



ऑयल इंडिया लिमिटेड

(भारत सरकार का उद्यम)

**Oil India Limited**

(A Government of India Enterprise)

EXPLORING



**2017-18** ANNUAL REPORT

*Conquering newer horizons*



# **OIL'S VISION**



**OIL INDIA  
DELIGHTS ITS  
CUSTOMERS WITH  
QUALITY PRODUCTS  
AND SERVICES AT  
COMPETITIVE  
PRICES**

**OIL INDIA  
IS THE FASTEST  
GROWING ENERGY  
COMPANY WITH  
HIGHEST  
PROFITABILITY**

**OIL INDIA  
IS A LEARNING  
ORGANISATION,  
NURTURING INITIATIVES,  
INNOVATIONS AND  
ASPIRATIONS WITH  
BEST PRACTICES**

**OIL INDIA  
IS A RESPONSIBLE  
CORPORATE CITIZEN  
DEEPLY COMMITTED TO  
SOCIO-ECONOMIC  
DEVELOPMENT IN  
ITS AREAS OF  
OPERATIONS**

**OIL INDIA  
IS A TEAM COMMITTED  
TO HONESTY, INTEGRITY,  
TRANSPARENCY, AND  
MUTUAL TRUST CREATING  
EMPLOYEE PRIDE**

**OIL INDIA  
IS FULLY  
COMMITTED TO  
SAFETY, HEALTH  
AND  
ENVIRONMENT**

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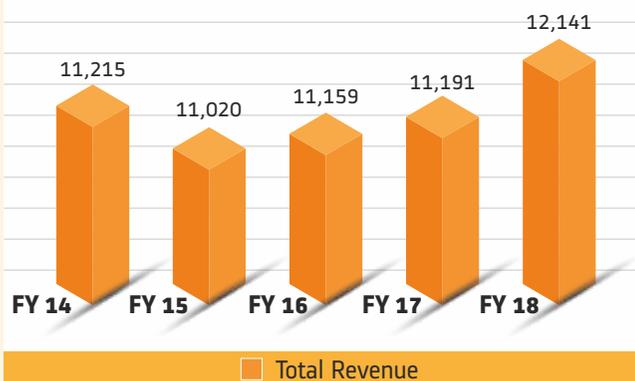


## KEY MILESTONES

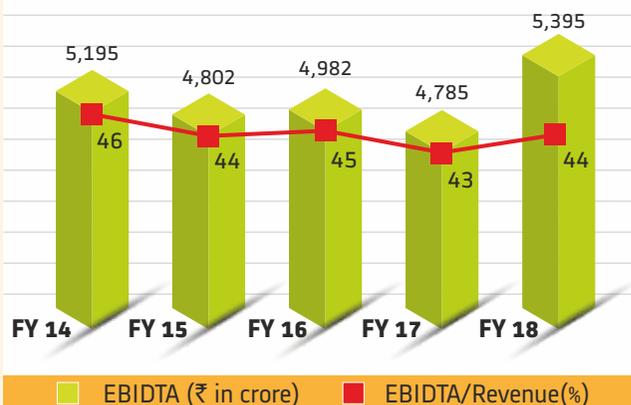
- 2018**
  - Issued Reg S bond of US\$ 500 million for 10 year tenure through wholly owned subsidiary Oil India International Pte Ltd, Singapore, at lowest spread achieved by any Indian Issuer in last decade.
  - Wind energy projects having capacity of 18.9 MW each in Gujarat and Madhya Pradesh commissioned.
- 2017**
  - Acquired 23.90% stake in CJSC Vankorneft and 29.90% stake in Taas - Yuryakh Neftegazodobycha in Russia in consortium with IOCL and BPRL. OIL's Share in the consortium is 33.5%
  - Achieved highest ever Natural gas production of 2937 MMSCM.
- 2016**
  - Set up a 9MW of Solar Energy Power project in Rajasthan.
- 2015**
  - Set up 38MW and 16MW of Wind Power projects in Madhya Pradesh & Gujarat respectively.
- 2014**
  - Entered in Mozambique by acquiring 4% stake in Offshore Area 1 Rovuma Field
  - Entered in Bangladesh by acquiring blocks SS04 and SS09 in offshore bidding round
  - Entered in Myanmar by acquiring blocks M-4 and YEB in bidding round
  - Entered in Russia by acquiring 50% stake in License 61
  - Acquired 5% stake in Indian Oil Corporation Limited
  - Obtained International Credit Ratings from Moody's - "Baa2 (Stable)" and Fitch Ratings - "BBB-(Stable)"
  - Inaugural issue of Reg S bonds raising USD 1 billion. The issue was oversubscribed by 9 times
- 2013**
  - Entered in USA by farming in Niobrara Shale oil & gas asset
  - Expanding presence in renewable energy by setting up a 54 MW of Wind Power project in Rajasthan
- 2012**
  - Diversification into Renewable Energy by establishing 13.6 MW of Wind power project in Rajasthan
- 2011**
  - Set up Centre of Excellence for Energy Studies in Guwahati
  - 250 kms long Duliajan - Numaligarh Gas pipeline successfully commissioned
- 2010**
  - Awarded with "Navratna" status by Government of India
  - For the first time annual production of Crude Oil was recorded in excess of a landmark level of 3.5 MMT
- 2009**
  - Golden Jubilee Year: Celebrated 50 years of untiring service to the nation
  - Launched IPO in September, 2009 raising ₹ 2770 crore. The issue was oversubscribed by 32 times
- Got Listed on NSE & BSE
- Entered in Venezuela with Project Carabobo
- 2008**
  - 660 kms long NRL - Silliguri Pipeline successfully commissioned
- 2007**
  - Strengthening the Downstream presence by enhancing shareholding in NRL to 26% from 12.35% and acquiring 10% stake in BCPL
- 2006**
  - Entered in Nigeria by farming into Block OPL 205
  - Entered in Gabon by farming into Block Shakthi as operator
- 2005**
  - Witnessed the technological up gradation as SAP R/3 was adopted as ERP package to bring synergies by integrating the diverse functions
- 2004**
  - First Step towards growing Global - started looking at the overseas opportunities
  - Upgraded to "Schedule A" PSU status
  - Annual production of Crude Oil crossed 3 MMT for the first time
- 2000**
  - Commenced diversification with acquisition of 12.35% stake in NRL
- 1999**
  - Initiated participation in NELP bidding
- 1997**
  - Awarded with the status of "Mini Ratna Category I" by Government of India
- 1995**
  - Entered into PSC with various companies to revive the declining Kharsang Production Field
- 1982**
  - LPG plant set-up using Turbo Expander Technology
- 1981**
  - Became a wholly owned Government of India undertaking
- 1963**
  - Entered in the field of installation, commissioning and maintenance of Crude Oil Pipelines
  - Completed construction of 401 kms long pipeline from Duliajan to Guwahati 756 kms long pipeline from Guwahati to Barauni
- 1961**
  - Transformed into equal partnership JV company between Burmah Oil Company and Government of India
- 1959**
  - On 18.02.1959 formed as JV company between Burmah Oil Company (holding 2/3rd of Share capital) and Government of India (holding 1/3rd of Share capital)

PERFORMANCE HIGHLIGHTS

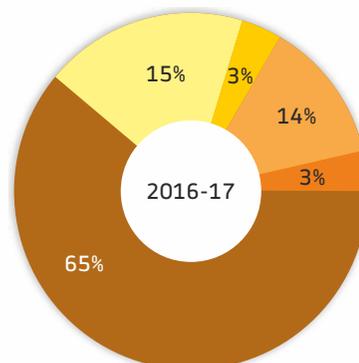
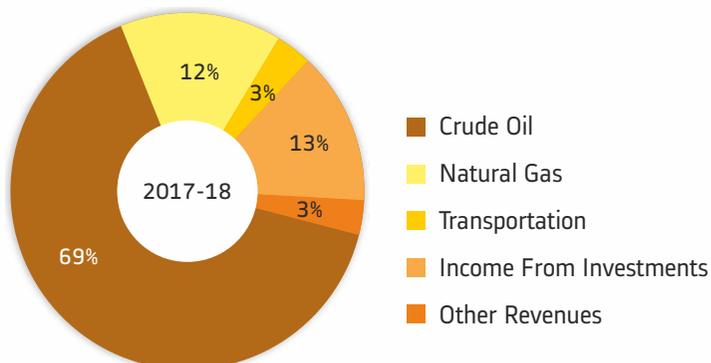
REVENUE (₹ in crore)



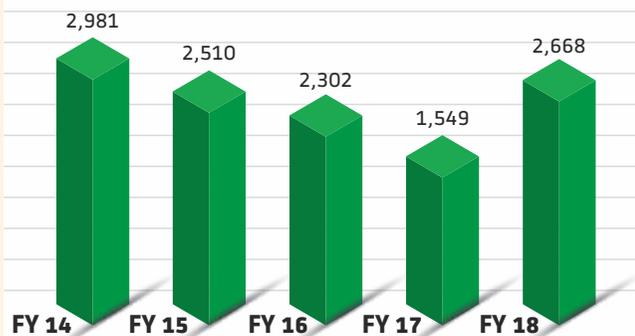
EBIDTA



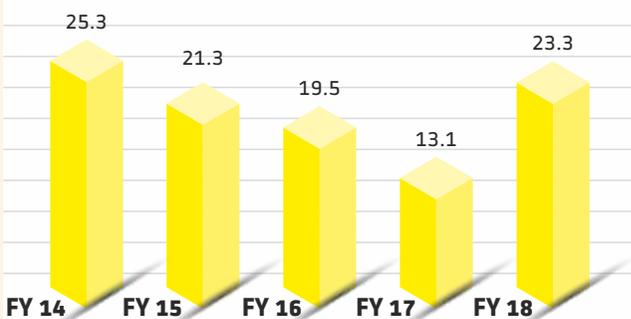
REVENUE MIX (%)



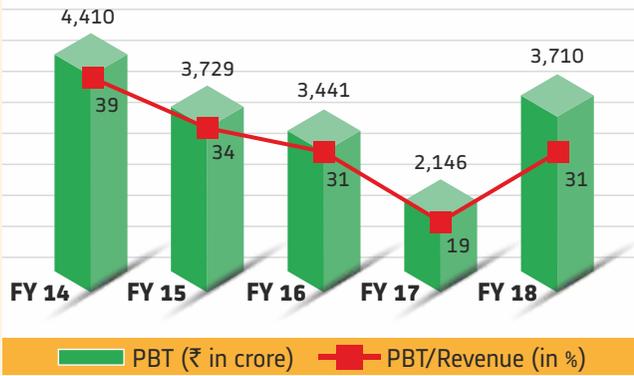
PAT (₹ in crore)



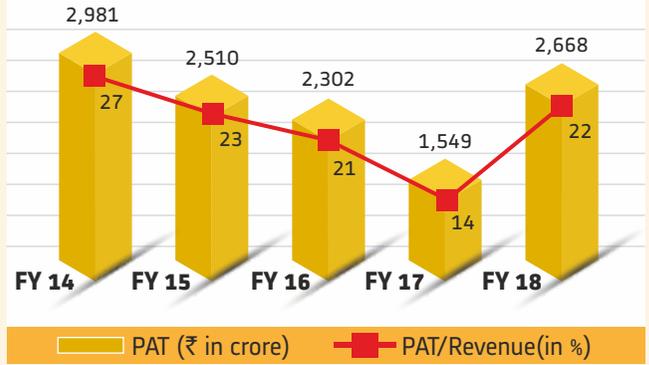
EPS (₹)



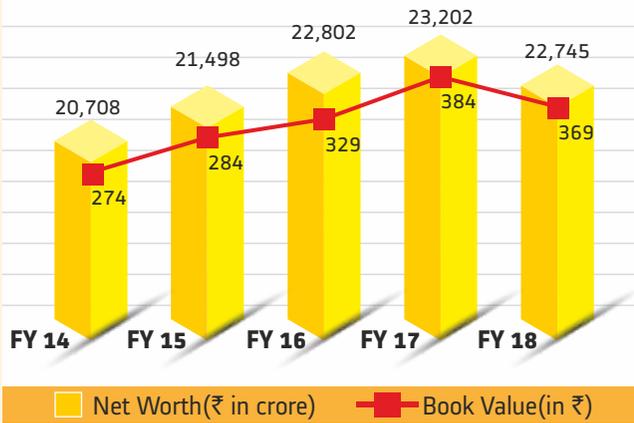
### PBT/REVENUE



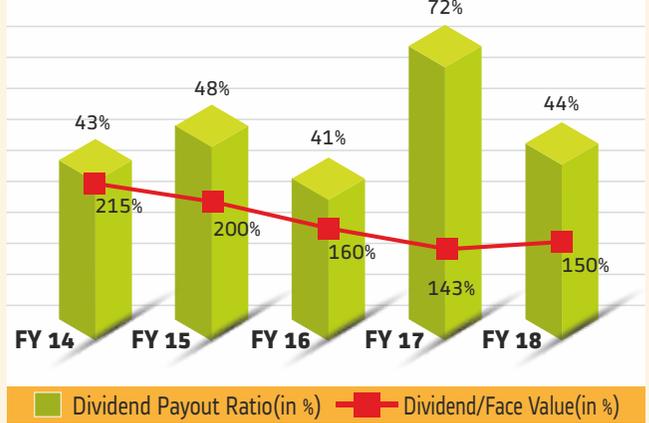
### PAT/REVENUE



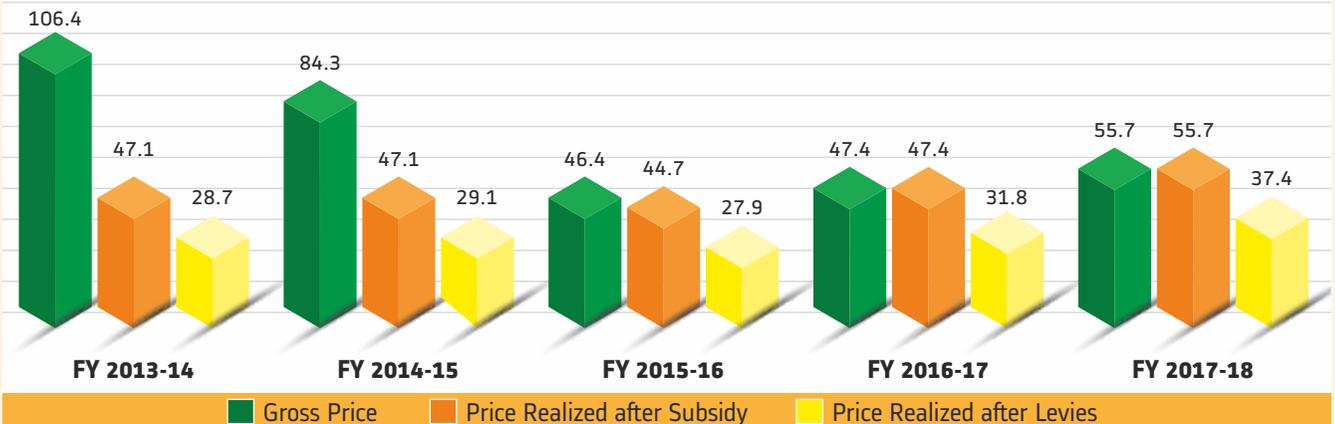
### NET WORTH & BOOK VALUE



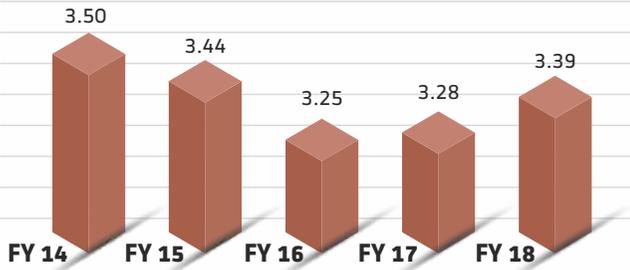
### DIVIDEND



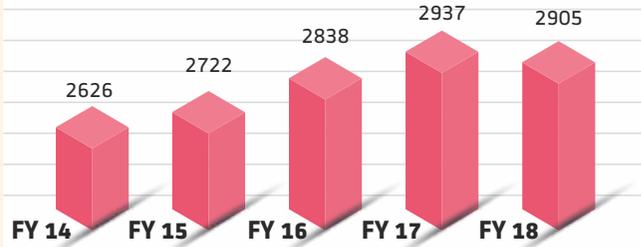
### CRUDE OIL PRICE REALIZATION (USD/BBL)



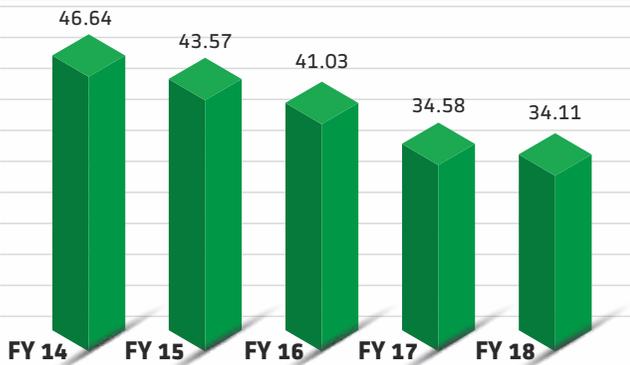
**CRUDE OIL PRODUCTION (in MMT)**



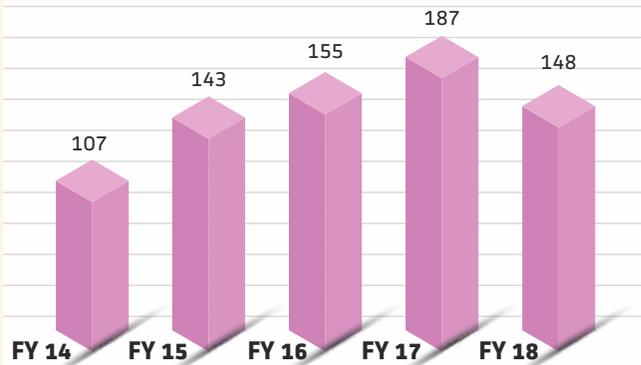
**NATURAL GAS PRODUCTION (in MMSCM)**



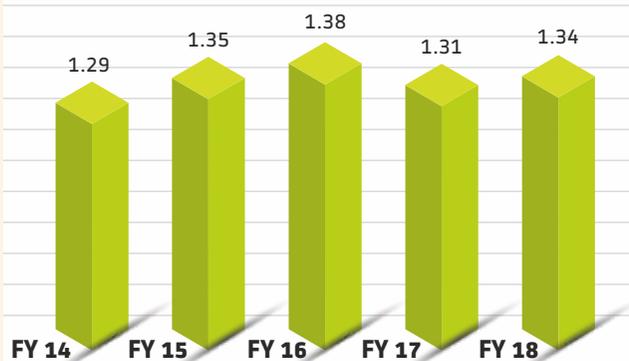
**LPG PRODUCTION (in TMT)**



**EXPLORATORY & DEVELOPMENT DRILLING (in '000' Meters)**

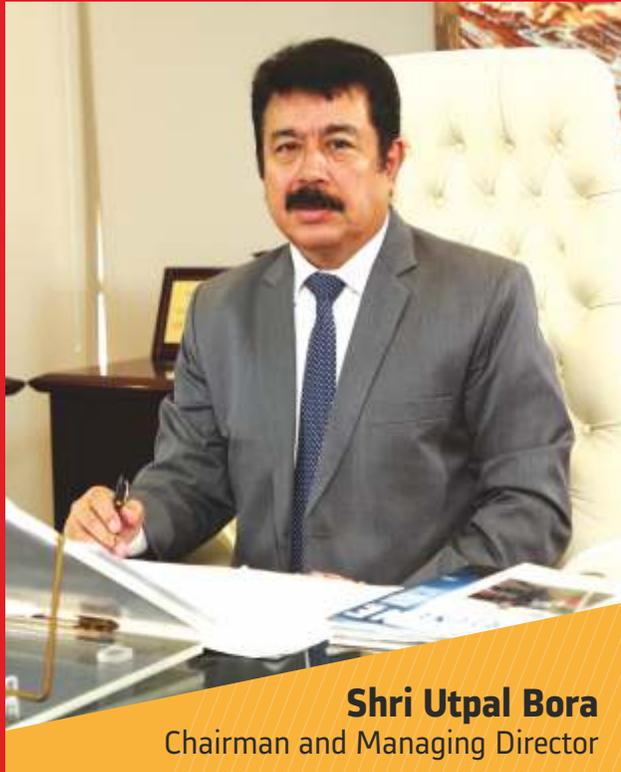


**RESERVE REPLACEMENT RATIO**



Based on 2P Reserves

# OIL MANAGEMENT



**Shri Utpal Bora**  
Chairman and Managing Director



**Smt. R.S. Borah**  
Director (Finance)



**Shri Biswajit Roy**  
Director (HR & BD)



**Shri P.K. Sharma**  
Director (Operations)



**Dr. P. Chandrasekaran**  
Director (E & D)



**Shri Amar Nath**  
Government Nominee Director  
(upto 28.11.2017)



**Shri Sunjay Sudhir**  
Government Nominee Director



**Shri D.N. Misra**  
Government Nominee Director  
(w.e.f. 29.11.17)



**Prof. (Dr.) Asha Kaul**  
Independent Director  
(Since 15.09.2017)



**Dr. Priyank Sharma**  
Independent Director  
(Since 15.09.2017)



**Shri S. Manoharan**  
Independent Director  
(Since 15.09.2017)



**Ms. Amina R. Khan**  
Independent Director  
(Since 15.09.2017)

## MEMBERS ON THE BOARD OF OIL INDIA LTD.



Functional Directors on the Board of Oil India Ltd.

OIL'S  
MISSION 

To be..  
“ The Fastest  
Growing Energy  
Company with Global  
Presence Providing  
Value to  
Stakeholders ”

## GENERAL INFORMATION

Functional Directors	Government Nominee Directors	Independent Directors
Shri Utpal Bora, Chairman & Managing Director Smt. R. S. Borah, Director (Finance) Shri Biswajit Roy, Director (HR&BD) Shri P. K. Sharma, Director (Operations) Dr. P. Chandrasekaran, Director (E&D)	Shri Amar Nath (upto 28.11.2017) Shri Sunjay Sudhir Shri Diwakar Nath Misra (w.e.f. 29.11.2017)	Prof. (Dr.) Asha Kaul Dr. Priyank Sharma Shri S. Manoharan Ms. Amina R. Khan
<b>Company Secretary</b> Shri S.K.Senapati		

Registered Office	Corporate Office	Registrar and Share Transfer Agent
P.O. Duliajan Distt. Dibrugarh Assam - 786 602 Ph : 0374-2804510 Fax : 0374-2800433 Visit us at : <a href="http://www.oil-india.com">www.oil-india.com</a> E-mail: <a href="mailto:oilindia@oilindia.in">oilindia@oilindia.in</a>	Plot No. 19, Sector - 16A Noida, Distt. G.B. Nagar U.P - 201 301 Ph : 0120-2419000	Karvy Computershare Pvt. Ltd (Unit : Oil India Limited) Karvy Selenium Tower B 6 <sup>th</sup> Floor, Plot 31-32 Gachibowli Financial District, Nanakramguda, Hyderabad - 500 032 Telangana E-mail: <a href="mailto:einward.ris@karvy.com">einward.ris@karvy.com</a> Telephone No.: 040 67161526

Principal Bankers	Statutory Auditors	Other Auditors
State Bank of India IndusInd Bank	M/s. N.C. Banerjee & Co. 'Commerce House" 1 <sup>st</sup> Floor, Room No. 9, 2, Ganesh Chandra Avenue, Kolkata-700 013  M/s. B.N Misra & Co S-29, Maitri Vihar, Phase-II In Front of Tech Mahindra, Bhubaneswar - 751 023	<b>Cost Auditor</b> M/s Mani & Co. Cost Accountants "Ashoka", III, Southern Avenue, Kolkata-700 029  <b>Secretarial Auditors</b> M/s RMG & Associates Company Secretaries 207 Suchet Chambers, 1224/5 Bank Street, Karol Bagh, New Delhi - 110 005



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

CIN : L11101AS1959GOI001148 Email: investors@oilindia.in  
Website: www.oil-india.com

Regd. Office: P.O. Duliajan, Distt. Dibrugarh, Assam - 786602

## NOTICE

NOTICE is hereby given that the 59<sup>th</sup> Annual General Meeting of the Shareholders of Oil India Limited will be held on Saturday, the 22<sup>nd</sup> day of September, 2018 at 11.00 AM at Bihutoli, Duliajan, Distt. Dibrugarh, Assam-786 602, to transact the following businesses:-

### (A) ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements including Consolidated Financial Statements of the Company for the year ended on 31<sup>st</sup> March, 2018 together with Report of the Board of Directors, Reports of the Auditors and Comments of the Comptroller & Auditor General of India thereof.
2. To confirm the payment of interim dividend and to declare final dividend for the financial year 2017-18 on the equity shares of the Company.
3. To appoint a Director in place of Shri P. K. Sharma, Director (Operations) (DIN: 07194463), who retires by rotation and being eligible, offers himself for re-appointment.
4. To authorize the 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 2018-19.

