Expenses: (₹ in crore)

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
Payments to Auditors (including service tax):		
(a) As Auditor	0.38	0.38
(b) For Taxation matters (Tax Audit)	0.09	0.09
(c) For company law matters	0.00	0.00
(d) For Management services	0.00	0.00
(e) For other services-Certification	0.03	0.05
(f) For reimbursement of expenses	0.02	0.00
Total	0.52	0.52

29.4 Value of imports calculate on CIF basis:

(₹ in crore)

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
(a) Components & spare parts	36.39	92.52
(b) Capital goods	18.50	51.04
Total	54.89	143.56

29.5 Expenditure in foreign currency:

(₹ in crore)

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
(a) Professional & Consultation fees	226.35	165.07
(b) Foreign tours	16.89	15.86
Total	243.24	180.93



29.6 Consumption of Stores and Spare parts:

(₹ in crore)

Particulars	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
(a) Imported	180.97	55.00%	196.23	54.00%
(b) Indigenous	148.06	45.00%	148.03	46.00%
Total	329.03	100.00%	344.26	100.00%

29.7 Earnings in foreign currency:

(₹ in crore)

Particulars	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
Other income	0.26		1.29	

NOTE-30**Earnings per equity share**

	Year ended 31 st March, 2014	Year ended 31 st March, 2013
Basic & Diluted		
(a) Number of Equity Shares at the beginning of the year	601135955	240454382
Number of Equity Shares at the end of the year	601135955	601135955
Weighted average number of Equity Shares outstanding during the year	601135955	601135955
Face value of each Equity Share (₹)	10.00	10.00
(b) Profit after Tax available for Equity Shareholders (₹ in crore)	2981.30	3589.34
Earning Per Equity Share (₹) - Basic	49.59	59.71
Earning Per Equity Share (₹) - Diluted	49.59	59.71

30.1 Weighted average number of Equity Shares for Previous period figures have been restated for the purpose of computation of Earnings per share in accordance with AS-20.


NOTE-31: Additional Notes
31.1 Disclosure pursuant to Accounting Standard (AS) 15 (Revised 2005) – Employee Benefits:-
31.1.1 Defined Contribution Plans

The Company's contribution to Provident Funds for employees and executives is ₹ 79.79 crore (Previous year ₹ 72.36 crore).

31.1.2 Defined Benefit Plans

The various Benefit Plans which are in operation are Gratuity Fund, Oil India Employee's Pension Fund (OIEPF), Oil India Pension Fund (OIPF), Leave Encashment Fund, Post Retirement Medical Benefit and Long Service Award. The present value of the obligation is determined based on actuarial valuation made at the end of the financial year using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefits entitlement and measures each unit separately to build up the final obligation. Long Service Award liability as on 31.03.2014 determined by the actuary, has been charged to Statement of Profit and Loss. The amount recognised in the Balance Sheet as the present value of the defined benefit obligation is net of the fair value of plan assets at the Balance Sheet date.

31.1.3 Certified Actuarial Data:-

The following tables set out the status of the Defined Benefit plans as required under AS-15:

A. The amount recognised in Balance Sheet for post employment benefits:

(₹ in crore)

	Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post Retirement Medical Benefits
Present Value of obligation at the end of the year	337.05 (342.88)	373.85 (389.13)	945.67 (801.46)	204.65 (179.77)	123.66 (71.82)
Fair Value of Plan Asset at the end of the year	313.88 (319.96)	349.24 (339.64)	847.56 (708.20)	160.25 (145.67)	(00.00) (0.00)
Fund Status at end of the year {Net Assets (-)/ Net liability}	23.17 (22.92)	24.61 (49.49)	98.11 (93.26)	44.40 (34.10)	123.66 (71.82)

B. Reconciliation of opening and closing balances of Defined Benefits obligations:

(₹ in crore)

	Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post Retirement Medical Benefits
Present Value of obligation at the beginning of the year	342.88 (322.04)	389.13 (377.40)	801.46 (689.26)	179.77 (157.82)	71.82 (66.65)
Interest Cost	27.75 (24.53)	29.68 (27.20)	65.67 (52.86)	13.83 (11.66)	5.46 (4.92)
Current Service Cost	25.62 (22.55)	13.80 (15.29)	87.53 (62.22)	47.12 (42.66)	15.05 (15.65)
Benefits Paid	-32.90 (-30.91)	-79.94 (-74.79)	-57.76 (-57.16)	-34.04 (-24.10)	-15.17 (-10.45)
Actuarial gains(-)/loss on obligations	-26.30 (4.67)	21.18 (44.03)	48.77 (54.28)	-2.03 (-8.27)	46.50 (-4.95)
Present Value of obligation at the end of the year	337.05 (342.88)	373.85 (389.13)	945.67 (801.46)	204.65 (179.77)	123.66 (71.82)

**C. Reconciliation of opening and closing balances of fair value of plan assets:**

(₹ in crore)

	Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post Retirement Medical Benefits
Fair Value of Plan Asset at Beginning of the year	319.96 (299.04)	339.64 (377.58)	708.20 (628.29)	145.67 (113.49)	NA*
Expected Return on Plan Assets	25.60 (23.92)	27.17 30.20	56.66 (50.26)	11.65 (9.08)	NA* NA*
Contributions	23.37 (36.06)	54.45 (7.25)	103.86 (66.78)	34.10 (44.33)	NA*
Benefits Paid	-32.90 (-30.91)	-79.94 (-74.79)	-57.76 (-57.16)	-34.04 (-24.10)	NA*
Actuarial gain/loss(-) on Plan Assets	-22.15 (-8.15)	7.92 (-0.60)	36.60 (20.03)	2.87 (2.87)	NA*
Fair Value of Plan Asset at the end of the year	313.88 (319.96)	349.24 (339.64)	847.56 (708.20)	160.25 (145.67)	NA*

NA*: Not Applicable as Scheme is unfunded

D. Expenses Recognised in Statement of Profit / Loss:

(₹ in crore)

	Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post Retirement Medical Benefits
Current Service Cost	25.62 (22.55)	13.80 (15.30)	87.53 (62.22)	47.12 (42.66)	15.05 (15.65)
Interest Cost	27.75 (24.53)	29.68 (27.20)	65.67 (52.85)	13.83 (11.66)	5.46 (4.92)
Expected Return on Plan Assets	-25.60 (-23.92)	-27.14 (-30.21)	-56.66 (-50.26)	-11.65 (-9.08)	0.00 (0.00)
Actuarial gain(-)/loss	-4.15 (12.82)	13.26 (44.63)	12.17 (34.25)	-4.90 (-11.14)	46.50 (-4.95)
Expense Recognized in Statement of Profit/ Loss Account	23.63 (35.98)	29.57 (56.92)	108.71 (99.07)	44.40 (34.10)	67.01 (15.62)

E. Investment of Superannuation Funds:

Nature of Investment	Percentage of Investment					
	Gratuity Fund		Pension Fund (OIPF)		Pension Fund (OIEPF)	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013	31.03.2014	31.03.2013
Central Govt.	35.07	33.82	38.21	36.61	36.30	34.99
State Govt.	13.75	14.67	25.21	23.64	17.39	18.21
PSU	38.72	40.13	32.28	35.84	44.97	46.36
Others	12.46	11.38	4.30	3.91	1.34	0.44
Total	100.00	100.00	100.00	100.00	100.00	100.00


F. Actuarial assumptions:

	Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post Retirement Medical Benefits
Mortality Table (LIC)	2006/08	2006/08	2006/08	2006/08	2006/08
Superannuation Age	60 (60)	60 (60)	60 (60)	60 (60)	60 (60)
Early Retirement & Disablement (10 Per Thousand P.A)					
-age above 45	6 (6)	6 (6)	6 (6)	6 (6)	6 (6)
-age between 29 and 45	3 (3)	3 (3)	3 (3)	3 (3)	3 (3)
-age below 29	1 (1)	1 (1)	1 (1)	1 (1)	1 (1)
Discount Rate	8.50% (8.00%)	8.50% (8.00%)	8.50% (8.00%)	8.50% (8.00%)	8.50% (8.00%)
Inflation Rate	6.00% (5.00%)	6.00% (5.00%)	6.00% (5.00%)	6.00% (5.00%)	0.00% (0.00%)
Expected Rate of Return on plan assets	8.00% (8.00%)	8.00% (8.00%)	8.00% (8.00%)	8.00% (8.00%)	0.00% (0.00%)
Remaining working life	10 (11)	7 (8)	10 (11)	11 (10)	10 (11)

G. Current/Non-current classification of Superannuation Funds/Employee benefits:

(₹ in crore)

	Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post Retirement Medical Benefits	Long Service Award
Current Liability	23.18 (22.92)	24.61 (49.49)	98.11 (93.26)	32.54 (29.46)	18.89 (6.80)	9.41 (5.03)
Non-current Liability	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	172.11 (150.31)	104.77 (65.02)	17.81 (19.03)
Total	23.18 (22.92)	24.61 (49.49)	98.11 (93.26)	204.65 (179.77)	123.66 (71.82)	27.22 (24.06)

Note: Figures in parenthesis represent corresponding previous year's figure.
31.2 Information as per Accounting Standard (AS) 16 "Borrowing Costs"

Borrowing cost capitalized during the year is ₹1.38 crore (Previous year ₹ Nil).

**31.3 Segment Revenue, Results Assets and Liabilities for the year ended 31st March, 2014 :**

(₹ in crore)

	Year ended 31 st March, 2014	Year ended 31 st March, 2013
Revenue		
External sales		
Crude Oil	7386.82	7933.74
Natural Gas	1710.71	1542.21
LPG	106.60	121.20
Pipeline Transportation	329.24	319.63
Others	1707.97	1561.24
Total Revenue	11241.34	11478.02
Results		
Crude Oil	2451.76	3232.60
Natural Gas	762.97	710.41
LPG	62.34	80.16
Pipeline Transportation	47.53	74.65
Others	1599.92	1537.66
Segment Results	4924.52	5635.48
Less: Unallocated expenses	445.30	349.65
Operating profit	4479.22	5285.83
Interest expense	68.78	2.60
Profit before tax	4410.44	5283.23
Tax expenses	1429.14	1693.89
Profit after tax	2981.30	3589.34
Segment Assets		
Crude Oil	5336.49	4791.82
Natural Gas	3102.81	3209.35
LPG	59.91	65.65
Pipeline Transportation	424.64	349.71
Unallocated assets	25950.60	16365.55
Total Assets	34874.45	24782.08
Segment Liabilities		
Crude Oil	2063.27	1902.55
Natural Gas	559.11	844.86
LPG	55.31	31.42
Pipeline Transportation	135.58	81.77
Unallocated liabilities	11353.00	2710.00
Total Liabilities	14166.27	5570.60

Note:

- (i) Revenue and expenses directly identifiable to the segments have been allocated to the relative primary reportable segments.
- (ii) Segment revenue and expenses which are not directly identifiable to the primary reportable segments have been disclosed under others which primarily includes interest and dividend income and revenue from other miscellaneous activities.
- (iii) Assets and liabilities which are directly identifiable to the segments have been allocated to relative segments.
- (iv) Assets and liabilities which are not directly identifiable to the segments have been disclosed under unallocated.
- (v) There are no reportable geographical segments.



31.4 Information as per Accounting Standard (AS) 18 “Related Party Disclosures”

a) Related party relationships

Name of related parties and nature of relationship (excluding the State controlled entities):

i) Joint Ventures (Unincorporated):

Sl. No	Name of Joint Venture
1	MZ-ONN-2004/1
2	RJ-ONN-2004/2
3	KG-ONN-2004/1
4	RJ-ONN-2005/2
5	Kharsang PSC
6	AAP-ON-94/1
7	KG-DWN-2009/1
8	KG-OSN-2009/4
9	Shakthi, Gabon
10	Area 95/96, Libya
11	Block 82, Yemen
12	Block 83, Yemen
13	AS-CBM-2008/IV-CBM
14	Block SS-04, Bangladesh
15	Block SS-09, Bangladesh

ii) Key Management Personnel

Whole time Functional Directors:

a) Mr. S.K.Srivastava	Chairman and Managing Director
b) Mr. N.K. Bharali	Director (HR & BD)
c) Mr. S. Rath	Director (Operations)
d) Mrs. R.S. Borah	Director (Finance) (w.e.f. 01.10.2013)
e) Mr. T.K. Ananth Kumar	Director (Finance) (up to 30.09.2013)
f) Mr. B.N.Talukdar	Director (Exploration and Development)(up to 05.02.2014)

Part-time Directors:

a) Mr. Anup Mukerji	Independent Director
b) Mr. Suresh Chand Gupta	Independent Director
c) Mr. Bhaskar Ramamurthi	Independent Director
d) Mr. Shekhar Chaudhuri	Independent Director
e) Mr. Gautam Barua	Independent Director



b) Details of Transactions during the year (excluding State controlled entities):

(₹ in crore)

Sl. No.	Particulars	Joint Ventures/Associates	Key Management Personnel	Total
1.	Sales Proceeds received from Joint Venture	169.71 (170.92)		169.71 (170.92)
2.	Expenses reimbursed to Joint Ventures and Associates	176.90 (147.36)		176.90 (147.36)
3.	Remuneration to Functional Directors		2.60 (3.57)	2.60 (3.57)
4.	Sitting Fees to Part-time Directors		0.18 (0.15)	0.18 (0.15)
5.	Amount outstanding		0.14 (0.35)	0.14 (0.35)

Note: Figures in parenthesis represent corresponding previous year figure.

31.5 Information as per Accounting Standard (AS) 19 “Lease”

The Company has signed a “Participating Agreement” (PA) for the product pipeline in Sudan with ONGC Videsh Limited (OVL) for a 10% Participating Interest (balance 90% being with OVL) awarded by Ministry of Energy & Mining, Govt. of Sudan (GOS). The construction of the pipeline project was completed on 01.09.2005 and handed over to GOS under Build, Own, Lease and Transfer (BOLT) basis.

The “PA” entered into between OVL and the Company is neither intended nor shall be construed as creating a partnership or joint venture among the parties. Hence, accounting has not been done following “Joint Venture Accounting Policy” but the agreement for providing finance for the project in rupees to OVL and to share lease rentals receivable from Govt. of Sudan has been treated as “Finance Lease Activity” as envisaged under Accounting Standard (AS) 19 issued by The Institute of Chartered Accountants of India and accordingly accounted for.

Disclosures related to Finance Lease in line with AS 19

(₹ in crore)

(i)	Gross investment in the lease being Minimum Lease Payment (MLP)	31.03.2014		31.03.2013			
	Investment made	54.01		54.01			
	Lease rental receivable	46.30	100.31	45.75	99.76		
(ii)	Present value (PV) of MLP receivable as on 31.03.2014 (inclusive of exchange rate fluctuation)		8.19		12.11		
(iii)	Finance lease future installments receivable		11.19		16.73		
(iv)	Minimum lease payments receivable (converted at period end exchange rate) :						
		Gross Receivable		Unearned Lease Income		PV of MLP	
	Receivable :	31.03.2014	31.03.2013	31.03.2014	31.03.2013	31.03.2014	31.03.2013
	a) not later than one year	11.19	13.38	3.00	3.71	8.19	9.67
	b) later than one year but not later than 5 years	0.00	3.35	0.00	0.91	0.00	2.44
	c) later than 5 years	0.00	0.00	0.00	0.00	0.00	0.00
	Total :	11.19	16.73	3.00	4.62	8.19	12.11



31.6 Since the company is not having any discontinuing operations and as such disclosure under AS-24 is not applicable.

31.7 Information as per Accounting Standard (AS) 27 “Financial reporting of interest in Joint Ventures”

31.7.1 Company executed various JVCs/PSCs in India as Jointly Control Assets as on 31.03.2014, the details of which are given below:

Jointly controlled Assets in India

A. Operated/Jointly Operated

Sl. No.	Block No.	Company's Participating interest
1.	AA-ONN-2002/3	30% (30%)
2.	MZ-ONN-2004/1	85% (85%)
3.	AA-ONN-2004/2	100% (100%)
4.	RJ-ONN-2004/2*	75% (75%)
5.	KG-ONN-2004/1*	90% (90%)
6.	RJ-ONN-2005/2	60% (60%)
7.	AA-ONN-2009/4	50% (50%)
8.	CY-OSN-2009/2	50% (50%)
9.	AN-DWN-2009/3	40% (40%)
10.	AA-ONN-2010/2	40% (40%)
11.	AA-ONN-2010/3	40% (40%)
12.	MB-OSN-2010/2	50% (50%)

Note: Figures in parenthesis represent corresponding previous year figure.

*M/S Geo Global Resources Inc. holding 25% participating interest in RJ-ONN-2004/2 and 10% participating interest in KG-ONN-2004/1 has withdrawn from the blocks and the company is in the process of taking over the said participating interests for which final approval is pending from MOP&NG.



The Financial position of the above blocks are as under:

(₹ in crore)

Sl. No.	Block No.	Net Fixed Assets	Net Producing Property	Capital Work in Progress	Pre Producing Property	Net Current Assets (+)/Current Liabilities(-)	Income	Expenditure	Write Off EXP. - Dry & Abandoned Exploratory Wells
Operated – Audited Accounts									
1.	AA-ONN-2002/3 (CY)	0.00	0.00	0.00	2.04	-3.02	0.00	2.47	0.00
	(PY)	0.00	0.00	0.00	1.40	2.64	0.00	1.44	0.00
2.	AA-ONN-2004/2 (CY)	0.00	0.00	0.00	0.08	-0.33	0.00	1.07	28.65
	(PY)	0.00	0.00	0.00	27.57	-0.39	0.00	1.66	0.00
3.	RJ-ONN-2004/2 (CY)	0.00	0.00	0.00	12.10	9.29	2.31	36.40	0.70
	(PY)	0.00	0.00	0.00	11.92	3.72	0.00	1.70	-1.92
4.	RJ-ONN-2005/2 (CY)	0.00	0.00	0.00	0.00	14.24	0.00	17.93	0.00
	(PY)	0.00	0.00	0.00	0.00	73.73	0.00	56.60	0.00
5.	CY-OSN-2009/2 (CY)	0.00	0.00	0.00	0.60	0.41	0.05	2.83	0.00
	(PY)	0.00	0.00	0.00	0.00	1.27	0.18	3.31	0.00
6.	MB-OSN-2010/2(CY)	0.00	0.00	0.00	0.00	0.57	0.00	9.12	0.00
	(PY)	0.00	0.00	0.00	0.00	0.38	0.00	-0.02	0.00
7.	MZ-ONN-2004/1(CY)	0.21	0.00	0.00	34.38	5.16	45.94	34.22	0.00
	(PY)	0.19	0.00	0.00	13.51	-49.74	0.00	56.68	0.00
8.	AA-ONN-2009/4(CY)	0.00	0.00	0.00	0.00	14.86	0.00	17.05	0.00
	(PY)	0.00	0.00	0.00	0.00	5.70	0.00	5.92	0.00
	Total (CY)	0.21	0.00	0.00	49.20	41.18	48.30	121.09	29.35
	(PY)	0.19	0.00	0.00	54.40	37.31	0.18	127.29	-1.92
Operated – Un-Audited Accounts									
1.	KG-ONN-2004/1 (CY)	0.51	0.00	0.12	21.62	203.24	0.16	54.56	0.00
	(PY)	0.36	0.00	0.00	15.69	-0.25	0.03	22.68	0.00
2.	AN-DWN-2009/3 (CY)	0.00	0.01	0.00	0.00	-2.58	0.00	5.52	0.00
	(PY)	0.00	0.00	0.00	0.00	-42.46	0.04	42.10	0.00
3.	AA-ONN-2010/2(CY)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	(PY)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4.	AA-ONN-2010/3(CY)	0.00	0.00	0.00	0.00	3.61	0.00	2.40	0.00
	(PY)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total (CY)	0.51	0.01	0.12	21.62	204.27	0.16	62.48	0.00
	(PY)	0.36	0.00	0.00	15.69	-42.71	0.07	64.78	0.00
	Grand Total (CY)	0.72	0.01	0.12	70.82	245.45	48.46	183.57	29.35
	(PY)	0.55	0.00	0.00	70.09	-5.40	0.25	192.07	-1.92



B. Non-operated

Sl. No.	Block No.	Company's Participating interest
1.	Kharsang PSC *	40% (40%)
2.	AAP-ON-94/1 *	16.129% in Expl Phase with additional 30% carrying interest. (16.129% in Expl Phase with additional 30% carrying interest.)
3.	MN-OSN-2000/2	20% (20%)
4.	AA-ONN-2001/3	15% (15%)
5.	AA-ONN-2002/4	10% (10%)
6.	AA-ONN-2005/1	30% (30%)
7.	WB-ONN-2005/4	25% (25%)
8.	AA-ONN-2009/3	50% (50%)
9.	AN-DWN-2009/1	30% (30%)
10.	AN-DWN-2009/2	40% (40%)
11.	AN-DWN-2009/18	30% (30%)
12.	KG-OSN-2009/4	30% (30%)
13.	GK-OSN-2010/1	30% (30%)
14.	AS-CBM-2008/IV-CBM	40% (40%)

Note: Figures in parenthesis represent corresponding previous year figure.