### (B) SPECIAL BUSINESS

5. **Appointment of Prof. (Dr.) Asha Kaul (DIN: 06987839) as an Independent Director of the Company**

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 sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, read with schedule

IV to the Act, as amended from time to time, **Prof. (Dr.) Asha Kaul** (DIN: 06987839), who was appointed as a Non-official part-time director by the President of India for a period of three years vide letter no. C-31034/2/2017-CA/FTS:49128 dated 8<sup>th</sup> September, 2017 and subsequently inducted as an Additional Director in terms of section 161 of the Companies Act, 2013, [designated as Independent Director] by the Board of Directors of the Company with effect from 23.09.2017 to hold office till the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing under section 160 of the Companies Act, 2013 proposing her candidature as a Director be and is hereby appointed as a Director of the Company not liable to retire by rotation."

6. **Appointment of Dr. Priyank Sharma (DIN: 07940638) as an Independent Director of the Company**

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 sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, read with schedule IV to the Act, as amended from time to time, **Dr. Priyank Sharma** (DIN: 07940638), who was appointed as a Non-official part-time director by the President of India for a period of three years vide letter no. C-31034/2/2017-CA/FTS:49128 dated 8<sup>th</sup> September, 2017 and subsequently inducted as an Additional Director in terms of section 161 of the Companies Act, 2013, [designated as Independent Director] by the Board of Directors of the Company with effect from 23.09.2017 to hold office until the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing under section 160 of the Companies Act, 2013 proposing his candidature as a Director be and is hereby appointed as a Director of the Company not liable to retire by rotation."

7. **Appointment of Shri S. Manoharan (DIN: 03521659) as an Independent Director of the Company**

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 sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, read with schedule IV to the Act, as amended from time to time, **Shri S. Manoharan** (DIN: 03521659), who was appointed as a Non-official part-time director by the President of India for a period of three years vide letter no. C-31034/2/2017-CA/FTS:49128 dated 8<sup>th</sup> September, 2017 and subsequently inducted as Additional Director in terms of section 161 of the Companies Act, 2013, [designated as Independent Director] by the Board of Directors of the Company with effect from 23.09.2017 to hold office until the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing under section 160 of the Companies Act, 2013 proposing his candidature as a Director be and is hereby appointed as a Director of the Company not liable to retire by rotation."

**8. Appointment of Ms. Amina R. Khan (DIN: 07940639) as an Independent Director of the Company**

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 sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, **Ms. Amina R. Khan** (DIN: 07940639), who was appointed as a Non-official part-time director by the President of India for a period of three years vide letter no. C-31034/2/2017-CA/FTS:49128 dated 8<sup>th</sup> September, 2017 and subsequently inducted as an Additional Director in terms of section 161 of the Companies Act, 2013, [designated as Independent Director] by the Board of Directors of the Company with effect from 23.09.2017 to hold office until the date of this Annual General Meeting and in respect of whom, the Company has received a notice in writing under section 160 of the Companies Act, 2013 proposing her candidature as a Director be and is hereby appointed as a Director of the Company not liable to retire by rotation."

**9. Ratification of the remuneration of the Cost Auditors for financial year 2018-19**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) rules, 2014, M/s Dhananjay V Joshi & Associates, the Cost Auditor appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2018-19, be paid the remuneration as set out in the statement annexed to the notice convening this meeting.

RESOLVED FURTHER 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."

**10. Approval for raising of funds upto ₹ 7,000 crore through issuance of Bonds/Debentures on private placement basis.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 42 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof), as well as rules prescribed thereunder, the Board of Directors be and is hereby authorized to issue secured / unsecured redeemable non-convertible Bonds / Debentures aggregating upto ₹ 7,000 crore (Rupees Seven thousand crore) from domestic as well as overseas market on private placement basis within a year from the date of approval by members and within the overall borrowing limits of the Company."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do, from time to time, all such acts, deeds and things as may be deemed necessary in respect of issue of Bonds/Debentures including but not limited to number of issues / tranches, face value, issue price, issue size, timing, amount, tenor, method of issuance, security, coupon / interest rate(s), yield, listing, allotment, appointment of various agencies and other terms and conditions of issue of Bonds."

By Order of the Board  
For Oil India Limited  
Sd/-  
**(S.K. Senapati)**  
Company Secretary

Place: NOIDA  
Date: 13.08.2018

## 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 profile and information of directors being appointed/reappointed 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](http://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 between 9:30 a.m. and 11:00 a.m. upto the date of the Annual General Meeting.
- i. The Register of Members and the Share Transfer Books of the Company will remain closed from **15<sup>th</sup> September, 2018 to 22<sup>nd</sup> September, 2018** (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 owners' position received from NSDL & CDSL as at the close of working hours on **14<sup>th</sup> September, 2018**.
- j. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar and Transfer Agents, Karvy Computershare Private Limited ("Karvy") cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the members.
- k. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / Karvy.
- l. Share transfer documents and all correspondence relating thereto, should be addressed to the Registrar and Transfer Agent (RTA), Karvy Computershare Pvt. Ltd, Unit: Oil India Limited, Karvy Selenium Tower B, 6th Floor, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad-500 032. E-mail: [einward.ris@karvy.com](mailto:einward.ris@karvy.com), Telephone No. 040-67161526.
- m. 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.
- n. Pursuant to the provisions of the Companies Act, 2013, the Company has transferred all unclaimed dividends declared upto the financial year 2010-11 (Interim) to the Investor Education & Protection Fund (IEPF) established by the Central Government. Further, the unclaimed shares for which dividends are unclaimed for the last seven years have also been transferred to the designated Demat Account of IEPF. The unclaimed final dividend 2010-11, unclaimed

interim dividend 2011-12 and unclaimed second interim dividend 2011-12 alongwith the concerned unclaimed shares will also be transferred to the IEPF in November, 2018, February, 2019 and April, 2019 respectively.

- o. Members, who have not en-cashed their dividend warrant(s) so far for the years 2010 -11 (Final) to 2017-18 (Interim), are requested to write to the RTA, Karvy Computershare Private Limited, Hyderabad or to the Company for claiming the unpaid dividends.
- p. 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.
- q. **The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Further, as per SEBI Circular dated 20.04.2018 all securities holders holding securities in physical form should submit their PAN and Bank account details to the RTA.**
- r. **The Members may kindly note that as per the amended Regulation 40 of SEBI (LODR) Regulations, 2015, w.e.f December 5, 2018, transfer of securities would be carried out in dematerialized form only. Accordingly, members holding shares in physical mode are advised to demat their physical shareholdings at the earliest.**
- s. Non-Resident Indian members are requested to inform Karvy, immediately of:
  - (a) Change in their residential status on return to India for permanent settlement.
  - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
- t. **Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices etc. from the Company electronically.**

- u. 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 accompanying Notice. The cut-off date for this purpose is **15<sup>th</sup> September, 2018.**

#### **PROCEDURE AND INSTRUCTIONS FOR E-VOTING**

- I. Remote E-Voting: In compliance with the provisions of section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) rules, 2014, as amended and the provisions of regulation 44 of the SEBI (LODR) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy on all resolutions set forth in this Notice, from a place other than the venue of the Meeting (Remote e-voting). Mr. Manish Gupta, Partner, M/s. RMG & Associates, Practicing Company Secretary has been appointed as Scrutinizer for conducting the voting for the AGM.
  - (A) In case a member receives an email from Karvy [for members whose email ids are registered with the Company/Depository Participants (s)]:
    - i. Launch internet browser by typing the URL: **<https://evoting.karvy.com>**.
    - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx followed by folio number. In case of demat account, user ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing user ID and password for casting your vote.
    - 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 credentials.
  - vi. On successful login, the system will prompt you to select the "EVENT" i.e., 'Name of the Company'
  - 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" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
  - viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
  - ix. Voting has to be done for each item of the notice separately. In case, you do not desire to cast your vote on any specific item, it will be treated as abstained.
  - 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 have voted on the resolution (s), 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 (i.e. other than Individuals, HUF, NRI etc.) are also 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 authorised representative(s), to the Scrutinizer at email [evoting@rmgcs.com](mailto:evoting@rmgcs.com) with a copy marked to [evoting@karvy.com](mailto:evoting@karvy.com). The scanned image of the above mentioned documents should be in the naming format "OIL\_Event E-voting"
- (B) In case of members receiving physical copy of Notice [for Members whose email IDs are not registered with the Company/Depository Participants (s)]:
- i. E-Voting Event Number - XXXX (EVEN), User ID and Password is provided in the Attendance Slip.
  - ii. Please follow all steps from Sl. No. (i) to (xii) above to cast your vote by electronic means.

- II. Voting at AGM: The members, who have not casted their vote through remote e-voting can exercise their voting rights at the AGM. The Company will make necessary arrangements in this regard at the AGM venue. Members who have already casted their votes by remote e-voting are eligible to attend the meeting, however, those members are not entitled to cast their vote again in the meeting.

A member can opt for only single mode of voting i.e. through remote e-voting or voting at the AGM. If a member casts votes by both modes then voting done through remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

- III. The results shall be declared after the AGM. The results along with Scrutinizer's Report shall be placed on the website of the Company.

#### OTHER INSTRUCTIONS

- a. In case of any query and/or grievance, in respect of voting by electronic means, members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.karvy.com> or contact Shri K.S.Reddy, (Unit: Oil India Limited) of Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or at [evoting@karvy.com](mailto:evoting@karvy.com) or phone no. 040-6716 1500 or call Karvy's toll free No. 1800-34-54-001 for any further clarifications.
- b. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- c. The remote e-voting period commences on 18<sup>th</sup> September, 2018 (9:00 AM IST) and ends on 21<sup>st</sup> September, 2018 (5:00 PM IST). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **15<sup>th</sup> September, 2018**, may cast their votes electronically. A person, who is not a member on the cut-off date, should treat this Notice for information only. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is casted by the member, the member shall not be allowed to change it subsequently.
- d. The voting rights of members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date i.e. **15<sup>th</sup> September, 2018**.

e. In case a person has become a member of the Company after dispatch of AGM Notice but on or before the cut-off date, he/she may obtain the user ID and password in the manner as mentioned below :

i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: **MYEPWD**<space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399

**Example for NSDL:**

MYEPWD <SPACE> In12345612345678

**Example for CDSL:**

MYEPWD <SPACE> 1402345612345678

**Example for Physical:**

MYEPWD <SPACE> XXXX1234567890

ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

iii. Member may call Karvy's toll free number 1800-3454-001.

iv. Member may send an e-mail request to [evoting@karvy.com](mailto:evoting@karvy.com). However, Karvy shall endeavour to send user ID and Password to those new members whose mail ids are available.

**EXPLANATORY STATEMENT**

**ITEM NO. 5**

Prof. (Dr.) Asha Kaul (DIN: 06987839) was appointed as Non-official part-time director vide letter no. C-31034/2/2017-CA/FTS:49128 dated 8<sup>th</sup> September, 2017 issued by Ministry of Petroleum and Natural Gas, Government of India and was accordingly inducted as an additional director (designated as Independent Director) w.e.f 23.09.2017 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 Prof. (Dr.) Asha Kaul for the office of director.

Prof. (Dr.) Asha Kaul, if appointed, will not be liable to retire by rotation. Prof. (Dr.) Asha Kaul 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 director / key managerial personnel of the Company except Prof. (Dr.) Asha Kaul is interested or concerned in the resolution.

The Board recommends the resolution for your approval.

**ITEM NO. 6**

Dr. Priyank Sharma (DIN: 07940638) was appointed as Non-official part-time director vide letter no. C-31034/2/2017-CA/FTS:49128 dated 8<sup>th</sup> September, 2017 issued by Ministry of Petroleum and Natural Gas, Government of India and was accordingly inducted as an additional director (designated as Independent director) w.e.f 23.09.2017 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 Dr. Priyank Sharma for the office of director.

Dr. Priyank Sharma, if appointed, will not be liable to retire by rotation. Dr. Priyank Sharma 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 director / key managerial personnel of the Company except Dr. Priyank Sharma is interested or concerned in the resolution.

The Board recommends the resolution for your approval.

**ITEM NO. 7**

Shri S. Manoharan (DIN: 03521659) was appointed as Non-official part-time director vide letter no. C-31034/2/2017-CA/FTS:49128 dated 8<sup>th</sup> September, 2017 issued by Ministry of Petroleum and Natural Gas, Government of India and was accordingly inducted as an additional director (designated as Independent director) w.e.f 23.09.2017 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 S. Manoharan for the office of director.

Shri S. Manoharan, if appointed, will not be liable to retire by rotation. Shri S. Manoharan 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 director / key managerial personnel of the Company except Shri S. Manoharan is interested or concerned in the resolution.

The Board recommends the resolution for your approval.

**ITEM NO. 8**

Ms. Amina R. Khan (DIN: 07940639) was appointed as Non-official part-time director vide letter no. C-31034/2/2017-CA/FTS:49128 dated 8<sup>th</sup> September, 2017 issued by Ministry of Petroleum and Natural Gas, Government of India and was accordingly inducted as an additional director (designated as Independent Director) w.e.f 23.09.2017 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 Ms. Amina R. Khan for the office of director.

Ms. Amina R. Khan, if appointed, will not be liable to retire by rotation. Ms. Amina R. Khan 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 director/ key managerial personnel of the Company except Ms. Amina R. Khan is interested or concerned in the resolution.

The Board recommends the resolution for your approval.

**ITEM NO. 09**

The Board, on the recommendation of the Audit & Ethics Committee, has approved the appointment of M/s Dhananjay V Joshi & Associates as Cost Auditor at an aggregate remuneration of ₹ 3.00 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, 2019. 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, 2019.

None of the director/ key managerial personnel of the Company is interested or concerned in the resolution.

The Board recommends the resolution for your ratification.

**ITEM NO. 10**

To approve issuance of Bonds /Debentures on private placement basis.

Section 42 of the Companies Act, 2013 and rule 14 (2) of the Companies (Prospectus and Allotment of Securities) Rules 2014 provides that a company shall not make private placement of its securities unless the proposed offer of securities or invitation to subscribe securities has been previously approved by the members of the company by a Special Resolution for each of the offers or invitations. However, debentures can be issued on private placement basis with the approval of the members obtained once in a year for all the offers or invitations for such debentures during the year. The Company has raised money by issue of Bonds in the nature of Debentures to meet its capital expenditure as well as working capital requirements in the year 2014. Hence, approval of members through Special Resolution is being sought in line with the provisions of the Companies Act, 2013 to enable the Company to issue Bonds, in the nature of debentures upto ₹ 7000 crore (from domestic as well as overseas market) in aggregate, through private placement of Bonds /Debentures as it may deem necessary during the period of one year from the date of approval by members within the overall borrowing limit of the Company.

None of the director/ key managerial personnel of the Company is interested or concerned in the resolution.

The Board recommends the resolution for your approval.

## A BRIEF PROFILE AND INFORMATION OF DIRECTORS BEING APPOINTED / REAPPOINTED

Name of the Director	Shri P. K. Sharma, Director (Operations)	Prof. (Dr.) Asha Kaul, Independent Director	Dr. Priyank Sharma, Independent Director
Date of Birth	01.06.1960	23.09.1960	26.09.1975
Date of Appointment	01.06.2015	23.09.2017	23.09.2017
No of Shares held	4500	NIL	NIL
Qualification (s) and Experience in Specific Functional Areas	<p>Mr. Pramod Kumar Sharma is a Post Graduate in Geophysics from Banaras Hindu University (BHU), Varanasi (UP) and also possesses a Post Graduate Diploma in Management (PGDM) with dual specialization in HR &amp; International Business, from All India Management Association (AIMA), New Delhi.</p> <p>Mr. Sharma has to his credit an experience of more than three decades in the E&amp;P industry in India and abroad.</p>	<p>Prof. Asha Kaul, Ph.D, is a Professor in the Area of Communication at the Indian Institute of Management Ahmedabad, India. Dr. Kaul received her Ph.D in the area of Stylistics from the Indian Institute of Technology, Kanpur, India. Her specialisation is in the area of oral, written and corporate communication, social media, leadership, presentation skills and gender discourse. Dr. Kaul has authored a number of books, research papers, conference papers, teaching notes and newspaper articles.</p>	<p>Dr. Priyank Sharma is a Chartered Accountant, Ph.D in management and IFRS from ACCA UK with over fifteen years of work experience in the corporate sector. Presently, Dr. Sharma is working as APAC BPC Leader: Finance, Procurement with Syngenta Services Pvt. Ltd which is a pioneer company in the field of agriculture. Earlier, he had worked with Deutsche Bank, Metro Global Business Services Private Ltd, Genpact and ICICI Bank in various capacities.</p>
Directorship held in other Companies including Companies incorporated outside India	<p>i. Oil India (USA) Inc.</p> <p>ii. World Ace Investment Ltd, Cyprus</p>	-	-
Membership / Chairmanship of Board Committees of all Companies in which they are Directors	1	1	1

Name of the Director	Shri S. Manoharan, Independent Director	Ms. Amina R. Khan, Independent Director
Date of Birth	29.05.1950	18.06.1966
Date of Appointment	23.09.2017	23.09.2017
No of Shares held	NIL	NIL
Qualification (s) and Experience in Specific Functional Areas	<p>Shri S. Manoharan belonged to the 1975 batch of the Indian Administrative Service and joined on the 13<sup>th</sup> July 1975 and allotted to the Assam-Meghalaya Cadre. He had served in multifarious assignments in the State of Assam that included field level assignments such as Deputy Commissioner of two districts, Commissioner of two divisions and Secretariat assignments such as Joint Secretary in Home Political departments, Commissioner and Secretary to the Government of Assam, Health, Family Welfare Department, Chief Electoral Officer, Assam, Principal Resident Commissioner, Government of Assam, New Delhi, etc. He had served on four different deputation assignments under the Government of India as well. His last assignment was Special Secretary to the Government of India in the Union Ministry of Water Resources at New Delhi. He attained superannuation from the Indian Administrative Service on 31<sup>st</sup> May 2010. His academic qualifications include Post Graduation in Zoology, Defence Studies and International Development Studies (University of Bradford, United Kingdom)</p>	<p>Ms. Amina Khan did her Bachelor of Science from Mumbai University. Ms. Khan has been associated with Health Industry since 1992. Ms. Khan possesses excellent communication skills and has the zeal to accomplish responsibilities.</p>
Directorship held in other Companies including Companies incorporated outside India	-	-
Membership / Chairmanship of Board Committees of all Companies in which they are Directors	2	2

## CHAIRMAN'S STATEMENT



**Shri Utpal Bora**  
Chairman and Managing Director

*Dear Shareholders,*

It is an honour and satisfaction for me to welcome you all on behalf of the Board of Directors to the 59<sup>th</sup> Annual General Meeting of your Company, Oil India Limited. I sincerely thank each one of you for being present today and being a part of the meeting. I will share with you the actions and initiatives we have embarked upon during the year 2017-18.

The Annual Report for the year, ending 31<sup>st</sup> March 2018, along with the Report of the Directors and Audited Accounts for the year ending 31<sup>st</sup> March 2018, have already been circulated and are with you. With your permission, I take them as read.

During the year under review, our commitment to enhance stakeholders' value received further impetus and despite the ever changing and challenging environment, the Company registered growth in certain areas. The salient points of your Company's performance during the year 2017-18 include:

- Crude Oil production of your Company registered a growth of 3.57% in FY 2017-18. It increased to 3.394 MMT as compared to 3.277 MMT during FY2016-17.
- The turnover of the Company grew by 12.05% during the year 2017-18 to ₹ 10,656.47 crore as compared to ₹9,510.39 crore during 2016-17.
- Your Company registered a Profit after Tax of ₹2,667.93 crore during FY 2017-18 which is 72.27% higher than the Profit after Tax of ₹1,548.68 during FY 2016-17.
- The operating profit margin of the Company for the FY 2017-18, adjusted for the finance cost related to investments in overseas projects, was 23.97%.
- Your Company has made a total of four (04) hydrocarbon discoveries in the Upper Assam basin during the year at Lakwagaon, South Baghjan, South Chandmari and Hukanguri and also established the first commercial oil production from a new formation in Upper Assam basin.
- Hydrocarbon reserve accretion during the year was 7.8317 MMT (O+OEG) of oil and gas.
- Your Company obtained International credit ratings - Moody's "Baa2(Stable)" and Fitch "BBB-(Stable)" under the category of long term rating and Domestic credit rating CARE AAA and CARE A1+ under the category of long term facilities and short term facilities.
- Your Company has paid 140% interim dividend for the year 2017-18. Your Board of Directors are now pleased to



A female employee at a worksite in the Company's Fields Headquarters at Duliajan, Assam

recommend a final dividend @10% subject to approval of shareholders.

- During FY 2017-18, your Company has issued bonus shares in the ratio of 1:2 i.e. one bonus share for two shares held. The shares were allotted in April, 2018.
- Your Company had bought back 4,49,12,000 equity shares in June, 2017 with total payout of ₹1527 crore.
- The Earning per Share (EPS) of your Company for FY 2017-18 improved to ₹23.32 from ₹13.13 for FY 2016-17.

**PERFORMANCE RECOGNITION**

OIL's persistent performances in various fields are being duly and regularly recognized in the Industry, which speaks volumes of commitment and determined efforts of all Oil Indians across all spheres. You will be glad to learn that your Company has received a large number of appreciations and recognitions, for its achievements in different fields during the year. Salient amongst these are:

- E&P Company of the Year Award 2016 by FIPI
- Golden Peacock National Training Award 2017
- Golden Globe Tigers Best Development Programme in Public Sector for Workers Award 2017

- Golden Peacock Environment Management Award 2017
- '7<sup>th</sup> Asia Best CSR Awards 2017' for 'Best Education Project' and 'Best CSR Practices'
- 7<sup>th</sup> Annual Greentech HR Platinum Award 2017 for Training Excellence
- First prize for excellent performance in implementing and promoting Official Language (Rajbhasha) during the year 2016-17 for North-East region

### ECONOMIC SCENARIO & INDUSTRY ANALYSIS

India's petroleum products consumption grew by 5.3% in 2017-18 as against global growth of about 1.6%, thereby making it the third-largest oil consuming nation in the world. India, however is largely dependent on imported crude and the nation's total import dependency of crude oil (on consumption basis) was a mammoth 82.8 % in 2017-18 with a sharp increase of 25.07% in import bill (in \$ Billion) in the financial year 2017-18 vis-à-vis 2016-17. The Government of India has adopted several policies to fill in the increasing gap between demand and supply of oil. The Government has allowed 100% FDI in many segments of the sector. Today, it attracts both domestic and foreign investment. In order to attract investments into the upstream sector for reducing India's

energy imports by 10 percent by 2022, the Govt. of India in January 2018 launched its first round of Open Acreage Licensing Policy (OALP) under the new Hydrocarbon Exploration Licensing Policy (HELP) after the overwhelming response in Discovered Small Fields (DSF) round. In these two key components, viz. OALP and DSF under HELP, a change-over of the upstream fiscal regime from a profit-sharing to a revenue-sharing model has taken place. The Government's policy of getting access to prospective energy assets overseas through energy diplomacy also got a boost with oil and gas sector PSUs' buying stakes in E&P assets in Russia, Abu Dhabi and Israel.

The financial year 2017-18 has been a tumultuous year for the world economy marked by natural disasters, geopolitical tensions, and deep political divisions in many countries. On the economic front, the year ended on a high note, with GDP continuing to accelerate over much of the world. Oil prices were supported by stronger momentum in global demand as well as supply restraints in the energy sector. Appropriately, the market has also found stability, with oil price volatility staying range bound during the year. The financial year 2017-18 was also a defining year for Indian economy with implementation of large scale reforms such as implementation of Goods and Services tax (GST).



Proceedings at the 59<sup>th</sup> Annual General Meeting of Oil India Limited held in the Company's Fields Headquarters at Duliajan, Assam, on 22<sup>nd</sup> September, 2018



Hon'ble Chief Minister, Assam, Shri Sarbananda Sonowal along with Hon'ble Minister of Petroleum & Natural Gas and Skill Development & Entrepreneurship, Shri Dharmendra Pradhan laying foundation stone of Developmental project related to Kamakhya Temple adopted by OIL under Swachh Iconic Place Initiative

## OPPORTUNITIES AND THREATS/ RISKS AND CONCERNS

Your Company has been an integral part of India's journey and aspirations towards energy self-reliance. During the year, OIL contributed about 9.5 percent and about 9 percent of country's crude oil and natural gas production. It has also developed strong mature asset ownership and established an enviable reputation for good technical stewardship of its resources. It has also built a strong financial position, and used this to establish an international presence in key hydrocarbon prolific areas, as well as a presence across the hydrocarbon value chain. With Govt. of India's encouragement on exploration and acquisition of discovered and producing properties abroad coupled with Government to Government initiatives with friendly countries on overseas acquisition of Oil & Gas fields, OIL is making all endeavours to cash on such opportunities. Further, OIL's stronghold on Assam-Arakan Basin in Northeast India provides a strong opportunity for its growth through Govt. of India's Open Acreage Licensing Program (OALP) and Discovered Small Fields (DSF) under Hydrocarbon Exploration Licensing Policy (HELP). It can build on its strength in mature asset operatorship to achieve global performance on its core technical areas. EOR is another essential approach to ensure sustainable and growing production, especially given the declining trend of OIL's current production profile and the current understanding of fields under exploration.

OIL carries a constant threat of revenue loss as a result of volatility in global crude oil price as its revenue is directly driven by the market price. Further, OIL being a National Oil Company, it is exposed to the threat of subsidy burden to be paid to Govt. of India to compensate the losses incurred by downstream oil companies due to volatility of the price. Availability of drilling locations due to a host of local environmental issues poses a high risk area for your Company.

## PHYSICAL PERFORMANCE

Despite all odds of sustaining production from the old and matured fields of Upper Assam Basin where the decline rate is more than expected, your Company could register a remarkable growth of 3.57% in its crude oil production during the year 2017-18 to 3.394 MMT from 3.277 MMT of previous year. However, this achievement was not good enough to meet the MoU target set by the Govt. of India, which was 88.2% of Excellent Target of 3.847 MMT and 92.7% of Very Good Target of 3.661 MMT. The reason for shortfall in production from old and matured fields are mainly due to decline in production and rise in water cut of some wells, less than planned contribution from work-over wells and loss in crude oil production due to environmental factors like bandhs, blockades and local problems in OIL's operational areas. Crude oil sales were 3.327 MMT as compared to sales of 3.221 MMT during 2016-17.

The Natural Gas production was 2905 MMSCM during 2017-18 as against 2937 MMSCM during 2016-17. The sale of Natural Gas was 2415 MMSCM during 2017-18 as compared to 2412 MMSCM during 2016-17. LPG production was 34110 MT as compared to 34580 MT during 2016-17.

### Heavy Oil :

A significant development has been the production of Heavy Oil from Baghewala Field of Rajasthan through chemical stimulation process. In a period of 11 months of 2017-18, a total quantity of 1259 MT of heavy oil was supplied to IOCL resulting in revenue generation of more than ₹ 2 crore.

Pilot project has been initiated using Cyclic Steam Injection Technology for production of heavy oil and is planned to commence operations during the last quarter of 2018-19. Successful implementation of the same will enhance the production on commercial scale.

Your Company has strong oil and gas reserves base and as of March 31, 2018 with 2P reserves for domestic assets being 189.5232 MMTOE of O+OEG whereas for global assets it is 44.0378 MMTOE of O+OEG.

### FINANCIAL PERFORMANCE

During the year, OIL has earned total revenue of ₹12,140.64 crore as against ₹11,191.07 crore during 2016-17. The Profit before Tax (PBT) during 2017-18 was ₹3,709.80 crore against PBT of ₹2,146.32 crore during 2016-17. After deduction of the taxes, Profit after Tax (PAT) was ₹2,667.93 crore during 2017-18 against PAT of ₹1,584.68 crore in 2016-17.

The profit for the financial year 2017-18 in comparison to previous year display steep increase mainly due to payment of differential royalty of ₹1,151.73 crore on crude oil for the period from February, 2014 to March, 2016, as per Govt. directives



which had adverse impact on the profits of the Company in financial year 2016-17. The operating profit margin of the Company for the FY 2017-18, adjusted for the finance cost related to investments in overseas projects, was 23.97%.

On expenditure side, the employee cost was ₹1,693.29 crore during 2017-18 as against ₹1,613.87 crore in the previous year. DD&A cost witnessed increase to ₹1270.01 crore during the year from ₹1090.73 crore last year. The finance cost this year stood at ₹415.68 crore as compared to ₹396.71 crore in 2016-17.

During the year, your Company has made plan expenditure of ₹3,399.03 crore which is about 79.24 % of plan outlay of ₹4289.56 crore.

### SHARE-OUT OF SUBSIDY

During the year, your Company has not shared any subsidy on sale of petroleum products by the Oil Marketing Companies (OMCs).

### OIL'S SHARE

The shareholders and investors in your Company have reposed their confidence in the Company and the shares have been performing well on the bourses viz. NSE and BSE. During April 2018, bonus shares were allotted to the shareholders in the ratio of 1:2 i.e. one bonus share for two shares held.

4,49,12,000 nos. of equity shares were bought back by your Company in June, 2017 involving total pay-out of ₹1527 crore. As a result, the post buy-back, the paid-up capital of your Company stood at ₹756.60 crore divided into 75,66,02,607 shares of ₹10/- each. The shareholding of Government of India stands at 66.13 %.

The Earning per Share (EPS) of your Company for FY 2017-18 is ₹23.32 as compared to ₹13.13 for FY 2016-17.

### DIVIDEND AND CONTRIBUTION TO EXCHEQUER

Based on the provisional financial trend, your Company paid Interim Dividend @ 140% (pre bonus capital) amounting to ₹1,059.25 crores for the year 2017-18. The Board of Directors are now pleased to recommend a final dividend @10% on post bonus paid up capital for the FY 2017-18, subject to approval of the shareholders at 59<sup>th</sup> Annual General Meeting today.

Your Company also made substantial contribution both to the State and Central exchequer in terms of Cess, Royalty, Sales Tax etc. The contribution to the State Exchequer during the year was ₹2,107.45 crore and that to the Central Government was ₹3,458.76 crore. It is also a matter of great pride that your Company's audited annual accounts have "Nil" comments from the Comptroller and Auditor General of India for the 16<sup>th</sup> year in succession.

**STRATEGY FOR GROWTH**

The Core purpose of your Company is to become "The fastest growing Energy Company with Global presence, providing value to stakeholders". The Company's focus remains on its core competence of Exploration and Production of hydrocarbons. OIL's hydrocarbon production primarily comes from its matured fields in the North East and our main priority is to sustain and increase production from these matured fields. To enhance recovery, water injection and EOR/IOR technologies have been adopted which has the ability to liberate additional production capacity of around 0.32 to 0.35 MTPA of crude over the next decade.

OIL will continue to pursue the strategy of balanced growth of portfolio of assets by continuing to acquire exploration acreage, discovered blocks, producing properties domestically and internationally. In addition to acquisition of conventional assets, OIL would also look towards acquisition of non-conventional assets, such as oil sands, shale gas, shale oil, gas hydrate etc. While E&P business shall continue to be OIL's core focus, selective diversification into midstream, downstream and renewable energy segments is planned in order to balance the existing portfolios. The proposed diversification will be towards pipelines, wind/solar energy, CGD, LNG, refineries etc.

**NEW INITIATIVES**

**City Gas Distribution:** Your Company ventured into the arena of City Gas Distribution (CGD) business in consortium with M/s HPCL. Based on the bids submitted under 8th round of CGD



Signing of JV Agreement for implementation of Natural Gas Pipeline Grid Project between OIL and other Petroleum PSU's

bidding, PNGRB issued letter for grant of authorization to the Consortium of HPCL & OIL for development of CGD network in the Geographical Area(GA) of Ambala & Kurukshetra and Kolhapur in 2018.

It may be mentioned that in 9<sup>th</sup> round of CGD bidding, your Company in consortium with AGCL and GAIL Gas has won two bids for GAs of Cachar- Hailakandi-Karimganj Districts and Kamrup-Kamrup Metropolitan Districts. Both the GAs are in Assam. PNGRB has already issued letter of intent in August, 2018.

**Restructuring of APL:** OIL signed an MoU with Assam Petrochemicals Ltd.(APL) and Govt of Assam to take 49% stake



Signing of Memorandum of Understanding for 2017-18 between Oil India Limited and Ministry of Petroleum & Natural Gas, Govt. of India

in the 500 TPD Methanol & 200 TPD Formaldehyde project in Feb, 2018 during the Advantage Assam summit.

### EXPLORATION AND PRODUCTION

Your Company's core business is exploration and production of hydrocarbons and our focus will be to accelerate our Exploration, Development and Production activities.

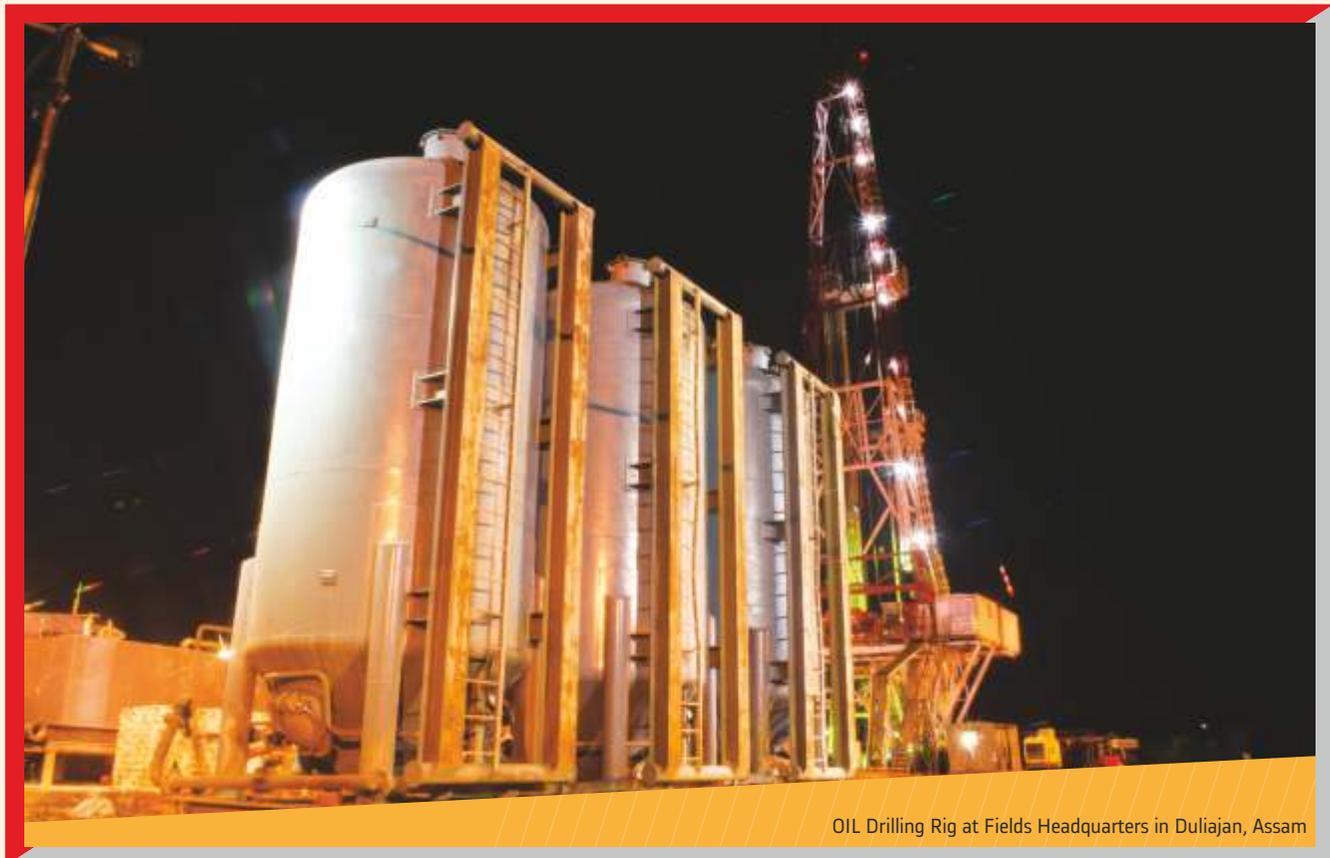
Your Company carried out 2D & 3D seismic survey to identify new prospects in the PML areas and NELP Blocks. It has drilled 14 (Fourteen) exploratory wells in PML areas and continued exploratory efforts in the NELP Block KG-ONN-2004/1 in KG onland basin by drilling 03 (three) wells including one High Pressure - High Temperature (HPHT) well. During the year, your Company made 4 (four) oil & gas discoveries in the Upper Assam Basin and established first commercial oil production from new formation (Narpuh) in Upper Assam Basin. Your Company has already initiated steps for quick appraisal, development and production from these discoveries. During the year, your Company has achieved Reserve Replacement Ratio (RRR) of 1.34. A state-of-art cableless seismic data acquisition system has been inducted in your Company. This will help in seismic data acquisition in logistically difficult areas, river bed areas, township areas etc.

Your Company continues to step up exploratory, delineation and development drilling. High-tech interventions through enhanced oil recovery (EOR) schemes, converting 2P reserves to 1P through improved oil recovery (IOR) methods and optimal reservoir management in the existing mature fields remain the top priority of your Company.

### PRODUCTION OF NATURAL GAS

Your Company achieved Natural Gas production of 2905 MMSCM from Assam, Arunachal Pradesh and Rajasthan fields during the year (inclusive of 23 MMSCM as OIL's share from Dirok JV, which started production since August, 2017), which is about 98.90% of the production of the previous year (2937 MMSCM). The gas production potential decreased in few high producing wells due to downhole problems, which has led to marginal decrease in annual gas production.

The sale of Natural Gas was 2415 MMSCM against 2412 MMSCM in the previous year. Your Company currently procures the entire produced volume (100%) of Natural Gas from the Dirok JV for sale to consumers. The price of Natural Gas was USD 2.69 / MMBTU during the financial year 2017-18 as against USD 2.78 / MMBTU in the year 2016-17. As a result, revenue from Natural Gas registered slight downward movement of 5.98% during the year.



OIL Drilling Rig at Fields Headquarters in Duliajan, Assam

## RESEARCH & DEVELOPMENT

Your Company continually strives for up-gradation and incorporation of new technologies and expertise in the entire spectrum of its operations through the Research & Development Centre at Duliajan. In-house and collaborative studies in various fields of Geochemistry and Clay Mineralogy, EOR/IOR, Flow assurance in vertical and horizontal sections of wells, oil field chemicals, solvent stimulation, water shut-off, petroleum biotechnology etc., were undertaken and benefits have been derived by the Company during the FY 2017-18. As a technological upgradation, state-of-the-art equipment have been procured and successfully put into the service, which would help in understanding and managing the reservoirs in better ways. A total of ₹64.32 crore was spent on R&D initiatives during the year 2017-18 as against ₹63.42 crore during the last financial year.

## START-UP

Your Company has earmarked Start-Up Development Corpus of ₹50 crore to foster, nurture and incubate new ideas related to oil and gas sector. OIL Start-up Fund is specifically created to encourage innovation and entrepreneurship in north-east part of India and IIT Guwahati is the incubator for the process. During the FY 2017-18, two projects were approved by your Company, viz. (i) Development of a commercial bio-

electrochemical prototype for treatment of produced water and concurrent production of value added products and (ii) Effluent Treatment Plant through electrolytic technique.

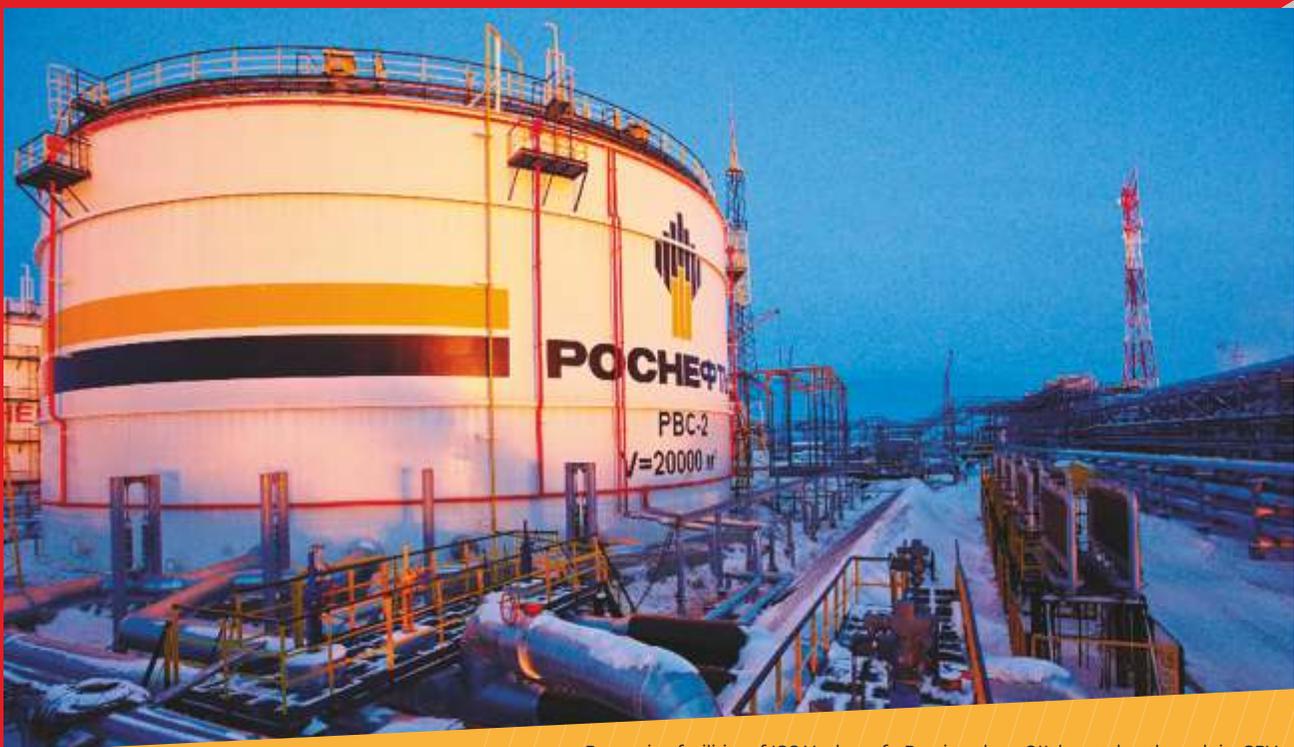
Your Company is committed to promote start-up initiatives in the coming years and is constantly working towards this endeavour.

## OVERSEAS PARTICIPATION

OIL's overseas E & P portfolio comprises of 12 Blocks spread over 09 countries covering Libya, Gabon, Nigeria, Venezuela, USA, Mozambique, Bangladesh, Russia and Israel. In addition to the above, OIL has 10% PI in 741 km long Multiproduct pipeline construction and operation project in Sudan which was completed in 2005.

In Russia, your company has stakes in three projects - Vankorneft, TaasYuriakh and License 61.

Vankorneft has two licences - Vankor and North Vankor. It is a giant oil & gas producing field located in Eastern Siberia, and contributes to about 7% of Rosneft's entire oil production. The commercial agreements for sale of oil and gas are in place for the asset. Currently, at the overall project level, Vankorneft license is producing @ 3,29,600 bopd. TaasYuriakh and Vankorneft are held through OIL's WOS Oil India International Pte. Ltd. incorporated in Singapore.



Processing facilities of JSC Vankorneft, Russia, where OIL has stakes through its SPVs

TaasYuriakh is a producing asset with current production level of 64,800 bopd (3.17 MMTPA) and expected peak production level of 5 MMTPA by 2021. It is one of the largest green fields located in Eastern Siberia. The asset's infrastructure is being ramped to meet peak production level.

License - 61, Russia is also a producing asset. The current average daily production from License-61 is around 1800 BOPD.

In Project Carabobo-1, Venezuela the development activities in the field are under progress. Current average daily production from the project stands at approximately 19,000 Barrels/Day.

In USA, your Company has 20% stake in a liquid rich shale asset with approx. 10,298.5 net acres of the asset. Currently, your company's share of daily production from this asset is around 490 BOEPD.

In Mozambique, your Company holds 40% stake in Beas Rovuma Energy Mozambique Limited (BREML) along with ONGC Videsh Limited (ONGC Videsh) which holds 60% stake in BREML. BREML, in turn, holds 10% participating interest in Area 1.

Area 1 has recoverable resources ranging between 50 - 75 trillion cubic feet (TCF) of natural gas. The Area 1 JV is undertaking an initial integrated green field development of approximately 12 MMTPA (2 x 6 MMTPA capacity onshore liquefaction trains) and a site plan that will facilitate future expansions of more than 50 MMTPA. The partners in Area 1 project anticipate to be in position to take Final Investment Decision (FID) by first half of 2019. The first LNG cargo is targeted to be delivered by 2023.

In Libya, in the block Area 95/96, your Company holds 25% PI and Sonatrach is the operator. The consortium has completed drilling of five wells, against MWP of commitment of drilling 08 (Eight) wells, and all these wells struck oil and gas. The unrest began during the drilling of the sixth well and all operations were suspended since May, 2014. The consortium signed an Interim Arrangement Agreement to continue in the block till May 2018. The block is currently under Force Majeure due to hostile law and order situation in Libya.

In Gabon, Block SHAKTHI, where your Company is the operator, a discovery has been made in the third well, Lassa-1, which produced oil with gas. It was your company's First Discovery Overseas as Operator. Two appraisal wells (Lassa-2 & 3) were drilled as per the MWP of Phase-1 of New PSC (G4-245). The JV consortium acquired 1213.04 LKM of new 2D seismic API in Phase-I to assess the prospectivity in the remaining part of the block. Based on the interpretation and

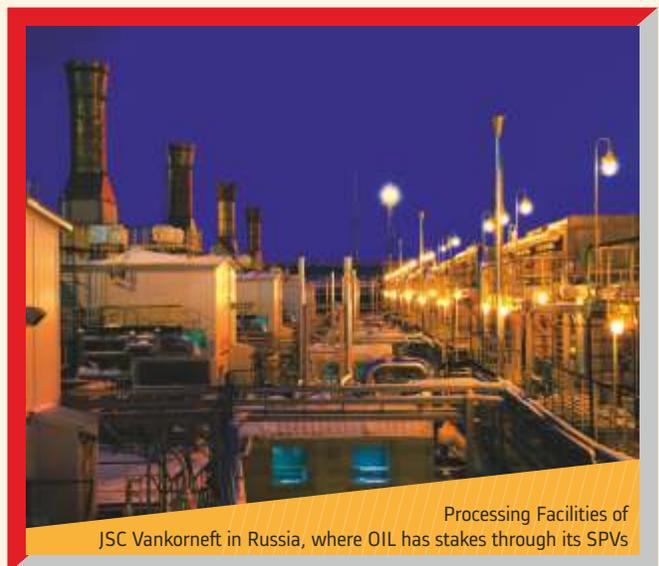
prospect evaluations, the Consortium has entered into Phase-II exploration period of the PSC during which two wells are to be drilled as per MWP commitment.

In Nigeria, block OML-142,125 square kilometers of 3D seismic data API covering Otien field (Discovery area) and surrounding prospects has been completed. Based on the interpreted results, the consortium has decided to re-enter the Otien 1 well (Discovery Well) and re-entry activities (including Extended Well Testing (EWT)) in the well are under progress. During the testing operations approximately 1300 Barrels/Day of Condensate is being produced from the well.

In Bangladesh blocks SS-04 & SS-09, seismic acquisition and processing of acquired data is almost complete. Exploratory well in Block SS-04 is proposed to be spudded in January, 2019. Post-completion of drilling in block SS-04, an exploratory well in Block SS-09 will be spudded.

In Israel, your Company (25% PI) in consortium with ONGC Videsh (25% PI) & Operator, IOCL (25% PI) and BPRL (25% PI) bid for and were awarded the offshore deepwater Block 32. The Block was awarded on 27<sup>th</sup> March, 2018. Currently, the consortium is taking necessary steps to commence the work program.

OIL's overseas portfolio has contributed significantly to accretion of reserves and production of Oil and Natural gas. Your Company's share of reserves in its overseas projects are 38.06 MMT of crude oil and 6900 MMSCM of natural gas (as of 31.03.2018). During 2017-18, OIL's Crude Oil and Natural Gas Production for its proportionate share of stakes in the overseas producing assets stood at 1.66 MMT and 708.79 MMSCM respectively.



Processing Facilities of JSC Vankorneft in Russia, where OIL has stakes through its SPVs

**PIPELINE TRANSPORTATION**

Your Company operates a total network of 1242 kms of crude oil pipelines. This pipeline has two segments. The 5.38 MMTPA capacity 557 km pipeline transports crude oil produced from oilfields in Upper Assam mainly to the public sector refineries at Numaligarh and Guwahati and partly to refinery at Bongaigaon. The second segment, 600 km pipeline between Bongaigaon and Barauni of 3 MMTPA capacity has been re-engineered to enable oil flow in either direction. In addition to above, 0.65 MMTPA of crude is transported from Duliajan to Digboi refinery through 35 km pipeline. Your Company also operates a 660 Km long product pipeline for evacuation of 1.72 MMTPA of products from Numaligarh Refinery to Siliguri.

During the year, your Company transported 6.64 MMT of crude oil out of which Naharkatia-Bongaigaon sector transported 3.31 MMT of OIL crude and 0.97 MMT of ONGC crude. The Barauni-Bongaigaon sector transported 2.36 MMT of imported crude. The Company also transported 1.87 MMT of products through Numaligarh-Siliguri Product Pipeline.

The total revenue earned from transportation business was ₹365.58 crores in the financial year 2017-18 against ₹356.18 crores in the year 2016-17.

**RENEWABLE ENERGY**

During the year 2017-18, your Company completed its fourth Wind Energy Power Project, of capacity 52.5 MW, split between Gujarat (27.3 MW in Kotiya, Gujarat) and Madhya Pradesh (25.2 MW in Unchawas, Madhya Pradesh). Commissioning of 18.9 MW sub-part at Kotiya, Gujarat has been done on 12<sup>th</sup> January 2018 and 18.9 MW sub-part at Unchawas, Madhya Pradesh on 31<sup>st</sup> March 2018. Power Purchase Agreements (PPAs) have been signed with the respective State Discoms. Also, a 500 KW Solar Energy Plant has been commissioned in FY 2017-18 in OIL's PS#3, Jorhat, Assam, for captive utilization of power.