*Pre NELP Blocks

The Financial position of the above blocks are as under:

(₹ in crore)

Sl. No.	Block No.	Net Fixed Assets	Net Producing Property	Capital Work in Progress	Pre Producing Property	Net Current Assets (+)/Current Liabilities(-)	Income	Expenditure	Write Off EXP. - Dry & Abandoned Exploratory Wells
Non-Operated – Audited Accounts									
1.	WB-ONN-2005/4 (CY)	0.00	0.00	0.00	0.57	-0.77	0.00	6.78	0.00
	(PY)	0.00	0.00	0.00	0.00	-5.67	0.00	7.99	0.00
2.	AN-DWN-2009/1(CY)	0.00	0.00	0.00	0.00	-3.14	0.07	14.48	0.00
	(PY)	0.00	0.00	0.00	0.00	-11.94	0.00	13.03	0.00
3.	AN-DWN-2009/2(CY)	0.00	0.00	0.00	0.00	-3.30	0.06	5.96	0.00
	(PY)	0.00	0.00	0.00	0.00	-27.14	0.00	27.36	0.00
4.	AN-DWN-2009/18(CY)	0.00	0.00	0.00	0.00	-1.20	0.08	3.32	0.00
	(PY)	0.00	0.00	0.00	0.00	-1.29	0.00	2.52	0.00
5.	MN-OSN-2000/2(CY)	0.00	0.00	0.00	8.32	-17.12	0.00	3.31	112.23
	(PY)	0.00	0.00	0.00	112.16	-11.74	0.00	8.09	0.00
	Total (CY)	0.00	0.00	0.00	8.89	-25.53	0.21	33.85	112.23
	Total (PY)	0.00	0.00	0.00	112.16	-57.78	0.00	58.99	0.00



Non-Operated – Un-Audited Accounts										
1.	Kharsang	(CY)	7.49	81.39	1.17	36.65	45.12	169.97	59.94	0.00
		(PY)	7.04	63.83	2.16	38.28	30.74	171.24	61.45	0.00
2.	AAP-ON-94/1	(CY)	0.00	0.00	0.00	38.03	1.24	0.00	1.27	0.00
		(PY)	0.00	0.00	0.00	38.39	1.17	0.00	1.62	0.00
3.	AA-ONN-2001/3	(CY)	0.00	0.00	0.00	0.09	0.43	0.00	0.01	0.00
		(PY)	0.00	0.00	0.00	0.09	0.41	0.00	0.06	0.00
4.	AA-ONN-2002/4	(CY)	0.00	0.00	0.00	0.00	-0.01	0.00	0.02	0.00
		(PY)	0.00	0.00	0.00	0.00	-0.08	0.00	0.06	0.00
5.	AA-ONN-2005/1	(CY)	0.00	0.00	0.00	0.00	-0.01	0.00	0.05	0.00
		(PY)	0.00	0.00	0.00	0.00	-0.03	0.00	0.09	0.00
6.	AA-ONN-2009/3	(CY)	0.00	0.00	0.00	0.00	-0.87	0.00	5.18	0.00
		(PY)	0.00	0.00	0.00	0.00	-3.59	0.00	9.16	0.00
7.	KG-OSN-2009/4	(CY)	0.00	0.00	0.00	0.00	-0.91	0.00	0.93	0.00
		(PY)	0.00	0.00	0.00	0.00	-0.08	0.00	0.54	0.00
8.	GK-OSN 2010/1	(CY)	0.00	0.00	0.00	0.00	-19.18	2.66	35.79	0.00
		(PY)	0.00	0.00	0.00	0.00	-0.24	0.00	0.47	0.00
9.	AS-CBM-2008/IV-CBM	(CY)	0.00	0.00	0.00	0.00	-0.64	0.00	1.29	0.00
		(PY)	0.00	0.00	0.00	0.00	-0.66	0.00	0.66	0.00
	Total	(CY)	7.49	81.39	1.17	74.77	25.17	172.63	104.48	0.00
	Total	(PY)	7.04	63.83	2.16	76.76	27.64	171.24	74.11	0.00
	Grand Total	(CY)	7.49	81.39	1.17	83.66	-0.36	172.84	138.33	112.23
		(PY)	7.04	63.83	2.16	188.92	-30.14	171.24	133.10	0.00

Summarized Financial Position of Joint Venture Blocks in India is as under:

(₹ in crore)

Sl. No.	Block No.	Net Fixed Assets	Net Producing Property	Capital Work in Progress	Pre Producing Property	Net Current Assets (+)/Current Liabilities(-)	Income	Expenditure	Write Off EXP. - Dry & Abandoned Exploratory Wells
1.	Operated (CY)	0.72	0.01	0.12	70.82	245.45	48.46	183.57	29.35
	(12 Blocks) (PY)	0.55	0.00	0.00	70.09	-5.40	0.25	192.07	-1.92
2.	Non-operated (CY)	7.49	81.39	1.17	83.66	-0.36	172.84	138.33	112.23
	(14 Blocks) (PY)	7.04	63.83	2.16	188.92	-30.14	171.24	133.10	0.00
	Total (CY)	8.21	81.40	1.29	154.48	245.09	221.30	321.90	141.58
	Total (PY)	7.59	63.83	2.16	259.01	-35.54	171.49	325.17	-1.92



C. Blocks relinquished/being relinquished

The required disclosures under AS 27 related to relinquished/being relinquished blocks against which full provision has been made are not disclosed since it does not affect the related disclosures materially. However, relinquished/being relinquished blocks against which balances are appearing in the books of accounts or transactions have taken place during the financial year are disclosed as under:

The Financial position of the above blocks are as under:

(₹ in crore)

Sl. No.	Block No.	Net Fixed Assets	Net Producing Property	Capital Work in Progress	Pre Producing Property	Net Current Assets (+)/Current Liabilities(-)	Income	Expenditure	Write Off EXP. - Dry & Abandoned Exploratory Wells
1.	RJ-ONN-2000/1 (CY)	0.00	0.00	0.00	0.00	3.02	0.00	0.01	0.25
	(PY)	0.00	0.00	0.00	0.00	3.26	0.00	-6.24	0.01
2.	RJ-ONN-2001/1 (CY)	0.00	0.00	0.00	0.00	-16.89	0.11	0.84	0.34
	(PY)	0.00	0.00	0.00	0.00	-3.37	0.00	0.23	0.00
3.	RJ-ONN-2002/1 (CY)	0.00	0.00	0.00	0.00	-3.32	0.00	3.29	0.00
	(PY)	0.00	0.00	0.00	0.00	0.30	0.00	0.00	0.00
4.	RJ-ONN-2004/3 (CY)	0.00	0.00	0.00	0.00	1.48	3.55	0.03	0.45
	(PY)	0.00	0.00	0.00	0.00	-5.87	0.00	23.17	7.51
5.	MN-ONN-2000/1 (CY)	0.00	0.00	0.00	0.00	5.34	0.00	0.02	0.00
	(PY)	0.00	0.00	0.00	0.00	5.53	0.00	-0.09	0.00
6.	AA-ONN-2004/1 (CY)	0.00	0.00	0.00	0.00	-0.41	0.00	0.00	0.17
	(PY)	0.00	0.00	0.00	0.00	-14.17	0.00	3.78	0.19
7.	KG-DWN-2004/5 *(CY)	0.00	0.00	0.00	0.00	-0.02	0.00	0.56	0.00
	(PY)	0.00	0.00	0.00	0.00	0.20	0.00	1.53	0.00
8.	KG-DWN-2004/6 *(CY)	0.00	0.00	0.00	0.00	-0.15	0.00	2.07	38.87
	(PY)	0.00	0.00	0.00	11.48	-6.65	0.00	1.78	0.00
9.	AN_DWN_2005/1 *(CY)	0.00	0.00	0.00	0.00	-0.53	0.01	1.52	0.00
	(PY)	0.00	0.00	0.00	0.00	-2.88	0.00	3.41	0.00
10.	KG-DWN-2009/1 *(CY)	0.00	0.00	0.00	0.00	-0.10	0.00	0.10	0.00
	(PY)	0.00	0.00	0.00	0.00	-0.07	0.00	0.08	0.00
11.	MN-DWN-2002/1 (CY)	0.00	0.00	0.00	0.00	-88.00	0.00	0.00	0.00
	(PY)	0.00	0.00	0.00	0.00	-88.00	0.00	5.80	10.18
12.	CY-DWN-2001/1 (CY)	0.00	0.00	0.00	0.00	-8.10	0.00	-0.03	0.00
	(PY)	0.00	0.00	0.00	0.00	-10.51	0.00	2.72	-0.31
13.	GK-OSJ-3 *(CY)	0.00	0.00	0.00	0.00	-5.39	0.00	0.00	0.00
	(PY)	0.00	0.00	0.00	0.00	-5.39	0.00	0.00	0.00
14.	KG-DWN-2002/1 *(CY)	0.00	0.00	0.00	0.00	-3.04	0.00	7.12	-0.15
	(PY)	0.00	0.00	0.00	0.00	13.24	0.00	4.35	88.76
15.	KG-DWN-98/4 (CY)	0.00	0.00	0.00	0.00	-0.05	0.00	0.00	0.00
	(PY)	0.00	0.00	0.00	0.00	-0.05	0.00	0.01	0.00
16.	AA-ONN-2003/3 (CY)	0.00	0.00	0.00	0.00	1.04	0.00	0.00	0.00
	(PY)	0.00	0.00	0.00	0.00	-18.77	0.00	2.53	0.00
	Total (CY)	0.00	0.00	0.00	0.00	-115.12	3.67	15.53	39.93
	Total (PY)	0.00	0.00	0.00	11.48	-133.20	0.00	43.06	106.34

*Blocks under relinquishment pending DGH approval.



Overseas Joint Venture Blocks

The Company has also executed various contracts for oil and gas exploration in a few overseas block. The details of the block are given below:

Sl. No.	Block/Area No	Country of Origin	Company's Participating interest
1.	Farsi (offshore) Block	Islamic Republic of Iran	20% (20%)
2.	Area 86	Libya	50% (50%)
3.	Block 102/4	Libya	50% (50%)
4.	Shakthi #	Gabon	50% (45%)
5.	Area 95/96	Libya	25% (25%)
6.	Block 82,	Yemen	12.75% (12.75%)
7.	Block 83,	Yemen	12.75% (12.75%)
8.	Block SS-04*	Bangladesh	45% (Nil)
9.	Block SS-09*	Bangladesh	45% (Nil)

Note: Figures in parenthesis represent corresponding previous year figure.

*PSC Signed on 17.02.14.

#New PSC signed on 16.01.2014.

The Financial position of the above blocks are as under:

(₹ in crore)

Sl. No.	Block No.	Net Fixed Assets	Net Producing Property	Capital Work in Progress	Pre Producing Property	Net Current Assets (+)/Current Liabilities(-)	Income	Expenditure	Write Off EXP. - Dry & Abandoned Exploratory Wells
Overseas Blocks – Audited Accounts									
1.	Farsi (offshore) (CY)	0.00	0.00	0.00	73.52	-74.27	0.00	1.93	0.00
	Block (PY)	0.00	0.00	0.00	72.51	-71.33	0.00	0.00	0.00
2.	Shakthi,Gabon (CY)	0.00	0.00	0.00	78.19	17.85	0.00	4.27	11.02
	(PY)	0.00	0.00	0.00	28.11	36.77	0.00	4.51	58.13
	Total (CY)	0.00	0.00	0.00	151.71	-56.42	0.00	6.20	11.02
	Total (PY)	0.00	0.00	0.00	100.62	-34.56	0.00	4.51	58.13
Overseas Blocks – Un-Audited Accounts									
1.	Area 86,Libya (CY)	0.00	0.00	0.00	0.00	6.49	2.54	1.72	-0.28
	(PY)	0.00	0.00	0.00	0.00	-10.22	-0.91	3.93	0.60
2.	Block 102/4,Libya (CY)	0.00	0.00	0.00	0.00	-0.52	0.00	-0.10	-0.24
	(PY)	0.00	0.00	0.00	0.00	0.12	-0.35	1.48	0.10
3.	Area 95/96,Libya (CY)	0.14	0.00	0.34	100.94	-31.91	0.00	18.68	0.00
	(PY)	0.23	0.00	0.20	38.91	-27.17	0.00	10.41	0.00
4.	Block 82,Yemen (CY)	0.01	0.00	0.06	5.34	-4.06	0.00	10.27	0.00
	(PY)	0.01	0.00	0.02	5.34	0.41	0.00	1.89	0.00



5.	Block 83, Yemen	(CY)	0.01	0.00	0.05	7.62	-7.77	0.00	9.86	0.00
		(PY)	0.01	0.00	0.01	7.62	-0.40	0.00	8.89	0.00
6.	Block SS-04,	(CY)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Bangladesh	(PY)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7.	Block SS-09,	(CY)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Bangladesh	(PY)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	(CY)	0.16	0.00	0.45	113.90	-37.77	2.54	40.43	-0.52
	Total	(PY)	0.25	0.00	0.23	51.87	-37.26	-1.26	26.60	0.70
	Grand Total	(CY)	0.16	0.00	0.45	265.61	-94.19	2.54	46.63	10.50
		(PY)	0.25	0.00	0.23	152.49	-71.82	-1.26	31.11	58.83

*CY –Current Year

PY –Previous Year

Jointly Controlled Entity:

The Company along with ONGC Videsh Limited (OVL) acquired 100% shares of Videocon Mozambique Rovuma 1 Limited (renamed as Beas Rovuma Energy Mozambique Limited (BREML)). The Company acquired 40% shares in BREML, which holds 10% PI in the Rovuma Area 1 offshore Block, Mozambique. The transaction was completed on 7th January, 2014 for USD 1,007.69 million (₹ 6337.39 crore) against the net asset value of USD 130.46 million (₹ 820.44 crore). The company's share of consideration for acquiring the shares has been accounted as investment in Joint Venture as per AS -13.

As per the condition of sale and purchase agreement with Videocon for acquiring the shares of BREML, the consideration is subject to adjustment for the seller's final statements of accounts which has been received from Videocon on 2nd May, 2014 seeking adjustment to the purchase price of USD 20.972 million (₹ 127.11 crore) additionally payable to seller. The same is under review and adjustment to the consideration, if any, shall be accounted on finalization of seller's final statement of accounts.

31.7.2 Pursuant to directive from Government of India vide MoP&NG letter no. 33011/16/2013-ONG-III dated

17.10.2013, the company has raised overseas funding for acquiring 10% participating interest in Rovuma I offshore block in Mozambique along with ONGC Videsh Ltd. The foreign currency borrowing at the close of year has been translated in accordance with AS-11 and consequently Rs 238.96 crore has been recognized as exchange gain on foreign currency translation.

In the opinion of the Management there is no explicit restriction by the authority with regard to repayment or servicing of debt from domestic resources of the company.

31.7.3 Recoverability of dues of ₹ 94.47 crore as on 31.03.2014 from Suntera Nigeria 205 Ltd. in which the company is having 25% interest in equity along with Suntera Resources Limited (50%) and Indian Oil Corporation Limited (25%) is dependent upon its ability to continue as a going concern with the support of its shareholding companies. This loan is however due for repayment on 31.12.2014 only. Accordingly, no provision has been created in accounts as on 31.03.2014.

31.7.4 Company has sent for confirmation of balances to the JVC Partners which are yet to be received.

**31.8 Disclosure pursuant to clause 32 of the Listing Agreement:**

(₹ in crore)

Particulars	Outstanding as at 31.03.2014	Maximum Amount Outstanding during the year 2013-14	Outstanding as on 31.03.2013	Maximum Amount Outstanding during the year 2012-13
Loans & Advances in the nature of Loan to :				
a) Subsidiaries*				
i) Oil India Sweden AB	Nil	Nil	Nil	Nil
ii) Oil India Cyprus Ltd	Nil	Nil	Nil	Nil
iii) Oil India USA INC.	1.57	1.57	1.53	1.53
iv) Oil India International	0.02	0.02	Nil	Nil
b) To Associates / Jointly controlled entity Beas Rovuma Energy Mozambique Ltd.	75.46	75.46	Nil	Nil
c) Where there is no repayment schedule	Nil	Nil	Nil	Nil
d) Having repayment schedule of beyond seven years: To employees	147.38	147.38	127.54	127.79
e) Where there is no interest or interest below Section 372A of Companies Act	0.00	0.00	0.00	0.00
f) In the nature of loans to Firms/companies in which directors are interested: DNP Ltd BCP Ltd.	110.50 250.00	131.00 250.00	131.00 250.00	131.00 250.00
g) Investment by Loanee in Parent or other subsidiary company	Nil	Nil	Nil	Nil

* Excludes Current account transactions

31.9 Micro, Small and Medium Enterprises Development Act, 2006:

The Company has identified Micro, Small and Medium Enterprises (MSMEs) to whom the Company owes dues, which are outstanding as at 31.03.2014.

(₹ in crore)

Particulars	2013-14	2012-13
a) Principal amount remaining unpaid but not due as at year end	1.72	1.86
b) Interest due thereon as at year end	0.00	0.00
c) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year	0.00	0.00
d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	0.00 0.00	0.00 0.00
e) Interest accrued and remaining unpaid as at year end	0.00	0.00
f) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	0.00	0.00



31.10 Income Tax

(₹ in crore)

- a) For Assessment Year (AY) 2003-04 to 2007-08, 2009-10 and 2010-11, the appeal is pending for disposal before the Hon'ble Income Tax Appellate Tribunal (ITAT) with respect to the Company's claim of benefit u/s 80-IB / 80-IC of the Income Tax Act, 1961, herein after called as the Act.
- b) For Assessment Year (AY) 2008-09, 2011-12 and 2012-13, the appeal is pending for disposal before the CIT(A) against disallowances / additions made in the assessment u/s 143(3).
- c) The benefit u/s 80-IB & 80-IC of the Act has not been considered to make the provisions of tax in the books.
- d) The resulting interest, whether receivable or payable, shall be accounted for on finalization of the matter by an appellant authority.
- e) Income tax assessments up to the Assessment Year 2012-13 have been completed and a demand of 149.18 crore has been raised by the Department over the period on account of certain disallowances / additions.

Such disallowances/additions have not been provided for in the books as the same is likely to be deleted or may be reduced substantially on the grounds taken by the company before the first appellate authority. However, as per demand notice, the amount has been paid.

- f) Subject to the approval of the prescribed authority, Department of Scientific and Industrial Research, company has claimed weighted deduction u/s 35 (2AB) of the Income Tax Act, 1961, for the eligible amount incurred in the following respective years for capital and revenue expenditure on scientific research on in-house approved research and development facilities:

Particulars	Financial Year		
	2013-14	2012-13	2011-12
Capital Expenditure	7.48	0.77	2.12
Revenue Expenditure	31.27	26.38	24.87
Total Expenditure	38.75	27.15	26.99

31.11 Disclosure under Section 441A of the Companies Act:

Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

31.12 Implementation of Guidance Note on Oil & Gas Producing Activities (Revised 2013):

Company has implemented "Guidance Note on Accounting for Oil & Gas Producing Activities (Revised 2013)" issued by the Institute of Chartered Accountants of India (ICAI). However, the company has continued to provide depreciation on other Production Facilities, being part of producing properties as per the rates prescribed under Schedule XIV to the Companies Act 1956, in preference to the Depletion method based on Unit of Production as recommended by ICAI. Company's decision is based on the opinion from Expert Advisory Committee of ICAI issued on 11.05.2010 and also since the rates under Schedule XIV to the Companies Act 1956 prescribes the minimum rates at which depreciation is to be provided. Impact of implementation of the Guidance Note is increase in Acquisition Cost-Land with corresponding increase in Profit before tax by ₹ 0.32 crore, increase in abandonment liability by ₹ 86.15 crore with corresponding increase in Producing well ₹ 80.21 crore, Capital Work in Progress (Development Cost-Wells ₹ 0.94 crore) & Well write off ₹ 5 crore.

**31.12.1 Disclosures as per Guidance Note on Oil & Gas Producing Activities (Revised 2013):**

(Prepared by the management and Auditors have placed reliance being information of technical nature)

i) Net quantites of interest in Proved Reserves of oil (including condensates) and natural gas as on 31.03.2014 :

Area of Operation	Crude Oil				Natural Gas			
	Position as at 01.04.2013 (Million MT)	Additions/ Revisions (Million MT)	Production Quantity (Million MT)	Position as at 31.03.2014 (Million MT)	Position as at 01.04.2013 (Million Cubic Meter)	Additions/ Revisions (Million Cubic Meter)	Production Quantity (Million Cubic Meter)	Position as at 31.03.2014 (Million Cubic Meter)
Assam	36.1458	1.3658	3.4204	34.0912	27327.0000	(457.0000)	2427.5538	24442.4462
Arunachal Pradesh	0.4813	(0.1371)	0.0214	0.3228	0.0000	0.0000	0.0000	0.0000
Rajasthan	0.0000	0.0027	0.0003	0.0024	353.0000	(42.6231)	197.3769	113.0000
Kharsang-JV*	0.9228	0.0000	0.0356	0.8872	0.0000	0.0000	0.0000	0.0000
Total	37.5499	1.2314	3.4777	35.3036	27680.0000	(499.6231)	2624.9307	24555.4462

* Shown to the extent of participating interest of the Company

ii) Net quantites of interest in Proved Developed Reserves of oil (including condensates) and natural gas as on 31.03.2014 :

Area of Operation	Crude Oil				Natural Gas			
	Position as at 01.04.2013 (Million MT)	Additions/ Revisions (Million MT)	Production Quantity (Million MT)	Position as at 31.03.2014 (Million MT)	Position as at 01.04.2013 (Million Cubic Meter)	Additions/ Revisions (Million Cubic Meter)	Production Quantity (Million Cubic Meter)	Position as at 31.03.2014 (Million Cubic Meter)
Assam	29.8898	3.1032	3.4204	29.5726	27327.0000	(457.0000)	2427.5538	24442.4462
Arunachal Pradesh	0.4813	(0.1371)	0.0214	0.3228	0.0000	0.0000	0.0000	0.0000
Rajasthan	0.0000	0.0027	0.0003	0.0024	353.0000	(42.6231)	197.3769	113.0000
Kharsang-JV*	0.9228	0.0000	0.0356	0.8872	0.0000	0.0000	0.0000	0.0000
Total	31.2939	2.9688	3.4777	30.7850	27680.0000	(499.6231)	2624.9307	24555.4462

* Shown to the extent of participating interest of the Company

Reserves are calculated in terms of Million kilo litres. Figures relating to crude oil (including condensates) are converted in Million metric tonne using average conversion factor as applicable for the year.

taken into consideration for determining reserves quantity.