With this, OIL's Total Installed Capacity in Renewable Energy Projects (Commercial) stands at 188.10 MW, comprising of 174.10 MW of Wind Energy Projects and 14 MW of Solar Energy Projects. Non-commercial Solar plants for captive utilisation of energy are of 0.81 MW. Generation from all the Commercial Renewable Energy Plants in the States of Rajasthan, Gujarat & Madhya Pradesh is 251.77 GW-Hr.

Wind Resource Assessment (WRA) exercise in Assam, an initiative being sponsored by your Company, is in progress at nine (09) identified sites, spread across eight districts of Assam. Wind and other associated data are being recorded to assess the wind energy availability in Assam. The process is scheduled to continue for two complete wind cycles till the year 2019.



Central Gas Gathering Station at Fields Headquarters in Duliajan, Assam



### HUMAN RESOURCE - OUR ASSET

The objective of HRM in your Company is to nurture an environment sustaining the positive culture and core values which would continuously inspire human resources to achieve excellence in all endeavours and maximize stakeholders' value. OIL nurtures talent right from recruitment at entry level and develops talent through training and mentoring, on the job learning, job rotations, exposure to challenging assignments, etc. As on 31<sup>st</sup> March 2018, Company has 6,955 employees consisting of 1,568 executives and 5,387 unionized employees. The human resource policies and practices are always sensitive to employees' needs.

During the year, OIL has taken a number of measures to improve performance management and performance culture in the Company through policy interventions and improvement of systems and processes. OIL has introduced competency based HRM and more than 403 executives have been assessed through Assessment Development Centres in 2017-18 and individual development plans have been prepared to facilitate highly effective developmental interventions. OIL conducts customized level based developmental programs in collaboration with IIMs and other leading management institutes for executives. During the year FY 2017-18, 2601 employees were trained through courses organized in-house, 1218 employees were trained through in-country programs and 108 were trained through overseas programs.

### HEALTH, SAFETY, ENVIRONMENT

'Safety First' is the mantra your Company follows strictly. Having been engaged in Exploration & Production activities, your Company is governed by statutory and regulatory obligations. Your Company therefore gives utmost importance to Health, Safety & Environment (HSE) and the same is reflected in its vision statement "OIL is fully committed to Health, Safety & Environment". Proactive approach has been taken in addressing HSE related issues for effective implementation of HSE policies and guidelines. OIL aims to achieve world class level of excellence in Safety, Occupational health and Environment keeping sustainability in mind. During the year 2017-18, efforts towards Health, Safety & Environment has contributed significantly to the company's overall performance in enhancing the safety standards, improving loss prevention, monitoring and promoting environment protection, pollution control measures, fire control & protection measures and monitoring of occupational health services.

### CSR INITIATIVES

Your Company has been fulfilling its duty as a Responsible Corporate Citizen with full commitment to the principles of Corporate Social Responsibility (CSR), towards achieving the inclusive and holistic development of its areas of operation and the society as a whole. The Companies Act, 2013 together with your Company's Social Vision "Oil India is Responsible Corporate Citizen deeply committed to the socio-economic

development in its areas of operation" and its CSR Policy have been the strong guiding force behind its CSR interventions, all with the larger purpose of making a difference to the lives of the people and local communities in meaningful ways.

As specified under Schedule VII of the Companies Act, 2013, your Company has embarked upon various CSR projects and activities under several key thrust areas such as Education, Healthcare, Sustainable Livelihood, Capacity Building and Empowerment of Women, Skill Development, Rural Sports, Culture, Augmentation of Rural Infrastructure, Environment and Infrastructure Development etc.

During the year 2017-18, your Company's CSR expenditure was ₹100.58 crore against ₹108.37 crore in previous year.

Your Company has been rendering comprehensive commitment to Hon'ble Prime Minister's Flagship programme "**Swachh Bharat Abhiyan**" undertaking various projects and activities in all spheres of the company. Most notable among all being the development & maintenance of Kamakhya temple, Guwahati under Swachh Iconic Place initiative and construction of 1500 individual household latrine (IHHL) with an aim to achieve 100% Open Defecation Free (ODF) status of Dibrugarh District under Swachh Bharat Mission (Gramin). OIL has also initiated (phase-wise) development and beautification of Tinsukia town in Assam. Various events such as Walkathon, Cleanliness & Plantation drive of office premises, market areas & public places and awareness programs were also carried out on cleanliness and hygiene (amongst school students) under Swachha Bharat Pakhwada in all spheres of the company. OIL employees also carried out cleanliness campaigns through 'Shramdaan'.

**Project 'Swabalamban'** of your Company is in line with the National Skill Development Mission of Government of India under which placement linked skill training is provided to

unemployed youth / women of OIL operational areas. During 2017-18, the project has imparted placement linked skills training to 3000 unemployed youth of OIL's areas of operation and 22 districts of Assam on various trades, out of which 2381 youth have been placed in different organisations across the country, thus enabling these youth to enhance their employability and charter a career path for a better future. Further, your Company has also set up a Skill Development Institute in Guwahati to cater to the skilling need of youth of North East region in order to enhance their employability in hydrocarbon as well as other sectors. The Centre was dedicated to the nation on the 8<sup>th</sup> of December, 2017 by Shri Sarbananda Sonowal, Hon'ble Chief Minister of Assam and Shri Dharmendra Pradhan, Hon'ble Union Minister for Petroleum & Natural Gas and Skill Development & Entrepreneurship in presence of host of other dignitaries. Two batches of 60 students underwent training and more than 70% of them have already been successfully placed.

**Project Rupantar**, your Company's flagship CSR Project on Sustainable Livelihood Generation is providing opportunities to the rural youth on self-employment and rural entrepreneurship. During 2017-18, 400 JLGs were formed and trained on handloom, poultry, farm mechanization etc. assisting 1850 families. Also, a computer education programme under OIL's Project Rupantar has been training students and during 2017-18, a total of 919 students were trained under the said programme. In addition, **Project OIL Jeevika**, a community cluster based sustainable livelihood promotion project has been currently implemented in OIL's operational villages of Arunachal Pradesh and aiming to benefit 400 households. In FY 2017-18, all trainings under the economic activity of beekeeping and honey processing have been completed. Apart from trainings on mustard, buckwheat & local pulse processing, the beneficiaries are also trained on packaging and marketing techniques.



OIL Project Dikhya : students of rural schools undertaking computer literacy through OIL's mobile education bus



Project OIL Super 30 : successful students qualified under IIT advance Entrance Exam from OIL's centre at Jodhpur, Rajasthan

A very meaningful CSR Project under Education is **OIL Super 30** under which 11 (Eleven) months free residential coaching on IIT entrance examination is provided to economically deprived students in six(6) centers in Guwahati, Jorhat, Dibrugarh, Naogaon, Itanagar and Jodhpur. The project has not only succeeded in transforming the lives of these students by fulfilling their dreams of higher education, it also has brought hope and positive changes to their families and the society they come from. During 2017-18, 149 out of 181 students from OIL Super 30 centres have qualified for IIT-JEE (Main) while 77 students qualified for IIT-JEE (Advance) Exam 2018 for admission to the IITs/NITs and other prestigious institutions of the country. A total of 44 students have gained admission to IITs while 112 students were admitted to top NITs and other reputed engineering colleges of India.

Your Company has taken up CSR Project Dikhya for promoting computer literacy and adult literacy in selected areas of OIL's operational districts since 2012. During 2017-18, computer education was imparted to 7,094 students of Classes VI to VIII in 30 rural schools through mobile computer lab (bus). Value added sessions on creative studies, environmental science, cleanliness, and behavioural science too are taught along with the computer classes. Adult education classes were conducted in 30 areas targeting illiterate and semi-literate people of rural areas and tea gardens. During 2017-18, 1500 elderly persons have benefitted from the program. Additionally, under the Adult Literacy Programme around 4800 adults were imparted education. In addition, Life Skills education was provided to 6,850 adolescent girls of 75 schools, teacher training to 152 teachers and financial literacy classes were conducted impacting 4,800 persons from rural parts of OIL's operational areas

I am also very happy to inform that 05 Teachers from provincialized schools and colleges of Assam were awarded the **OIL Shikshya Ratna Puruskar** for their all- round contribution towards education.



*OIL Shikshya Ratna Puruskar : Hon'ble Governor of Assam, Prof. Jagdish Mukhi alongwith CMD, OIL and senior OIL Officers with 2018 Awardees*

**Project 'OIL Urja'** was initiated the year before to create a safer environment and enable reduction of carbon emissions through the use of renewable energy and prevention of indoor air pollution for communities of OIL's operational areas. In 2017-18, fuel efficient cook stoves with chimneys were constructed and installed in 3000 rural households in 6 tea gardens in OIL's operational areas of upper Assam. Further, solar solutions in alignment with the Ministry of New & Renewable Energy, Govt. of India (MNRE) clean cooking & lighting solutions under Happy Home package will be provided targeting 400 households in a span of next 2 years.

Other notable CSR projects of your Company, during 2017-18, under different thrust areas include, the Mobile healthcare services under **Project Sparsha** which conducted 1712 village health camps, extending primary health care to over 2.49 Lakh needy and poor patients, free of cost, in remote villages of OIL's operational areas in Assam and Arunachal Pradesh; **Project Arogya** for reduction of Maternal and Infant Mortality Rate



*"OIL undertook various innovative initiatives for generating mass awareness on 'Cleanliness Under Swachh Bharat Abhiyan". Members on the Board of OIL watching a street play on promoting Cleanliness and hygiene, organized at OIL Fields Headquarters in Duliagan, Assam.*

which conducted prenatal & postnatal health check-up camps in 20 villages screening around 1,484 women & children, 1,893 babies (0-5 yrs) were immunised, Adoption of 3 orphaned rhino calves in Kaziranga, augmentation of rural infrastructure of villages in our operational areas under Rural Development Projects for construction of roads, bridges, community centers, public auditoriums and so on.

### CORPORATE GOVERNANCE

Your Company believes that "Corporate Governance is a commitment to values and ethical conduct of business. OIL's philosophy of Corporate Governance revolves around two pillars, viz. (1) Transparency and (2) Accountability. Transparency means explaining the Company's policies and actions to those to whom Company is responsible/ accountable and Accountability is the obligation of an individual or organization to account for its activities, accept responsibilities and disclose the results in a transparent manner. OIL believes that transparency increases accountability. Accountability also includes the responsibility of judicious utilization of money or other entrusted properties.

I would like to take this opportunity to reiterate your Company's commitment towards pursuing the highest standards of Corporate Governance. We have always been proud of our robust and transparent processes and structures in place. These progressive systems ensure proper accountability and effective timely disclosures/reporting. The effectiveness is evident from the fact that the Company has consistently had clean audit reports. Our Corporate Governance practices meet the stipulations of Regulators including DPE Guidelines. Your Company's Independent Internal Audit system ensures that internal controls, risk management and governance process, as designed and implemented by management are adequate and effective.

### CONCLUDING REMARKS

It has been my proud privilege to preside over this AGM of your Company. The performance of the Company has been recognized by various quarters including the market and the industry as a whole. Your belief and faith in OIL will take your Company to new heights in the coming years.

### ACKNOWLEDGEMENT

In conclusion, on behalf of the Board of Directors of your Company I thank all our stakeholders for their continued support, whose trust and confidence are pillars of strength in all our efforts.

The Board is also grateful to the Government of India, various State Governments, Ministry of Petroleum and Natural Gas and other related ministries and the Governments of all the countries where OIL operates for their valuable support and guidance in your Company's business.

I also take this opportunity to thank all Shareholders, Investors, Bankers, Financial Institutions, Business Associates, Customers and other stakeholders who have been a source of strength.

At the end, on behalf of the Board of Directors of your Company, let me submit to you that any milestone that your Company achieves, any new heights that your Company reaches or any new dreams that your Company dares to dream for its bright future, it is all because of tireless perseverance, strong determination and sincere devotion of each and every member of OIL family and we owe our gratitude to each one of them. I would also like to thank my colleagues on the Board of the Company for their valuable contributions in steering the Company to greater heights.

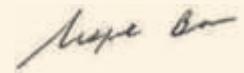
Let me re-assure you that we shall leave no stone unturned in our efforts to make the organization to be proud of.

Wish you all the best!

Jai Hind

**Date:** 22.09.2018

**Place:** Duliajan



**(Utpal Bora)**

Chairman and Managing Director

## 5 YEARS PERFORMANCE AT A GLANCE

Figures in ₹ Crore, unless otherwise mentioned

Description	2017-18	2016-17	2015-16	2014-15	2013-14
<b>Balance Sheet</b>					
Shareholder's Fund	27,909.41	29,090.49	24,919.45	21,514.31	20,708.18
Net Worth	22,745.31	23,201.75	22,802.26	21,497.59	20,708.18
Fixed Assets (Net)	12,947.97	12,024.47	9,982.87	9,127.18	7,555.89
Total Assets	44,034.18	45,339.55	39,149.20	36,227.12	34,874.45
Net Working Capital	3,739.78	8,453.59	12,024.35	10,619.35	4,701.38
Borrowings*	9,004.25	8,947.53	9,132.84	8,341.08	9,782.69
<b>Profit &amp; Loss</b>					
Operational Revenue	10,656.47	9,510.39	9,764.87	9,748.23	9,586.82
Other Income	1,484.17	1,680.68	1,393.76	1,271.63	1,628.64
Total Revenue	12,140.64	11,191.07	11,158.63	11,019.86	11,215.46
EBIDTA	5,395.49	4,785.49	4,982.00	4,802.02	5,195.03
Interest	415.68	396.71	384.00	340.68	68.78
Depreciation, Depletion and Amortisation	1,270.01	1,090.73	942.30	732.64	715.81
Exceptional items	-	1,151.73	215.13	-	-
Profit Before Tax	3,709.80	2,146.32	3,440.57	3,728.70	4,410.44
Profit After Tax	2,667.93	1,548.68	2,301.67	2,510.20	2,981.30
Dividend**	1,172.73	1,120.82	961.82	1,202.28	1,292.45
Subsidy	-	-	155.06	5,522.58	8,736.84
Plan Expenditure	3,399.03	4,336.65	3,622.49	3,773.48	2,937.62
Contribution to Exchequer	5,566.21	5,940.42	5,105.69	4,903.42	5,940.48
<b>Cash Flow</b>					
Cash and Cash Equivalents	3,092.57	6,542.32	9,908.16	8,707.30	11,543.68
Net Cash Generated / (Used in)					
- Operating Activities	3,094.88	3,420.97	3,474.27	1,154.99	2,658.33
- Investing Activities	460.30	(1,565.48)	(2,174.67)	(1,163.47)	(10,078.43)
- Financing Activities	(3,617.94)	(1,860.36)	(1,248.46)	(2,827.90)	6,830.85
<b>Profitability Indicators</b>					
EBIDTA / Revenue	44.44%	42.76%	44.65%	43.58%	46.32%
PBT / Revenue	30.56%	19.18%	30.83%	33.84%	39.32%
PAT / Revenue	21.98%	13.84%	20.63%	22.78%	26.58%
<b>Asset Productivity Indicators</b>					
Revenue / Fixed Assets (in times)	0.94	0.93	1.12	1.21	1.48
Revenue / Total Assets (in times)	0.28	0.25	0.29	0.30	0.32
<b>Working Capital Indicator</b>					
Current Assets / Current Liabilities	2.96	3.56	6.32	3.72	1.44
<b>Gearing Indicator</b>					
Debt / Equity	0.40	0.39	0.40	0.39	0.47
<b>Valuation Indicators</b>					
Dividend Per Share of Rs. 10 each** (₹)	15.00	14.25	16.00	20.00	21.50
Earning Per Share of Rs. 10 each*** (₹)	23.32	13.13	19.51	21.28	25.27
Dividend Payout Ratio	43.96%	72.37%	41.28%	47.90%	43.35%
Book Value Per Share of Rs. 10 each*** (₹)	368.88	384.49	329.36	284.35	273.70

\* Includes short term Borrowings (if any)

\*\* Dividends are actual dividend declared for the year (for 2017-18 ₹ 14 per share on pre bonus and ₹ 1 per share on post bonus).

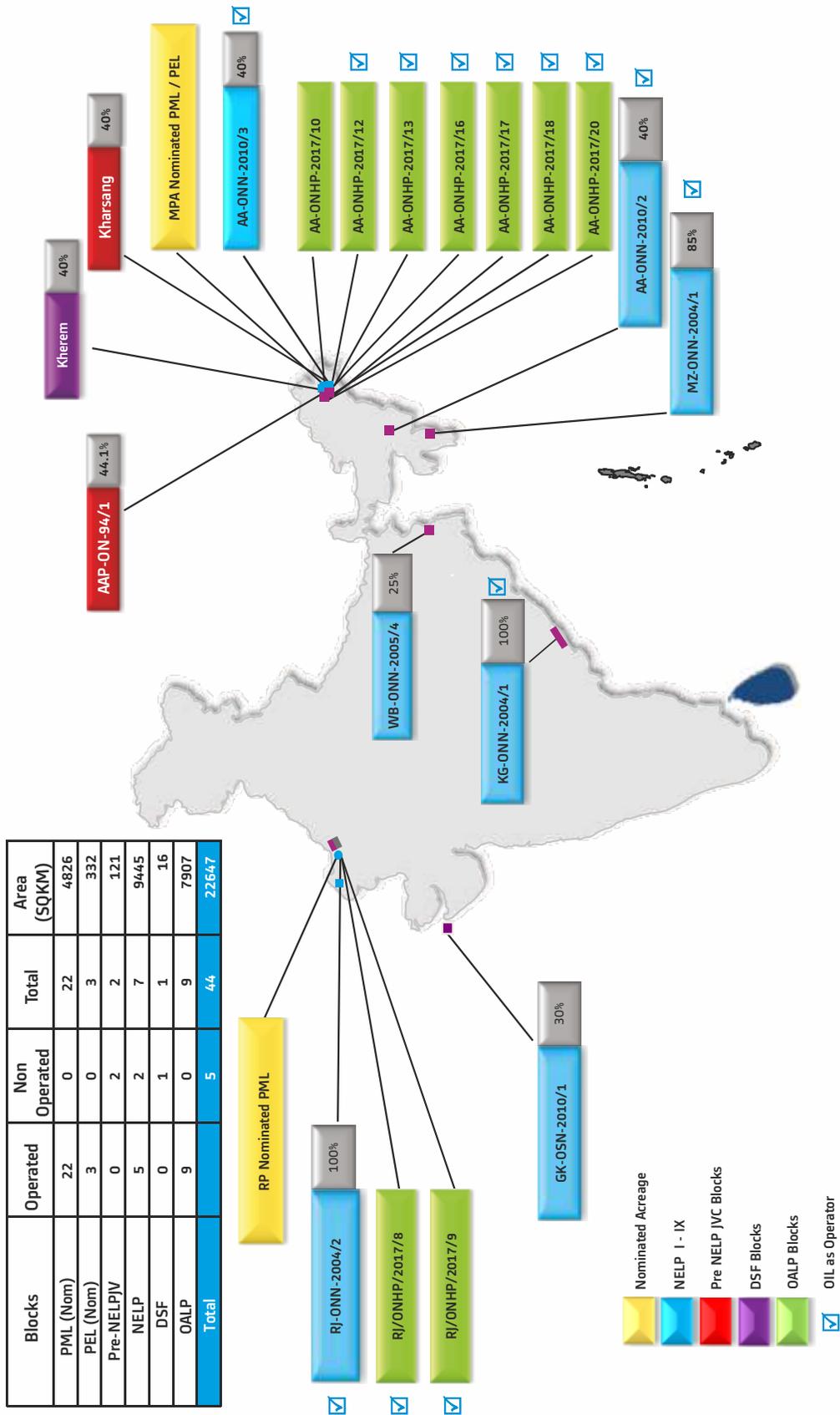
\*\*\* adjusted for bonus issue and share buy-back for all years.

Description	2017-18	2016-17	2015-16	2014-15	2013-14
<b>Quantity Produced</b>					
Crude Oil (MMT)	3.39	3.28	3.25	3.44	3.50
Natural Gas (MMSCM)	2905	2937	2838	2722	2626
LPG ('000 MT)	34.11	34.58	41.03	43.57	46.64
<b>Quantity Sold</b>					
Crude Oil (MMT)	3.33	3.22	3.22	3.40	3.47
Natural Gas (MMSCM)	2415	2412	2314	2181	2090
LPG ('000 MT)	33.86	34.63	41.17	43.46	46.79
<b>Physical Indicators</b>					
Exploratory & Development Drilling ('000 Meters)	148	187	155	143	107
2D Seismic Survey (GLKM)	139	197	1496	243	499
3D Seismic Survey (SQKM)	413	141	100	1234	928

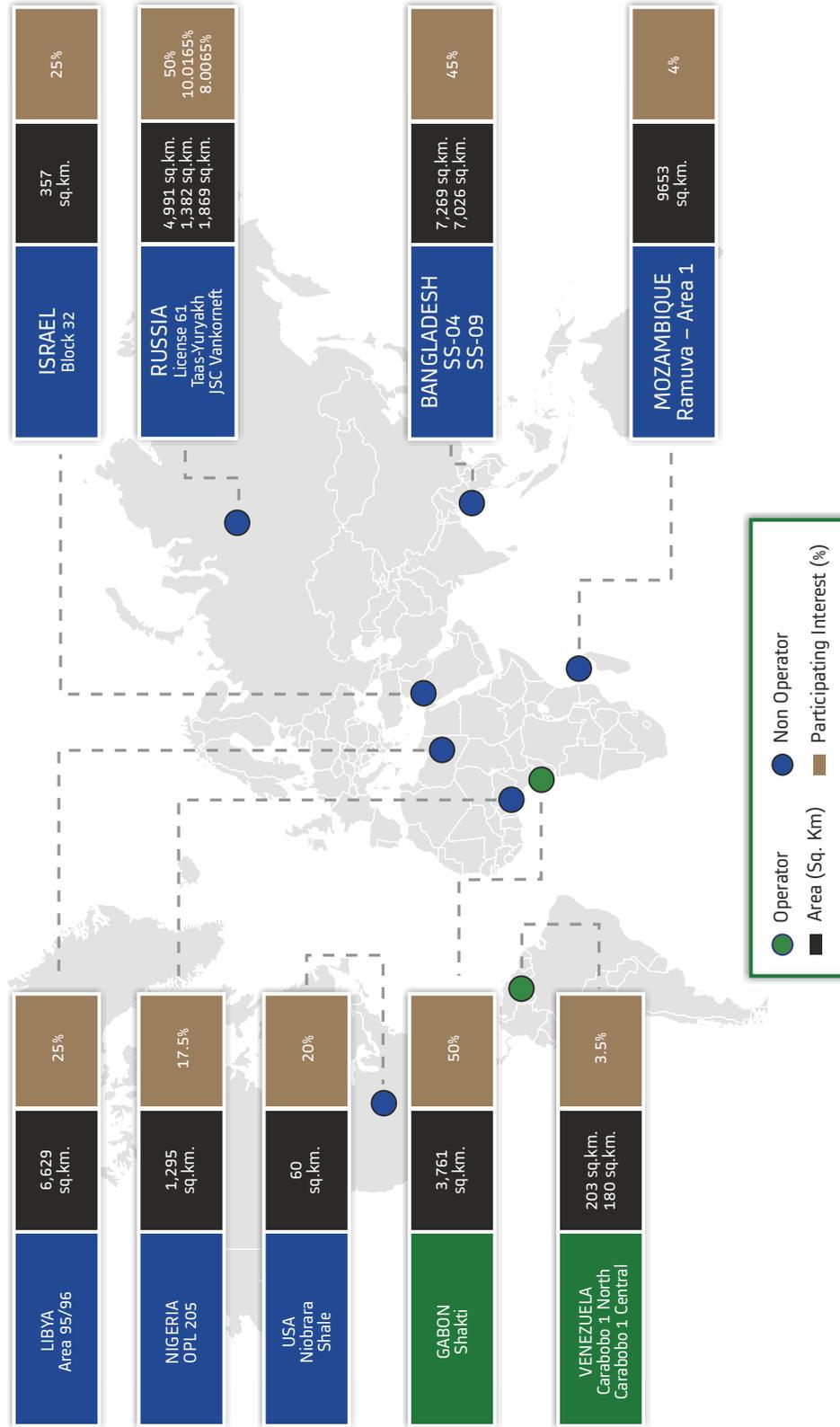


OIL's highly skilled and trained manpower is its pillar of strength :  
OIL Employee monitoring drilling activity at a location in the Company's Fields Headquarters at Duliajan, Assam

# DOMESTIC ASSETS



INTERNATIONAL ASSETS





*View of a High Pressure High Temperature (HPHT) Drilling Rig at KG basin project, Kakinada, Andhra Pradesh*

**DIRECTORS' REPORT****Dear Members,**

On behalf of the Board of Directors, I hereby present the 59<sup>th</sup> Annual Report on the business performance of your Company containing audited statements together with the Auditors' Report and the Comments of the Comptroller and Auditor General of India for the year ended March 31, 2018.

**1. SIGNIFICANT HIGHLIGHTS**

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

**A. FINANCIAL HIGHLIGHTS****(i) Revenue & Profitability**

During the year, OIL has earned total revenue of ₹ 12,140.64 crore as against ₹ 11,191.07 crore in the previous year 2016-17. The profit before tax (PBT) in the year 2017-18 was ₹ 3,709.80 crore against PBT of ₹ 2,146.32 crore in the previous year. The profit after tax (PAT) was ₹ 2,667.93 crore in the financial year 2017-18 against ₹ 1,548.68 crore in the previous year. The profit increased mainly due to higher crude price realisation and rise in crude oil production.

The profits for the financial year 2017-18 in comparison to previous year display steep increase mainly due to payment of differential royalty of ₹ 1,151.73 crore on crude oil for the period from February, 2014 to March, 2016, as per Govt. directives which had adverse impact on the profits of the Company in financial year 2016-17.

The operating profit margin of the Company for financial year 2017-18 was 20.89%. After adjusting the finance cost related to investments in overseas projects, the operating profit margin for the year is 23.97%.

The average price realisation of crude oil for the Company was USD 55.72/bbl in the financial year 2017-18 against USD 47.36/bbl in the previous year. The average natural gas price was USD 2.69/mmbtu in the year 2017-18 against USD 2.78/mmbtu in the previous year. The INR/USD exchange rate was ₹ 64.45 in the year 2017-18 against ₹ 67.07 in the previous year. The key financial figures for the financial year 2017-18 are summarized below:

(₹ in crore)

Particulars	Financial Year 2017-18	Financial Year 2016-17
Income from operations	10,656.47	9,510.39
Other Income	1,484.17	1,680.68
Earnings before depreciation, interest, tax and amortisation	5,395.49	4,785.49
Finance Cost	415.68	396.71
Depreciation, Depletion and Amortisation	1,270.01	1,090.73
Exceptional items	-	1,151.73
Profit before tax(PBT)	3,709.80	2,146.32
Profit after tax(PAT)	2,667.93	1,548.68
<b>Appropriations</b>		
Interim Dividend	1,059.25	761.44
Tax on Interim Dividend	215.35	155.01
Final Dividend of previous year	359.39	480.91
Tax on Final Dividend of previous year	73.16	97.90
Re-measurement of the net Defined Benefit Plans transferred from Other Comprehensive Income	-89.19	Nil
Transfer to Debenture Redemption Reserve	430.78	53.42

**(ii) Plan Expenditure**

During the year 2017-18, actual plan expenditure was ₹ 3,399.03 crore against the outlay of ₹ 4,289.56 crores.

**B. OPERATIONAL HIGHLIGHTS**

**(i) Crude Oil**

During the year 2017-18, crude oil production was 3.394 MMT (inclusive of 0.017 MMT received from Kharsang JVC) which is about 3.57% higher than the production in the previous year (3.277 MMT). The crude oil sales were 3.327 MMT as compared to 3.221 MMT during the year 2016-17.

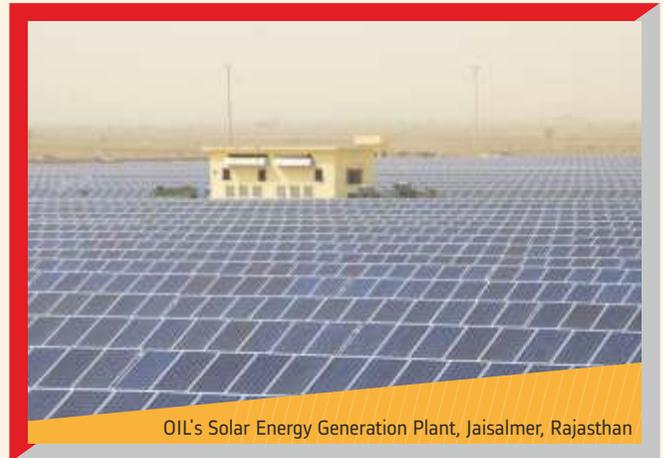
**(ii) Natural Gas**

The natural gas production during the year 2017-18 was 2905 MMSCM (inclusive of 23 MMSCM as OIL's share from Dirok JV, which started production since August, 2017) which is about 98.90% of the production of the previous year (2937 MMSCM). The sale of natural gas was 2415 MMSCM against 2412 MMSCM in the previous year. It may be mentioned that Company currently procures the whole produced volume (100%) of natural gas from the Dirok JV for selling.

The price of natural gas was USD 2.69 / MMBTU during the financial year 2017-18 as against USD 2.78 / MMBTU in the year 2016-17. As a result, revenue from natural gas registered slightly downward movement of 5.98% during the year.

**(iii) Liquefied Petroleum Gas (LPG)**

During the financial year, LPG production was 34110 MT against 34580 MT in the year 2016-17. The sale of LPG was 33856 MT against 34632 MT in the previous financial year. However, revenue rose by 16.98% in comparison to previous year on account of increase in average price realization by ₹ 6170 per MT.



OIL's Solar Energy Generation Plant, Jaisalmer, Rajasthan

**(iv) Pipeline Operations**

During the year, crude oil pipeline transported 6.64 MMT of crude oil out of which Naharkatia-Bongaigaon sector transported 3.31 MMT of crude oil for the Company and 0.97 MMT of crude oil for ONGC Ltd. The Barauni-Bongaigaon sector transported 2.36 MMT of imported crude oil for Bogaigaon Refinery. The Company also transported 1.87 MMT of products through Numaligarh-Siliguri Product Pipeline.

The total revenue earned from transportation business was ₹ 365.58 crores in the financial year 2017-18 against ₹ 356.18 crores in the year 2016-17.

**(v) Renewable Energy**

Your Company undertook its fourth wind energy power project of 52.5 MW, split between 27.3 MW in Kotiya, Gujarat and 25.2 MW in Unchawas, Madhya Pradesh in 2016-17. The part commissioning of the project (14.7 MW) was completed in 2016-17 & remaining 37.8 MW has been completed in 2017-18



Signing of Gas Sale Purchase Agreement between Oil India Limited and Numaligarh Refinery Limited

and to this effect Power Purchase Agreement was also signed. Besides this, 500 KW solar energy plant at Pump Station#3, Jorhat, Assam was also commissioned in 2017-18 for captive utilisation.

The total installed capacity of the Company in respect of renewable energy stands at 188.10 MW (excluding projects for

captive utilization), comprising of 174.10 MW of wind energy projects and 14 MW of solar energy projects. The solar plants of 0.81 MW are being used for captive utilisation of energy.

Your Company generated revenue of ₹ 120.82 crores approximately from renewable energy projects (wind as well as solar plants) during 2017-18.

**The electricity generated from wind and solar plants during 2017-18 is summarized below:**

SI No.	Plant Name	Location	Unit Generated in Million Units
1	5 MW Solar Power Plant	Jaisalmer, Rajasthan	09.04
2	9 MW Solar Power Plant	Jaisalmer, Rajasthan	16.41
3	13.6 MW Wind Power Plant	Ludurva, Rajasthan	17.35
4	54 MW Wind Power Plant	Dagri, Rajasthan	70.18
5	38 MW Wind Power Plant	Chandgarh, Madhya Pradesh	67.12
6	16 MW Wind Power Plant	Patan, Gujarat	29.26
7	27.3 MW Wind Power Plant	Kotiya, Gujarat	29.12
8	25.2 MW Wind Power Plant	Unchawas ,Madhya Pradesh	13.28

(Note: 1 Unit = 1 kilo-watt-hr)

### C. EXPLORATION HIGHLIGHTS

Your Company carried out 2D & 3D seismic survey to identify new prospects in the Petroleum Mining Lease (PML) areas and NELP Blocks. It has drilled 14 (Fourteen) exploratory wells in PML areas and continued exploratory efforts in the NELP Block, KG-ONN-2004/1, KG onland basin by drilling 03 (three) wells including one High Pressure - High Temperature (HPHT) well.

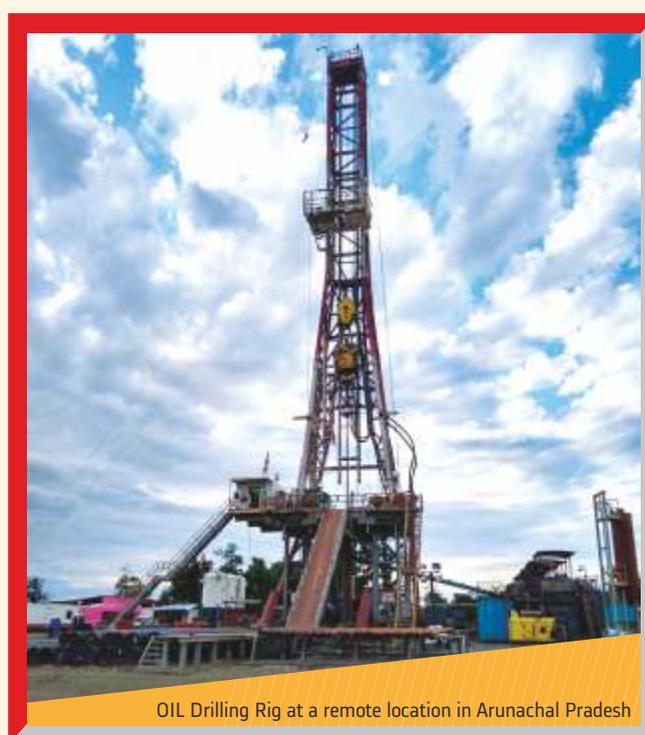
During the year, your Company made 4 (four) oil & gas discoveries in the Upper Assam Basin and established first commercial oil production from new formation (Narpuh) in upper Assam Basin. Your Company has already initiated steps for quick appraisal, development and production from these discoveries. During the year, your Company has achieved Reserve Replacement Ratio (RRR) of 1.34. A state of art cableless seismic data acquisition system has been inducted in your Company. This will help in seismic data acquisition in logistically difficult areas, river bed areas, township areas etc.

### 2. ACREAGE

Your Company's In-Country operations are spread over the areas under onshore Petroleum Exploration License (PEL) and Petroleum Mining Lease (PML) in the states of Assam, Arunachal Pradesh, Mizoram, Andhra Pradesh & Puduchery and Rajasthan.

Your Company is operating in 03 (three) PEL and 22 (twenty two) PML areas, allotted under the nomination regime in the states of Assam, Arunachal Pradesh and Rajasthan. Your Company holds

Participating Interest (PI) in 07 (seven) NELP Blocks with the right of operatorship in 05 (five) Blocks and as Non-operator in the remaining 02 (two) Blocks as on 31.03.2018. Your Company also holds 40% PI in the joint venture Block of Kharsang PSC, 44.086% PI in Pre-NELP block AAP-ON-94/1 and 40% PI in DSF block AA/ONDSF/Kherem/2016.



OIL Drilling Rig at a remote location in Arunachal Pradesh

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

### 3. OIL AND GAS RESERVES

#### Domestic

Your Company has strong oil and gas reserves base of domestic assets including JVs. The particulars of oil and gas reserves as on 31.03.2018 are furnished below:

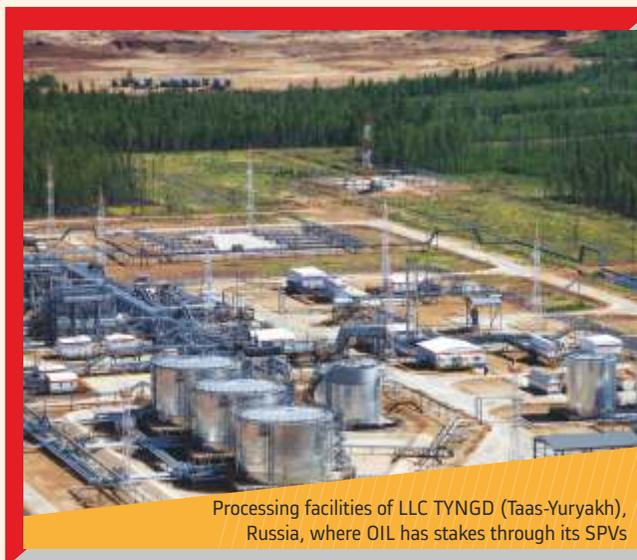
Particulars	1P	2P	3P
Oil + Condensate (MMT)	27.1121	78.6716	105.3078
Balance Recoverable Gas (BCM) *	79.7653	127.5892	165.0173
O+OEG (MMTOE)	97.0717	189.5232	247.2386

\* Based on projected volume of gas under various sales contracts, 1P, 2P and 3P Gas Reserves are 21.2190, 34.9810 and 69.5700 BCM respectively.

#### Overseas

The oil & gas reserves position (as on 31.03.2018) of 05 (Five) overseas Producing assets (Company's Proportionate Share) namely Niobrara Shale Oil (USA), License-61 (Russia), Vankorneft (Russia), TaasYuryakh (Russia) and Carabobo (Venezuela) is as furnished below:

Particulars	1P	2P	3P
Oil + Condensate (MMT)	16.9633	38.0551	59.4801
Gas Reserves (BCM)	4.8635	6.9002	8.3604
O+OEG (MMTOE)	21.1723	44.0378	66.7245



### 4. CAPITAL STRUCTURE

During the year, 4,49,12,000 equity shares were bought back by the Company in June, 2017 resulting in decrease in paid up share capital of the Company by 4,49,12,000 shares. As a result, the post buy-back, paid-up capital of the Company was ₹ 756.60 crore divided into 75,66,02,607 shares of ₹ 10/- each, with 66.13% as holding of the Government.

Subsequently, the Company approved issue of bonus shares in the ratio of 1:2 (one bonus share for two existing shares held) in March, 2018. Accordingly 37,83,01,304 bonus shares were allotted to the shareholders on 3<sup>rd</sup> April, 2018.

### 5. DIVIDEND

Based on the provisional financial data trend, your Company paid interim dividend @140% (pre bonus capital) amounting to ₹ 1,059.25 crores for the year 2017-18. The Board of Directors are now pleased to recommend a final dividend @10% post bonus paid up capital for the financial year 2017-18, subject to the approval of the shareholders at the 59<sup>th</sup> Annual General Meeting.

### 6. CREDIT RATINGS

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

Category	Rating Agency	Rating	Remark
<b>International</b>			
Long Term Rating	Moody's Investor Service	Baa2 (Stable)	At par with India's Sovereign rating
Long Term Rating	Fitch Ratings	'BBB-' (Stable)	At par with India's Sovereign rating
<b>Domestic</b>			
Long Term Facilities	CARE Ratings	CARE AAA	Highest Rating awarded by CARE
Short Term Facilities	CARE Ratings	CARE A1+	Highest Rating awarded by CARE

### 7. DETAILS OF THE LOANS, GUARANTEES OR INVESTMENTS/ DEPOSITS

The particulars of investment made, loans extended, guarantees and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the standalone financial statements. (Refer to Note No 6, 7, 15 & 41.15 to the standalone financial statements).

**8. RELATED PARTY TRANSACTIONS**

All contracts / arrangements / transactions entered by the Company during the year with related parties were in ordinary course of business and at arm's length basis. The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at (www.oil-india.com). Attention is also invited to Note 40.4 to the financial statements and Form AOC-2 attached herewith.

**9. HUMAN ASSETS**

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

As on 31<sup>st</sup> March 2018, Company has 6,955 employees consisting of 1,568 executives and 5,387 unionized employees. During the year, OIL has taken a number of measures to improve performance management and performance culture in the Company through policy interventions and improvement of systems and processes. Some of the important measures includes enhancing transparency and objectivity of HR processes, adoption of competency based HR tools, implementation of Reward and Recognition Scheme for reinforcing high performance behavior, improving speed and efficacy of HR service delivery through IT based processes, etc.

**10. 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. OIL participated in National and International Sports Events in Football, Volleyball, Table Tennis, Cricket, Chess, Golf etc. and brought laurels to the Company.

OIL has actively supported and promoted sports under the umbrella of Petroleum Sports Promotion Board (PSPB) and other bodies duly recognized by the Government of India. The football team of the Company has won number of laurels by winning XXXVIII PSPB Inter-Unit Football tournament held in Numaligarh from 21<sup>st</sup>-25<sup>th</sup> November, 2017 and also winner of other Prestigious Tournament like 12<sup>th</sup> C.K. Sharma Day/Night Football Tournament, 22<sup>nd</sup> Bodo Gallant Martyrs Gold Cup Football Tournament, ATPA Shield Football Tournament, OIL

hosted XXXVII PSPB Inter-Unit Tennis Tournament held at Guwahati from 6<sup>th</sup>-10<sup>th</sup> December, 2017 and also organized 'Saksham National Cyclothon-2017' in Jodhpur on 31.12.2017.

**11. IMPLEMENTATION OF GOVERNMENT DIRECTIVES FOR PRIORITY SECTIONS**

The Company attempts to comply with the directives of the Government of India for priority sections of the society. The representation of various priority sections in executive and unionized employees categories in the Company as on March 31, 2018 is as under:

Category	SC	ST	OBC	Minority	PWD	Women
Executives	209	142	364	123	24	177
Unionised Employees	458	709	1735	329	88	209
<b>Total</b>	<b>667</b>	<b>851</b>	<b>2099</b>	<b>452</b>	<b>112</b>	<b>386</b>

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

The Company is committed towards prevention of sexual harassment of women at workplace and takes prompt action in the event of reporting of any such incidents. The Company has in place an anti-sexual harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. In this regard, Internal Complaints Committees (ICCs) has been constituted at various offices of the Company to deal with sexual harassment complaints, if any and to conduct enquiries there to. During the year, no complaint was received.



### 13. CORPORATE GOVERNANCE

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

### 14. RTI ACT, 2005

Your Company has implemented Right to Information Act, 2005 in order to provide information to citizens and to maintain accountability and transparency. The Company has hosted RTI manual on its website for providing access to all citizens of India and has designated Central Public Information Officers (CPIOs), Assistant Public Information Officers (APIOs) and Appellate Authorities in all its spheres. During 2017-18, 426 applications were received under the RTI Act, 2005 and all the applications were disposed off within stipulated period.

### 15. 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 Rajbhasha in official work. Hindi training programmes and workshops are being conducted regularly so as to enable the employees to work in hindi conveniently and efficiently. The meetings of Official Language Implementation Committee (OLIC) are also held in each quarter. The responsibility of the Chairmanship of Duliajan Town Official Language Implementation Committee (TOLIC) was also borne by the Company. The "OIL NEWS" was published in trilingual form i.e. Assamese, Hindi and English and in-house Hindi Journal "OIL KIRAN" was also published. To propagate official language amongst employees and school students, various literary competitions were organised during Hindi Month Celebration. OIL Shreemanta Guwahati Fellowship for comparative studies of literature (Assamese & Hindi) was awarded to Hindi Research Fellows of the Guwahati University.

During the year, OIL bagged third petroleum Rajbhasha Shield for the year 2016-17 for best implementation of Official Language in Official Jobs.

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

As per Public Procurement Policy, PSUs are required to assist in promotion and development of Micro and Small Enterprises by setting annual targets for procurements of goods & services from MSEs. OIL adheres to the Public Procurement Policy for



Shri Utpal Bora, CMD, OIL and Shri Biswajit Roy, Director (HR & BD) alongwith senior OIL Officials with the Rajbhasha Shield (2nd Prize) for the year 2017-18 Presented by Ministry of Petroleum and Natural Gas

MSEs. The Annual Plan for the year 2018-19 & 2017-18 and achievement for the financial year 2017-18 for procurement of goods and services from MSEs are as under:

(₹ in crore)

S.No	Particulars	Amount
1	Annual Plan for procurement of goods and services from MSEs during the year 2018-19	275.00
2	Annual Plan for procurement of goods and services from MSEs during the year 2017-18	250.00
3	Achievement in the FY 2017-18	
	a) Total value of goods and services procured from MSEs (including MSEs owned by SC/ST entrepreneurs).	354.04
	b) Percentage of procurement of goods and services from MSE(including MSEs owned by SC/ST entrepreneurs) out of total procurement	14.19%

## 17. VIGILANCE

Vigilance is an effective tool to fight corruption and increase efficiency and effectiveness of the Company. The Central Vigilance Commission (CVC) is the nodal agency and Chief Vigilance Officer (CVO), functions as a link between CVC, CBI, the concerned Ministry and the Management. CVO acts as an advisor to head of the Organisation on vigilance matters. Preventive, Participative and Punitive are the three facets on which vigilance works.

As per latest mandate of CVC, preventive vigilance has gained



Members on the Board of OIL alongwith Chief Vigilance Officer administering 'Integrity pledge' during the observation of Vigilance Awareness Week 2018 at Corporate Office, Noida

more importance than earlier times. Accordingly, various programs/works are carried out under the "Annual Work Plan" whereby constant review of roles, responsibilities performed at various levels are being scrutinised. This has led to relooking at various procedures and practices concerning the works carried out at various spheres of the Company. Some of the steps taken in this direction during the year 2017-18 include suggestions for system improvement measures on the basis of scrutiny of various contracts & purchases, inspections of installations both regular and surprise done internally. Intensive examinations carried out by Chief Technical Examiner (CTE) of CVC has also led to significant changes in practices followed in the Company. The internal vigilance functionary ensured that recommendations of CTE, CVC are adopted/implemented. To create awareness and to sensitize employees about the Company's rules and regulations, fifteen (15) programs like "Keep in Touch" (KIT), "Catch Them Young" (CTY) and "Vigilance Sensitisation Programs" were conducted in various spheres of the Company during the year 2017-18.

Arising out of complaints received by the department during the year 2017-18, investigations were carried out and taken to their logical conclusion. Disciplinary actions were initiated against 09 officials and cases against 05 of these officials were disposed.

Online "Integrity Pledge" launched by the Commission in the year 2016 to inculcate values of transparency, equity and fairness received good response and participation from Oil Indians. Another important step being practised is the signing of "Integrity Pact" in case of high value (above 50 Lakhs) Purchase/Contracts, thereby ensuring greater transparency and integrity between OIL and the contractor/supplier.

"Vigilance Awareness Week" (VAW) is one of the major event in the direction of Participative Vigilance and was observed from 30<sup>th</sup> Oct- 4<sup>th</sup> Nov'2017 in all the spheres of OIL. This year theme was "My Vision- Corruption Free India". In line with the theme "Vigilance Pledge" was administered on 30<sup>th</sup> Oct'2017 at all spheres and various awareness programs, amongst OIL family were conducted such as Training, Seminar, Workshops, Quiz, Debate, Cycle Rally, Padayatra (Procession) with chanting of anti-corruption slogans, distribution of pamphlets, and display of banners among the citizen etc. Outreach activities were also carried out in schools and colleges to encourage public participation. Vendors' Grievance Redressal Camp was also organised.

During the year 2017-18, Vigilance department published quarterly issues of in-house vigilance journal 'In- Touch' along with a special issue.

The Board of Directors periodically reviews the vigilance initiatives undertaken in the Company.

### 18. RESEARCH AND DEVELOPMENT

The Company continually strives for up-gradation and incorporation of new technologies and expertise in the entire spectrum of its operations through the Research & Development Department. In-house and collaborative studies in various fields of Geochemistry and Clay Mineralogy, EOR/IOR, Flow assurance in vertical and horizontal sections of wells, oil field chemicals, solvent stimulation, water shut-off, petroleum biotechnology etc., were undertaken and benefits have been derived by the Company. As a technological upgradation, state-of-the-art equipment have been procured and successfully put into the service, which would help in understanding and managing the reservoir in better ways.

### 19. STARTUP INITIATIVES :

OIL has earmarked Start-Up Development Corpus / Fund of ₹ 50 crores to foster, nurture and incubate new ideas related to oil and gas sector. OIL Start-up Fund is specifically created to encourage innovation and entrepreneurship in north-east part of India and IIT Guwahati is the incubator for the process.

During the period, following two projects were approved by your Company:

(i) Name : Innotech Interventions Private Limited

Project: Development of a commercial bioelectrochemical prototype for treatment of produced water and concurrent production of value added products

Estimated financial involvement: ₹ 70.06 lakhs

(ii) Name : RD Grow Green India Water & Power Solutions Private Limited

Project: Effluent Treatment Plant through electrolytic technique

Estimated financial involvement: ₹ 62.56 lakhs

### 20. SUBSIDIARIES/ COMPANIES IN WHICH COMPANY HAS SHAREHOLDING

#### A. Subsidiaries

#### (i) Oil India Sweden AB

Oil India Sweden AB is a wholly owned subsidiary of OIL. The



Signing of Memorandum of Understanding (MoU) between OIL and Assam Petrochemicals Limited & Government of Assam during Advantage Assam Summit at Guwahati, Assam



OIL accords utmost importance to up-gradation of technologies and Research & Innovation

said Company was incorporated on the 20<sup>th</sup> 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 Ltd. was incorporated in Cyprus on 21<sup>st</sup> October, 2011 as a private limited liability company under the Cyprus Companies Law, OIL holds 76% of the share capital of the company. The balance 24% is held by Oil India Sweden AB. The objective of the company is to channelize investments into overseas E&P projects.