31.13 Details of charge:

- | | |
|---|--|
| <p>iii) Proved and Proved Developed Reserves of oil (including condensates) and gas are technically assessed and reviewed in-house at the end of each year in line with international practices. Reserves are audited by external experts at periodical intervals. For the purpose of estimation of Proved and Proved Developed Reserves Deterministic Method is used by the company. Production pattern analysis, no of additional wells to be completed, application of enhanced recovery techniques, validity of mining lease agreements, agreements/MOU for sales are</p> | <p>a) The company has created charge against Current Assets to the tune of ₹ 377.45 crore (Previous year ₹ 377.45 crore) for availing Bank Guarantee.</p> <p>b) The company has created charge against Current Assets to the tune of ₹ Nil (Previous year ₹150 crore) for availing Letter of Credit.</p> <p>c) The company is having Cash Credit /Letter of credit / Bank Guarantee facility against the security of its current assets to the tune of ₹ 700 crore.(Previous year ₹1000 crore)</p> |
|---|--|



31.14 Other disclosure under Schedule VI to the Companies Act, 1956

I. Contingent Liabilities and commitments

i) Contingent Liabilities:

a) Claims against the Company not acknowledged as debts:

- i) In respect of claims under Sales Tax Act : ₹ 8.41 crore (Previous year ₹ 5.58 crore)
- ii) In respect of claims under Central excise Acts : Service Tax ₹ 114.73 crore (Previous year ₹ 43.66 crore)
- iii) In respect of claims under Other Acts : ₹ 42.26 crore (Previous year ₹ 41.51 crore)
- iv) Claims by contractors pending in Arbitration / Courts : ₹ 109.63 crore (Previous year ₹ 110.97 crore)
- v) In respect of share of claim on JVC/PSC account : ₹ 27.36 crore (Previous year ₹ 30.11 crore)

b) In respect of Guarantees :

- i) Bank Guarantee issued for ₹ 702.02 crore to Superintendent of Taxes, Naharkatia, Assam, in relation to demand raised by the Department under Assam Taxation (on specified lands) Act 1990. (Previous year ₹ 702.02 crore).
- ii) Guarantee to OIDB against Loan by M/S BCPL from OIDB : ₹ 36.34 crore (Previous year ₹ 36.34 crore)
- iii) Guarantee to OIDB against Loan by M/S DNPL from OIDB : ₹ Nil (Previous year ₹ 38.02 crore)
- iv) Counter Guarantee to GAIL against Loan by M/S BCPL from OIDB : ₹ 27.78 crore (Previous year ₹ 27.78 crore)
- v) Irrevocable Standby Letter of Credit to CARRIZO OIL AND GAS INC. of USD Nil, ₹ Nil, under Purchase and Participating agreement. (Previous year USD 23 Million, ₹ 126.29 crore)

vi) Guarantee to Citibank NA., New York against Loan taken by OIL INDIA (USA) INC. for USD Nil, ₹ Nil (Previous year USD 50 Million, ₹ 274.55 crore)

vii) Guarantee to Royal Bank of Scotland (Finance) Ireland against Loan taken by OIL INDIA (USA) INC. for USD 90 million ₹ 545.49 crore (Previous year USD Nil, ₹ Nil)

ii) Commitments:

Capital Commitments:

- i) The estimated amount of contracts remaining to be executed on Capital Account and not provided for in the accounts: ₹ 538.66 crore (Previous year ₹ 364.13 crore).
- ii) Company's share in the amount of contracts remaining to be executed on Capital Accounts and not provided for in the account as on 31.03.2014 in respect of the Joint Ventures is ₹ 8.47 crore (Previous year ₹ 0.09 crore).

Other Commitment:

- iii) Balance of Minimum Work Program Commitment (MWP) by OIL under Production Sharing Contracts (PSCs) entered for NELP Blocks with Govt. of India is ₹ 2663 crore. (Previous year ₹ 3094.53 crore) out of which ₹ 314 crore. (Previous year ₹ 389 crore) is covered by Bank Guarantee submitted to DGH.

31.15 RECLASSIFICATION/REGROUPING:

Previous year figures have been reclassified / regrouped wherever necessary to conform to current year figures.

32 SIGNIFICANT ACCOUNTING POLICIES

32.1 ACCOUNTING CONVENTION

The Financial Statements are prepared under the historical cost convention on accrual method of accounting, in accordance with the Generally Accepted Accounting Principles and complying with the mandatory Accounting Standards notified by the Government of India under the Companies (Accounting Standards) Rules, 2006 and the relevant provisions and presentational requirement of the Companies Act, 1956.



32.2 Classification of Assets & Liabilities

All the Assets and Liabilities of the Company are segregated into Current & Non-current based on the principles and definitions as set out in the Schedule VI to the Companies Act, 1956 as amended. The Company has adopted a period of 12 months as its Operating Cycle.

32.3 PRE-ACQUISITION COSTS, ACQUISITION COSTS, EXPLORATION COSTS, DEVELOPMENT COSTS AND ABANDONMENT COSTS :

The Company follows the "Successful Efforts Method" (SEM) of Accounting in respect of its Oil and Gas exploration and production activities in accordance with the "Guidance Note on Accounting for Oil & Gas Producing Activities" issued by the Institute of Chartered Accountants of India.

32.3.1 PRE-ACQUISITION COSTS:-

Costs of revenue nature incurred prior to obtaining the rights to explore, develop and produce Oil & Gas like data collection & analysis cost etc. are expensed to the Statement of Profit and Loss in the year of incidence.

32.3.2 GEOLOGICAL & GEOPHYSICAL COSTS:-

Geological and Geophysical expenditure are charged as expense when incurred.

32.3.3 ACQUISITION COSTS:-

- i) Acquisition costs include land acquired for drilling operations including cost of temporary occupation of the land, crop compensation paid to farmers, registration fee, legal cost, signature bonus, brokers' fees, consideration for farm-in arrangements and other costs incurred in acquiring mineral rights.
- ii) Cost for retaining the mineral interest in properties like lease carrying cost, license fees & other cost are charged as expense when incurred.
- iii) Acquisition costs are initially recorded under Capital work in progress-Tangible & Intangible as the case may be.
- iv) On determination of proved developed reserves, associated acquisition costs are transferred to Fixed Assets-Producing Properties.

v) Acquisition cost of Producing Properties is capitalized under Fixed Asset-Producing Properties.

vi) Acquisition cost relating to exploratory well that is determined to have no proved reserves and its status is decided as dry or of no further use for exploration purpose, is charged as expenses. In such cases, for land value forming part of acquisition cost, a nominal amount of Rs.100 per bigha is transferred to Freehold land under Fixed Assets.

32.3.4 EXPLORATION COSTS:-

- i) All exploration costs including allocated depreciation on support equipment and facilities involved in drilling and equipping exploratory and appraisal wells and cost of exploratory-type drilling stratigraphic test wells are initially shown as Intangible assets under Capital Work in Progress as exploration cost till the time these are either transferred to Fixed Assets as Producing Properties on determination of Proved Developed Reserves or charged as expense when determined to be dry or of no further use.
- ii) Cost of exploratory wells are not carried over unless it could be reasonably demonstrated that there are indications of sufficient quantity of reserves and activities are firmly planned in near future for further assessing the reserves and economic & operating viability of the project. Costs of written off exploratory wells are not reinstated in the book even if they start producing subsequently.

32.3.5 DEVELOPMENT COSTS:-

Costs that are attributable to development activities including production and processing plant & facilities, service wells including allocated depreciation on support equipment and facilities are initially shown as Tangible Assets under Capital Work in Progress as Development Cost till such time they are capitalized as Producing Properties upon determination of Proved Developed Reserves.

32.3.6 PRODUCTION COSTS:-

Production Cost consist of direct and indirect costs incurred to operate and maintain wells and related equipments and facilities, including depreciation and applicable operating cost of support equipment and facilities.



32.3.7 SIDE-TRACKING EXPENDITURE:-

In case of exploratory wells, the cost of abandoned portion of side tracked well is charged off to Profit and loss statement. In case of development wells, the entire cost of abandoned portion and side-tracking is capitalized. In case of existing producing wells the cost of side – tracking is capitalized if it increases the proved developed reserves, otherwise is charged off to Profit and loss statement.

32.3.8 ABANDONMENT COSTS:-

- i) Estimated full eventual liability towards costs relating to dismantling, abandoning and restoring well sites and associated Production Facilities are recognized at the commencement of drilling a well/when facilities are installed. Liability for abandonment cost is updated annually based on the technical assessment available at current costs.
- ii) The actual cost incurred on abandonment is adjusted against the liability and the ultimate gain or loss is recognized in the Statement of Profit and Loss, when the designated oil/gas field or a group of oil/gas fields ceases to produce.

32.4 FIXED ASSETS, DEPRECIATION & DEPLETION

32.4.1 Tangible Assets:-

- i) Cost of Freehold & Leasehold land which are perpetual in nature used for other than exploration and development activity are not amortized. Leasehold land other than perpetual lease is amortized over the lease period.
- ii) All successful exploratory well cost, development well cost and other development cost viz. Production Facilities are capitalized when the same is ready to commence commercial production.
- iii) Costs relating to acquisition/ construction of tangible assets other than producing properties are capitalized on commissioning.
- iv) Land acquired on perpetual lease as well as on lease over 99 years is treated as free hold land and not amortized.
- v) Land acquired on lease for 99 years or less is treated as leasehold land and amortised over the lease period.

- vi) Any Tangible asset, when determined of no further use, is deleted from the Gross Block of assets. The deleted assets are carried as 'Assets awaiting disposal' under Inventories at lower of `1000 or 5% of the original cost and the balance Written down Value, is charged off.

32.4.2 Intangible Assets:-

- i) Costs of intangible assets are capitalized when the asset is ready for its intended use.
- ii) Cost of right of use/right of way for laying pipelines is capitalized and amortized on a straight line basis over the period of such right of use / right of way or 99 years whichever is lower, as per industry practice.
- iii) Cost incurred on computer software purchased / developed are capitalized as intangible asset and amortized over the useful life not exceeding five years from the date of capitalization.
- iv) Any intangible asset, when determined of no further use, is written off.

32.4.3 DEPRECIATION

- i) Depreciation on Tangible Assets other than Acquisition cost & cost of producing well is provided for under the "Written down Value Method", at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.
- ii) Capital assets costing up to Rs 5000 each are fully depreciated in the year of acquisition.

32.4.4 DEPLETION

- i) Acquisition costs are depleted using the "Unit of Production Method" with reference to the ratio of production and related Proved reserves.
- ii) Producing Wells are depleted using the "Unit of Production Method", with reference to ratio of production and the related Proved Developed Reserves.
- iii) Rate of depletion is determined based on production from the Oil/Gas field or a group of Oil/Gas fields identified with reference to the related reserves having common geological feature.



32.5 FOREIGN CURRENCY TRANSLATION

- i) Foreign currency transactions are initially recognised and accounted for at the exchange rates prevailing at the dates of transactions.
- ii) a) Foreign Currency monetary assets & liabilities outstanding at the close of the year, are translated at the rates of exchange prevailing at the date of Balance Sheet. Resultant gains or loss is accounted for during the year, except those relating to long-term foreign currency monetary items.
b) Exchange differences on long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the assets in line with para 46A of Accounting Standard-11. In other cases, exchange differences are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortised over the balance period of such long term foreign currency monetary item by recognition as income or expense in each of such periods.
- iii) Foreign currency transactions in relation to Joint Venture (Overseas) are treated in the following manner:-
 - a) Foreign currency transactions are initially recognised and accounted for at the exchange rates prevailing at the dates of transactions. However, the average exchange rate of relevant month is taken for the transactions of that month, where actual rate of transaction is not available or at the rate as agreed otherwise.
 - b) Foreign Currency monetary assets & liabilities outstanding at the close of the year are translated at the rates of exchange prevailing at the date of Balance Sheet. Resultant gains or loss is accounted for during the year.

32.6 IMPAIRMENT OF ASSETS

Acquisition costs, pending capitalization to Producing Properties and exploration costs under Intangible Assets- Capital Work in Progress are reviewed for indicators of impairment and if events and circumstances suggest, impairment loss is provided for and carrying amount is reduced accordingly.

Producing fields, LPG Plant, Transportation Pipeline and Power Generating Units (other than Captive Power Plants) are considered as Cash Generating Units. A "Cash Generating Unit" is reviewed for impairment at each Balance Sheet date. An impairment loss is recognized, whenever the carrying amount of assets exceeds the recoverable amount by writing down such assets to their recoverable amount.

An impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased. Impairment loss/reversal thereof is adjusted to the carrying value of the respective assets. Impairment testing is normally carried out at the year-end unless compelling circumstances exist for review during the course of the year.

32.7 JOINT VENTURES

Production Sharing Contracts (PSCs) executed with the Government of India / Government of Foreign Countries by the company along with other entities to undertake exploration, development and production of Oil and / or Gas activities under a joint venture in various concessions/block/area are accounted as under:-

- i) The financial statements reflect the share of the Company's assets, liabilities and also the income and expenditure of the Joint Venture in proportion to the participating interest of the Company as per the terms of the PSCs, on a line by line basis. Depreciation, depletion and impairment and value of Stock of Crude Oil are accounted for as per the relevant accounting policies of the Company whereas provision for abandonment is created as per terms of PSC. Proved Developed Reserve of Oil & Gas in such concessions/block/area are also considered in proportion to participating interest of the Company.
- ii) Consideration recoverable from new Joint Venture Partners for the right to participate in operations are:
 - a) Reduced from respective assets and/or expenditure to the extent of the new partners contribution towards past cost,
 - b) Balance is considered as miscellaneous receipts/ expenses.



32.8 INCOME TAX

- i) The tax expense for the year comprises current tax and deferred tax.
- ii) Provision for current tax is made after taking into consideration benefits admissible on conservative basis under the provisions of the Income Tax Act, 1961 as are applicable to the company. Deferred Tax resulting from 'timing difference' between taxable incomes and accounting income is accounted for using the tax rates and tax laws applicable for the relevant Financial Year. Deferred Tax Asset is reassessed and recognised only to the extent that there is a virtual certainty that the asset will be realized in future.

32.9 INVESTMENTS

- i) Non Current investments are valued at cost. However, provision for diminution in value is made to recognise a decline in the value, other than temporary.
- ii) Current investments are valued at lower of cost or fair value.

32.10 INVENTORY

- i) Finished goods of Crude Oil, Liquefied Petroleum Gas and LPG condensate are valued at cost or net realizable value, whichever is lower. Cost of finished goods is determined based on direct cost and directly attributable services cost including depreciation & depletion.
- ii) Crude oil in unfinished condition in the flow line up to Group Gathering Station and Natural Gas in Pipeline are not valued, as these pipeline fills are necessary to the operation of the facility.
- iii) Stores and spare are valued at weighted average cost or net realizable value whichever is lower. Obsolete / unserviceable items, as and when identified, are written off. Any item of stores and spares not moved for last four years as on date of Balance Sheet are identified as slow moving items for which a provision of 95% of the value is made in the accounts.

32.11 EMPLOYEE BENEFITS

- i) All short-term employee benefits are recognised as an expense at the undiscounted amount in the

accounting period in which the related service is rendered.

- ii) Employee benefits under defined contribution plan such as provident fund is recognised based on the undiscounted obligations of the company to contribute to the plan.
- iii) Employee benefits under defined benefit plans such as gratuity, leave encashment, post retirement medical benefits, pension are recognised based on the present value of defined benefit obligation, which is computed on the basis of actuarial valuation using the projected unit credit method. Actuarial liability in excess of respective plan assets is recognised during the year and in case the plan assets exceed the Actuarial Liability, no further provision is considered. Actuarial gain and losses in respect of post employment and other long-term benefits are recognised during the year.

32.12 REVENUE RECOGNITION

- i) Revenue from sale of products is recognized on custody transfer to customers.
- ii) Sale of crude oil and gas produced from exploratory wells is deducted from expenditure on such wells.
- iii) Sales are inclusive of statutory levies but excluding Value Added Tax (VAT) & Central Sales Tax (CST) and net of discounts. Any retrospective revision in prices is accounted for in the year of such revision.
- iv) Claims on Government / Petroleum Planning & Analysis Cell (PPAC) are booked on acceptance in principle by the authority.
- v) Dividend Income is recognized when the right to receive the dividend is established.
- vi) Revenue in respect of the following is recognized when there is reasonable certainty regarding ultimate realization:
 - a) Short lifted quantity of Crude Oil & Natural Gas, if any.
 - b) Interest on delayed realization from customers.
- vii) Insurance claim other than for transit loss of stores items are accounted for on final acceptance by the Insurance Company.



- viii) Recovery/Refund of Liquidated Damages are recognised in the Statement of Profit and Loss in the year of occurrence as income or expenditure as the case may be except in case of JVC which are governed by the respective PSC.
- ix) Revenue from sale of other services is recognised when service is rendered in line with contracts executed there with.

32.13 GRANTS

Grants are recognised when there is reasonable assurance that the same would be realized. Grants related to specific assets are deducted from the gross value of the concerned assets.

32.14 BORROWING COSTS

- i) Borrowing costs during the construction period that are attributable to qualifying assets are capitalized and also includes exchange difference arising from Foreign Currency borrowings to the extent that they are regarded as an adjustment to interest cost.
- ii) Other borrowing costs are recognised as expenses when incurred.

32.15 SEGMENT ACCOUNTING

- i) The Company has adopted its products & services (viz. Crude Oil, Natural Gas, LPG and Pipeline Transportation) as the primary reporting segments. There are no reportable geographical segments.
- ii) Segment assets, liabilities, income and expenses have been either directly identified or allocated to the segments on the basis usually followed for allocation of cost adopted for preparing and presenting the financial statements of the Company.

32.16 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

- i) Provisions in respect of which a reliable estimate can be made are recognised where there is a present obligation as a result of past events and it is probable that there will be an outflow of resource.
- ii) Contingent liabilities, if material, are disclosed by way of notes to the accounts.
- iii) Contingent assets are neither recognised nor disclosed in the financial statements.

32.17 EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

32.18 GENERAL

- i) All revenue expenditure, incurred for Research & Development Projects / Schemes, net of grants-in-aid if any, are charged to the Statement of Profit & Loss.
- ii) Assets given on finance lease are accounted as per Accounting Standard 19 "Leases". Such assets are included as a receivable at an amount equal to the net investment in the lease. Initial direct costs incurred in respect of finance leases are recognized in the statement of profit and loss in the year in which such costs are incurred.
- iii) Prior period items/Prepaid expenses having value in each case up to ₹ 5 lacs are booked under natural head of accounts.

For Saha Ganguli & Associates
Chartered Accountants
Firm Reg. No. 302191E

For B. M. Chatrath & Co.
Chartered Accountants
Firm Reg. No. 301011E

For and on behalf of the Board of Directors

Sd/-
(S.K.SAHA)
Membership No: 051392

Sd/-
(P.R.PAUL)
Membership No: 051675

Sd/-
(S.R.KRISHNAN)
Company Secretary

Sd/-
(MRS. RUPSHIKHA S. BORAH)
Director (Finance)

Sd/-
(S.K.SRIVASTAVA)
Chairman & Managing Director

Place: Noida
Date: 27th May, 2014



OIL INDIA LIMITED
Cash Flow Statement for the year ended 31st March, 2014

	(₹ in crore)	
	Year ended 31 st March, 2014	Year ended 31 st March, 2013
Operating Activity		
Net Profit Before Tax and Exceptional items	4410.44	5283.23
Depreciation, Depletion & Amortisations	715.81	567.14
Exploration Cost written off	461.21	270.49
Prior period-Expenditure	(0.65)	0.00
Dividend Income	(127.44)	(69.51)
Interest Income	(1171.58)	(1400.93)
Interest Expenses	68.78	2.60
Foreign Exchange Loss/(Gain)- Net	(236.22)	(21.70)
Provision for employee benefits	188.50	73.74
Well abandonment provisions	245.55	9.59
Total	143.96	(568.58)
Cash flow from Operating Activity Before Changes in Assets and Liabilities	4554.40	4714.65
Changes in Working Capital		
Inventories	(324.36)	(111.01)
Trade Receivables, Other current and non current assets	438.84	58.92
Long term and short term Loans and Advances	(89.08)	188.91
Long term and short term provisions	(231.26)	(162.39)
Trade payables, Other current and non current liabilities	118.28	(855.25)
Total	(87.58)	(880.82)
Cash flow from Operating Activity before Income tax	4466.82	3833.83
Income tax Payment (Net of Refund)	(1808.11)	(2458.84)
Net Cash generated from / (used in) Operating Activity (A)	2658.71	1374.99
Investing Activity		
Acquisition, Exploration & Development Cost	(1545.80)	(1039.99)
Other Capital Expenditure	(382.07)	(482.03)
Investment made	(9899.57)	(834.88)
Sale of Investment	300.03	1592.00
Inter Corporate Deposits	0.00	445.00
Inter Corporate Loan	20.50	(250.00)
Interest Income	1301.04	1212.30
Dividend Income	127.44	69.51
Net Cash generated from / (used in) Investing Activity (B)	(10078.43)	711.91
Financing Activity		
Proceeds from borrowings	8724.88	1047.68



Payment of Dividend		(1905.46)	(1683.17)
Corporate Dividend Tax		(183.89)	(273.06)
Interest Expenses		(68.78)	(2.60)
Foreign Exchange (Loss)/Gain- Net		263.72	21.70
Net Cash generated from / (used in) Financing Activity	(C)	6830.47	(889.45)
Net Increase in Cash and Cash Equivalents	(A+B+C)	(589.25)	1197.45
Cash and Cash equivalents at the beginning of the year		12132.93	10935.48
Cash and Cash equivalents at the end of the year		11543.68	12132.93

Notes:

a. Cash and cash equivalents (Refer to Note 20) represents:

i) Cash in hand	0.74	1.08
ii) Current accounts & Term Deposits in Scheduled Banks	11542.94	12131.85
	<u>11543.68</u>	<u>12132.93</u>

b. The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard (AS) - 3

c. Cash & Cash equivalents includes Currency translation differences of ₹ 5.71 crore (Previous Year ₹ 0.03 crore)

d. Figures in parentheses represent cash outflows.

e. Previous year's figures have been rearranged, regrouped, recast wherever necessary to conform current year's classification.

For Saha Ganguli & Associates
Chartered Accountants
Firm Reg. No. 302191E

For B. M. Chatrath & Co.
Chartered Accountants
Firm Reg. No. 301011E

For and on behalf of the Board of Directors

Sd/-
(S.K.SAHA)
Membership No: 051392

Sd/-
(P.R.PAUL)
Membership No: 051675

Sd/-
(S.R.KRISHNAN)
Company Secretary

Sd/-
(MRS. RUPSHIKHA S. BORAH)
Director (Finance)

Sd/-
(S.K.SRIVASTAVA)
Chairman & Managing
Director

Place: Noida

Date: 27th May, 2014



INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF OIL INDIA LIMITED

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Oil India Limited, and its subsidiaries, collectively referred to as "the Group" which comprise of the consolidated Balance Sheet as at 31st March 2014, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and Significant Accounting Policies and Additional Notes.