**(iii) Oil India (USA) Inc.**

Oil India (USA) Inc. is a wholly owned subsidiary of OIL incorporated on 26<sup>th</sup> September, 2012 having its office at Houston, USA. It holds 20% stake in Niobrara Shale Oil and Gas Asset in USA.

**(iv) Oil India International Limited (OIIL)**

OIIL is a wholly owned subsidiary of OIL and was incorporated on 20<sup>th</sup> September, 2013. The registered office of OIIL is situated

in New Delhi. Since none of its objects associated with formation could be achieved, steps have been initiated for its winding-up.

**(v) Oil India International B.V (OIIBV)**

Oil India International B.V, a wholly owned subsidiary of OIL was incorporated in Netherlands on 2<sup>nd</sup> May, 2014. The objective of the company is to channelize investments into overseas E&P projects.

**(vi) Oil India International Pte. Ltd.(OIPL)**

Oil India International Pte. Ltd. is a wholly owned subsidiary of OIL. The Company was incorporated in Singapore on 6<sup>th</sup> May, 2016 as a private company limited by shares. The activities of the company are: to act as investment holding company and crude petroleum and natural gas production.

**B. Companies in which OIL has shareholding:**

**(i) Numaligarh Refinery Ltd (NRL)**

NRL 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, inter alia, to process natural gas, naphtha or any petroleum product, distribute and market petrochemical products in India and abroad. The registered office of BCPL is located at Guwahati, Assam. OIL holds 10% equity share capital in BCPL.

**(iii) Suntera Nigeria 205 Ltd.**

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

**(iv) DNP Ltd.**

DNP Ltd. was incorporated on 15<sup>th</sup> June, 2007. The main object of DNP Ltd. is acquisition, transportation and distribution of natural gas in all forms. The registered office of DNP Ltd. is situated at Guwahati, Assam. OIL holds 23% equity share capital of DNP Ltd.

**(v) IndOil Netherlands B.V**

Oil India Sweden AB owns 50% of the shares in Indoil Netherlands B.V which in turn holds 7% equity shares in Petrocarabobo SA (joint venture Company), for Project

Carabobo-1, Venezuela. The principal activity of the company is making investment in companies engaged in exploration, production, marketing, trade, transport and extraction of oil, gas, hydrocarbons and minerals.

**(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. The redomiciliation registration process of BREML in Mauritius has been completed.

**(vii) WorldAce Investments Ltd.**

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

**(viii) Vankor India Pte.Ltd.**

OIL (through Oil India International Pte. Ltd.) holds 33.5% share in Vankor India Pte. Ltd., a company incorporated in Singapore on 20<sup>th</sup> May, 2016. The activities of the Company are: to act as investment holding company and crude oil, petroleum and natural gas production. Vankor India Pte Ltd further holds 23.9% share in JSC Vankorneft, Russia which holds two producing licences in Eastern Siberia, Russia.

**(ix) Taas India Pte. Ltd.**

Oil India Limited (through Oil India International Pte.Ltd.) holds 33.5% share in Taas India Pte. Ltd., a company incorporated in Singapore on 23<sup>rd</sup> May, 2016. The activities of



Shri Utpal Bora, CMD, OIL alongwith Smt. R.S. Borah, Director (Finance), OIL at the 6<sup>th</sup> Annual General Meeting of Shareholders and Annual Meeting of Directors of OIL India (USA), Inc. held at Houston, Texas, USA



OIL's Wind Energy Generation Project at Jaisalmer, Rajasthan

the company are: to act as investment holding Company and Crude Petroleum and Natural Gas Production. Taas India Pte. Ltd. holds 29.9% shares in LLC "TYNGD", Russia which holds two producing licenses east Siberia.

## 21. ANNUAL REPORT OF SUBSIDIARIES AND CONSOLIDATED FINANCIAL STATEMENTS

In accordance with section 134 of the Companies Act, 2013 and the applicable Accounting Standards, audited consolidated financial statements for the year ended 31<sup>st</sup> March, 2018 of the Company and its subsidiaries forms part of this Annual Report.

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

The complete Annual Reports of subsidiaries of OIL are also available on the Company's website and physical copy is made available on request to the shareholder.

## 22. STATUTORY REQUIREMENTS

Your Directors have made necessary disclosures as required under various provisions of the Companies Act, 2013 and SEBI

(LODR) Regulations, 2015. Information on the conservation of energy, technology absorption, foreign exchange earnings & outgo etc. as required under section 134 of the Companies Act, 2013 and the rules made thereunder is given in the Annexure to this Report. In view of the exemptions given to the Government Companies by MCA from applicability of section 197 of the Act, the Company is not required to annex the details of the employees who drew remuneration exceeding the limits laid down in the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

## 23. STATUTORY AUDITORS, COST AUDITORS AND SECRETARIAL AUDITORS

The Statutory Auditors of your Company are appointed by the Comptroller & Auditor General of India (C&AG). M/s N. C. Banerjee & Co. and M/s B.N.Misra & Co. were appointed as Joint Statutory Auditors for the financial year 2017-18. The C&AG has given Nil comments on annual accounts of the Company. The Cost Audit Report for the financial year 2016 -17 was filed within the statutory time limit. M/s Mani & Co, Cost Accountants were the Cost Auditor of the Company for the financial year 2017-18. The report is being finalized and will be filed within the stipulated time frame. The Secretarial Audit Report by M/s RMG & Associates, Practicing

Company Secretaries, confirming compliance to the applicable provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015, SEBI Guidelines and all other relevant rules and regulations relating to Capital Market is annexed. With respect to the qualification on the composition of the Board of Directors, the Company has requested the Govt. of India through MoP&NG to appoint appropriate number of Independent Directors on the Board of the Company.

#### 24. EXTRACTS OF ANNUAL RETURN

The extracts of the Annual Return are attached as annexure to this Report.

#### 25. AWARDS AND RECOGNITIONS

During the year 2017-18, following recognitions and awards/accolades were conferred upon the Company by different agencies:

- Geomintech Awards-(i) Resident Chief Executive was awarded the Best Corporate Management Excellence Award 2016-17 for safety & environmental performance. (ii) Chief General Manager (CGM) was awarded the Best Corporate Management Excellence Award 2016-17 for implementing an Effective Safety Management System and Outstanding Achievement in Safety performance.
- Golden Globe Tigers Award 2017 for "Best Development Programme in Public Sector for Workers" (Excellence in Training and Development), Golden Peacock National Training Award 2017 for OIL's efforts in the field of innovative Learning & Development.

- Golden Peacock Environment Management Award Trophy for efforts towards environment management.
- 'Asia Best CSR Award 2017' under two categories, 'Best Education Project' and 'Best CSR Practices'.
- Federation of Indian Petroleum Industry (FIPI) Award 2016 in the category Exploration & Production- Company of the Year
- First position in Rajbhasha Shield by the Town Official Language Implementation Committee, Jodhpur.
- First prize for excellent performance in implementing and promoting Official Language (Rajbhasha) during the year 2016-17 for North-East region in the "PSU" category (Pipeline headquarter).

#### 26. DIRECTORS

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

OIL being a Government Company, the provisions of section 134(3)(e) and section 134(3)(p) of the Companies Act, 2013 shall not apply in view of the Gazette notification dated. 05.06.2015 issued by the Government of India, Ministry of Corporate Affairs.

Ministry of Corporate Affairs (MCA) vide General Circular dated 5<sup>th</sup> June, 2015 has exempted Government Companies from the provisions of section 178 (2) which requires performance evaluation of every director by the Nomination & Remuneration Committee. Similar exemption has been requested from SEBI under the SEBI (LODR) Regulations, 2015.



OIL Receiving the Golden Peacock Environment Management Award 2017 from Hon'ble Justice Kurian Joseph, Judge, Supreme Court



OIL Receiving the 7<sup>th</sup> Annual Greentech HR Platinum Award 2017- for Training Excellence

**CHANGES IN THE BOARD OF DIRECTORS**

- (i) In terms of MoP&NG letter No. C-31034/2/2017-CA/FTS: 49128 dated 8<sup>th</sup> September, 2017, Prof. (Dr) Asha Kaul, Dr. Priyank Sharma, Shri S. Manoharan and Ms. Amina R. Khan were appointed as Non-official part time directors (Independent Directors) w.e.f 15<sup>th</sup> September, 2017 for a period of three years.
- (ii) In terms of MoPNG letter No. C-31033/1/2016-CA/FTS: 42979 dated 24<sup>th</sup> November, 2017, Shri Diwakar Nath Misra, Joint Secretary, MoP&NG was appointed as Government Nominee director on the Board of the Company w.e.f 29.11.2017 vice Shri Amarnath, Joint Secretary (Exploration) MoP&NG.

**27. DIRECTORS' RESPONSIBILITY STATEMENT**

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

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and are operating effectively.



Dignitaries with the members of the Steering Committee of the Global HSE 2017 Conference hosted by Oil India Limited under the aegis of Ministry of PNG, MSME and MLE at Hyderabad, Telangana

## 28. ACKNOWLEDGEMENT

With the initiatives emanating from the vision of making the Company as a 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 MoP&NG, all other Ministries and Agencies in Central and State Governments. Your Directors express their gratitude and thanks to the Shareholders, Auditors, 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/-

**(Utpal Bora)**  
Chairman & Managing Director

Dated: 27.07.2018  
Place: NOIDA



## ANNEXURE

**PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY  
ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO  
UNDER SECTION 134 OF THE COMPANIES ACT, 2013  
READ WITH COMPANIES (ACCOUNTS) RULES 2014**

**A. CONSERVATION OF ENERGY:****I. Steps taken or impact on conservation of Energy**

1. Energy audits were carried out at vital installations and strategic equipment at regular intervals to monitor the energy consumption and suggest corrective measures.
2. Awareness programs like imparting training to vehicle drivers / operators / technician on fuel efficient driving technique / practice; organizing workshop on "Oil & Gas Conservation" for employees, students, & housewives in OIL's Operational areas; auto fuel efficiency check-up camps; technical meeting on substitution of petroleum products with alternate source of energy etc. were organised during the year.
3. The processing of 44,51,378 kl of oil sludge at Sludge Treatment Plant (STP) by adopting the measures like use of Oil Soluble De-emulsifier (OSD) led to saving of 818 kl of crude oil.
4. A sizeable quantity of oil spilled during various field activities was retrieved from various pits and sumps.
5. Total volume of condensate recovered from the different work spheres during the year was about 92,807.64 MT.
6. During the year, substantial amount of gas was conserved by using Flow Improver instead of thermal conditioning for pumping crude oil in the trunk pipelines. By boosting and supplying of LP flare gas to OIL's gas distribution network with commissioning of BOO (Build-Own-Operate) compressors in fields, the Company could conserve 105.05 MMSCUM of natural gas during the year. Likewise by utilization of stabilizer and use of gas as housing fuel in Moran OIL Township, natural gas of 2.19 MMSCUM was conserved.
7. Monetization of 26.97 MMSCUM HP gas from Well Head Set (WHS) up at Moran location HWDH in Eastern Asset was achieved after the diversion of the flared gas to distribution network from 01.08.2017. Monetization of 2.40 MMSCUM gas was also achieved by installing an additional low pressure booster compressor at Hapjan GCS, on 20.02.2018 which was being flared.
8. Existing street lights /tube lights were replaced with energy efficient LED lighting solutions at various locations of the Company. Besides this, installation of energy efficient cooling fan, motors finin cooling towers of LPG plant also led to the conservation of the energy. As a result of above efforts, Company saved 595639.20 Kwh of energy translating into saving of ₹ 46.46 lacs
9. Installation of solar power plant at work-over wells in place of 30 KVA diesel engine gensets resulted in saving of 21.09 KL HSD. By utilizing solar PV plants in Pipeline repeater stations in place of diesel engine genset, resulted in saving of 22.43 KL HSD. By installing gas engine driven pump set replacing diesel engine gensets at location CH, resulted in saving of about 2.19 KL HSD.

**II Steps taken by the Company for utilizing alternate sources of energy:**

1. 30 KWp Solar Power Plant at Corporate office, NOIDA produced 35,607 kWh of electricity for use in the office complex.
2. 20 KWp Solar Power Plant at Repeater Stations at Jagiroad (Assam) and Kishanganj (Bihar) produced 17,834 kWh and 18,175 kWh of electricity respectively for industrial purpose.
3. 100 kWp Solar Power Plant at TVC in Rajasthan project produced 35,064 kWh of electricity which was used for industrial purpose.
4. Use of solar gensets in place of 30 KVA genset during night for illumination purpose at Work-over locations produced 4,117 kWh of electricity which was used for industrial purpose.

5. Use of solar photo-voltaic cells for MART Communication has resulted in saving of about 561.12 kWh of equivalent electrical energy during the period.
6. Installation of energy conservation equipment at Repeater stations of 5 kWp solar power plant at BG Hill & 20 kWp solar power plants at Dharampur & Pratapkhata.

### III. Capital expenditure on energy conservation equipments:

The capital investment of ₹ 23.00 lakhs was done in pipeline for energy conservation equipment during the year for purchase & installation at Repeater stations of 5 kWp solar power plant at BG Hill & 20 kWp Solar power plants at Dharampur & Pratapkhata.

### B. TECHNOLOGY ABSORPTION:

#### (i) Efforts made towards technology absorption and benefits derived are as under :

- a) Operationalization of state-of-the-art, table-top scanning Electron Microscope (SEM) coupled with Energy Dispersive X-Ray (EDX) functionality.

The SEM provides unique compositional image which is vital for the study of clay minerals. This technology will play a crucial role in defining the best brittle reservoir interval and avoid exploration failure by selecting the compatible drilling and hydraulic fluids. SEM-EDX will be useful in solving diverse problems related to geology, evaluation of reservoir quality, enhanced oil recovery and production related problems in OIL's E&P programme.

- b) Flow assurance in vertical and horizontal sections of oil wells

During the year 2017-18, thermo-chemical solutions for flow assurance, suggested by R&D were implemented by the Assets, which helped in improving / maintaining flow in several oil producing wells and crude oil delivery lines.

- c) Designing of solvent stimulation recipe for production enhancement

During the year 2017-18, the solvent stimulation recipe was designed using available solvents in stock and well site supervision. The in-house designed solvent stimulation jobs resulted in remediating near wellbore damage and improving wellbore influx.

- d) Efforts towards implementation of a Carbonated Water Injection (CWI) pilot in OIL

OIL is a partner in a Joint Industry Project (JIP) steered by Heriot Watt University, Edinburgh, UK, along with various other E&P Companies. The ongoing JIP with Heriot-Watt University has provided key insights into the various mechanisms that lead to additional oil recovery through Carbonated Water Injection (CWI) and will help in implementing the pilot CWI scheme at Dikom Field of OIL.

- e) Commercialization of bioremediation technology developed in-house

The in-house bioremediation technology which has been successfully field tested during 2016-17 is a full-fledged alternative technological solution. Efforts towards commercialization of this technology have been initiated.

- f) Implementation of Radial Drilling

To recover hydrocarbons from the marginal and mature oil and gas fields by increasing the reservoir contact, radial drilling was absorbed as new technology and implemented/ executed in 6 (six) wells during the financial year 2017-18.

- g) Installation of Electrical Submersible Pump (ESP)

During the year 2017-18, the Electric Submersible Pumps (ESPs) as a mean of artificial lift were installed at BRK#12 and BPR#001 oilfield of the Company.

- h) Implementation of Chemical Water Shut-off Technology

Produced water management remained a challenge in OIL's field operations and preferred solution was identified as arresting the water at source itself which helps in minimizing surface handling problems. Implementation of chemical water shut off technology will help to arrest the increasing water cut from certain fields of OIL like Bhogpara, Kathaloni, Naharkatia etc. and also to obtain sustainable production from some of the depleting wells. During the period 2017-18, water shut-off jobs have been carried out in BPR#05 & BPR#14 to obtain sustainable production from some of the depleting wells.

- i) Matrix Acidization

In order to improve production from wells with formation damage, matrix acidization job has been adopted. Matrix acidization helps to dissolve the sediments and mud solids within the pore spaces inhibiting permeability of the rock improving the flow of well bore fluid. As a result of matrix acidization, the injectivity of the water injection & disposal wells has improved. During 2017-18, 43. Matrix acidization

jobs (09 Water Injection wells, 23 Water disposal wells and 11 Oil wells) were carried out.

j) Liquid flow improver for flow assurance

To overcome the difficulty in lifting and transportation of medium, heavy, and extra-heavy crude oil, flow improvers and viscosity reducers are used to decrease the viscosity upto 95% depending on the causes of the increased viscosity, type of chemistry, and production system. During the year 2017-18, services of 30 sets of dozing/pumping units were hired for injection of the liquid flow improver/chemical mix in 30 locations. It has also reduced the well servicing frequency in many of the wells. The LFI technology has helped to reduce viscosity of the produced fluid and operational costs thereby improving productivity.

k) Commissioning of GCXGC Time of Flight Mass Spectrometer

This new equipment was commissioned at Centre of Excellence for Energy Studies (CoEES), Guwahati in August, 2017 for identifying the separated compounds. The Time of Flight Mass Spectrometer is useful for reservoir compartmentalization studies and advanced biomarker analysis.

l) Cable-less seismic data acquisition system

A state-of-art cable-less seismic data acquisition system commissioned during the year. This Cable-less seismic data acquisition equipment would help in overcoming the limitations which are generally faced by the Cable System (Line Telemetry system) during the data acquisition in logistically challenging areas like stiff-hills, river-bed areas and township areas etc.

m) A new HPHT Consistometer Model 8340 has been installed in the cement laboratory. The equipment is designed to work at a temperature as high as 315 degree centigrade and pressure as high as 40,000 psi. The equipment will be useful in designing cement slurries under simulated conditions of deep wells with high temperature and pressure conditions.

n) Potassium Sulphate (K<sub>2</sub>SO<sub>4</sub>) mud system - In an attempt to replace environment sensitive Potassium Chloride (KCl) drilling fluid, K<sub>2</sub>SO<sub>4</sub> mud system has been introduced. The said mud system is environment friendly and provides shale inhibition and excellent borehole stability. As the mud system is very stable and provides excellent borehole stability, it saves on rig days and consequently is cost effective.

o) Introduction of HPHT Rheometer - The M7500 Ultra HPHT Rheometer is a coaxial rotational, high pressure and high temperature rheometer which is engineered to measure Rheology (Flow Characteristics) of drilling fluid at temperatures as high as 6000 degree Fahrenheit and Pressure upto 30,000 psi.

p) Introduction of Optical Emission Spectrometer at Central Workshop.

Optical Emission Spectrometer covers the analysis of the chemical composition at the complete range sub-ppm to percentage levels up to 32 elements, from pure metals trace analysis to high ferrous based alloyed grades and all relevant elements can directly be analysed simultaneously. Optical Emission Spectrometer will enhance the service competencies through material inspection, alloy identification, and quality control and helps in managerial decision making process during servicing & failure analysis of the equipment. This in turn enhances the availability of critical equipment in the field by reducing their downtime.

q) Use of Poly Aluminium Chloride (PAC) in treatment of water in place of conventional chemicals like Alum. Poly Aluminum Chloride (PAC) compounds have a polymeric structure, totally soluble in water. They have following advantages:

- Residual Aluminum & Chloride in the treated water is less resulting in lower overall TDS of the treated water.
- Safer for consumption
- Works extremely well at low raw water temperatures.
- Less sludge is produced
- Lower doses are required to give equivalent results
- Savings: 60% by quantity of chemicals use. 30% by Cost

r) Gas Compressor Packages with Concrete Filled Skids:

a. Out of 13 (thirteen) Compressor Packages procured eight. were commissioned during the year. The commissioning of balance 5 (five) were in progress at the end of the year.

b. This technique is adopted to place the new packages in old RCC foundation. The use of Concrete Filled Skids eliminated construction of new RCC foundations for the Gas Compressor Packages, which is very time consuming and costly.

**(ii) Imported Technologies (imported during in last three years reckoned from beginning of the financial year)**

Sl. No.	Details of the technology imported (a)	Year of import (b)	whether the technology been fully absorbed (c)	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof (d)
1	<b>High Performance Computing Centre (HPCC)</b> HPC Centre offers the latest suites of Geophysical application software under one roof to address diverse imaging & computing challenges and deliver processing outputs that are amenable for interpreting the subtle structural and stratigraphic traps with enhanced resolution by enabling efficient data visualization of seismic datasets along with presentation and discussion facility.	2015	Yes	Not Applicable
2	<b>Merus Ring Technology</b> Merus Ring Technology is a proprietary technology for mitigating gelling of crude oil in pipelines and also to address crude dehydration problem. Merus Rings were successfully installed at NHK CTF, Moran - Shalmari COD line, Duliajan - Digboi Branch Pipeline and Hapjan OCS process lines.	2015	Yes	Not Applicable
3	<b>Matrix Acidization</b> For enhancement of production from wells with formation damage, matrix acidization job was taken up. In the first phase, only water disposal wells and water injection wells were selected for acidization, which would indirectly help in maintaining crude oil production and reservoir management.	2016	Yes	Not Applicable
4	<b>Radial Drilling</b> For enhancement of crude oil production from old fields like Naharkatiya and Jorajan, radial drilling has been planned so that the gain in crude oil could be achieved through testing of higher up sands	2016	Yes	Not Applicable
5	<b>Chemical Water Shut-off Technology</b> In order to arrest the increasing water cut in Naharkatia fields and to obtain sustainable production from depleting wells, chemical water shut off technology is being introduced.	2016	No	under progress
6	<b>Dozing of Liquid Flow Improver</b> Flow improvers and viscosity reducers can decrease viscosity up to 95%, depending on the causes of the increased viscosity, type of chemistry, and production system. To mitigate the flow assurance problem in both horizontal & vertical regimes, this technology was implemented. The supply and injection of LFI through chemical dosing in well annulus/flowlines of 10 wells is in progress.	2016	No	under progress
7	New Technology Logging Tools-Array Compensated Resistivity Tool (ACRT) and Circumferential Acoustic Scanning Tool (CAST-I) were introduced.	2016-17	Yes	Not Applicable
8	HPHT Rheometer	2017	Yes	Not Applicable
9	Compositional Simulator (Navigator)	2017	Yes.	Not Applicable
10	Streamline Simulator (FrontSim)	2017	Yes	Not Applicable
11	Cable-less Seismic data acquisition System	2017	Yes	Not Applicable
12	CAST-I (Circumferential Acoustic Scanning Tool)	2018	Yes	
13	ACRT (Array Compensated Resistivity Tool)	2018	Yes	
14	HPHT Consistometer	2018	Yes	Not Applicable

**(iii). Expenditure incurred on Research and Development**

₹ in Crores

<b>R &amp; D Expenditure</b>	<b>2017-18</b>	<b>2016-17</b>
Capital Expenditure	7.87	7.61
Revenue Expenditure	56.45	55.81
<b>Total</b>	<b>64.32</b>	<b>63.42</b>

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

₹ in Crores

<b>Particulars</b>	<b>2017-18</b>	<b>2016-17</b>
Foreign Exchange Earnings	52.84	47.14
Foreign Exchange Outgo	903.05	965.06

**FORM NO. AOC-2**

(Pursuant to clause) (h) Of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

**1. Details of contracts or arrangements or transactions not at arm's length basis.**

<b>Particular</b>	<b>Details</b>
Name (s) of the related party & nature of relationship	NIL

**2. Details of material contracts or arrangements or transactions at arm length basis.**

<b>Particulars</b>	<b>Details</b>
Name (s) of the related party & nature of relationship	Numaligarh Refinery Limited: Associate
Nature of contracts/arrangements/transaction	Sale of Crude Oil/Natural Gas, Transport of Crude Oil/Refined Oil, Lease of OFC Fibre, Utility charges and Purchase of HSD
Duration of the contracts/ arrangements/transaction	Ongoing
Salient terms of the contracts or arrangements or transactions including the value, if any	As per contractual Agreements. ₹ 6,041.01 Crores
Date of approval by the board, if any	Not Applicable
Amount paid as advances, if any	NIL

**FORM NO. MR - 3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2018**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**To,**  
**The Members,**  
**Oil India Limited**  
**CIN: L11101AS1959GOI001148**  
**Duliajan Dist: Dibrugarh Duliajan**  
**Assam - 786 602**

We have conducted the Secretarial Audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Oil India Limited** (hereinafter referred as 'the Company'), having its Registered Office at **Duliajan Dist: Dibrugarh, Duliajan, Assam Pin-786602**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended **March 31, 2018**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2018 according to the provisions of:

- I. The Companies Act, 2013 ('the Act') and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign

Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
- (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **[Not applicable as the Company has not offered any shares or granted any options pursuant to any employee benefit scheme during the period under review];**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **[Not Applicable as the Company has not issued and listed any debt securities during the financial year under review];**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **[Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent];**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **[Not Applicable as the Company has not delisted/propose to delist its equity shares from any Stock Exchange during the financial year under review];**

(h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998.

VI. The other laws, as informed and certified by the management of the Company which, are specifically applicable to the Company based on their sector/ industry are:

- a) Mines Act, 1952 and Mines Regulation Act, 1984
- b) Petroleum Act, 1934 and rules made thereunder
- c) Oil Fields (Regulation and Development) Act, 1948 read with Petroleum and Natural Gas Rules, 1959 and amendments thereof.
- d) 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.

For the compliances of Labour Laws & other General Laws, our examination and reporting is based on the documents, records and files as produced and shown to us and the information and explanations as provided to us, by the officers and management of the Company and to the best of our judgment and understanding of the applicability of the different enactments upon the Company, in our opinion there are adequate systems and processes exist in the Company to monitor and ensure compliance with applicable General laws and Labour Laws.

The compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by the statutory financial auditor and other designated professionals.

**We have also examined compliance with the applicable clauses of the following:**

1. Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.
2. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above subject to Observations elsewhere mentioned in the report.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above **except that the requisite number of Independent Directors were not appointed on the Board as contemplated in the Listing Regulations. However, as informed by the management of the Company, the appointment of Directors on the Board is made by the Ministry of Petroleum and Natural Gas (MoPNG). Further, the Company has been writing to MoPNG time to time to this effect, however appointment of requisite number of Independent Directors is yet to be made.**

**We further report that**

- Adequate notice(s) were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to all Directors and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes.
- As per the records, the Company filed all the forms, returns, documents and resolutions as were required to be filed with the Registrar of Companies and other authorities and all the formalities relating to the same is in compliance with the Act.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines..

**We further report that** during the audit period, the Company has following events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.:-

1. The Board of Directors of the Company at its meeting held on March 20, 2017 approved buy back of its 4,49,12,000 fully paid equity shares of ₹ 10 each, representing 5.6% of total number of equity shares at a price of ₹ 340 per equity share through Tender Offer route. The buyback was completed on June 15, 2017 and consequent to that, the share capital of the Company was decreased to 75,66,02,607 fully paid equity shares of ₹ 10 each.



2. The Board of Directors of the Company at its meeting held on February 9, 2018 declared interim dividend of ₹ 14/- per share (i.e.140%) for the Financial Year 2017-18.
3. The Ministry of Petroleum and Natural Gas vide letter dated September 08, 2017 has appointed Dr.(Prof). Asha Kaul, Mr. Priyank Sharma, Mr. S. Manoharan and Ms. Amina R. Khan as non-official Independent Director on the Board of the Company. Accordingly, the Board of Directors in the meeting held on September 15, 2017 have inducted the above mentioned as Independent Directors on the Board of the Company w.e.f. September 15, 2017.
4. The members by the way of Postal Ballot approved the issue of Bonus Shares on March 21, 2018 in the proportion of 1:2 by the way of capitalisation of Reserves. Consequently, the allotment of 37,83,01,304 new equity shares of ₹ 10/- each as Bonus Shares was approved by the Committee of Board of Directors on April 3, 2018.

Place: New Delhi  
Date : 27.07.2018

**For RMG & Associates**  
**Company Secretaries**  
**Sd/-**  
**CS Manish Gupta**  
**Partner**  
**FCS: 5123; C.P. No.: 4095**

**Note: This report is to be read with 'Annexure 1' attached herewith and forms an integral part of this report.**

**Annexure to MR-3****The Members  
Oil India Limited**

Our Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2018 of even date is to be read along with this letter:

**Management's Responsibility**

1. It is the responsibility of management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor's Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer**

5. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted affairs of the Company.
6. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

**For RMG & Associates  
Company Secretaries  
Sd/-  
CS Manish Gupta  
Partner  
FCS: 5123; C.P. No.: 4095**

Place: New Delhi  
Date: 27.07.2018

**FORM NO. MGT.9**  
**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended on 31.03.2018**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

i)	CIN:-	L11101AS1959GOI001148
ii)	Registration Date	18.02.1959
iii)	Name of the Company	Oil India Limited
iv)	Category / Sub-Category of the Company	Government Company
v)	Address of the Registered office and contact details	Duliajan, Distt Dibrugarh, Assam 786602
vi)	Whether listed company Yes / No	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Pvt. Ltd Unit : Oil India Limited Karvy Selenium Tower B, Plot No 31 & 32 Gachibowli, Financial District, Nanakramguda, Serilingampally Hyderabad - 500 032 Phone No: 040 - 67161526 (Direct line)

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/services	NIC Code of the Product/ service	Business Activity Code	% to total turnover of the company
1	Crude Oil	061	B2	79.45%
2	Natural Gas	062		14.37%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

S. NO.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN / Regn No.	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1.	Oil India Sweden AB C/o TMF Sweden AB Sergels Torg12, SE-11157 Stockholm, Sweden	556794-0530 (CIN/TIC)	Subsidiary	100	2(87)
2.	Oil India Cyprus Ltd. Florinis 23, Stadyl Building, 4 <sup>th</sup> floor 1065, Nicosia, Cyprus	HE295721 (CIN) 12295721Q (TIC)	Subsidiary	76	2(87)
3.	Oil India (USA) Inc. 101, South Western Blvd, Suite 136, Sugar land, Texas, 77478 USA	80166115 (CIN) 90-0891818 (TIN)	Subsidiary	100	2(87)
4.	Oil India International Limited Unit No. 603, 6 <sup>th</sup> Floor, NBCC Centre, Okhla Phase - I, New Delhi-110020	U11100DL2013GOI258215	Subsidiary	100	2(87)

5.	Oil India International BV Luna Arena, Herikerbergweg 238, 1101 CM Amsterdam Zuidoost, the Netherlands	60605731 (CIN)	Subsidiary	100	2(87)
6.	Oil India International Pte. Limited 8 Cross Street, #24-3/4, PWC Building, Singapore, 048424	201612281W (CIN/TIC)	Subsidiary	100	2(87)
7.	Beas Rovuma Energy Mozambique Ltd. 4 <sup>th</sup> Floor, Ebene Skies Rue de l' Institut, Ebene. Republic of Mauritius	<ul style="list-style-type: none"> <li>• Company No: 153553 C1/GBL</li> <li>• Financial Service Commission, Global Business License (Category 1) : C117017434, Code FS-4.1</li> </ul>	Associate	40	2(6)
8.	Suntera Nigeria 205 Ltd. 2 Siji Soetan Street, off Onikepo Akanda Street, off Admiralty Way, Lekki Peninsula, Lagos, Nigeria	TIN : 1894772-0001 CIN : RC652709	Associate	25	2(6)
9.	Numaligarh Refinery Ltd. 122A, G. S. Road, Christianbasti, Guwahati, Assam-781005	U11202AS1993GOI003893	Associate	26	2(6)
10.	DNP Ltd. Adams Plaza, 1 <sup>st</sup> Floor, G. S. Road, Christianbasti, Guwahati, Assam-781005	U51410AS2007SGC008410	Associate	23	2(6)
11.	Brahmaputra Cracker and Polymer Limited 1 <sup>st</sup> Floor, House No.6, Bhuban Road, Uzan Bazaar, Guwahati - 781001, Assam	U11101AS2007GOI008290	Associate	10	2(6)

**IV. SHAREHOLDING PATTERN** (Equity Share Capital Breakup as percentage of Total Equity)

(i)	Category-wise Shareholding	Annexure - A
(ii)	Shareholding of Promoters	Annexure - B
(iii)	Change in Promoters' Shareholding (please specify, if there is no change)	
(iv)	Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):	Annexure - C
(v)	Shareholding of Directors and Key Managerial Personnel.	Annexure - D

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in Crores)

Particulars	Secured Loan	Unsecured Loan	Total Loan
Indebtedness at the beginning of the financial year			
(i) Principal Amount	-	8947.53	8947.53
(ii) Interest due but not paid	-	-	-
(iii) Interest accrued but not due	-	139.15	139.15
<b>Total</b>	-	<b>9086.68</b>	<b>9086.68</b>
Change in Indebtedness during the financial year			
Addition	-	57.80	57.80
Reduction	-	-	-
Indebtedness at the end of the financial year			
(i) Principal Amount	-	9004.25	9004.25
(ii) Interest due but not paid	-	-	-
(iii) Interest accrued but not due	-	140.23	140.23
<b>Total</b>	-	<b>9144.48</b>	<b>9144.48</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and / or Manager (₹)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				
		Shri Utpal Bora	Smt. R.S. Borah	Shri Biswajit Roy	Shri P.K. Sharma	Dr. P. Chandrasekaran
	Name	Shri Utpal Bora	Smt. R.S. Borah	Shri Biswajit Roy	Shri P.K. Sharma	Dr. P. Chandrasekaran
	Designation	CMD	Director (Finance)	Director (HR&BD)	Director (Operations)	Director (E&D)
	Period	01.04.2017 - 31.03.2018	01.04.2017 - 31.03.2018	01.04.2017 - 31.03.2018	01.04.2017 - 31.03.2018	01.04.2017 - 31.03.2018
1.	Gross Salary					
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	45,76,310	49,44,893	48,93,691	53,03,183	32,78,973
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	4,90,643	9,66,956	7,90,862	8,86,407	2,59,872
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission	-	-	-	-	-
	- As % of profit	-	-	-	-	-
	- Others, specify...	-	-	-	-	-
5.	Contribution to PF and Other Funds	6,03,435	6,14,690	5,67,037	5,71,425	5,55,012
6.	Other benefits	94,501	1,92,303	2,00,039	1,28,950	64,731
	<b>Total (A)</b>	<b>57,64,889</b>	<b>67,18,842</b>	<b>64,51,629</b>	<b>68,89,965</b>	<b>41,58,588</b>

Ceiling as per the Act\*

**B. REMUNERATION TO OTHER DIRECTORS (₹)**

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
1.	Independent Directors	Prof. (Dr.) Asha Kaul	Dr. Priyank Sharma	Shri. S. Manoharan	Ms. Amina R. Khan	
	Period	15.09.2017- 31.03.2018	15.09.2017- 31.03.2018	15.09.2017- 31.03.2018	15.09.2017- 31.03.2018	
	• Fee for attending Board/ Ccommittee Meetings	2,00,000	2,20,000	2,00,000	2,20,000	8,40,000
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (1)	2,00,000	2,20,000	2,00,000	2,20,000	8,40,000
2.	Other Non-Executive Directors	-	-	-	-	-
	• Fee for attending Board/ Committee Meetings	-	-	-	-	-
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B) = (1 + 2)	2,00,000	2,20,000	2,00,000	2,20,000	8,40,000
	<b>Total Managerial Remuneration*</b>					<b>3,08,23,913</b>

Overall Ceiling as per the Act\*

\* Not Applicable to Government Companies

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/ WTD (₹)**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel - Company Secretary
		Shri S.K.Senapati (01.04.2017 - 31-03-2018)
1.	Gross Salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	50,12,039
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	1,53,448
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	---
2.	Stock Option	----
3.	Sweat Equity	---
4.	Commission	----
	- As % of profit	---
	- Others, specify...	---
5.	Contribution to PF and Other Funds	5,75,422
6.	Other benefits	75,560
	Total (A)	<b>58,16,469</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL**

**ANNEXURE-A**  
Category wise Shareholding Between 01-04-2017 and 31-03-2018

CATE- GORY CODE	CATEGORY OF SHAREHOLDER	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR 01-04-2017				NO. OF SHARES HELD AT THE END OF THE YEAR 31-03-2018				% CHANGE DURING THE YEAR
		DEMAT (III)	PHYSICAL (IV)	TOTAL (V)	% OF TOTAL SHARES (VI)	DEMAT (VII)	PHYSICAL (VIII)	TOTAL (IX)	% OF TOTAL SHARES (X)	
(I)	(II)									
(A)	<b>PROMOTER AND PROMOTER GROUP</b>									
(1)	INDIAN									
(a)	Individual/HUF	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Central Government/State Government(s)	533793769	0	533793769	66.60	500365555	0	500365555	66.13	0.47
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Financial Institutions/Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total A(1) :</b>	<b>533793769</b>	<b>0</b>	<b>533793769</b>	<b>66.60</b>	<b>500365555</b>	<b>0</b>	<b>500365555</b>	<b>66.13</b>	<b>0.47</b>
(2)	FOREIGN									
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total A(2) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total A=A(1)+A(2)</b>	<b>533793769</b>	<b>0</b>	<b>533793769</b>	<b>66.60</b>	<b>500365555</b>	<b>0</b>	<b>500365555</b>	<b>66.13</b>	<b>0.47</b>
(B)	<b>PUBLIC SHAREHOLDING</b>									
(1)	INSTITUTIONS									
(a)	Mutual Funds/UTI	14053971	0	14053971	1.75	7835052	0	7835052	1.04	0.71
(b)	Financial Institutions/Banks	92864856	0	92864856	11.59	94960830	0	94960830	12.55	-0.96
(c)	Central Government/State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Foreign Institutional Investors	35608608	0	35608608	4.44	28905277	0	28905277	3.82	0.62
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total B(1) :</b>	<b>142527435</b>	<b>0</b>	<b>142527435</b>	<b>17.78</b>	<b>131701159</b>	<b>0</b>	<b>131701159</b>	<b>17.41</b>	<b>0.37</b>



## ANNEXURE-C

### SHAREHOLDING PATTERN OF TOP 10 SHAREHOLDERS BETWEEN 01-04-2017 AND 31-03-2018

Sl. No.	Category	Type	Name of the Share Holder	Shareholding at the beginning of the Year		Date	Increase/Decrease in share-holding	Reason	Cumulative Shareholding during the Year	
				No of Shares	% of total shares of the company				No of Shares	% of total shares of the company
1	IFI	Opening Balance	LIFE INSURANCE CORPORATION OF INDIA	64016548	7.99	01/04/2017			64016548	7.99
		Purchase				21/07/2017	119817	Transfer	64136365	0.02
						28/07/2017	694266		64830631	0.09
						04/08/2017	174797		65005428	0.02
						11/08/2017	49599		65055027	0.01
						18/08/2017	309283		65364310	0.04
						25/08/2017	117803		65482113	0.02
						01/09/2017	211486		65693599	0.03
						22/09/2017	397146		66090745	0.05
						29/09/2017	976592		67067337	0.13
						06/10/2017	179857		67247194	0.02
						13/10/2017	792126		68039320	0.10
						20/10/2017	113334	68152654	0.01	
		Sale				26/01/2018	215600	Transfer	67937054	0.03
						02/02/2018	307790		67629264	0.04
						09/02/2018	27676		67601588	0.00
						16/02/2018	42000		67559588	0.01
		Closing Balance				31/03/2018			67559588	8.92
2	LTD	Opening Balance	INDIAN OIL CORPORATION LIMITED	35667400	4.71	01/04/2017			35667400	4.71
		Closing Balance				31/03/2018			35667400	4.71
3	LTD	Opening Balance	HINDUSTAN PETROLEUM CORPORATION LIMITED	17833700	2.35	01/04/2017			17833700	2.35
		Closing Balance				31/03/2018			17833700	2.35
4	LTD	Opening Balance	BHARAT PETROLEUM CORPORATION LTD	17,833,700	2.35	01/04/2017			17,833,700	2.35

		Closing Balance				31/03/2018			17833700	2.35
5	IFI	Opening Balance	LIFE INSURANCE CORPORATION OF INDIA P & GS FUND	13393837	1.67	01/04/2017			13393837	1.67
		Purchase				25/08/2017	58670	Transfer	13452507	0.01
						01/09/2017	266577		13719084	0.04
						22/09/2017	308153		14027237	0.04
						29/09/2017	465778		14493015	0.06
						06/10/2017	291232		14784247	0.04
						13/10/2017	159953		14944200	0.02
						20/10/2017	1794		14945994	0.00
		Sale				26/01/2018	10763	Transfer	14935231	0.00
						02/02/2018	165000		14770231	0.02
		Closing Balance				31/03/2018			14770231	1.95
6	LTD	Opening Balance	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LTD	16858518	2.10	01/04/2017			16858518	2.10
		Purchase				07/04/2017	121900	Transfer	16980418	0.02
						14/04/2017	4203		16984621	0.00
						21/04/2017	10251		16994872	0.00
						28/04/2017	9858		17004730	0.00
						05/05/2017	3909		17008639	0.00
		Sale				12/05/2017	254	Transfer	17008385	0.00
		Purchase				19/05/2017	1919	Transfer	17010304	0.00
						26/05/2017	1218		17011522	0.00
						09/06/2017	75857		17087379	0.01
		Sale				16/06/2017	1215451	Transfer	15871928	0.16
		Purchase				23/06/2017	35085	Transfer	15907013	0.00
						30/06/2017	5345		15912358	0.00
		Sale				14/07/2017	34870	Transfer	15877488	0.00
						21/07/2017	18946		15858542	0.00
		Purchase				04/08/2017	265356	Transfer	16123898	0.04
						18/08/2017	4672		16128570	0.00
		Sale				01/09/2017	617917	Transfer	15510653	0.08
		Purchase				08/09/2017	92603	Transfer	15603256	0.01
						15/09/2017	53721		15656977	0.01
						22/09/2017	4152		15661129	0.00
						29/09/2017	68960		15730089	0.01
						06/10/2017	81218		15811307	0.01
		Sale				13/10/2017	588	Transfer	15810719	0.00
						20/10/2017	1753		15808966	0.00
		Purchase				27/10/2017	95	Transfer	15809061	0.00
						31/10/2017	3875		15812936	0.00



		Sale				03/11/2017	534	Transfer	15812402	0.00
						10/11/2017	778		15811624	0.00
		Purchase				01/12/2017	502	Transfer	15812126	0.00
						08/12/2017	2093		15814219	0.00
						15/12/2017	3464		15817683	0.00
		Sale				22/12/2017	68737	Transfer	15748946	0.01
						29/12/2017	7525		15741421	0.00
		Purchase				19/01/2018	21295	Transfer	15720126	0.00
						26/01/2018	4778		15715348	0.00
						02/02/2018	222		15715126	0.00
						09/02/2018	5885		15709241	0.00
						16/02/2018	498869		15210372	0.07
		Sale				23/02/2018	98611	Transfer	15111761	0.01
						02/03/2018	16		15111745	0.00
						09/03/2018	152499		14959246	0.02
		Purchase				16/03/2018	3414	Transfer	14962660	0.00
		Sale				23/03/2018	170107	Transfer	14792553	0.02
						30/03/2018	201169		14591384	0.03
		Closing Balance				31/03/2018			14591384	1.92
7	MUT	Opening Balance	CPSE ETF	6897459	0.86	01/04/2017			6897459	0.86
		Sale				07/04/2017	72668	Transfer	6824791	0.01
						14/04/2017	50051	Transfer	6774740	0.01
						21/04/2017	294780		6479960	0.04
						28/04/2017	136680		6343280	0.02
						05/05/2017	79815		6263465	0.01
						12/05/2017	339150		5924315	0.04
						19/05/2017	1020		5923295	0.00
						26/05/2017	98685		5824610	0.01
		Purchase				02/06/2017	8221	Transfer	5832831	0.00
		Sale				09/06/2017	8448	Transfer	5824383	0.00
						16/06/2017	8448		5815935	0.00
						23/06/2017	22176		5793759	0.00
						30/06/2017	4488		5789271	0.00
						07/07/2017	538098		5251173	0.07
						14/07/2017	7887		5243286	0.00
						21/07/2017	59750		5183536	0.01
						28/07/2017	1912		5181624	0.00
						04/08/2017	6931		5174693	0.00
						11/08/2017	29875		5144818	0.00
						18/08/2017	5975		5138843	0.00
						25/08/2017	269592		4869251	0.04
						01/09/2017	274372		4594879	0.04

		Sale				08/09/2017	12667	Transfer	4582212	0.00
						15/09/2017	254906		4327306	0.03
						22/09/2017	86828		4240478	0.01
						29/09/2017	221272		4019206	0.03
		Purchase				06/10/2017	70843	Transfer	4090049	0.01
		Sale				13/10/2017	11955	Transfer	4078094	0.00
						20/10/2017	20726		4057368	0.00
						27/10/2017	137596		3919772	0.02
						31/10/2017	62893		3856879	0.01
		Purchase				03/11/2017	175387	Transfer	4032266	0.02
		Sale				10/11/2017	18557	Transfer	4013709	0.00
						17/11/2017	15048		3998661	0.00
						24/11/2017	44579		3954082	0.01
						01/12/2017	57225		3896857	0.01
		Purchase				08/12/2017	177480	Transfer	4074337	0.02
		Sale				15/12/2017	4374	Transfer	4069963	0.00
						22/12/2017	18225		4051738	0.00
						29/12/2017	250718		3801020	0.03
		Purchase				05/01/2018	89089	Transfer	3890109	0.01
		Sale				12/01/2018	15309	Transfer	3874800	0.00
						19/01/2018	5346		3869454	0.00
						26/01/2018	11664		3857790	0.00
		Purchase				02/02/2018	255533	Transfer	4113323	0.03
		Sale				09/02/2018	95866	Transfer	4017457	0.01
						16/02/2018	2904		4014553	0.00
						23/02/2018	41805		3972748	0.01
		Purchase				02/03/2018	16690	Transfer	3989438	0.00
						09/03/2018	32303		4021741	0.00
		Sale				16/03/2018	3690	Transfer	4018051	0.00
		Purchase				23/03/2018	13264	Transfer	4031315	0.00
						30/03/2018	80916		4112231	0.01
		Closing Balance				31/03/2018			4112231	0.54
8	IFI	Opening Balance	UNITED INDIA INSURANCE COMPANY LIMITED	6311413	0.79	01/04/2017			6311413	0.79
		Sale				06/10/2017	110000	Transfer	6201413	0.01
						13/10/2017	307497		5893916	0.04
						31/10/2017	60000		5833916	0.01
						03/11/2017	49166		5784750	0.01
						10/11/2017	226774		5557976	0.03
						17/11/2017	157451		5400525	0.02
						24/11/2017	80022		5320503	0.01
						01/12/2017	166029		5154474	0.02

		Sale				08/12/2017	148608	Transfer	5005866	0.02
						15/12/2017	120000		4885866	0.02
						22/12/2017	130000		4755866	0.02
						29/12/2017	130000		4625866	0.02
						05/01/2018	160000		4465866	0.02
						12/01/2018	265197		4200669	0.04
						19/01/2018	139201		4061468	0.02
						26/01/2018	178148		3883320	0.02
						02/02/2018	83276		3800044	0.01
						09/02/2018	71366		3728678	0.01
						16/02/2018	50000		3678678	0.01
		Closing Balance				31/03/2018			3678678	0.48
9	IFI	Opening Balance	NATIONAL INSURANCE COMPANY LTD	3154402	0.39	01/04/2017			3154402	0.39
		Closing Balance				31/03/2018			3154402	0.39
10	MUT	Opening Balance	HDFC TRUSTEE COMPANY LTD - A/C HDFC MID - CAPOPPOR	3291733	0.41	01/04/2017	3291733		3291733	0.41
		Sale				14/04/2017	458733		2833000	0.06
						21/04/2017	50000		2783000	0.01
						28/04/2017	89000		2694000	0.01
						19/05/2017	44000		2650000	0.01
						26/05/2017	55400		2594600	0.01
						02/06/2017	87000		2507600	0.01
						09/06/2017	212578		2295022	0.03
						16/06/2017	614022		1681000	0.08
						23/06/2017	51000		1630000	0.01
						30/06/2017	47000		1583000	0.01
						08/09/2017	287001		1295999	0.04
						15/09/2017	263999		1032000	0.03
		Closing Balance				31/03/2018			1032000	0.00

**SHAREHOLDING OF DIRECTORS / KMPs BETWEEN 01-04-2017 AND 31-03-2018**

**ANNEXURE-D**

Sl. No.	Name of the Director	Type	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares in the Company	% of total shares	No. of Shares in the Company	% of total shares
1.	Smt. R.S. Borah, Director (Finance) (Shares held jointly with spouse)	Opening Balance	6666	0.00	6666	0.00
		Closing Balance			6666	0.00
2.	Shri P.K. Sharma, Director (Operations)	Opening Balance	3000	0.00	3000	0.00
		Closing Balance			3000	0.00

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 1. ECONOMIC SCENARIO & INDUSTRY ANALYSIS

India's economic growth is closely related to its energy demand, therefore the demand for oil and gas is projected to grow more, thereby making the sector one of the nerve centre for economic development of the country. India is expected to be one of the largest contributors to non-OECD petroleum consumption growth globally.

India's petroleum products consumption grew by 5.3% in 2017-18 as against global growth of 1.5%, thereby making it the third-largest oil consuming nation in the world. India, however is largely dependent on imported crude and the nation's total import dependency of crude oil (on consumption basis) was mammoth 81.7% in 2017-18 with an increase of 3.04% in crude oil imports (in MMT) and a sharp increase of 25.07% in import bill (in \$ Billion) in the financial year 2017-18 vis-à-vis 2016-17.

The Government of India has adopted several policies to fill in the increasing gap between demand and supply of oil. The Government has allowed 100% Foreign Direct Investment (FDI) in many segments of the sector. Today, it attracts both domestic and foreign investment. In order to attract investments into the upstream sector for reducing India's energy imports by 10 percent by 2022, the Govt. of India in January 2018 launched its first round of Open Acreage Licensing Policy (OALP) under the new Hydrocarbon Exploration Licensing Policy (HELP) after the overwhelming response in Discovered Small Fields (DSF) round. These two key components, viz. OALP and DSF under HELP are expected to change the upstream fiscal regime going forward from a profit-sharing to a revenue-sharing model. The Govt.'s policy of getting access to prospective energy assets overseas through energy diplomacy also got a boost with oil and gas sector PSUs buying stakes in E&P assets in Russia, Abu Dhabi and Israel.