Management's Responsibility for the Consolidated Financial Statements

2. Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter Paragraph

6. Without qualifying our report, we have drawn attention to the following Notes appearing in our Audit Report of OIL INDIA LIMITED for the year ended on 31.03.2014:
- Note 16.2 - regarding uncertainty related to the outcome of appeal filed by the Company against the order of Hon'ble High Court and consequential payment of decreed amount of Rs.99.05 crore shown under "Other Non-Current Assets" and not treating the same as expense.
 - Note 31.7.2- regarding recognition of gain on foreign currency translation of Rs 238.96 crore.



- iii. Note 31.7.3 - regarding uncertainty due to non-provision of the recoverable dues of Rs.94.47 crore from Suntera Nigeria 205 Ltd. shown under "Short Term Loans and Advances" in which the Company is having 25% interest in equity.
- iv. Note 31.12 - regarding Use of Depreciation method on other Production Facilities being part of Producing Properties, in preference to the Depletion Method based on Unit of Production as recommended vide "Guidance Note on Accounting for Oil & Gas Producing Activities-2013" issued by the Institute of Chartered Accountants of India.

Opinion

- 7. The financial statements of the subsidiaries have been audited by the respective independent auditors and

have been relied upon by us for the purpose of consolidation.

- 8. In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at 31st March 2014;
 - b) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
 - c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For SAHA GANGULI & ASSOCIATES
Chartered Accountants
Firm Regn.No.302191E

Sd/
(S. K. Saha)
Partner
Membership No.051392

Place: Noida
Date: 27.05.2014

For B.M. CHATRATH & CO.
Chartered Accountants
Firm Regn.No.301011E

Sd/
(P. R. Paul)
Partner
Membership No.051675



OIL INDIA LIMITED
Consolidated Balance Sheet as at 31st March, 2014

(₹ in crore)

	Note	As at 31 st March, 2014	As at 31 st March, 2013
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	1	601.14	601.14
Reserves and surplus	2	19880.64	18647.64
		20481.78	19248.78
Non-Current Liabilities			
Long-term borrowings	3	1515.25	0.00
Deferred tax liabilities (Net)	4	1307.47	1220.73
Other Long-term liabilities	5	2.17	1.05
Long-term provisions	6	755.81	447.76
		3580.70	1669.54
Current Liabilities			
Short-term borrowings	7	8631.10	1260.93
Trade payables	8	454.02	294.19
Other current liabilities	9	1203.51	1418.27
Short-term provisions	10	793.67	1137.48
		11082.30	4110.87
	TOTAL	35144.78	25029.19
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	11	5864.89	5112.24
Intangible assets	12	19.63	17.93
Capital work-in-progress	13	2815.51	1888.78
Goodwill on Consolidation		5316.94	0.00
Non-current investments	14	4824.08	1887.63
Long-term loans and advances	15	518.10	526.86
Other non-current assets	16	321.91	103.91
	TOTAL	19681.05	9537.35
Current assets			
Current investments	17	200.00	0.00
Inventories	18	984.66	644.33
Trade receivables	19	480.86	908.74
Cash and cash equivalents	20	11660.11	12136.66
Short-term loans and advances	21	1376.95	911.91
Other current assets	22	761.15	890.20
		15463.73	15491.84
	TOTAL	35144.78	25029.19
Additional Notes	31		
Principle of Consolidation & Significant Accounting Policies	32		

Notes Referred to above form an integral part of the financial statements.
 In terms of our report of even date.

For Saha Ganguli & Associates

Chartered Accountants
Firm Reg. No. 302191ESd/-
(S.K.SAHA)

Membership No: 051392

For B. M. Chatrath & Co.

Chartered Accountants
Firm Reg. No. 301011ESd/-
(P.R.PAUL)

Membership No: 051675

Sd/-
(S.R.KRISHNAN)

Company Secretary

For and on behalf of the Board of Directors

Sd/-
(MRS. RUPSHIKHA S. BORAH)

Director (Finance)

Sd/-
(S.K.SRIVASTAVA)Chairman & Managing
DirectorPlace: Noida
Date: 27th May, 2014



OIL INDIA LIMITED

Consolidated Statement of Profit and Loss for the year ended 31st March, 2014

	Note	As at 31 st March, 2014	(₹ in crore) As at 31 st March, 2013
I. Revenue from operations	23	9715.71	9968.12
II. Other income	24	1608.22	1530.11
III. Total Revenue (I +II)		11323.93	11498.23
IV. Expenses:			
Changes in inventories of finished goods	25	7.87	(27.37)
Employee benefits expense	26	1474.50	1310.63
Finance costs	27	70.78	3.04
Depreciation, Depletion, Amortization and Impairment	28	1283.45	848.16
Other expenses	29	4125.29	4075.75
Total Expenses		6961.89	6210.21
V. Profit before exceptional and extraordinary items and tax (III - IV)		4362.04	5288.02
VI. Exceptional Items		0.00	0.00
VII. Profit before extraordinary items and tax (V - VI)		4362.04	5288.02
VIII. Extraordinary Items		0.00	0.00
IX. Profit before tax (VII - VIII)		4362.04	5288.02
X. Tax expense:			
(1) Current tax		1324.50	1551.99
(2) Deferred tax		95.56	143.98
XI. Profit for the year from continuing operations (IX-X)		2941.98	3592.05
XII. Profit for the year from discontinuing operations		0.00	0.00
XIII. Tax expenses of discontinuing operations		0.00	0.00
XIV. Profit from discontinuing operations after taxes (XII-XIII)		0.00	0.00
XV. Profit for the year (XI+XIV)		2941.98	3592.05
XVI. Earnings per equity share (₹):	30		
(1) Basic		48.94	59.75
(2) Diluted		48.94	59.75
Additional Notes	31		
Principle of Consolidation & Significant Accounting Policies	32		

Notes Referred to above form an integral part of the financial statements.
In terms of our report of even date.

For Saha Ganguli & Associates
Chartered Accountants
Firm Reg. No. 302191E

For B. M. Chatrath & Co.
Chartered Accountants
Firm Reg. No. 301011E

For and on behalf of the Board of Directors

Sd/-
(S.K.SAHA)
Membership No: 051392

Sd/-
(P.R.PAUL)
Membership No: 051675

Sd/-
(S.R.KRISHNAN)
Company Secretary

Sd/-
(MRS. RUPSHIKHA S. BORAH)
Director (Finance)

Sd/-
(S.K.SRIVASTAVA)
Chairman & Managing
Director

Place: Noida
Date: 27th May, 2014



Share capital

(₹ in crore)

	As at 31 st March, 2014	As at 31 st March, 2013
Authorised:		
200,00,00,000 (Previous year 200,00,00,000) Equity Shares of ₹10/- each	2000.00	2000.00
Issued, Subscribed and Fully Paid up:		
60,11,35,955 (Previous year 60,11,35,955) Equity Shares of ₹ 10/- each fully paid up	601.14	601.14

1.1 Details of shareholders holding more than 5% shares in the company is set out below:

Category	As at 31 st March, 2014		As at 31 st March, 2013	
	No of Shares	% to Equity	No of Shares	% to Equity
President of India	406,631,998	67.64%	411,385,743	68.43%

1.2 The reconciliation of the shares outstanding as at 31st March, 2014 & 31st March, 2013 is set out below:

Particulars	31 st March, 2014	31 st March, 2013
	No of Shares	No of Shares
Outstanding at the beginning of the year	601,135,955	240,454,382
Addition during the year	0	360,681,573
Outstanding at the end of the year	601,135,955	601,135,955

1.3 In the FY 2012-13 equity shares 36,06,81,573 of ₹10 each allotted as fully paid by way of bonus shares.

NOTE-2

Reserves and surplus

(₹ in crore)

	As at 31 st March, 2014		As at 31 st March, 2013	
(a) Securities Premium Account				
Balance as per last financial statement	2390.12		2750.80	
Less: Bonus Shares Issued	0.00	2390.12	360.68	2390.12
(b) Foreign Currency Translation Reserve				
Balance as per last financial statement	39.11			22.73
Addition during the year	(227.10)	(187.99)	16.38	39.11
(c) Foreign Currency Monetary Item Translation Difference Account				
Balance as per last financial statement	0.00		0.00	
Addition during the year	31.83		0.00	
Amortised during the year	(1.61)	30.22	0.00	0.00
(d) General Reserve				
Balance as per last financial statement	16218.41		14725.57	
Add: Amount transferred from surplus balance	1429.88	17648.29	1492.84	16218.41
(e) Surplus Balance				
Balance as per Statement of Profit & Loss	2941.98		3592.05	
Less: Appropriations				
Interim Dividend	1262.39		1382.61	
Tax on Interim Dividend	214.54		224.29	
Proposed Final Dividend	30.06		420.8	
Tax on Proposed Final Dividend	5.11		71.51	
Transfer to General Reserve	1429.88	0.00	1492.84	0.00
	<u>19880.64</u>		<u>18647.64</u>	

2.1 The Board of Directors has recommended a final dividend of ₹ 0.50 per share which is subject to the approval of the shareholders in the ensuing Annual General Meeting over and above the interim dividend of ₹ 21 (₹ 11 and ₹ 10) per share paid in two phases.

2.2 The balance in Foreign Currency Translation Reserve Account reflects the exchange difference arising out of translation of monetary items related to Non Integral Foreign Operation.

**NOTE-3****Long-term borrowings**

(₹ in crore)

	As at 31 st March, 2014	As at 31 st March, 2013
Unsecured Loan		
External Commercial Borrowings	1515.25	0.00
	<u>1515.25</u>	<u>0.00</u>

3.1 Syndication loan of USD 250 million drawn from banks on 26.12.2013 repayable on the date falling five years from the date of drawal.

NOTE-4**Deferred tax liabilities (Net)**

(₹ in crore)

	As at 31 st March, 2014	As at 31 st March, 2013
A. Deferred tax liability		
Timing differences in "Depreciation/Depletion"	1717.13	1527.91
B. Deferred tax assets		
Timing differences in "Disallowance"	409.66	307.18
C. Deferred tax liability (Net) (A-B)	<u>1307.47</u>	<u>1220.73</u>

NOTE-5**Other Long-term liabilities**

(₹ in crore)

	As at 31 st March, 2014	As at 31 st March, 2013
Trade Payables		
Dues to Micro, Small and Medium Enterprises	0.00	0.00
Dues to Others	2.12	0.93
Others		
Liabilities- For Capital Exp. & others	0.05	0.12
	<u>2.17</u>	<u>1.05</u>

5.1 Refer to note no. 31.9 for dues to Micro, Small and Medium Enterprises.

NOTE-6**Long-term provisions**

(₹ in crore)

	As at 31 st March, 2014	As at 31 st March, 2013
Provision for employee benefits	294.69	234.36
Other provisions		
Well Abandonment Cost	461.12	213.40
	<u>755.81</u>	<u>447.76</u>

6.1 Provision for employee benefits includes superannuation benefits as per Note No 31.1.2

**NOTE-7****Short-term Borrowings**

(₹ in crore)

	As at 31 st March, 2014	As at 31 st March, 2013
Secured Loans		
Short Term Loan from Banks (Secured by pledge of Term Deposit Receipts)	1971.78	1021.86
Unsecured Loans (Foreign Currency)		
Short Term Credit	49.47	35.95
Short Term Bridge Loan	6246.19	0.00
Short Term Borrowing from Citi Bank N.A	0.00	203.12
Notes Payable-RBS	363.66	0.00
	8631.10	1260.93

NOTE-8**Trade payables**

(₹ in crore)

	As at 31 st March, 2014	As at 31 st March, 2013
Trade Payables		
Dues to Micro, Small and Medium Enterprises	1.72	1.86
Dues to Others	452.30	292.33
	454.02	294.19

8.1 Refer to note no. 31.9 for dues to Micro, Small and Medium Enterprises.

NOTE-9**Other current liabilities**

(₹ in crore)

	As at 31 st March, 2014	As at 31 st March, 2013
(a) Interest Accrued but not due on Borrowings	0.38	0.00
(b) Unpaid Dividend	8.83	231.10
(c) Other payables		
- Statutory Liabilities	228.17	291.20
- Advance received from Customers	75.88	3.00
- Liabilities- For Capital Exp. & others	675.36	678.06
- Employees	214.89	214.91
	1203.51	1418.27

**NOTE-10****Short-term provisions**

(₹ in crore)

	As at 31 st March, 2014		As at 31 st March, 2013	
(a) Provision for employee benefits	523.86		395.69	
(b) Provision for others				
Proposed Final Dividend	30.06		420.80	
Tax on Proposed Dividend	107.27		71.51	
Cost of unfinished Minimum Work Programme	127.28		240.77	
Others	5.20	269.81	8.71	741.79
	<u>793.67</u>		<u>1137.48</u>	

10.1 Provision for employee benefits includes superannuation benefits as Note No 31.1.2.

10.2 In terms of Department of Public Enterprise order for revision of pay package of executives and non-unionised supervisors of CPSEs w.e.f 01.01.2007, a superannuation defined contribution plan has been formulated and approved by the competent authority. In recognition of such defined contribution plan liability w.e.f 01.01.2007, company has provided ₹ 106.55 crore during the year (Previous year ₹ 29.24 crore) and the cumulative liability as on 31.03.2014 stands at ₹ 460.95 crore (Previous year ₹ 354.40 crore).

10.3 Provision has been made towards cost of non-fulfilment of Minimum Work Programme (MWP) payable to Government of India as per terms of the Production Sharing Contract (PSC) of Blocks.

NOTE-11**Tangible assets**

(₹ in crore)

Particulars	Gross Block				Depreciation/Depletion				Net Block	
	Cost as at 1st April, 2013	Additions during the year	Deletions / Adjustments during the year	Cost as at 31 st March, 2014	Up to 31 st March, 2013	For the year	Deletions / Adjustments during the year	Up to 31 st March, 2014	As at 31 st March, 2014	As at 31 st March, 2013
Land										
-Freehold	95.66	5.70	(15.65)	85.71	0.00	0.00	0.00	0.00	85.71	95.66
- Leasehold	1.85	2.54	0.00	4.39	0.00	0.44	0.00	0.44	3.95	1.85
Building (Including Roads & Bridges)	274.71	5.19	12.67	292.57	114.29	12.40	6.77	133.46	159.11	160.42
Producing Properties										
-Acquisition Cost	98.09	56.91	0.12	155.12	11.71	16.75	0.00	28.46	126.66	86.38
-Producing Wells	7197.79	1243.56	0.00	8441.35	3571.29	533.04	0.00	4104.33	4337.02	3626.50
-Production Facilities	927.54	89.83	(12.85)	1004.52	712.69	35.26	(5.84)	742.11	262.41	214.85
Plant & Machinery	2612.99	223.09	(8.95)	2827.13	1715.52	255.43	(8.81)	1962.14	864.99	897.47
Furniture & Fixtures	27.43	1.98	(0.48)	28.93	17.49	2.11	(0.48)	19.12	9.81	9.94
Vehicles	40.65	1.38	(0.33)	41.70	23.19	5.13	(0.31)	28.01	13.69	17.46
Office equipment	4.13	0.06	(0.04)	4.15	2.72	0.20	(0.04)	2.88	1.27	1.41
Railway Siding	1.93	0.00	0.00	1.93	1.62	0.04	0.00	1.66	0.27	0.31
Total	11282.77	1630.24	(25.51)	12887.50	6170.52	860.80	(8.71)	7022.61	5864.89	5112.24
Previous Year	10079.10	1278.14	(74.47)	11282.77	5604.90	623.17	(57.55)	6170.52	5112.24	

11.1 Lands for projects and drillings operations are acquired primarily through bipartite negotiation with the occupiers/pattadars. In case, however, bipartite negotiation fails, lands are acquired with the intervention of government officials under the relevant land laws. Upon successful negotiation or government order, as the case may be, consent letters are obtained from the occupiers/pattadars and surface compensation for the standing crops on the lands are settled and the same are capitalized either as Freehold Land or as Capital work in



progress/Acquisition cost under Producing Properties. At the same time occupiers/pattadars are advised to submit documentary evidences in support of their legal possession of the lands. Pending submission of these documents and upon settlement of surface compensation, liability for land value is determined and capitalised under respective heads. Land cost forming part of Producing Properties/Capital work in progress is either amortized or charged off depending on discovery in the well. Land cost forming part of the Land under Possession is not amortized. Out of the total lands measuring 26064.41 Bigha under the possession of the company, lands measuring 6311.24 Bighas have been mutated and 3480.20 Bighas have been applied for mutation & for the balance, the verification of title deed of the land is in the process as on 31.03.2014. The Company is in the process of strengthening the acquisition process and the mutation of those lands including maintenance of systematic records thereof.

NOTE-12**Intangible assets**

(₹ in crore)

Particulars	Gross Block				Amortization			Net Block	
	Cost as at 1st April, 2013	Additions during the year	Deletions / Adjustments during the year	Cost as at 31st March, 2014	Up to 31st March, 2013	For the year	Up to 31st March, 2014	As at 31st March, 2014	As at 31st March, 2013
Right of Use	10.53	1.23	0.00	11.76	0.00	0.11	0.11	11.65	10.53
Computer Software	53.54	1.37	1.66	56.57	46.14	2.45	48.59	7.98	7.40
Total	64.07	2.60	1.66	68.33	46.14	2.56	48.70	19.63	17.93
Previous Year	62.14	1.93	0.00	64.07	42.82	3.32	46.14	17.93	

12.1 Right of use for laying pipelines does not bestow upon the company, the ownership of land and hence, treated as Intangible Assets.

NOTE-13**Capital work in progress**

(₹ in crore)

Particulars	As at 1st April, 2013	Additions during the year	Deletions / Adjustments during the year	Capitalised during the year	Transfer to Profit and loss	Balance as at 31st March, 2014	Balance as at 31st March, 2013
Tangible Assets							
Buildings (Including Roads & Bridges)	43.49	119.37	0.00	16.94	0.00	145.92	43.49
Plant & Machinery	359.30	453.66	0.00	239.31	0.00	573.65	359.30
Acquisition Cost-Land	29.46	12.08	(0.68)	9.81	4.79	26.26	29.46
Development Cost - Wells	299.10	882.39	(0.94)	808.08	17.78	354.69	299.10
Development Cost - Production Facilities	318.24	204.04	0.00	32.42	0.00	489.86	318.24
Intangible Assets							
-Acquisition Cost-Others	173.44	3.10	(23.70)	0.00	0.00	152.84	173.44
-Exploration Costs	903.44	1012.66	0.94	153.14	568.18	1195.72	903.44
Capital work in progress (Gross)	2126.47	2687.30	(24.38)	1259.70	590.75	2938.94	2126.47
Less: Provisions	237.69	15.29	0.00	0.00	129.55	123.43	237.69
Capital work in progress (Net)	1888.78	2672.01	(24.38)	1259.70	461.20	2815.51	1888.78

**NOTE-14****Non-current investments**

(₹ in crore)

		As at 31 st March, 2014	As at 31 st March, 2013
A. Trade Investments (valued at cost)			
Unquoted Equity Instruments			
- Indoil Netherland B.V	Joint Venture	313.75	255.55
- Numaligarh Refinery Limited	-	483.65	483.65
- Brahmaputra Cracker & Polymer Limited	-	113.29	105.79
- DNP Limited	-	38.46	38.46
- Suntera Nigeria 205 Limited	-	0.01	0.01
Quoted Equity Instruments			
- Indian Oil Corporation Limited	-	2,670.75	-
B. Other Unquoted Investments (valued at cost)			
Investment in Debentures			
- The East India Clinic Limited, 5% Non Redeemable Debenture Stock 1957 (Carried at a nominal value of ₹ 1/- only)	-	-	-
Investment in Capital Fund			
- Contribution to Capital Fund of Petroleum India International	-	5.00	5.00
Tax Free Bonds			
a) National Highway Authority of India		123.62	123.62
b) Power Finance Corporation Limited		128.49	128.49
c) Indian Railway Finance Corporation Limited		147.01	447.04
d) Rural electrification Corporation Limited		500.02	300.02
e) India Infrastructure Finance Corp Ltd.		300.03	-
		4824.08	1887.63

14.1 The aggregate amount of unquoted investments is ₹ 2153.33 crore (Previous year ₹ 1887.63 crore).

14.2 The aggregate market value of quoted investments is ₹ 3386.99 crore (Previous year Nil).

14.3 The details of investment are as under: -

Name of Body Corporate	3/31/2014		3/31/2013	
	No of Shares	Face Value	No of Shares	Face Value
Indoil Netherland B.V	83778	EUR 454	75479	EUR 454
Numaligarh Refinery Limited	191264202	₹10	191264202	₹10
Brahmaputra Cracker & Polymer Limited	113287159	₹10	105795019	₹10
DNP Limited	38460000	₹10	38460000	₹10
Indian Oil Corporation Limited	121397624	₹10	-	-
Suntera Nigeria 205 Ltd	62502	Naira 1	62502	Naira 1

14.4 Mode of valuation of investments is given in Note no 32.9.



Long-term loans and advances

(₹ in crore)

	As at 31 st March, 2014	As at 31 st March, 2013
Secured, considered good		
Capital Advance	1.54	10.65
Loans & advances to employees	165.64	148.51
Unsecured, considered good		
Security Deposit	2.41	2.27
Inter Corporate Loans	348.20	364.60
Advance recoverable in cash or kind or for value to be received	0.31	0.83
	518.10	526.86

15.1 Loans & advances to employees include amount due from Whole time directors and Other Officers of the Company as under:

(₹ in crore)

Particulars	Balance as at	
	3/31/2014	3/31/2013
Directors	0.14	0.14
Other Officers	0.25	0.025
Total	0.39	0.39

15.2 Inter Corporate Loans represent loans given to

- (i) M/s DNP Limited of ₹ 98.20 crore for a period of 10 years, which carries an interest of 10% per annum (8% per annum upto 19.04.2011). First instalment of Repayment of loan commenced from 01.04.2013. The Current portion of the loan outstanding is shown under 'Short-term loans and advances'.
- (ii) M/s Brahmaputra Cracker & Polymer Limited of ₹ 250.00 crore for a period of 5 years. The rate of interest is SBI Base Rate plus 0.50% prevailing on the date of signing for the Loan agreement and shall remain valid for one year. The interest on loan will be reset every year thereafter at prevailing SBI Base Rate at that point of time plus 0.50%. Repayment of loan will be commenced after the moratorium period of 2 years.

NOTE-16

Other non-current assets

(₹ in crore)

	As at 31 st March, 2014	As at 31 st March, 2013
Long term trade receivables		
Unsecured, considered good	0.00	2.44
Others		
Deposit under Site Restoration Scheme	2.96	2.42
Decreed amount paid under appeal	99.05	99.05
Carried Cost	219.90	0.00
	321.91	103.91

16.1 Long term trade receivables represents non-current portion of receivables against lease rent under finance lease arrangement. Refer to note no. 31.5.

16.2 In terms of Hon'ble High Court order, Company has paid decreed amount of ₹ 99.05 crore in the FY 2012-13 arising out of dispute with a contractor. Company's appeal against such decreed amount is admitted and pending before the Hon'ble High Court and the Company considers it to be recoverable and as such not treated as expense.

16.3 The Carried Cost pertains to ENH's (Government of Mozambique's Public Sector undertaking) whose 10% Participating Interest is being carried by all the remaining partners. The amount is recoverable from the revenue from this Project which is likely to take place after the production commences which is expected in the year 2018/19.

**NOTE-17****Current investments**

(₹ in crore)

	As at 31 st March, 2014	As at 31 st March, 2013
Un-quoted Investment		
Mutual Funds		
a) Investment in Fixed Maturity Plan of SBI	100.00	0.00
b) Investment in Fixed Maturity Plan of UTI	100.00	0.00
	<u>200.00</u>	<u>0.00</u>
17.1 Aggregate market value/NAV of un-quoted investment -Mutual Funds	214.07	0.00
17.2 Mode of valuation of investments is given in Note no 32.9.		

NOTE-18**Inventories**

(₹ in crore)

	As at 31 st March, 2014		As at 31 st March, 2013	
Finished Goods				
Crude Oil	79.26		86.96	
Liquefied Petroleum Gas	0.22		0.40	
Condensate	0.06	79.54	0.05	87.41
Stores and spares	958.35		603.51	
Less: Provision for slow / non-moving inventory and other stores	54.22	904.13	47.55	555.96
Assets awaiting disposal		0.99		0.96
		<u>984.66</u>		<u>644.33</u>

18.1 Stores and spares include Goods in transit ₹ 121.80 crore (Previous year ₹ 126.70 crore).**18.2** Mode of valuation of inventories is given in Note no 32.10.**NOTE-19****Trade receivables**

(₹ in crore)

	As at 31 st March, 2014		As at 31 st March, 2013	
Outstanding for a period:				
Exceeding six months				
(a) Unsecured, considered good	27.07		35.28	
(b) Doubtful	13.78		31.67	
	40.85		66.95	
Less: Provision for doubtful debts	13.78	27.07	31.67	35.28
Others				
(a) Unsecured, considered good	453.79		873.46	
(b) Doubtful	0.12		0.29	
	453.91		873.75	
Less: Provision for doubtful debts	0.12	453.79	0.29	873.46
		<u>480.86</u>		<u>908.74</u>



NOTE-20

Cash and cash equivalents

(₹ in crore)

	As at 31 st March, 2014	As at 31 st March, 2013
(a) Balances with Banks		
Current Accounts	240.88	341.31
Term Deposits (Maturity of 12 months or less)	11414.10	11791.62
Cash Credit Account with State bank of India, Kolkata	4.39	2.65
(b) Cash in Hand	0.74	1.08
	11660.11	12136.66

20.1 Current Accounts includes an amount of ₹ 8.83 crore (Previous year ₹ 231.10 crore) in respect of earmarked balances with bank for unpaid dividend.

20.2 Term deposits includes ₹ 1971.78 crore (Previous Year ₹ 1021.86 crore), pledged as Security against Short Term Loans from Banks.

NOTE-21

Short-term loans and advances

(₹ in crore)

	As at 31 st March, 2014	As at 31 st March, 2013
Unsecured, considered good		
Loans & advances to related parties		
Advance against acquisition of Equity Shares	13.61	21.10
Loans to M/s Suntera for working capital	94.47	64.07
Loans & advances to others		
Security Deposit	1.13	0.86
Advance recoverable in cash or kind or for value to be received	163.56	192.64
Income Tax paid against Demand	1741.36	1268.26
Less: Provision for Taxation	(857.91)	(859.44)
Loans & advances to employees	48.18	62.35
Leave Encashment Fund	160.25	145.67
Inter Corporate Loan (PSU) to M/s DNPL	12.30	16.40
Doubtful		
Loans to M/s Suntera for working capital	7.89	7.89
Less: Provision for doubtful loans & advances	7.89	7.89
	0.00	0.00
Advance recoverable in cash or kind or for value to be received	365.52	227.92
Less: Provision for doubtful loans & advances	365.52	227.92
	0.00	0.00
Inter Corporate Deposits (PSU) to M/s IDPL	28.33	28.33
Less: Provision for doubtful loans & advances	28.33	28.33
	0.00	0.00
	1376.95	911.91



21.1 For Leave Encashment fund refer to note no. 31.1.3.

21.2 Advance against acquisition of equity shares includes advances amounting to ₹ 13.61 crore (Previous year ₹ 21.10 crore) paid to Oil India Cyprus Limited, Oil India (USA) Inc. & M/s BCPL respectively pending allotment.

21.3 Loans & advances to employees includes amount due from Whole time directors and Other Officers of the Company as under:

Particulars	Balance as at	
	3/31/2014	3/31/2013
Directors	0.01	0.21
Other Officers	0.02	0.02
Total	0.03	0.23

(₹ in crore)

NOTE-22**Other current assets**

(₹ in crore)

	As at	As at
	31 st March, 2014	31 st March, 2013
Accrued interest on Term Deposits & investments	760.82	889.91
Other Receivables	0.33	0.29
	761.15	890.20

NOTE-23**Revenue from operations**

(₹ in crore)

	Year ended	Year ended
	31 st March, 2014	31 st March, 2013
Sale of Products		
Crude Oil	7379.94	7832.00
Natural Gas	1305.98	1151.28
Liquefied Petroleum Gas	106.60	121.20
Condensate	107.99	121.67
Sale of Services		
Income from Pipeline Transportation		
Crude Oil - Pipeline	183.61	196.00
Refined Product	144.96	123.03
Natural Gas - Pipeline	0.67	0.60
	329.24	319.63
Other Operating Revenues		
Claims towards under-recovery of Natural Gas Price	406.63	391.55
Income from Business Development Services	8.96	7.50
Income from Renewable resources	52.04	9.77
Generation based incentive-Wind Energy	4.08	0.00
Income from Finance Lease	4.16	4.32
Income from OFC Fibre Leasing	10.09	9.20
	9715.71	9968.12

23.1 As per directive of MOP&NG, Crude Oil price calculation is based on the monthly average price of benchmarked International Basket of Crude Oil which is further adjusted for quality differential. As per directive of MOP&NG, Discount is allowed on the sale of crude oil and LPG.

23.2 LPG price is governed as per the MOU between the Company and Indian Oil Corporation Ltd.

23.3 Natural Gas price is as notified by MOP&NG and applicable to operating areas of the company. Subsidy extended to the eligible customers in North East India is reimbursed by Government of India and shown as Other Operating Revenue.



23.4 In terms of decision of Government of India (GOI), the company has shared under-recoveries of Oil Marketing Companies (OMCs) on price sensitive products viz Crude Oil & LPG for the year 2013-14 by extending the discount in the Crude Oil & LPG based on the rates of discount communicated by Petroleum Planning and Analysis Cell (PPAC), Ministry of Petroleum and Natural Gas (MoP&NG). Sales value of Crude Oil & LPG are shown net of such discount of ₹ 8566.23 crore (Previous year ₹ 7766.08 crore) and ₹ 170.62 crore (Previous year ₹ 126.09 crore) respectively.

NOTE-24**Other income**

(₹ in crore)

	Year ended 31 st March, 2014	Year ended 31 st March, 2013
Dividend from Equity Instruments	19.56	19.13
Dividend from Mutual Funds	107.88	50.38
Interest Income	1171.60	1400.59
Exchange (Loss)/Gain-Net	215.78	21.70
Miscellaneous Income	36.75	23.71
Excess provision written back	56.65	14.60
	1608.22	1530.11

NOTE-25**Changes in inventories of finished goods**

(₹ in crore)

	Year ended 31 st March, 2014		Year ended 31 st March, 2013	
Opening Stock				
Crude Oil	86.96		59.80	
Liquefied Petroleum Gas	0.40		0.24	
Condensate	0.05	87.41	0.00	60.04
Closing Stock				
Crude oil	79.26		86.96	
Liquefied Petroleum Gas	0.22		0.40	
Condensate	0.06	79.54	0.05	87.41
		7.87		(27.37)

NOTE-26**Employee benefits expense**

(₹ in crore)

	Year ended 31 st March, 2014	Year ended 31 st March, 2013
Salaries & Wages	1490.17	1388.56
Contribution to provident and other funds	355.04	294.56
Staff Welfare Expenses	112.53	68.14
	1957.74	1751.26
Less: Allocation to Capital account & recoveries	483.24	440.63
	1474.50	1310.63

26.1 Contribution to provident and other funds includes an amount of ₹106.55 Crore (Previous year ₹ 29.24 crore) on account of superannuation defined contribution benefit plan. {Refer Note 10.2}

**NOTE-27****Finance costs**

(₹ in crore)

	Year ended 31 st March, 2014	Year ended 31 st March, 2013
Interest expenses		
-Secured loan	8.51	2.18
-Unsecured loan ^{27.1}	62.27	0.86
	70.78	3.04

27.1 In line with the approval of the Govt. of India, Company has financed the acquisition of 40% shares in Videocon Mozambique Rovuma 1 Limited (renamed as Beas Rovuma Energy Mozambique Limited) out of foreign currency borrowings. However, interest servicing on these foreign currency borrowings amounting to ₹ 21.01 crore is being done out of Company's internal resource generation in India.

NOTE-28**Depreciation, Depletion, Amortization and Impairment**

(₹ in crore)

	Year ended 31 st March, 2014	Year ended 31 st March, 2013
Depreciation	257.75	164.05
Depletion	561.16	410.30
Amortisation	2.67	3.32
Exploration Cost written off	461.87	270.49
	1283.45	848.16

NOTE-29**Other expenses**

(₹ in crore)

	Year ended 31 st March, 2014	Year ended 31 st March, 2013
Statutory Levies	2884.76	3045.01
Consumption of Stores & spares parts	137.89	113.57
Consumption of Fuel	32.94	27.98
Cost of contractual services	709.48	596.44
Insurance, rent, rates & taxes	44.25	34.87
Profit Petroleum	18.26	15.31
Provisions		
Exploration cost	15.29	22.98
Cost of unfinished Minimum Work Programme	18.81	58.52
Well abandonment	0.16	0.01
Loans & advances	137.60	75.09
Inventories	6.60	0.15
Trade receivables	0.30	0.43
Others	(1.60)	5.81
	177.16	162.99



Prior period item

Depreciation, Depletion & Amortisation	(0.65)		0.00	
Consumption of Stores & spares parts	(1.93)		0.00	
Employee benefit expense	3.61		0.00	
Cost of contractual services	17.64	18.67	0.00	0.00

Sundry Expenses

101.88

79.58

4125.29**4075.75**

29.1 Statutory levies represent Royalty ₹1281.99 crore (Previous year ₹ 1333.71 crore) and Cess ₹1602.77 crore (Previous year ₹ 1711.30 crore).

29.2 The Company has reviewed the recent judgement of the Supreme Court with regard to payment of Royalty on Pre-discount price of crude oil and is of the opinion that no liability on this account is anticipated at this stage.

29.3 The details of Payment to statutory auditors included under Sundry Expenses: (₹ in crore)

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
Payments to Auditors (including service tax):		
(a) As Auditor	0.38	0.38
(b) For Taxation matters (Tax Audit)	0.09	0.09
(c) For company law matters	0.00	0.00
(d) For Management services	0.00	0.00
(e) For other services-Certification	0.03	0.05
(f) For reimbursement of expenses	0.02	0.00
Total	0.52	0.52

29.4 Value of imports Calculated on CIF basis: (₹ in crore)

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
(a) Components & spare parts	36.39	92.52
(b) Capital goods	18.50	51.04
Total	54.89	143.56

29.5 Expenditure in foreign currency: (₹ in crore)

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
(a) Professional & Consultation fees	226.35	165.07
(b) Foreign tours	16.89	15.86
Total	243.24	180.93

29.6 Consumption of Stores and Spare parts: (₹ in crore)

Particulars	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
(a) Imported	180.97	55.00%	196.23	54.00%
(b) Indigenous	148.06	45.00%	148.03	46.00%
Total	329.03	100.00%	344.26	100.00%

29.7 Earnings in foreign currency: (₹ in crore)

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
Other income	0.26	1.29

**Earnings per equity share**

	Year ended 31 st March, 2014	Year ended 31 st March, 2013
Basic & Diluted		
(a) Number of Equity Shares at the beginning of the year	601135955	240454382
Number of Equity Shares at the end of the year	601135955	601135955
Weighted average number of Equity Shares outstanding during the year	601135955	601135955
Face value of each Equity Share (₹)	10.00	10.00
(b) Profit after Tax available for Equity Shareholders (₹ in crore)	2941.98	3592.05
Earning Per Equity Share (₹) - Basic	48.94	59.75
Earning Per Equity Share (₹) - Diluted	48.94	59.75

30.1 Weighted average number of Equity Shares for Previous period figures have been restated for the purpose of computation of Earnings per share in accordance with AS-20.


NOTE-31: Additional Notes (Consolidated Financial Statement)
31.1 Disclosure pursuant to Accounting Standard (AS) 15 (Revised 2005) – Employee Benefits:-
31.1.1 Defined Contribution Plans

The Company's contribution to Provident Funds for employees and executives is ₹ 79.79 crore (Previous year ₹ 72.36 crore).

31.1.2 Defined Benefit Plans

The various Benefit Plans which are in operation are Gratuity Fund, Oil India Employee's Pension Fund (OIEPF), Oil India Pension Fund (OIPF), Leave Encashment Fund, Post Retirement Medical Benefit and Long Service Award. The present value of the obligation is determined based on actuarial valuation made at the end of the financial year using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefits entitlement and measures each unit separately to build up the final obligation. Long Service Award liability as on 31.03.2014 determined by the actuary, has been charged to Statement of Profit and Loss.

The amount recognised in the Balance Sheet as the present value of the defined benefit obligation is net of the fair value of plan assets at the Balance Sheet date.

31.1.3 Certified Actuarial Data:-

The following tables set out the status of the Defined Benefit plans as required under AS-15:

A. The amount recognised in Balance Sheet for post employment benefits:

(₹ in crore)

	Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post Retirement Medical Benefits
Present Value of obligation at the end of the year	337.05 (342.88)	373.85 (389.13)	945.67 (801.46)	204.65 (179.77)	123.66 (71.82)
Fair Value of Plan Asset at the end of the year	313.88 (319.96)	349.24 (339.64)	847.56 (708.20)	160.25 (145.67)	(00.00) (0.00)
Fund Status at end of the year {Net Assets/(-) Net liability}	23.17 (22.92)	24.61 (49.49)	98.11 (93.26)	44.40 (34.10)	123.66 (71.82)

B. Reconciliation of opening and closing balances of Defined Benefits obligations:

(₹ in crore)

	Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post Retirement Medical Benefits
Present Value of obligation at the beginning of the year	342.88 (322.04)	389.13 (377.40)	801.46 (689.26)	179.77 (157.82)	71.82 (66.65)
Interest Cost	27.75 (24.53)	29.68 (27.20)	65.67 (52.86)	13.83 (11.66)	5.46 (4.92)
Current Service Cost	25.62 (22.55)	13.80 (15.29)	87.53 (62.22)	47.12 (42.66)	15.05 (15.65)
Benefits Paid	-32.90 (-30.91)	-79.94 (-74.79)	-57.76 (-57.16)	-34.04 (-24.10)	-15.17 (-10.45)
Actuarial gains(-)/loss on obligations	-26.30 (4.67)	21.18 (44.03)	48.77 (54.28)	-2.03 (-8.27)	46.50 (-4.95)
Present Value of obligation at the end of the year	337.05 (342.88)	373.85 (389.13)	945.67 (801.46)	204.65 (179.77)	123.66 (71.82)



C. Reconciliation of opening and closing balances of fair value of plan assets:

(₹ in crore)

	Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post Retirement Medical Benefits
Fair Value of Plan Asset at Beginning of the year	319.96 (299.04)	339.64 (377.58)	708.20 (628.29)	145.67 (113.49)	NA*
Expected Return on Plan Assets	25.60 (23.92)	27.17 30.20	56.66 (50.26)	11.65 (9.08)	NA* NA*
Contributions	23.37 (36.06)	54.45 (7.25)	103.86 (66.78)	34.10 (44.33)	NA*
Benefits Paid	-32.90 (-30.91)	-79.94 (-74.79)	-57.76 (-57.16)	-34.04 (-24.10)	NA*
Actuarial gain/loss(-) on Plan Assets	-22.15 (-8.15)	7.92 (-0.60)	36.60 (20.03)	2.87 (2.87)	NA*
Fair Value of Plan Asset at the end of the year	313.88 (319.96)	349.24 (339.64)	847.56 (708.20)	160.25 (145.67)	NA*

NA*: Not Applicable as Scheme is unfunded

D. Expenses Recognised in Statement of Profit / Loss:

(₹ in crore)

	Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post Retirement Medical Benefits
Current Service Cost	25.62 (22.55)	13.80 (15.30)	87.53 (62.22)	47.12 (42.66)	15.05 (15.65)
Interest Cost	27.75 (24.53)	29.68 (27.20)	65.67 (52.85)	13.83 (11.66)	5.46 (4.92)
Expected Return on Plan Assets	-25.60 (-23.92)	-27.17 (-30.21)	-56.66 (-50.26)	-11.65 (-9.08)	0.00 (0.00)
Actuarial gain(-)/loss	-4.15 (12.82)	13.26 (44.63)	12.17 (34.25)	-4.90 (-11.14)	46.50 (-4.95)
Expense Recognized in Statement of Profit/ Loss Account	23.63 (35.98)	29.57 (56.92)	108.71 (99.07)	44.40 (34.10)	67.01 (15.62)

E. Investment of Superannuation Funds:

Nature of Investment	Percentage of Investment					
	Gratuity Fund		Pension Fund (OIPF)		Pension Fund (OIEPF)	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013	31.03.2014	31.03.2013
Central Govt.	35.07	33.82	38.21	36.61	36.30	34.99
State Govt.	13.75	14.67	25.21	23.64	17.39	18.21
PSU	38.72	40.13	32.28	35.84	44.97	46.36
Others	12.46	11.38	4.30	3.91	1.34	0.44
Total	100.00	100.00	100.00	100.00	100.00	100.00


F. Actuarial assumptions:

	Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post Retirement Medical Benefits
Mortality Table (LIC)	2006/08	2006/08	2006/08	2006/08	2006/08
Superannuation Age	60 (60)	60 (60)	60 (60)	60 (60)	60 (60)
Early Retirement & Disablement (10 Per Thousand P.A)					
-age above 45	6 (6)	6 (6)	6 (6)	6 (6)	6 (6)
-age between 29 and 45	3 (3)	3 (3)	3 (3)	3 (3)	3 (3)
-age below 29	1 (1)	1 (1)	1 (1)	1 (1)	1 (1)
Discount Rate	8.50% (8.00%)	8.50% (8.00%)	8.50% (8.00%)	8.50% (8.00%)	8.50% (8.00%)
Inflation Rate	6.00% (5.00%)	6.00% (5.00%)	6.00% (5.00%)	6.00% (5.00%)	0.00% (0.00%)
Expected Rate of Return on plan assets	8.00% (8.00%)	8.00% (8.00%)	8.00% (8.00%)	8.00% (8.00%)	0.00% (0.00%)
Remaining working life	10 (11)	7 (8)	10 (11)	11 (10)	10 (11)

G. Current/Non-current classification of Superannuation Funds/Employee benefits:

(₹ in crore)

	Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post Retirement Medical Benefits	Long Service Award
Current Liability	23.18 (22.92)	24.61 (49.49)	98.11 (93.26)	32.54 (29.46)	18.89 (6.80)	9.41 (5.03)
Non-current Liability	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	172.11 (150.31)	104.77 (65.02)	17.81 (19.03)
Total	23.18 (22.92)	24.61 (49.49)	98.11 (93.26)	204.65 (179.77)	123.66 (71.82)	27.22 (24.06)

Note: Figures in parenthesis represent corresponding previous year's figure.
31.2 Information as per Accounting Standard (AS) 16 "Borrowing Costs"

Borrowing cost capitalized during the year is ₹1.38 crore (Previous year ₹ Nil).

**31.3 Consolidated Segment Revenue, Results Assets and Liabilities for the year ended 31st March, 2014 :**

	(₹ in crore)	
	Year ended 31 st March, 2014	Year ended 31 st March, 2013
Revenue		
External sales		
Crude Oil	7487.93	7953.67
Natural Gas	1712.61	1542.83
LPG	106.60	121.20
Pipeline Transportation	329.24	319.63
Others	1687.55	1560.90
Total Revenue	11323.93	11498.23
Results		
Crude Oil	2430.35	3237.55
Natural Gas	762.57	711.03
LPG	62.34	80.16
Pipeline Transportation	47.53	74.65
Others	1579.50	1537.32
Segment Results	4882.29	5640.71
Less: Unallocated expenses	449.47	349.65
Operating profit	4432.82	5291.06
Interest expense	70.78	3.04
Profit before tax	4362.04	5288.02
Tax expenses	1420.06	1695.97
Profit after tax	2941.98	3592.05
Segment Assets		
Crude Oil	5874.21	5063.76
Natural Gas	3102.81	3198.66
LPG	59.91	65.65
Pipeline Transportation	424.64	349.71
Unallocated assets	25683.21	16351.41
Total Assets	35144.78	25029.19
Segment Liabilities		
Crude Oil	2132.41	2110.63
Natural Gas	559.11	844.51
LPG	55.31	31.39
Pipeline Transportation	135.58	81.77
Unallocated liabilities	11780.59	2712.11
Total Liabilities	14663.00	5780.41

Note:

- (i) Revenue and expenses directly identifiable to the segments have been allocated to the relative primary reportable segments.
- (ii) Segment revenue and expenses which are not directly identifiable to the primary reportable segments have been disclosed under others which primarily includes interest and dividend income and revenue from other miscellaneous activities.
- (iii) Assets and liabilities which are directly identifiable to the segments have been allocated to relative segments.
- (iv) Assets and liabilities which are not directly identifiable to the segments have been disclosed under unallocated.
- (v) There are no reportable geographical segments.



31.4 Information as per Accounting Standard (AS) 18 “Related Party Disclosures”

a) Related party relationships

Name of related parties and nature of relationship (excluding the State controlled entities):

i) Joint Ventures (Unincorporated):

Sl. No	Name of Joint Venture
1	MZ-ONN-2004/1
2	RJ-ONN-2004/2
3	KG-ONN-2004/1
4	RJ-ONN-2005/2
5	Kharsang PSC
6	AAP-ON-94/1
7	KG-DWN-2009/1
8	KG-OSN-2009/4
9	Shakthi, Gabon
10	Area 95/96, Libya
11	Block 82, Yemen
12	Block 83, Yemen
13	AS-CBM-2008/IV-CBM
14	Block SS-04, Bangladesh
15	Block SS-09, Bangladesh

ii) Key Management Personnel

Whole time Functional Directors :

- | | |
|--------------------------|--|
| a) Mr. S.K.Srivastava | Chairman and Managing Director |
| b) Mr. N.K. Bharali | Director (HR & BD) |
| c) Mr. S. Rath | Director (Operations) |
| d) Mrs. R.S. Borah | Director (Finance) (w.e.f. 01.10.2013) |
| e) Mr. T.K. Ananth Kumar | Director (Finance) (up to 30.09.2013) |
| f) Mr. B.N.Talukdar | Director (Exploration and Development)(up to 05.02.2014) |

Part-time Directors :

- | | |
|---------------------------|----------------------|
| a) Mr. Anup Mukerji | Independent Director |
| b) Mr. Suresh Chand Gupta | Independent Director |
| c) Mr. Bhaskar Ramamurthi | Independent Director |
| d) Mr. Shekhar Chaudhuri | Independent Director |
| e) Mr. Gautam Barua | Independent Director |



b) Details of Transactions during the year (excluding State controlled entities):

(₹ in crore)

Sl. No.	Particulars	Joint Ventures/Associates	Key Management Personnel	Total
1.	Sales Proceeds received from Joint Venture	169.71 (170.92)		169.71 (170.92)
2.	Expenses reimbursed to Joint Ventures and Associates	176.90 (147.36)		176.90 (147.36)
3.	Remuneration to Functional Directors		2.60 (3.57)	2.60 (3.57)
4.	Sitting Fees to Part-time Directors		0.18 (0.15)	0.18 (0.15)
5.	Amount outstanding		0.14 (0.35)	0.14 (0.35)

Note: Figures in parenthesis represent corresponding previous year figure.

31.5 Information as per Accounting Standard (AS) 19 “Lease”

The Company has signed a “Participating Agreement” (PA) for the product pipeline in Sudan with ONGC Videsh Limited (OVL) for a 10% Participating Interest (balance 90% being with OVL) awarded by Ministry of Energy & Mining, Govt. of Sudan (GOS). The construction of the pipeline project was completed on 01.09.2005 and handed over to GOS under Build, Own, Lease and Transfer (BOLT) basis.

The “PA” entered into between OVL and the Company is neither intended nor shall be construed as creating a partnership or joint venture among the parties. Hence, accounting has not been done following “Joint Venture Accounting Policy” but the agreement for providing finance for the project in rupees to OVL and to share lease rentals receivable from Govt. of Sudan has been treated as “Finance Lease Activity” as envisaged under Accounting Standard (AS) 19 issued by The Institute of Chartered Accountants of India and accordingly accounted for.

Disclosures related to Finance Lease in line with AS 19

(₹ in crore)

(i)	Gross investment in the lease being Minimum Lease Payment (MLP)	31.03.2014		31.03.2013			
	Investment made	54.01		54.01			
	Lease rental receivable	46.30	100.31	45.75	99.76		
(ii)	Present value (PV) of MLP receivable as on 31.03.2014 (inclusive of exchange rate fluctuation)		8.19		12.11		
(iii)	Finance lease future installments receivable		11.19		16.73		
(iv)	Minimum lease payments receivable (converted at period end exchange rate) :						
		Gross Receivable		Unearned Lease Income		PV of MLP	
	Receivable :	31.03.2014	31.03.2013	31.03.2014	31.03.2013	31.03.2014	31.03.2013
	a) not later than one year	11.19	13.38	3.00	3.71	8.19	9.67
	b) later than one year but not later than 5 years	0.00	3.35	0.00	0.91	0.00	2.44
	c) later than 5 years	0.00	0.00	0.00	0.00	0.00	0.00
	Total :	11.19	16.73	3.00	4.62	8.19	12.11



31.6 Since the company is not having any discontinuing operations and as such disclosure under AS-24 is not applicable.

31.7 Information as per Accounting Standard (AS) 27 “Financial reporting of interest in Joint Ventures”

31.7.1 Company executed various JVCs/PSCs in India as Jointly Control Assets as on 31.03.2014, the details of which are given below:

Jointly controlled Assets in India

A. Operated/Jointly Operated

Sl. No.	Block No.	Company's Participating interest
1.	AA-ONN-2002/3	30% (30%)
2.	MZ-ONN-2004/1	85% (85%)
3.	AA-ONN-2004/2	100% (100%)
4.	RJ-ONN-2004/2*	75% (75%)
5.	KG-ONN-2004/1*	90% (90%)
6.	RJ-ONN-2005/2	60% (60%)
7.	AA-ONN-2009/4	50% (50%)
8.	CY-OSN-2009/2	50% (50%)
9.	AN-DWN-2009/3	40% (40%)
10.	AA-ONN-2010/2	40% (40%)
11.	AA-ONN-2010/3	40% (40%)
12.	MB-OSN-2010/2	50% (50%)

Note: Figures in parenthesis represent corresponding previous year figure.

*M/S Geo Global Resources Inc. holding 25% participating interest in RJ-ONN-2004/2 and 10% participating interest in KG-ONN-2004/1 has withdrawn from the blocks and the company is in the process of taking over the said participating interests for which final approval is pending from MOP&NG.



The Financial position of the above blocks are as under:

(₹ in crore)

Sl. No.	Block No.	Net Fixed Assets	Net Producing Property	Capital Work in Progress	Pre Producing Property	Net Current Assets (+)/Current Liabilities(-)	Income	Expenditure	Write Off EXP. - Dry & Abandoned Exploratory Wells
Operated – Audited Accounts									
1.	AA-ONN-2002/3 (CY)	0.00	0.00	0.00	2.04	-3.02	0.00	2.47	0.00
	(PY)	0.00	0.00	0.00	1.40	2.64	0.00	1.44	0.00
2.	AA-ONN-2004/2 (CY)	0.00	0.00	0.00	0.08	-0.33	0.00	1.07	28.65
	(PY)	0.00	0.00	0.00	27.57	-0.39	0.00	1.66	0.00
3.	RJ-ONN-2004/2 (CY)	0.00	0.00	0.00	12.10	9.29	2.31	36.40	0.70
	(PY)	0.00	0.00	0.00	11.92	3.72	0.00	1.70	-1.92
4.	RJ-ONN-2005/2 (CY)	0.00	0.00	0.00	0.00	14.24	0.00	17.93	0.00
	(PY)	0.00	0.00	0.00	0.00	73.73	0.00	56.60	0.00
5.	CY-OSN-2009/2 (CY)	0.00	0.00	0.00	0.60	0.41	0.05	2.83	0.00
	(PY)	0.00	0.00	0.00	0.00	1.27	0.18	3.31	0.00
6.	MB-OSN-2010/2(CY)	0.00	0.00	0.00	0.00	0.57	0.00	9.12	0.00
	(PY)	0.00	0.00	0.00	0.00	0.38	0.00	-0.02	0.00
7.	MZ-ONN-2004/1(CY)	0.21	0.00	0.00	34.38	5.16	45.94	34.22	0.00
	(PY)	0.19	0.00	0.00	13.51	-49.74	0.00	56.68	0.00
8.	AA-ONN-2009/4(CY)	0.00	0.00	0.00	0.00	14.86	0.00	17.05	0.00
	(PY)	0.00	0.00	0.00	0.00	5.70	0.00	5.92	0.00
	Total (CY)	0.21	0.00	0.00	49.20	41.18	48.30	121.09	29.35
	(PY)	0.19	0.00	0.00	54.40	37.31	0.18	127.29	-1.92
Operated – Un-Audited Accounts									
1.	KG-ONN-2004/1 (CY)	0.51	0.00	0.12	21.62	203.24	0.16	54.56	0.00
	(PY)	0.36	0.00	0.00	15.69	-0.25	0.03	22.68	0.00
2.	AN-DWN-2009/3 (CY)	0.00	0.01	0.00	0.00	-2.58	0.00	5.52	0.00
	(PY)	0.00	0.00	0.00	0.00	-42.46	0.04	42.10	0.00
3.	AA-ONN-2010/2(CY)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	(PY)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4.	AA-ONN-2010/3(CY)	0.00	0.00	0.00	0.00	3.61	0.00	2.40	0.00
	(PY)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total (CY)	0.51	0.01	0.12	21.62	204.27	0.16	62.48	0.00
	(PY)	0.36	0.00	0.00	15.69	-42.71	0.07	64.78	0.00
	Grand Total (CY)	0.72	0.01	0.12	70.82	245.45	48.46	183.57	29.35
	(PY)	0.55	0.00	0.00	70.09	-5.40	0.25	192.07	-1.92



B. Non-operated

Sl. No.	Block No.	Company's Participating interest
1.	Kharsang PSC *	40% (40%)
2.	AAP-ON-94/1 *	16.129% in Expl Phase with additional 30% carrying interest. (16.129% in Expl Phase with additional 30% carrying interest.)
3.	MN-OSN-2000/2	20% (20%)
4.	AA-ONN-2001/3	15% (15%)
5.	AA-ONN-2002/4	10% (10%)
6.	AA-ONN-2005/1	30% (30%)
7.	WB-ONN-2005/4	25% (25%)
8.	AA-ONN-2009/3	50% (50%)
9.	AN-DWN-2009/1	30% (30%)
10.	AN-DWN-2009/2	40% (40%)
11.	AN-DWN-2009/18	30% (30%)
12.	KG-OSN-2009/4	30% (30%)
13.	GK-OSN-2010/1	30% (30%)
14.	AS-CBM-2008/IV-CBM	40% (40%)

Note: Figures in parenthesis represent corresponding previous year figure.

*Pre NELP Blocks

The Financial position of the above blocks are as under:

(₹ in crore)

Sl. No.	Block No.	Net Fixed Assets	Net Producing Property	Capital Work in Progress	Pre Producing Property	Net Current Assets (+)/Current Liabilities(-)	Income	Expenditure	Write Off EXP. - Dry & Abandoned Exploratory Wells
Non-Operated – Audited Accounts									
1.	WB-ONN-2005/4 (CY)	0.00	0.00	0.00	0.57	-0.77	0.00	6.78	0.00
	(PY)	0.00	0.00	0.00	0.00	-5.67	0.00	7.99	0.00
2.	AN-DWN-2009/1(CY)	0.00	0.00	0.00	0.00	-3.14	0.07	14.48	0.00
	(PY)	0.00	0.00	0.00	0.00	-11.94	0.00	13.03	0.00
3.	AN-DWN-2009/2(CY)	0.00	0.00	0.00	0.00	-3.30	0.06	5.96	0.00
	(PY)	0.00	0.00	0.00	0.00	-27.14	0.00	27.36	0.00
4.	AN-DWN-2009/18(CY)	0.00	0.00	0.00	0.00	-1.20	0.08	3.32	0.00
	(PY)	0.00	0.00	0.00	0.00	-1.29	0.00	2.52	0.00
5.	MN-OSN-2000/2(CY)	0.00	0.00	0.00	8.32	-17.12	0.00	3.31	112.23
	(PY)	0.00	0.00	0.00	112.16	-11.74	0.00	8.09	0.00
	Total (CY)	0.00	0.00	0.00	8.89	-25.53	0.21	33.85	112.23
	Total (PY)	0.00	0.00	0.00	112.16	-57.78	0.00	58.99	0.00



Non-Operated – Un-Audited Accounts										
1.	Kharsang	(CY)	7.49	81.39	1.17	36.65	45.12	169.97	59.94	0.00
		(PY)	7.04	63.83	2.16	38.28	30.74	171.24	61.45	0.00
2.	AAP-ON-94/1	(CY)	0.00	0.00	0.00	38.03	1.24	0.00	1.27	0.00
		(PY)	0.00	0.00	0.00	38.39	1.17	0.00	1.62	0.00
3.	AA-ONN-2001/3	(CY)	0.00	0.00	0.00	0.09	0.43	0.00	0.01	0.00
		(PY)	0.00	0.00	0.00	0.09	0.41	0.00	0.06	0.00
4.	AA-ONN-2002/4	(CY)	0.00	0.00	0.00	0.00	-0.01	0.00	0.02	0.00
		(PY)	0.00	0.00	0.00	0.00	-0.08	0.00	0.06	0.00
5.	AA-ONN-2005/1	(CY)	0.00	0.00	0.00	0.00	-0.01	0.00	0.05	0.00
		(PY)	0.00	0.00	0.00	0.00	-0.03	0.00	0.09	0.00
6.	AA-ONN-2009/3	(CY)	0.00	0.00	0.00	0.00	-0.87	0.00	5.18	0.00
		(PY)	0.00	0.00	0.00	0.00	-3.59	0.00	9.16	0.00
7.	KG-OSN-2009/4	(CY)	0.00	0.00	0.00	0.00	-0.91	0.00	0.93	0.00
		(PY)	0.00	0.00	0.00	0.00	-0.08	0.00	0.54	0.00
8.	GK-OSN 2010/1	(CY)	0.00	0.00	0.00	0.00	-19.18	2.66	35.79	0.00
		(PY)	0.00	0.00	0.00	0.00	-0.24	0.00	0.47	0.00
9.	AS-CBM-2008/IV-CBM	(CY)	0.00	0.00	0.00	0.00	-0.64	0.00	1.29	0.00
		(PY)	0.00	0.00	0.00	0.00	-0.66	0.00	0.66	0.00
	Total	(CY)	7.49	81.39	1.17	74.77	25.17	172.63	104.48	0.00
	Total	(PY)	7.04	63.83	2.16	76.76	27.64	171.24	74.11	0.00
	Grand Total	(CY)	7.49	81.39	1.17	83.66	-0.36	172.84	138.33	112.23
		(PY)	7.04	63.83	2.16	188.92	-30.14	171.24	133.10	0.00

Summarized Financial Position of Joint Venture Blocks in India is as under:

(₹ in crore)

Sl. No.	Block No.	Net Fixed Assets	Net Producing Property	Capital Work in Progress	Pre Producing Property	Net Current Assets (+)/Current Liabilities(-)	Income	Expenditure	Write Off EXP - Dry & Abandoned Exploratory Wells	
1.	Operated (12 Blocks)	(CY)	0.72	0.01	0.12	70.82	245.45	48.46	183.57	29.35
		(PY)	0.55	0.00	0.00	70.09	-5.40	0.25	192.07	-1.92
2.	Non-operated (14 Blocks)	(CY)	7.49	81.39	1.17	83.66	-0.36	172.84	138.33	112.23
		(PY)	7.04	63.83	2.16	188.92	-30.14	171.24	133.10	0.00
	Total	(CY)	8.21	81.40	1.29	154.48	245.09	221.30	321.90	141.58
	Total	(PY)	7.59	63.83	2.16	259.01	-35.54	171.49	325.17	-1.92



C. Blocks relinquished/being relinquished

The required disclosures under AS 27 related to relinquished/being relinquished blocks against which full provision has been made are not disclosed since it does not affect the related disclosures materially. However, relinquished/being relinquished blocks against which balances are appearing in the books of accounts or transactions have taken place during the financial year are disclosed as under:

The Financial position of the above blocks are as under:

(₹ in crore)

Sl. No.	Block No.	Net Fixed Assets	Net Producing Property	Capital Work in Progress	Pre Producing Property	Net Current Assets (+)/Current Liabilities(-)	Income	Expenditure	Write Off EXP. - Dry & Abandoned Exploratory Wells
1.	RJ-ONN-2000/1 (CY)	0.00	0.00	0.00	0.00	3.02	0.00	0.01	0.25
	(PY)	0.00	0.00	0.00	0.00	3.26	0.00	-6.24	0.01
2.	RJ-ONN-2001/1 (CY)	0.00	0.00	0.00	0.00	-16.89	0.11	0.84	0.34
	(PY)	0.00	0.00	0.00	0.00	-3.37	0.00	0.23	0.00
3.	RJ-ONN-2002/1 (CY)	0.00	0.00	0.00	0.00	-3.32	0.00	3.29	0.00
	(PY)	0.00	0.00	0.00	0.00	0.30	0.00	0.00	0.00
4.	RJ-ONN-2004/3 (CY)	0.00	0.00	0.00	0.00	1.48	3.55	0.03	0.45
	(PY)	0.00	0.00	0.00	0.00	-5.87	0.00	23.17	7.51
5.	MN-ONN-2000/1 (CY)	0.00	0.00	0.00	0.00	5.34	0.00	0.02	0.00
	(PY)	0.00	0.00	0.00	0.00	5.53	0.00	-0.09	0.00
6.	AA-ONN-2004/1 (CY)	0.00	0.00	0.00	0.00	-0.41	0.00	0.00	0.17
	(PY)	0.00	0.00	0.00	0.00	-14.17	0.00	3.78	0.19
7.	KG-DWN-2004/5 *(CY)	0.00	0.00	0.00	0.00	-0.02	0.00	0.56	0.00
	(PY)	0.00	0.00	0.00	0.00	0.20	0.00	1.53	0.00
8.	KG-DWN-2004/6 *(CY)	0.00	0.00	0.00	0.00	-0.15	0.00	2.07	38.87
	(PY)	0.00	0.00	0.00	11.48	-6.65	0.00	1.78	0.00
9.	AN_DWN_2005/1 *(CY)	0.00	0.00	0.00	0.00	-0.53	0.01	1.52	0.00
	(PY)	0.00	0.00	0.00	0.00	-2.88	0.00	3.41	0.00
10.	KG-DWN-2009/1 *(CY)	0.00	0.00	0.00	0.00	-0.10	0.00	0.10	0.00
	(PY)	0.00	0.00	0.00	0.00	-0.07	0.00	0.08	0.00
11.	MN-DWN-2002/1 (CY)	0.00	0.00	0.00	0.00	-88.00	0.00	0.00	0.00
	(PY)	0.00	0.00	0.00	0.00	-88.00	0.00	5.80	10.18
12.	CY-DWN-2001/1 (CY)	0.00	0.00	0.00	0.00	-8.10	0.00	-0.03	0.00
	(PY)	0.00	0.00	0.00	0.00	-10.51	0.00	2.72	-0.31
13.	GK-OSJ-3 *(CY)	0.00	0.00	0.00	0.00	-5.39	0.00	0.00	0.00
	(PY)	0.00	0.00	0.00	0.00	-5.39	0.00	0.00	0.00
14.	KG-DWN-2002/1 *(CY)	0.00	0.00	0.00	0.00	-3.04	0.00	7.12	-0.15
	(PY)	0.00	0.00	0.00	0.00	13.24	0.00	4.35	88.76
15.	KG-DWN-98/4 (CY)	0.00	0.00	0.00	0.00	-0.05	0.00	0.00	0.00
	(PY)	0.00	0.00	0.00	0.00	-0.05	0.00	0.01	0.00
16.	AA-ONN-2003/3 (CY)	0.00	0.00	0.00	0.00	1.04	0.00	0.00	0.00
	(PY)	0.00	0.00	0.00	0.00	-18.77	0.00	2.53	0.00
	Total (CY)	0.00	0.00	0.00	0.00	-115.12	3.67	15.53	39.93
	Total (PY)	0.00	0.00	0.00	11.48	-133.20	0.00	43.06	106.34

*Blocks under relinquishment pending DGH approval.



Overseas Joint Venture Blocks

The Company has also executed various contracts for oil and gas exploration in a few overseas block. The details of the block are given below:

Sl. No.	Block/Area No	Country of Origin	Company's Participating interest
1.	Farsi (offshore) Block	Islamic Republic of Iran	20% (20%)
2.	Area 86	Libya	50% (50%)
3.	Block 102/4	Libya	50% (50%)
4.	Shakthi #	Gabon	50% (45%)
5.	Area 95/96	Libya	25% (25%)
6.	Block 82,	Yemen	12.75% (12.75%)
7.	Block 83,	Yemen	12.75% (12.75%)
8.	Block SS-04*	Bangladesh	45% (Nil)
9.	Block SS-09*	Bangladesh	45% (Nil)

Note: Figures in parenthesis represent corresponding previous year figure.

*PSC Signed on 17.02.14.

#New PSC signed on 16.01.2014.

The Financial position of the above blocks are as under:

(₹ in crore)

Sl. No.	Block No.	Net Fixed Assets	Net Producing Property	Capital Work in Progress	Pre Producing Property	Net Current Assets (+)/Current Liabilities(-)	Income	Expenditure	Write Off EXP. - Dry & Abandoned Exploratory Wells
Overseas Blocks – Audited Accounts									
1.	Farsi (offshore) Block (CY)	0.00	0.00	0.00	73.52	-74.27	0.00	1.93	0.00
	(PY)	0.00	0.00	0.00	72.51	-71.33	0.00	0.00	0.00
2.	Shakthi, Gabon (CY)	0.00	0.00	0.00	78.19	17.85	0.00	4.27	11.02
	(PY)	0.00	0.00	0.00	28.11	36.77	0.00	4.51	58.13
	Total (CY)	0.00	0.00	0.00	151.71	-56.42	0.00	6.20	11.02
	Total (PY)	0.00	0.00	0.00	100.62	-34.56	0.00	4.51	58.13
Overseas Blocks – Un-Audited Accounts									
1.	Area 86, Libya (CY)	0.00	0.00	0.00	0.00	6.49	2.54	1.72	-0.28
	(PY)	0.00	0.00	0.00	0.00	-10.22	-0.91	3.93	0.60
2.	Block 102/4, Libya (CY)	0.00	0.00	0.00	0.00	-0.52	0.00	-0.10	-0.24
	(PY)	0.00	0.00	0.00	0.00	0.12	-0.35	1.48	0.10
3.	Area 95/96, Libya (CY)	0.14	0.00	0.34	100.94	-31.91	0.00	18.68	0.00
	(PY)	0.23	0.00	0.20	38.91	-27.17	0.00	10.41	0.00
4.	Block 82, Yemen (CY)	0.01	0.00	0.06	5.34	-4.06	0.00	10.27	0.00
	(PY)	0.01	0.00	0.02	5.34	0.41	0.00	1.89	0.00



5.	Block 83, Yemen (CY)	0.01	0.00	0.05	7.62	-7.77	0.00	9.86	0.00
	(PY)	0.01	0.00	0.01	7.62	-0.40	0.00	8.89	0.00
6.	Block SS-04, Bangladesh (CY)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	(PY)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7.	Block SS-09, Bangladesh (CY)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	(PY)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total (CY)	0.16	0.00	0.45	113.90	-37.77	2.54	40.43	-0.52
	Total (PY)	0.25	0.00	0.23	51.87	-37.26	-1.26	26.60	0.70
	Grand Total (CY)	0.16	0.00	0.45	265.61	-94.19	2.54	46.63	10.50
	(PY)	0.25	0.00	0.23	152.49	-71.82	-1.26	31.11	58.83

*CY – Current Year

PY – Previous Year

Jointly Controlled Entity:

The Company along with ONGC Videsh Limited (OVL) acquired 100% shares of Videocon Mozambique Rovuma 1 Limited (renamed as Beas Rovuma Energy Mozambique Limited (BREML)). The Company acquired 40% shares in BREML, which holds 10% PI in the Rovuma Area 1 offshore Block, Mozambique. The transaction was completed on 7th January, 2014 for USD 1,007.69 million (₹ 6337.39 crore) against the net asset value of USD 130.46 million (₹ 820.44 crore). The company's share of consideration for acquiring the shares has been accounted as investment in Joint Venture as per AS -13 and the difference between the net asset value acquired vis-a-vis purchase consideration is treated as Goodwill.

As per the condition of sale and purchase agreement with Videocon for acquiring the shares of BREML, the consideration is subject to adjustment for the seller's final statements of accounts which has been received from Videocon on 2nd May, 2014 seeking adjustment to the purchase price of USD 20.972 million (₹ 127.11 crore) additionally payable to seller. The same is under review and adjustment to the consideration, if any, shall be accounted on finalization of seller's final statement of accounts.

31.7.2 Pursuant to directive from Government of India vide

MoP&NG letter no. 33011/16/2013-ONG-III dated 17.10.2013, the company has raised overseas funding for acquiring 10% participating interest in Rovuma I offshore block in Mozambique along with ONGC Videsh Ltd. The foreign currency borrowing at the close of year has been translated in accordance with AS-11 and consequently ₹ 238.96 crore has been recognized as exchange gain on foreign currency translation.

In the opinion of the Management there is no explicit restriction by the authority with regard to repayment or servicing of debt from domestic resources of the company.

31.7.3 Recoverability of dues of ₹ 94.47 crore as on 31.03.2014 from Suntera Nigeria 205 Ltd. in which the company is having 25% interest in equity along with Suntera Resources Limited (50%) and Indian Oil Corporation Limited (25%) is dependent upon its ability to continue as a going concern with the support of its shareholding companies. This loan is however due for repayment on 31.12.2014 only. Accordingly, no provision has been created in accounts as on 31.03.2014.

31.7.4 Company has sent for confirmation of balances to the JVC Partners which are yet to be received.

**31.8 Disclosure pursuant to clause 32 of the Listing Agreement:**

(₹ in crore)

Particulars	Outstanding as at 31.03.2014	Maximum Amount Outstanding during the year 2013-14	Outstanding as on 31.03.2013	Maximum Amount Outstanding during the year 2012-13
Loans & Advances in the nature of Loan to :				
a) Subsidiaries*				
i) Oil India Sweden AB	Nil	Nil	Nil	Nil
ii) Oil India Cyprus Ltd	Nil	Nil	Nil	Nil
iii) Oil India USA INC.	1.57	1.57	1.53	1.53
iv) Oil India International	0.02	0.02	Nil	Nil
b) To Associates / Jointly controlled entity Beas Rovuma Energy Mozambique Ltd.	75.46	75.46	Nil	Nil
c) Where there is no repayment schedule	Nil	Nil	Nil	Nil
d) Having repayment schedule of beyond seven years: To employees	147.38	147.38	127.54	127.79
e) Where there is no interest or interest below Section 372A of Companies Act	0.00	0.00	0.00	0.00
f) In the nature of loans to Firms/companies in which directors are interested: DNP Ltd BCP Ltd.	110.50 250.00	131.00 250.00	131.00 250.00	131.00 250.00
g) Investment by Loanee in Parent or other subsidiary company	Nil	Nil	Nil	Nil

* Excludes Current account transactions

31.9 Micro, Small and Medium Enterprises Development Act, 2006:

The Company has identified Micro, Small and Medium Enterprises (MSMEs) to whom the Company owes dues, which are outstanding as at 31.03.2014.

(₹ in crore)

Particulars	2013-14	2012-13
a) Principal amount remaining unpaid but not due as at year end	1.72	1.86
b) Interest due thereon as at year end	0.00	0.00
c) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year	0.00	0.00
d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	0.00 0.00	0.00 0.00
e) Interest accrued and remaining unpaid as at year end	0.00	0.00
f) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	0.00	0.00



31.10 Income Tax

(₹ in crore)

- a) For Assessment Year (AY) 2003-04 to 2007-08, 2009-10 and 2010-11, the appeal is pending for disposal before the Hon'ble Income Tax Appellate Tribunal (ITAT) with respect to the Company's claim of benefit u/s 80-IB & 80-IC of the Income Tax Act, 1961, herein after called as the Act.
- b) For Assessment Year (AY) 2008-09, 2011-12 and 2012-13, the appeal is pending for disposal before the CIT(A) against disallowances / additions made in the assessment u/s 143(3).
- c) The benefit u/s 80-IB & 80-IC of the Act has not been considered to make the provisions of tax in the books.
- d) The resulting interest, whether receivable or payable, shall be accounted for on finalization of the matter by an appellant authority.
- e) Income tax assessments up to the Assessment Year 2012-13 have been completed and a demand of ₹149.18 crore has been raised by the Department over the period on account of certain disallowances / additions. Such disallowances/additions have not been provided for in the books as the same is likely to be deleted or may be reduced substantially on the grounds taken by the company before the first appellate authority. However, as per demand notice, the amount has been paid.
- f) Subject to the approval of the prescribed authority, Department of Scientific and Industrial Research, company has claimed weighted deduction u/s 35 (2AB) of the Income Tax Act, 1961, for the eligible amount incurred in the following respective years for capital and revenue expenditure on scientific research on in-house approved research and development facilities:

Particulars	Financial Year		
	2013-14	2012-13	2011-12
Capital Expenditure	7.48	0.77	2.12
Revenue Expenditure	31.27	26.38	24.87
Total Expenditure	38.75	27.15	26.99

31.11 Disclosure under Section 441A of the Companies Act:

Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

31.12 Implementation of Guidance Note on Oil & Gas Producing Activities (Revised 2013):

Company has implemented "Guidance Note on Accounting for Oil & Gas Producing Activities (Revised 2013)" issued by the Institute of Chartered Accountants of India (ICAI). However, the company has continued to provide depreciation on other Production Facilities, being part of producing properties as per the rates prescribed under Schedule XIV to the Companies Act 1956, in preference to the Depletion method based on Unit of Production as recommended by ICAI. Company's decision is based on the opinion from Expert Advisory Committee of ICAI issued on 11.05.2010 and also since the rates under Schedule XIV to the Companies Act 1956 prescribes the minimum rates at which depreciation is to be provided. Impact of implementation of the Guidance Note is increase in Acquisition Cost-Land with corresponding increase in Profit before tax by ₹ 0.32 crore, increase in abandonment liability by ₹ 86.15 crore with corresponding increase in Producing well ₹ 80.21 crore, Capital Work in Progress (Development Cost-Wells ₹ 0.94 crore) & Well write off ₹ 5 crore.

**31.12.1 Disclosures as per Guidance Note on Oil & Gas Producing Activities (Revised 2013):**

(Prepared by the management and Auditors have placed reliance being information of technical nature)

i) Net quantites of interest in Proved Reserves of oil (including condensates) and natural gas as on 31.03.2014 :

Area of Operation	Crude Oil				Natural Gas			
	Position as at 01.04.2013 (Million MT)	Additions/Revisions (Million MT)	Production Quantity (Million MT)	Position as at 31.03.2014 (Million MT)	Position as at 01.04.2013 (Million Cubic Meter)	Additions/Revisions (Million Cubic Meter)	Production Quantity (Million Cubic Meter)	Position as at 31.03.2014 (Million Cubic Meter)
Assam	36.1458	1.3658	3.4204	34.0912	27327.0000	(457.0000)	2427.5538	24442.4462
Arunachal Pradesh	0.4813	(0.1371)	0.0214	0.3228	0.0000	0.0000	0.0000	0.0000
Rajasthan	0.0000	0.0027	0.0003	0.0024	353.0000	(42.6231)	197.3769	113.0000
Kharsang-JV*	0.9228	0.0000	0.0356	0.8872	0.0000	0.0000	0.0000	0.0000
Total	37.5499	1.2314	3.4777	35.3036	27680.0000	(499.6231)	2624.9307	24555.4462

* Shown to the extent of participating interest of the Company

ii) Net quantites of interest in Proved Developed Reserves of oil (including condensates) and natural gas as on 31.03.2014 :

Area of Operation	Crude Oil				Natural Gas			
	Position as at 01.04.2013 (Million MT)	Additions/Revisions (Million MT)	Production Quantity (Million MT)	Position as at 31.03.2014 (Million MT)	Position as at 01.04.2013 (Million Cubic Meter)	Additions/Revisions (Million Cubic Meter)	Production Quantity (Million Cubic Meter)	Position as at 31.03.2014 (Million Cubic Meter)
Assam	29.8898	3.1032	3.4204	29.5726	27327.0000	(457.0000)	2427.5538	24442.4462
Arunachal Pradesh	0.4813	(0.1371)	0.0214	0.3228	0.0000	0.0000	0.0000	0.0000
Rajasthan	0.0000	0.0027	0.0003	0.0024	353.0000	(42.6231)	197.3769	113.0000
Kharsang-JV*	0.9228	0.0000	0.0356	0.8872	0.0000	0.0000	0.0000	0.0000
Total	31.2939	2.9688	3.4777	30.7850	27680.0000	(499.6231)	2624.9307	24555.4462

* Shown to the extent of participating interest of the Company

Reserves are calculated in terms of Million kilo litres. Figures relating to crude oil (including condensates) are converted in Million metric tonne using average conversion factor as applicable for the year.

taken into consideration for determining reserves quantity.

31.13 Details of charge:

- iii) Proved and Proved Developed Reserves of oil (including condensates) and gas are technically assessed and reviewed in-house at the end of each year in line with international practices. Reserves are audited by external experts at periodical intervals. For the purpose of estimation of Proved and Proved Developed Reserves Deterministic Method is used by the company. Production pattern analysis, no of additional wells to be completed, application of enhanced recovery techniques, validity of mining lease agreements, agreements/MOU for sales are
- The company has created charge against Current Assets to the tune of ₹ 377.45 crore (Previous year ₹ 377.45 crore) for availing Bank Guarantee.
 - The company has created charge against Current Assets to the tune of ₹ Nil (Previous year ₹150 crore) for availing Letter of Credit.
 - The company is having Cash Credit /Letter of credit / Bank Guarantee facility against the security of its current assets to the tune of ₹ 700 crore.(Previous year ₹1000 crore)



31.14 Other disclosure under Schedule VI to the Companies Act, 1956

I. Contingent Liabilities and commitments

i) Contingent Liabilities:

a) Claims against the Company not acknowledged as debts:

- i) In respect of claims under Sales Tax Act : ₹ 8.41 crore (Previous year ₹ 5.58 crore)
- ii) In respect of claims under Central excise Acts : ₹ 114.73 crore (Previous year ₹ 43.66 crore) & Service Tax
- iii) In respect of claims under Other Acts : ₹ 42.26 crore (Previous year ₹ 41.51 crore)
- iv) Claims by contractors pending in Arbitration / Courts : ₹ 109.63 crore (Previous year ₹ 110.97 crore)
- v) In respect of share of claim on JVC/PSC account : ₹ 27.36 crore (Previous year ₹ 30.11 crore)

b) In respect of Guarantees :

- i) Bank Guarantee issued for ₹ 702.02 crore to Superintendent of Taxes, Naharkatia, Assam, in relation to demand raised by the Department under Assam Taxation (on specified lands) Act 1990. (Previous year ₹ 702.02 crore).
- ii) Guarantee to OADB against Loan by M/S BCPL from OADB : ₹ 36.34 crore (Previous year ₹ 36.34 crore)
- iii) Guarantee to OADB against Loan by M/S DNPL from OADB : ₹ Nil (Previous year ₹ 38.02 crore)
- iv) Counter Guarantee to GAIL against Loan by M/S BCPL from OADB : ₹ 27.78 crore (Previous year ₹ 27.78 crore)
- v) Irrevocable Standby Letter of Credit to CARRIZO OIL AND GAS INC. of USD Nil, ₹ Nil, under Purchase and Participating agreement. (Previous year USD 23 Million, ₹ 126.29 crore)
- vi) Guarantee to Citibank NA., New York against Loan taken by OIL INDIA (USA) INC. for USD Nil, ₹ Nil (Previous year USD 50 Million, ₹ 274.55 crore)

- vii) Guarantee to Royal Bank of Scotland (Finance) Ireland against Loan taken by OIL INDIA (USA) INC. for USD 90 million ₹ 545.49 crore (Previous year USD Nil, ₹ Nil)

ii) Commitments:

Capital Commitments:

- i) The estimated amount of contracts remaining to be executed on Capital Account and not provided for in the accounts: ₹ 538.66 crore (Previous year ₹ 364.13 crore).
- ii) Company's share in the amount of contracts remaining to be executed on Capital Accounts and not provided for in the account as on 31.03.2014 in respect of the Joint Ventures is ₹ 8.47 crore (Previous year ₹ 0.09 crore).

Other Commitment:

- iii) Balance of Minimum Work Program Commitment (MWP) by OIL under Production Sharing Contracts (PSCs) entered for NELP Blocks with Govt. of India is ₹ 2663 crore. (Previous year ₹ 3094.53 crore) out of which ₹ 314 crore. (Previous year ₹ 389 crore) is covered by Bank Guarantee submitted to DGH.

31.15 RECLASSIFICATION/REGROUPING:

Previous year figures have been reclassified / regrouped wherever necessary to conform to current year figures.

32 PRINCIPLE OF CONSOLIDATION & SIGNIFICANT ACCOUNTING POLICIES

A. PRINCIPLE OF CONSOLIDATION

The consolidated financial statements comprise the financial statement of the Company (Oil India Limited) and its' subsidiary. The Consolidated Financial Statement have been prepared on the following basis:

- 32.1.1** The Financial Statement of the Company and its' Subsidiary Companies are combined on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenditures after eliminating the intra-group balances and intra-group transactions resulting in unrealized profits & losses in accordance with Accounting Standard-21 on "Consolidated Financial Statements".



32.1.2 The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and events in similar circumstances are presented to the extent possible, in the same manner as the Company's separate Financial Statements.

32.1.3 The financial statements of Joint Ventures are combined by applying proportionate consolidation method on a line-by-line basis on items of assets, liabilities, income and expenses after eliminating proportionate share of unrealized profits or losses

in accordance with Accounting Standard-27 on "Financial Reporting of Interests in Joint Ventures".

32.1.4 The excess/shortfall of cost of investment in the subsidiaries/associates/Joint ventures over the net asset at the time of acquisition of shares in subsidiaries/associates/Joint ventures is recognised in the financial statements as goodwill/capital reserve respectively as the case may be.

32.1.5 The Consolidated Financial Statements include the results of the following entities:

SI No	Name of Company	Country of Incorporation	Relation	Ownership Interest
1.	Oil India Sweden AB	Sweden	Subsidiary	100%
2.	Oil India Cyprus Limited	Cyprus	Subsidiary	76%
3.	Oil India USA Inc.	USA	Subsidiary	100%
4.	Oil India International Limited	India	Subsidiary	100%
5.	Beas Rovuma Energy Mozambique Ltd	British Virgin Islands	Joint Venture	40%
6.	Oil Mauritius Energy International Ltd*	Mauritius	Subsidiary	100%

* The company is under liquidation.

B. SIGNIFICANT ACCOUNTING POLICIES

32.1 ACCOUNTING CONVENTION

The Financial Statements are prepared under the historical cost convention on accrual method of accounting, in accordance with the Generally Accepted Accounting Principles and complying with the mandatory Accounting Standards notified by the Government of India under the Companies (Accounting Standards) Rules, 2006 and the relevant provisions and presentational requirement of the Companies Act, 1956.

32.2 CLASSIFICATION OF ASSETS & LIABILITIES

All the Assets and Liabilities of the Company are segregated into Current & Non-current based on the principles and definitions as set out in the Schedule VI to the Companies Act, 1956 as amended. The Company has adopted a period of 12 months as its Operating Cycle.

32.3 Pre-acquisition Costs, Acquisition Costs, Exploration Costs, Development Costs And

Abandonment Costs :

The Company follows the "Successful Efforts Method" (SEM) of Accounting in respect of its Oil and Gas exploration and production activities in accordance with the "Guidance Note on Accounting for Oil & Gas Producing Activities" issued by the Institute of Chartered Accountants of India.

32.3.1 PRE-ACQUISITION COSTS:-

Costs of revenue nature incurred prior to obtaining the rights to explore, develop and produce Oil & Gas like data collection & analysis cost etc. are expensed to the Statement of Profit and Loss in the year of incidence.

32.3.2 GEOLOGICAL & GEOPHYSICAL COSTS:-

Geological and Geophysical expenditure are charged as expense when incurred.

32.3.3 ACQUISITION COSTS:-

- i) Acquisition costs include land acquired for drilling operations including cost of temporary occupation



of the land, crop compensation paid to farmers, registration fee, legal cost, signature bonus, brokers' fees, consideration for farm-in arrangements and other costs incurred in acquiring mineral rights.

- ii) Cost for retaining the mineral interest in properties like lease carrying cost, license fees & other cost are charged as expense when incurred.
- iii) Acquisition costs are initially recorded under Capital work in progress-Tangible & Intangible as the case may be.
- iv) On determination of proved developed reserves, associated acquisition costs are transferred to Fixed Assets-Producing Properties.
- v) Acquisition cost of Producing Properties is capitalized under Fixed Asset-Producing Properties.
- vi) Acquisition cost relating to exploratory well that is determined to have no proved reserves and its status is decided as dry or of no further use for exploration purpose, is charged as expenses. In such cases, for land value forming part of acquisition cost, a nominal amount of Rs.100 per bigha is transferred to Freehold land under Fixed Assets.

32.3.4 EXPLORATION COSTS:-

- i) All exploration costs including allocated depreciation on support equipment and facilities involved in drilling and equipping exploratory and appraisal wells and cost of exploratory-type drilling stratigraphic test wells are initially shown as Intangible assets under Capital Work in Progress as exploration cost till the time these are either transferred to Fixed Assets as Producing Properties on determination of Proved Developed Reserves or charged as expense when determined to be dry or of no further use.
- ii) Cost of exploratory wells are not carried over unless it could be reasonably demonstrated that there are indications of sufficient quantity of reserves and activities are firmly planned in near future for further assessing the reserves and economic & operating viability of the project. Costs of written off exploratory wells are not reinstated in the book even if they start producing subsequently.

32.3.5 DEVELOPMENT COSTS:-

Costs that are attributable to development activities including production and processing plant & facilities, service wells including allocated depreciation on support equipment and facilities are initially shown as Tangible Assets under Capital Work in Progress as Development Cost till such time they are capitalized as Producing Properties upon determination of Proved Developed Reserves.

32.3.6 PRODUCTION COSTS:-

Production Cost consist of direct and indirect costs incurred to operate and maintain wells and related equipments and facilities, including depreciation and applicable operating cost of support equipment and facilities.

32.3.7 SIDE-TRACKING EXPENDITURE:-

In case of exploratory wells, the cost of abandoned portion of side tracked well is charged off to Profit and loss statement. In case of development wells, the entire cost of abandoned portion and side-tracking is capitalized. In case of existing producing wells the cost of side – tracking is capitalized if it increases the proved developed reserves, otherwise is charged off to Profit and loss statement.

32.3.8 ABANDONMENT COSTS:-

- i) Estimated full eventual liability towards costs relating to dismantling, abandoning and restoring well sites and associated Production Facilities are recognized at the commencement of drilling a well/when facilities are installed. Liability for abandonment cost is updated annually based on the technical assessment available at current costs.
- ii) The actual cost incurred on abandonment is adjusted against the liability and the ultimate gain or loss is recognized in the Statement of Profit and Loss, when the designated oil/gas field or a group of oil/gas fields ceases to produce.

32.4 FIXED ASSETS, DEPRECIATION & DEPLETION

32.4.1 Tangible Assets:-

- i) Cost of Freehold & Leasehold land which are perpetual in nature used for other than exploration



and development activity are not amortized. Leasehold land other than perpetual lease is amortized over the lease period.

- ii) All successful exploratory well cost, development well cost and other development cost viz. Production Facilities are capitalized when the same is ready to commence commercial production.
- iii) Costs relating to acquisition/ construction of tangible assets other than producing properties are capitalized on commissioning.
- iv) Land acquired on perpetual lease as well as on lease over 99 years is treated as free hold land and not amortized.
- v) Land acquired on lease for 99 years or less is treated as leasehold land and amortised over the lease period.
- vi) Any Tangible asset, when determined of no further use, is deleted from the Gross Block of assets. The deleted assets are carried as 'Assets awaiting disposal' under Inventories at lower of `1000 or 5% of the original cost and the balance Written down Value, is charged off.

32.4.2 Intangible Assets:-

- i) Costs of intangible assets are capitalized when the asset is ready for its intended use.
- ii) Cost of right of use/right of way for laying pipelines is capitalized and amortized on a straight line basis over the period of such right of use / right of way or 99 years whichever is lower, as per industry practice.
- iii) Cost incurred on computer software purchased / developed are capitalized as intangible asset and amortized over the useful life not exceeding five years from the date of capitalization.
- iv) Any intangible asset, when determined of no further use, is written off.

32.4.3 DEPRECIATION

- i) Depreciation on Tangible Assets other than Acquisition cost & cost of producing well is provided

for under the "Written down Value Method", at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

- ii) Capital assets costing up to Rs 5000 each are fully depreciated in the year of acquisition.

32.4.4 DEPLETION

- i) Acquisition costs are depleted using the "Unit of Production Method" with reference to the ratio of production and related Proved reserves.
- ii) Producing Wells are depleted using the "Unit of Production Method", with reference to ratio of production and the related Proved Developed Reserves.
- iii) Rate of depletion is determined based on production from the Oil/Gas field or a group of Oil/Gas fields identified with reference to the related reserves having common geological feature.

32.5 FOREIGN CURRENCY TRANSLATION

- i) Foreign currency transactions are initially recognised and accounted for at the exchange rates prevailing at the dates of transactions.
- ii) a) Foreign Currency monetary assets & liabilities outstanding at the close of the year, are translated at the rates of exchange prevailing at the date of Balance Sheet. Resultant gains or loss is accounted for during the year, except those relating to long-term foreign currency monetary items.
b) Exchange differences on long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the assets in line with para 46A of Accounting Standard-11. In other cases, exchange differences are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortised over the balance period of such long term foreign currency monetary item by recognition as income or expense in each of such periods.
- iii) Foreign currency transactions in relation to Joint



Venture (Overseas) are treated in the following manner:-

- a) Foreign currency transactions are initially recognised and accounted for at the exchange rates prevailing at the dates of transactions. However, the average exchange rate of relevant month is taken for the transactions of that month, where actual rate of transaction is not available or at the rate as agreed otherwise.
- b) Foreign Currency monetary assets & liabilities outstanding at the close of the year are translated at the rates of exchange prevailing at the date of Balance Sheet. Resultant gains or loss is accounted for during the year.

32.6 IMPAIRMENT OF ASSETS

Acquisition costs, pending capitalization to Producing Properties and exploration costs under Intangible Assets- Capital Work in Progress are reviewed for indicators of impairment and if events and circumstances suggest, impairment loss is provided for and carrying amount is reduced accordingly.

Producing fields, LPG Plant, Transportation Pipeline and Power Generating Units (other than Captive Power Plants) are considered as Cash Generating Units. A "Cash Generating Unit" is reviewed for impairment at each Balance Sheet date. An impairment loss is recognized, whenever the carrying amount of assets exceeds the recoverable amount by writing down such assets to their recoverable amount.

An impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased. Impairment loss/reversal thereof is adjusted to the carrying value of the respective assets. Impairment testing is normally carried out at the year-end unless compelling circumstances exist for review during the course of the year.

32.7 JOINT VENTURES

Production Sharing Contracts (PSCs) executed with the Government of India / Government of Foreign Countries by the company along with other entities

to undertake exploration, development and production of Oil and / or Gas activities under a joint venture in various concessions/block/area are accounted as under:-

- i) The financial statements reflect the share of the Company's assets, liabilities and also the income and expenditure of the Joint Venture in proportion to the participating interest of the Company as per the terms of the PSCs, on a line by line basis. Depreciation, depletion and impairment and value of Stock of Crude Oil are accounted for as per the relevant accounting policies of the Company whereas provision for abandonment is created as per terms of PSC. Proved Developed Reserve of Oil & Gas in such concessions/block/area are also considered in proportion to participating interest of the Company.
- ii) Consideration recoverable from new Joint Venture Partners for the right to participate in operations are:
 - a) Reduced from respective assets and/or expenditure to the extent of the new partners contribution towards past cost,
 - b) Balance is considered as miscellaneous receipts/expenses.

32.8 INCOME TAX

- i) The tax expense for the year comprises current tax and deferred tax.
- ii) Provision for current tax is made after taking into consideration benefits admissible on conservative basis under the provisions of the Income Tax Act, 1961 as are applicable to the company. Deferred Tax resulting from 'timing difference' between taxable incomes and accounting income is accounted for using the tax rates and tax laws applicable for the relevant Financial Year. Deferred Tax Asset is reassessed and recognised only to the extent that there is a virtual certainty that the asset will be realized in future.

32.9 INVESTMENTS

- i) Non Current investments are valued at cost. However, provision for diminution in value is made to recognise a decline in the value, other than temporary.
- ii) Current investments are valued at lower of cost or fair value.



32.10 INVENTORY

- i) Finished goods of Crude Oil, Liquefied Petroleum Gas and LPG condensate are valued at cost or net realizable value, whichever is lower. Cost of finished goods is determined based on direct cost and directly attributable services cost including depreciation & depletion.
- ii) Crude oil in unfinished condition in the flow line up to Group Gathering Station and Natural Gas in Pipeline are not valued, as these pipeline fills are necessary to the operation of the facility.
- iii) Stores and spare are valued at weighted average cost or net realizable value whichever is lower. Obsolete / unserviceable items, as and when identified, are written off. Any item of stores and spares not moved for last four years as on date of Balance Sheet are identified as slow moving items for which a provision of 95% of the value is made in the accounts.

32.11 EMPLOYEE BENEFITS

- i) All short-term employee benefits are recognised as an expense at the undiscounted amount in the accounting period in which the related service is rendered.
- ii) Employee benefits under defined contribution plan such as provident fund is recognised based on the undiscounted obligations of the company to contribute to the plan.
- iii) Employee benefits under defined benefit plans such as gratuity, leave encashment, post retirement medical benefits, pension are recognised based on the present value of defined benefit obligation, which is computed on the basis of actuarial valuation using the projected unit credit method. Actuarial liability in excess of respective plan assets is recognised during the year and in case the plan assets exceed the Actuarial Liability, no further provision is considered. Actuarial gain and losses in respect of post employment and other long-term benefits are recognised during the year.

32.12 REVENUE RECOGNITION

- i) Revenue from sale of products is recognized on custody transfer to customers.
- ii) Sale of crude oil and gas produced from exploratory wells is deducted from expenditure on such wells.
- iii) Sales are inclusive of statutory levies but excluding Value Added Tax (VAT) & Central Sales Tax (CST) and net of discounts. Any retrospective revision in prices is accounted for in the year of such revision.
- iv) Claims on Government / Petroleum Planning & Analysis Cell (PPAC) are booked on acceptance in principle by the authority.
- v) Dividend Income is recognized when the right to receive the dividend is established.
- vi) Revenue in respect of the following is recognized when there is reasonable certainty regarding ultimate realization:
 - a) Short lifted quantity of Crude Oil & Natural Gas, if any.
 - b) Interest on delayed realization from customers.
- vii) Insurance claim other than for transit loss of stores items are accounted for on final acceptance by the Insurance Company.
- viii) Recovery/Refund of Liquidated Damages are recognised in the Statement of Profit and Loss in the year of occurrence as income or expenditure as the case may be except in case of JVC which are governed by the respective PSC.
- ix) Revenue from sale of other services is recognised when service is rendered in line with contracts executed there with.

32.13 GRANTS

Grants are recognised when there is reasonable assurance that the same would be realized. Grants related to specific assets are deducted from the gross value of the concerned assets.



32.14 BORROWING COSTS

- i) Borrowing costs during the construction period that are attributable to qualifying assets are capitalized and also includes exchange difference arising from Foreign Currency borrowings to the extent that they are regarded as an adjustment to interest cost.
- ii) Other borrowing costs are recognised as expenses when incurred.

32.15 SEGMENT ACCOUNTING

- i) The Company has adopted its products & services (viz. Crude Oil, Natural Gas, LPG and Pipeline Transportation) as the primary reporting segments. There are no reportable geographical segments.
- ii) Segment assets, liabilities, income and expenses have been either directly identified or allocated to the segments on the basis usually followed for allocation of cost adopted for preparing and presenting the financial statements of the Company.

32.16 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

- i) Provisions in respect of which a reliable estimate can be made are recognised where there is a present obligation as a result of past events and it is probable that there will be an outflow of resource.
- ii) Contingent liabilities, if material, are disclosed by way of notes to the accounts.
- iii) Contingent assets are neither recognised nor disclosed in the financial statements.

32.17 EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

32.18 GOODWILL ON CONSOLIDATION

Goodwill on consolidation will be amortized on commencement of production.

32.19 GENERAL

- i) All revenue expenditure, incurred for Research & Development Projects / Schemes, net of grants-in-aid if any, are charged to the Statement of Profit & Loss.
- ii) Assets given on finance lease are accounted as per Accounting Standard 19 "Leases". Such assets are included as a receivable at an amount equal to the net investment in the lease. Initial direct costs incurred in respect of finance leases are recognized in the statement of profit and loss in the year in which such costs are incurred.
- iii) Prior period items/Prepaid expenses having value in each case up to ₹ 5 lacs are booked under natural head of accounts.

For Saha Ganguli & Associates
Chartered Accountants
Firm Reg. No. 302191E

For B. M. Chatrath & Co.
Chartered Accountants
Firm Reg. No. 301011E

For and on behalf of the Board of Directors

Sd/-
(S.K.SAHA)
Membership No: 051392

Sd/-
(P.R.PAUL)
Membership No: 051675

Sd/-
(S.R.KRISHNAN)
Company Secretary

Sd/-
(MRS. RUPSHIKHA S. BORAH)
Director (Finance)

Sd/-
(S.K.SRIVASTAVA)
Chairman & Managing
Director

Place: Noida
Date: 27th May, 2014



OIL INDIA LIMITED
Consolidated Cash Flow Statement for the year ended 31st March, 2014

	Note	As at 31 st March, 2014	(₹ in crore) As at 31 st March, 2013
Operating Activity			
Net Profit Before Tax and Exceptional items		4362.04	5288.02
Depreciation, Depletion & Amortisations		821.58	577.67
Exploration Cost written off		461.87	270.49
Prior period-Expenditure		(0.65)	0.00
Dividend Income		(127.44)	(69.51)
Interest Income		(1171.60)	(1400.59)
Interest Expenses		70.78	3.04
Foreign Exchange Loss/(Gain)- Net		(215.78)	(21.70)
Provision for employee benefits		188.50	73.74
Well abandonment provisions		247.72	10.27
	Total	274.98	(556.59)
Cash flow from Operating Activity Before Changes in Assets and Liabilities		4637.02	4731.43
Changes in Working Capital			
Inventories		(340.33)	(111.01)
Trade Receivables, Other current and non current assets		209.84	52.85
Long term and short term Loans and Advances		(11.28)	236.90
Accrued Interest			
Long term and short term provisions		(231.26)	(162.39)
Trade payables, Other current and non current liabilities		171.16	(852.52)
	Total	(201.87)	(836.17)
Cash flow from Operating Activity before Income tax		4435.15	3895.26
Income tax Payment (Net of Refund)		(1799.13)	(2458.84)
Net Cash generated from / (used in) Operating Activity	(A)	2636.02	1436.42
Investing Activity			
Acquisition, Exploration & Development Cost		(2335.13)	(1039.99)
Other Capital Expenditure		(516.88)	(746.70)
Investment made		(8753.42)	(847.49)
Sale of Investment		300.03	1592.00
Inter Corporate Deposits		0.00	445.00
Inter Corporate Loan		20.50	(250.00)
Interest Income		1300.70	1212.30
Dividend Income		127.44	69.51
Net Cash generated from / (used in) Investing Activity	(B)	(9856.76)	434.63
Financing Activity			
Proceeds from borrowings		8885.42	1250.80
Payment of Dividend		(1905.46)	(1683.17)
Corporate Dividend Tax		(183.89)	(273.06)



Interest Expenses		(70.78)	(3.04)
Foreign Exchange (Loss)/Gain- Net		246.00	21.70
Net Cash generated from / (used in) Financing Activity	(C)	6971.29	(686.77)
Net Increase in Cash and Cash Equivalents	(A+B+C)	(249.45)	1184.28
Cash and Cash equivalents at the beginning of the year		12136.66	10936.00
Add: Other Adjustments to Cash and Cash equivalents*		(227.10)	16.38
Cash and Cash equivalents at the end of the year		11660.11	12136.66

Notes:

a. Cash and cash equivalents (Refer to Note 20) represents:

i) Cash in hand		0.74	1.08
ii) Current accounts & Term Deposits in Scheduled Banks		11659.37	12135.58
		11660.11	12136.66

(*) Adjustment on account of increase in Shareholding in Subsidiary Companies.

b. The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard (AS) - 3

c. Cash & Cash equivalents includes Currency translation differences of ₹ 5.71 crore (Previous Year ₹ 0.03 crore)

d. Figures in parentheses represent cash outflows.

e. Previous year's figures have been rearranged, regrouped, recast wherever necessary to conform current year's classification.

For Saha Ganguli & Associates

Chartered Accountants
Firm Reg. No. 302191E

Sd/-

(S.K.SAHA)

Membership No: 051392

For B. M. Chatrath & Co.

Chartered Accountants
Firm Reg. No. 301011E

Sd/-

(P.R.PAUL)

Membership No: 051675

For and on behalf of the Board of Directors

Sd/-

(S.R.KRISHNAN)

Company Secretary

Sd/-

(MRS. RUPSHIKHA S. BORAH)

Director (Finance)

Sd/-

(S.K.SRIVASTAVA)Chairman & Managing
Director

Place: Noida

Date: 27th May, 2014



**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956
RELATING TO COMPANY'S INTEREST IN THE SUBSIDIARY COMPANY**

	Name of the Subsidiary Company	Oil India Sweden AB	Oil India Cyprus Limited	Oil India USA Inc.	Oil India International Limited
1	The Financial Year of the Subsidiary Company ended on	31 st March, 2014	31 st March, 2014	31 st March, 2014	31 st March, 2014
2	Date from which it became Susidiary Company	26 th February, 2010	21 st October, 2011	26 st September, 2012	20 th September, 2013
3 (a)	Number of shares held by Oil India Limited alongwith its nominees in the Subsidiary at the end of the financial year of the Subsidiary Company	3678403 Equity Shares of EURO 11.1945 each fully paid up	760 Equity Shares of EURO 1 each fully paid up	1000000000 Equity Shares of \$0.01 each fully paid up	100000000 Equity Shares of ₹ 10 each fully paid up
(b)	Extent of interest of Holding Company at the end of the financial year of the Subsidiary Company	100%	76%	100%	100%
4	The net aggregate amount of the Subsidiary Company's Profit/(Loss) so far it concerns the members of the Holding Company.				
(a)	Not dealt within the Holding Company's accounts	Nil	Nil	Nil	Nil
(i)	For the financial year ended 31 st March, 2014				
(ii)	For the previous financial year(s) of the Subsidiary Company since it became the Holding Company's Subsidiary.				
(b)	Dealt within the Holding Company's Accounts				
(i)	For the financial year ended 31 st March, 2014 (Rs.)	(21.14) crore	(0.04) crore	(14.72) crore	(2.26) crore
(ii)	For the previous financial year(s) of the Subsidiary Company since it became the Holding Company's Subsidiary.	(0.63) crore	(0.08) crore	3.42 crore	Nil

Sd/-
(S.R.KRISHNAN)
COMPANY SECRETARY

Sd/-
(MRS.RUPSHIKHA S.BORAH)
DIRECTOR (FINANCE)

Sd/-
(S.K.SRIVASTAVA)
CHAIRMAN & MANAGING DIRECTOR

Place: Noida

Date: 27th May, 2014



Summary of Financial Information of Subsidiary Companies for the Financial Year 2013-14

The Ministry of Corporate Affairs vide its Circular No. 2/2011 dt. 8th February 2011, has granted general exemption under Section 212 (B) of Companies Act, 1956 to companies from attaching the accounts of Subsidiary Companies with the Annual Report of the Company. However, companies are required to provide summarised financial information of the subsidiaries.

Accordingly, Oil India Limited is providing a summary of financial information of its subsidiary companies in lieu of attaching the annual accounts of its subsidiary companies with the Annual Report for the year 2013-14. The Annual Accounts of the Subsidiary Companies are available with the Company Secretary, Oil India Limited and are open for inspection by any shareholder at the Registered Office and Corporate Office of the Company during working days. The copy of Annual Accounts shall also be made available to any shareholder of Oil India Limited or its subsidiary on request in writing.

The same will also be available on the Company's website "www.oil-india.com".

The summary of financial information of subsidiary companies for the financial year 2013-14 is as given below:

Sl.No.	Particulars	Oil India Sweden AB		Oil India Cyprus		Oil India USA Inc		Oil India International Ltd.
		31.03.2014	31.03.2014	31.03.2014	31.03.2014	31.03.2014	31.03.2014	
	Financial Year ending on	31.03.2014	31.03.2014	31.03.2014	31.03.2014	31.03.2014	31.03.2014	31.03.2014
	Reporting Currency	₹ in crore	EURO	₹ in crore	USD	₹ in crore	USD	₹ in crore
	Exchange Rate	83.64	83.64	60.61	60.61	60.61	60.61	-
	(As on 31.03.2014)							
	Exchange Rate	82.00	82.00	60.94	60.94	60.94	60.94	-
	(Average Rate 2013-14)							
1.	Share Capital	344.41	41177982	0.01	1380	60.61	10000000	100.00
2.	Share Application Money	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.	Reserves	(30.29)	(3621475)	(0.22)	(36064)	(10.87)	(1793103)	(2.26)
4.	Liabilities	0.28	33000	0.21	34684	494.69	81618606	0.02
5.	Total Liabilities	314.40	37589507	0.00	0.00	544.43	89825503	97.76
6.	Total Assets	314.40	37589507	0.00	0.00	544.43	89825503	97.76
7.	Investments							
8.	Turnover	0.00	0.00	0.00	0.00	103.01	16904413	0.00
9.	Profit Before Taxation	(21.14)	(2578253)	(0.05)	(7812)	(23.80)	(3907090)	(2.26)
10.	Provision for Taxation	0.00	0.00	0.00	0.00	9.08	1490000	0.00
11.	Profit After Taxation	(21.14)	(2578253)	(0.05)	(7812)	(14.72)	(2417090)	(2.26)
12.	Proposed Dividend	0.00	0.00	0.00	0.00	0.00	0.00	0.00





CIN : L11101AS1959GOI001148 Email: investors@oilindia.in
 Website: www.oil-india.com
 Regd. Office: P.O. Duliajan, Distt. Dibrugarh, Assam – 786 602
 Ph : 0374-2804510 Fax : 0374-2800433
 Corp. Office: Plot No.19, Sector-16A, Noida, Distt. G.B.Nagar (U.P) 201301
 Ph : 0120-2419000, Fax : 0120-2488310

55TH ANNUAL GENERAL MEETING : 27.09.2014

ATTENDANCE SLIP

(THIS ATTENDANCE SLIP DULY FILLED IN BE HANDED OVER AT THE MEETING)

Name of the Member (in Block Letters) : _____

Member's Folio Number : _____

Client ID* : _____ DP ID* : _____

Name of proxy(s) (in Block Letters) : _____
 (to be filled in, if a Proxy attends
 instead of the member)

No. of Shares held : _____ Email : _____

I hereby record my presence at the 55th Annual General Meeting of the Company held at Bihutoli, Duliajan, Distt. Dibrugarh, Assam on Saturday, the 27th day of September, 2014 at 11.00 AM.

Member's / Proxy's
 Signature

*Applicable for investors holding share(s) in electronic form.





CIN : L11101AS1959GOI001148 Email: investors@oilindia.in
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 Ph : 0120-2419000, Fax : 0120-2488310

PROXY FORM

Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s)
Registered Address
Email id
Folio No. / Client Id
DP ID

I/We, being the holder(s) of shares of the above named company, hereby appoint

- 1) of having email id or failing him
- 2) of having email id or failing him
- 3) of having email id

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **55th Annual General Meeting** of the Company, to be held on **Saturday, 27th September 2014 at 11:00 a.m. at Bihutoli, Duliajan, Assam-786602** and at any adjournment thereof in respect of such resolutions as are indicated below:

S No.	RESOLUTIONS
ORDINARY BUSINESS	
1.	To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2014 together with Reports of the Board of Directors and the Auditors thereon.
2.	To declare dividend on equity shares for the year 2013-14.
3.	To appoint a Director in place of Shri N.K.Bharali (DIN: 03262719), who retires by rotation and is eligible for reappointment.
4.	To appoint a Director in place of Shri S.Rath (DIN: 03495179), who retires by rotation and is eligible for reappointment.
5.	To authorise Board to decide remuneration / fees of the Statutory Auditors for the financial year 2014-15.
SPECIAL BUSINESS	
6.	To appoint Smt R.S.Borah as Director (Finance) of the Company.
7.	To appoint Shri S.Panda as Government Nominee Director on the Board of the Company.
8.	To appoint Shri S.Mahapatra as Director (E&D) of the Company.
9.	To ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2015.

Signed this day of 2014.

.....
Signature of Member

.....
Signature of first proxy holder

.....
Signature of second proxy holder

.....
Signature of third proxy holder

NOTE: This Proxy Form duly filled in must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Annual General Meeting.





Important Communication to Members

Pursuant to Section 101 and 136 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, and Clause 32(i) of the Listing Agreement, Annual Report of the Company has been sent through email to those members whose email ID is registered with the Company / Depository. In case any member wants a physical copy of the Annual Report he may write to the Company Secretary / RTA.

MEMBERS WHO HAVE NOT YET REGISTERED THEIR EMAIL ADDRESS ARE REQUESTED TO REGISTER THEIR EMAIL ADDRESS EITHER WITH DEPOSITORIES OR WITH THE COMPANY IN THE FORMAT GIVEN BELOW.

FORM FOR REGISTRATION OF EMAIL ADDRESS FOR RECEIVING DOCUMENTS / NOTICES BY ELECTRONIC MODE

To,
 Karvy Computershare Private Limited
 Unit: Oil India Limited
 Plot No.17 to 24,
 Vittal Rao Nagar, Madhapur
 Hyderabad – 500081

I agree to receive all documents / notices from the Company in electronic mode. Please register my email address given below in your records for sending communication through email.

Name of Sole / First Holder : _____

DP ID / Client ID / Folio No. : _____

PAN No. : _____

E-mail Address : _____

(Signature of Member)

Date : _____

Place : _____



Conquering Newer Horizons



Registered Office

P.O. Duliajan, Distt. Dibrugarh, Assam - 786 602
Ph : 0374-2804510, Fax : 0374-2800433

Corporate Office

Plot No. 19, Sector - 16A, Noida, Distt. G.B. Nagar (U.P) 201301
Ph : 0120-2419000, Fax : 0120-2488310