The financial year 2017-18 has been a tumultuous year for the world economy marked by natural disasters, geopolitical tensions, and deep political divisions in many countries. On the economic front, 2017 had ended on a high note, with GDP continuing to accelerate over much of the world. Oil prices were supported by stronger momentum in global demand as well as supply restraints in the energy sector. Appropriately, the market has also found stability, with oil price volatility staying range bound during the year. The financial year 2017-18 was also a defining year for Indian economy with implementation of large scale reforms such as implementation of Goods and Services tax (GST). Emerging from the impact of demonetisation and GST, Indian economy has set into the path of recovery.

### 2. OPPORTUNITIES AND THREATS/RISKS AND CONCERNS

OIL has been an integral part of India's journey and aspirations towards energy self-reliance. Over the past five decades, OIL has evolved to contribute 9 percent of crude oil and 7 percent of natural gas production. It has also developed strong mature asset ownership and established an enviable reputation for good technical stewardship of its resources. It has also built a strong financial position, and used this to establish an international presence in key hydrocarbon prolific areas, as well as a presence across the hydrocarbon value chain.

With Govt. of India's encouragement on exploration and acquisition of discovered and producing properties abroad coupled with Government to Government initiatives with friendly countries on overseas acquisition of Oil & Gas fields, OIL is making all endeavours to cash on such opportunities. Further, OIL's stronghold on Assam Arakan Basin in Northeast India provides a strong opportunity for its growth through Govt. of India's Open Acreage Licensing Program and Discovered Small Fields under Hydrocarbon Exploration Licensing Policy. It can build on its strength in mature asset operatorship to achieve global performance on its core technical areas. EOR is another essential approach to ensure sustainable and growing production, especially given the declining trend of OIL's current production profile and the current understanding of fields under exploration.

OIL carries a constant threat of revenue loss as a result of volatility in global crude oil price as its revenue is directly driven by the market price. Further, OIL being a National oil Company, it is exposed to the threat of subsidy burden to be paid to Govt. of India to compensate the losses incurred by downstream oil companies due to volatility of the price.

### 3. SEGMENT-WISE / PRODUCT WISE PERFORMANCE

#### Crude Oil

During the year 2017-18, crude oil production was 3.394 MMT (inclusive of 0.017 MMT of crude oil production from Kharsang JVC towards OIL's share) which is almost 3.57% higher than previous year's production of 3.277 MMT. The achievement is 88.2% and 92.7% of MoU "Excellent" (3.847 MMT) and "Very Good" (3.661 MMT) targets respectively.

Most of the production of the company is from matured fields where decline rate encountered was more than expected. The reasons for shortfall w.r.t. target are summarized as under:

- (a) Less than planned production from old wells, mainly due to decline in production and rise in water cut of some wells.
- (b) Less than planned contribution from work-over wells.
- (c) Loss in crude oil production due to environmental factors like bandhs, blockades and local problems in OIL's operational areas. The total environmental loss (both direct and consequential) for the year was 23398 MT.

However, despite above, there was a reversal of continuing decline in crude oil production in the previous years, which is a remarkable achievement.

### Natural Gas

The natural gas production during the year 2017-18 was 2905 MMSCM (inclusive of 23 MMSCM as OIL's share from Dirok JV) which is about 98.9% of the previous year's production (2937 MMSCM). The sale of natural gas was 2415 MMSCM against 2412 MMSCM in FY17. It may be mentioned that Dirok JV (JV Company of OIL, IOCL and HOEC) started production since August, 2017 and OIL currently procures the whole produced volume (100%) of natural gas from the Dirok JV for selling.

The gas production potential decreased in few high producing wells due to down hole problems, which has led to marginal decrease in annual gas production.

### Liquefied Petroleum Gas (LPG)

The availability of the LPG recovery plant was 99.57% and the plant efficiency in terms of butane recovery was 99.10% compared to the design figure of 98%. The plant processed an average of 1.74 MMSCMD (62.71 MMSCFD) gas with an average butane of 1.19% (v/v) in the feed gas in the financial year 2018 as against 1.79 MMSCMD (64.53 MMSCFD) average gas and 1.15% (v/v) of average butane in feed gas processed in the financial year 2017. The Recovery Plant was in operation for 327 days and 34,110 tonnes of LPG was produced during the year. Alongwith LPG, 20,035 tonnes of natural gas-condensate was also recovered as by-product. Out of this, 7597 tonnes of condensate was sold to private parties and the balance was added to the crude oil production of the company. LPG Filling Plant was in operation for 279 days. Total 33,856 tonnes of LPG (packed in cylinders and road tankers) was delivered to the marketing agency, IOCL.

Since beginning of the year, the plant has been running at 75-80% of its total capacity due to low quantity as well as quality of feed gas as a considerable amount of natural gas from LPG upstream is supplied to BCPL, this has adversely affected the feed gas supply to LPG Recovery Plant, which resulted in

less LPG production. Moreover, gradual deterioration in the feed gas quality is another cause for reduction in LPG production over the years.

### Pipeline

OIL operates 1,157 km long fully automated crude oil trunk pipeline between Naharkatia-Barauni. Alongwith other additional network, OIL operates total network of 1,242 kms of crude oil pipeline. The Naharkatia-Barauni crude oil 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. This pipeline has two segments. The 5.38 MMTPA capacity, 557 KM (401 km, 406 mm dia. (16") from Duliajan to Guwahati + 156 km, 356 mm dia. (14") from Guwahati to Bongaigaon ) long forward pumping segment transports crude oil produced from oilfields in Upper Assam to the public sector refineries at Numaligarh, Guwahati and Bongaigaon. The second segment, 600 km long, 356 mm dia (14") between Bongaigaon and Barauni which has capacity of 3.0 MMTPA has been re-engineered to enable oil flow in either direction and is now transporting crude from Barauni to Bongaigaon. In addition to above 0.65 MMTPA of crude oil is transported from Duliajan to Digboi Refinery through 35 kms pipeline. OIL also operates a 660 km long pipeline for evacuation of total 1.72 MMTPA of products from Numaligarh Refinery to Siliguri.

During the year, OIL transported a total of 6.64 MMT of crude oil out of which Naharkatia-Bongaigaon sector transported 3.31 MMT of OIL crude and 0.97 MMT of ONGC crude. Barauni-Bongaigaon sector transported 2.36 MMT of imported crude. OIL has also transported 1.87 MMT of products through Numaligarh-Siliguri Product Pipeline (NSPL).

The pumping stations of the Naharkatia-Barauni cross country pipelines have been operating for over five decades and a project was undertaken since 2012 to revamp these pump stations at a cost of Rs 1200 crores (Upgradation of Pump Stations/Terminals of Naharkatiya - Barauni Crude Oil Trunk Pipeline System, UGPS, Phase-I). The Project was finally commissioned during the year. There were number of challenges in this brown field project, which were addressed by taking appropriate action. Phase-II of the UGPS Project initiated in 2016 to enhance the pumping capacity of the Barauni-Bongaigaon sector as well as to bring imported crude upto Guwahati Refinery, is under progress.

### 4. FINANCIAL PERFORMANCE PARAMETERS (WITH RESPECT TO OPERATIONS)

During the year, OIL has earned total revenue of ₹ 12,140.64 crore as against ₹ 11,191.07 crore in the year 2016-17.

The profit before tax (PBT) in the financial year 2017-18 was ₹ 3,709.80 crore against PBT of ₹ 2,146.32 crore in the previous year. The profit after tax (PAT) was ₹ 2,667.93 crore in the year 2017-18 against ₹ 1,548.68 crore in the financial year 2016-17.

The increase in profit during the year 2017-18 is mainly on account of higher crude price realisation and rise in crude oil production. The profits earned during the previous year were severely affected negatively due to payment of differential royalty of ₹ 1,151.73 crore on crude oil for the period from February, 2014 to March, 2016, as per Govt. directives, however, no such payments were made in the financial year 2018. Therefore, there is wide variation in the profits figures of the financial year 2016-17 and 2017-18.

During 2017-18, actual plan expenditure was ₹ 3,399.03 crore, which is 79% of the plan outlay of ₹ 4,289.56 crore. During the year, Company has not shared any under recovery of Oil Marketing Companies (OMCs) on petroleum products.

## 5. INTERNAL CONTROL SYSTEM

Internal Audit in OIL is a corporate and advisory function having independent status within the Company. The purpose of Internal Audit Department is to determine whether 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.

It is a proactive methodology to control and mitigate Risk. "Audit Universe" covers all businesses and operational activities of the Company based on the risk based approach.

OIL has digitalized the Audit process and implemented online Audit System to ensure better control and friendly reporting of issues for early compliance by maintaining transparency.

## 6. HEALTH, SAFETY AND ENVIRONMENT

Being 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". Proactive approach has been taken in addressing HSE related issues for effective implementation of HSE policies and guidelines. OIL aims is to achieve world class level of excellence in Safety, Occupational health and Environment keeping sustainability in mind. During the year 2017-18, efforts towards Health, Safety & Environment has contributed significantly to the company's

overall performance in enhancing the safety standards, improving loss prevention, monitoring and promoting environment protection, pollution control measures, fire control & protection measures and monitoring of occupational health services.

## 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. OIL nurtures talent right from recruitment at entry level and develops talent through training and mentoring, on the job learning, job rotations, exposure to challenging assignments, etc. OIL has introduced competency based HRM and more than 403 executives have been assessed through Assessment Development Centres in 2017-18 and individual development plans have been prepared to facilitate highly effective developmental interventions. OIL conducts customized level based developmental programs in collaboration with IIMs and other leading management institutes for executives. During the year, 2601 employees were trained through courses organized in-house, 1218 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 man day's loss due to industrial relations problem.

## 9. CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABLE DEVELOPMENT

Since inception OIL has engaged itself directly with local communities, identifying their basic needs, and integrating them with business goals and strategic intent. Fulfilling its duty of providing care to the society, OIL has embarked upon massive programs in the field of Education, Health, Sports, Culture, Environment and Infrastructural Development etc. The details of the programmes undertaken by OIL are given in the annexure to this Report and also in the Business Responsibility Report forming part of this Annual Report. OIL also publishes annually separate Report on CSR and Sustainability initiatives which is available on the Company's website. During the year under review, the CSR expenditure was ₹ 100.58 crore against ₹ 108.37 crore in previous year.

Pursuant to the section 135 of the Companies Act 2013, a responsibility statement of the CSR & SD Committee that the implementation and monitoring of the CSR activities is in compliance to the CSR & SD objectives and Policy of the company is attached in the Annual Report on CSR Activities.

## **10. ENVIRONMENTAL PROTECTION AND CONSERVATION, RENEWABLE ENERGY DEVELOPMENTS, FOREIGN EXCHANGE CONSERVATION**

The activities pertaining to the Environmental Protection and Conservation, Technological conservation, Renewable energy developments, Foreign Exchange conservation are included in the Annexure to the Directors Report

### **11. ACREAGE**

#### **11.1 Domestic**

##### **i. Areas under Nomination**

At present, OIL has 03 (three) Petroleum Exploration License (PEL) covering area of about 331.75 sq.km granted on nomination basis within the country and 22 (Twenty two) Petroleum Mining Lease (PML) covering an area of about 4826.36 sq.km. These nomination blocks are in the state of Assam, Arunachal Pradesh and Rajasthan.

##### **ii. Areas under Pre-NELP JVs, with OIL as Non-Operator**

OIL has 02 (Two) Pre-NELP JV blocks namely Kharsang PSC & Block AAP-ON-94/1 (Dirok) covering an area of 121 Sq. Km in Assam & Arunachal Pradesh as non-operator.

##### **iii. Areas under NELP, with OIL as Operator/Joint Operator**

Your Company has 05 (Five) NELP blocks covering an area of 4143.7 Sq. Km. in the states of Assam, Mizoram, Andhra Pradesh, Puducherry and Rajasthan as on 31.03.2018. Your company has relinquished 01 (one) operated NELP block (CY OSN-2009/4) during the financial year 2017-18 after completion of the exploratory programme in view of perceived poor prospectivity based on the current understanding.

##### **iv. Areas under NELP, with OIL as Non-Operator**

Your Company holds 03 (Three) blocks covering an area of 5301 Sq km in Gujarat-Kutch (Shallow Offshore) and West Bengal (Onshore) as non-operator as on 31.03.2018. The process for relinquishment of 01 (one) block in Krishna Godavari (Shallow Offshore) basin is underway.

##### **v. Areas under Discovered Small Fields(DSF), with OIL as Non-Operator**

Your Company holds 01 (one) block covering an area of 16.45 sq km in Assam-Arakan Basin as non-operator as on 31.03.2018,.

#### **11.2 Overseas E & P Blocks, with PI/Operatorship by OIL**

OIL's overseas E & P portfolio is spread over 11 countries covering Libya, Gabon, Nigeria, Yemen, Venezuela, USA, Mozambique, Myanmar, Bangladesh, Russia and Israel. The portfolio includes 5 (five) producing assets spread across Russia, USA & Venezuela. In addition to the above, OIL has 10% PI in 741 Km long Multiproduct pipeline construction and operation project in Sudan which was completed in 2005. The status of the major developments in the blocks is as under:-

##### **A. New Acquisitions**

###### **Block 32, Israel**

**(OIL: 25%; IOCL:25%; BPRL: 25%, ONGC Videsh Ltd: 25%- Operator)**

OIL as part of a consortium of Indian Public Sector companies, viz., ONGC Videsh Ltd. (OVL), Bharat Petro Resources Ltd. (BPRL) and Indian Oil Corporation Limited (IOCL) was awarded an offshore exploratory Block - License 412/32. The license has been granted w.e.f 27<sup>th</sup> March 2018 and is valid till 26<sup>th</sup> March 2021.

The Block with a total area of 357 sq km is located in Levant Basin, Mediterranean Sea, Israel towards south of Tamar Block. The water depths are estimated to be more than 1500 m and the reservoir level are ranging between 3800- 7000 m TVD.

##### **B. Producing Assets**

###### **i. Vankorneft, Russia**

**(Rosneft: 50.1%, OIL/IOCL/BPRL: 23.9%, OVL: 26%)**

OIL along with Indian Consortium partners IOCL and BPRL has acquired 23.9% stake in JSC Vankorneft, Russia w.e.f 5<sup>th</sup> October 2016. The asset is held through an SPV Vankor India Pte. Ltd. incorporated jointly by wholly owned subsidiaries of OIL, IOCL and BPRL in Singapore.

Vankorneft has two licenses Vankor and North Vankor. It is a producing giant oil & gas field located in Eastern Siberia, and contributes to about 7% of Rosneft's entire oil production. The commercial agreements for sale of oil and gas are in place for

the asset. 80% of crude is sold through ESPO pipeline to China, and remaining 20% is sold to European countries/ domestic market. Vankorneft started commercial production since 2009 and all infrastructures are in place.

As on 31.03.2018, the 2P reserve position corresponding to OIL's Participating Interest in this asset has been estimated at 17.79 MMT of oil and 5.88MMTOE of gas. During 2017-18, OIL's share of production in asset stood at 1.938 MMTOE.

### ii. Taas-Yuryakh: Russia

**(Rosneft: 50.1%, OIL / IOCL/ BPRL: 29.9%, British Petroleum: 20%)**

OIL along with Indian Consortium partners IOCL and BPRL has acquired 29.9% stake in LLC Taas-Yuryakh Neftegazodobycha (TYNGD), Russia w.e.f 5<sup>th</sup> October 2016. The asset is held through an SPV Taas India Pte. Ltd. incorporated jointly by wholly owned subsidiaries of OIL, IOCL and BPRL in Singapore.

TYNGD is a producing asset with current production level of 2.502 MMTPA and expected peak production of 5 MMTPA by 2021. TYNGD holds two licences Central Block & Kurungsky. It is one of the largest green fields located in Eastern Siberia. The crude is sold at Kozmino Port through ESPO pipeline. TYNGD has infrastructure in place to meet current production and is ramping up required infrastructure to meet peak production level. The asset has significant gas reserves as well, which is expected to be monetized by 2023.

As on 31.03.2018, the 2P reserve position corresponding to OIL's participating interest in this asset has been estimated at 12.34 MMT of oil. During 2017-18, OIL's share of production in asset stood at 0.18 MMTOE.

OIL's share of investment in the above two projects - Vankorneft and TYNGD - ₹ 6756.07 crore (USD 1033.71 million) till 31<sup>st</sup> March, 2018.

### iii. Russia: License 61

**[OIL-50% and PetroNeft Resources Limited-50% (Operator)]**

OIL acquired 50% shares in License 61, Russia (Area: 4991 Sq. Km) on 3rd July 2014 from PetroNeft Resources Plc (PR). Till date, Lineynoye, West Lineynoye, Arbuzovskoye and Tungolskoye fields have been developed. Two wells are producing from Sibkrayevskoye field in winter season as oil is to be trucked using the winter ice road.

During 2017-18, OIL's share of production in asset stood at 0.0503 MMT. OIL's share of 2P hydrocarbon reserve position in the asset is 6.3502 MMT as on 31.03.2018.

OIL's share of investment in this project was ₹ 594.66 crore (USD 93.55 million) till 31<sup>st</sup> March, 2018.

### iv. USA: Liquid rich Shale Asset

**[Verdad Resources Acquisitions LLC-60%; 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 1<sup>st</sup> October, 2012. OIL has formed 100% wholly owned subsidiary in Texas, USA in the name of Oil India (USA) Inc.

On 19<sup>th</sup> January, 2018, Carrizo sold its entire stake in the Niobrara asset to Verdad Resources Acquisitions LLC - a privately owned, independent E&P company based in Dallas, Texas- as a result of which the later became the new operator of the asset.

As on 31.03.2018, the 2P reserve position corresponding to OIL's participating interest in this asset has been estimated at 0.689 MMT of oil and 0.105 MMTOE of gas. During 2017-18, OIL's share of production in asset stood at 0.025 MMTOE.

OIL's share of investment in this project is ₹ 412.45 crore (USD 111.10 million) till 31<sup>st</sup> March, 2018.

### v. Venezuela: Project Carabobo

**[Corporation Venezuelan del Petroleo (CVP)-71%, INDOIL Netherland BV 7% (IOCL-3 .5%, OIL-3.5%), OVL-11%, Repsol YPF (Spain)- 11%]**

The project is located in the northern central part of Venezuela in world famous Orinoco Heavy Oil Belt. The project involves production of heavy crude, setting up of upgrader and market for the upgraded crude for a period of 25 years with a possibility of 15 years' additional extension. The mixed company contract was signed on 12<sup>th</sup> May, 2010 and the mixed company got incorporated as Petrocarabobo SA on 29<sup>th</sup> July, 2010.

As on 31.03.2018, the 2P reserve position corresponding to OIL's Participating Interest in Project Carabobo has been estimated at 0.8893 MMT. During 2017-18, OIL's share of production in asset stood at 0.050 MMT.

OIL's share of investment in this project was ₹ 295.28 crore (USD 58.52 million) till 31<sup>st</sup> March, 2018.

## C. Development Assets

### i. Mozambique: Rovuma Area1

**(Anadarko (Operator - 26.5%), Mitsui - 20%, ENH - 15% (Carried), BPRL - 10%, BREML - 10%, OVL - 10%, PTTEP - 8.5%)**

OIL along with OVL acquired 10% participating interest in Area 1 Mozambique through acquisition of 100% shares in Videocon Mozambique Rovuma 1 Limited (since renamed as Beas Rovuma Energy Mozambique Limited BREML- OVL 60%, OIL- 40%) on 7<sup>th</sup> January, 2014. OVL also acquired 10% participating interest in the project from Anadarko on 28<sup>th</sup> February, 2014. The project has recoverable resources ranging between 50-75 TCF with certified reserves (2P) of 31.90 TCF in Golfino-Atum and Prosperidade.

The Area 1 Mozambique has recoverable resources ranging between 50-75 TCF. The Joint Venture led by operator Anadarko, is planning an initial Integrated Green Field development of approximately 12 MMTPA (2 x 6 MMTPA capacity onshore liquefaction trains) and a site plan that will facilitate future expansions of more than 50 MMTPA. The project is to be developed through limited recourse project financing.

The Area 1 Mozambique project has continued to make excellent progress and anticipates to be in a position to take Final Investment Decision (FID) by 1H of 2019. The Project has progressed the key elements required for FID with the establishment of the foundational legal and contractual framework, agreement on key terms including volume and price for the targeted off-take volume, commencement of resettlement, onshore site preparation and the approval of the Development Plan for the Golfinho/Atum field.

The focus is on converting the off-take key terms to binding, long-term Sale and Purchase Agreements, as well as finalizing the onshore and offshore construction contracts. The recommendations for award for offshore contractors and equipment providers are progressing through formal approvals and contract finalization for the onshore facilities is on track. The JV expects the onshore cost for the initial two-train development to be highly competitive.

The JV is working toward concluding the project finance term-sheet later in 2018, which will enable access to significant project finance debt to fund approximately 2/3 of expected project costs.

OIL's share of investment in this project was ₹ 6911.61 crore (USD 1098.11 million) till 31<sup>st</sup> March, 2018.

### ii. Nigeria: Block OML 142 (Formerly OPL 205)

**[OIL-17.5%, IOCL-17.5%, and Suntera Resources-35% in JV Suntera Nigeria 205 (70% interest in block), Summit Petroleum - 30% (Operator)]**

The processing and interpretation of the 125 sq km of acquired 3D seismic data has been completed. Based on the interpreted results, consortium has started re-entry operations in the Otien 1 well (Discovery Well). Extended Well Testing Program results are awaited.

OIL's share of investment in this project was ₹ 114.56 crore (USD 17.43 million) till 31<sup>st</sup> March, 2018.

## D. Exploratory Assets

### i. Bangladesh: Blocks SS-04 and SS-09

**[OIL-50% and OVL-50%]**

The OIL-OVL consortium was 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.

The location of one exploration well in Block SS04 has been released. Necessary civil works are being undertaken prior to spudding of well in the block. With respect to Block SS09, location of one exploratory well has been released.

OIL's share of investment in this project was ₹ 69.83 crore (USD 10.81 million) till 31<sup>st</sup> March, 2018.

### ii. Libya: Area 95/96 -4 Blocks

**[SIPEX (Operator)- 50%, IOCL-25%, OIL-25%]**

The consortium completed drilling of five wells against MWP commitment of drilling 08 (Eight) wells. All the drilled wells struck oil and gas. The drilling of sixth well was in progress when the unrest began and all operations in Area-95/96 were suspended in May, 2014. The consortium signed an Interim Arrangement Agreement to continue in the block till May 2018. The block is currently under force majeure due to hostile law and order situation in Libya.

**iii. Gabon: Block Shakthi-II****[OIL (Operator)-50%, IOCL-50%]**

An oil discovery was made in the third well (Lassa-1). It was first discovery in overseas as operator for your Company. The two appraisal wells (Lassa-2 & 3) were drilled as per the MWP of Phase-1 of New PSC (G4-245). The JV consortium has acquired 1213.04 LKM of new 2D seismic API in Phase-I to assess the prospectivity in the remaining part of the block. Based on the integrated interpretation and prospect evaluations, the consortium has entered into Phase -II exploration period of the PSC during which two wells are to be drilled as per MWP commitment. Pre-drilling activities are in progress.

**iv. Myanmar: Offshore Block YEB and M4****[OIL (Operator)-60%, MPL- 25%, OILMAX-10%, OIL STAR- 5%]**

The consortium has surrendered the two offshore blocks, M-4 & YEB in Myanmar due to various reasons such as perceived poor Hydrocarbon prospectivity in the current scenario and part of the acreage falling in environmentally sensitive areas.

**v. Yemen [Blocks 82]****(Medco Energi Amed Ltd. - Operator - 38.25%, Kuwait Energy Company-21.25%, OIL- 12.75%, IOCL-12.75% and Yemen General Corporation for Oil & Gas -15%)**

In Block 82, physical activities were delayed due to geo-political crisis in Yemen. All the works are under suspension at present due to deteriorating political and security situation in Yemen. The validity of the Block has expired in November 2015. The operator has applied to the Yemen Authorities for declaration of force majeure in block 82.

All the partners have decided to relinquish the block. Currently, the process of relinquishment of the block is underway.

OIL's share of investment in this project was ₹ 32.79 crore (USD 5.92 million) till 31<sup>st</sup> March, 2018.

**E. Pipeline****Sudan: Product Pipeline****[OIL-10% and OVL-90%]**

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 (BOLT) basis. The consortium engaged M/s Dodsai Pte Ltd. as EPC contractor for the project. The project was completed in record time of 15 months (Target was of 16 months). The pipeline got commissioned in 2005.

OIL's share of investment in this project was ₹ 54.02 crore (USD 12.19 million) till 31<sup>st</sup> March, 2018. OIL has received payment of 13 instalments from MEM, Sudan amounting to ₹ 69.58 crore (USD 15.86 million).

**12. DISCOVERY OF OIL AND GAS**

Your Company has made 4 (Four) oil and gas discoveries during the year, the details of which are as follows:

**i) Lakwagaon-1 (Loc. MFK)**

The well Lakwagaon-1 is located in the Lakwagaon structure under Moran PML. The well has been drilled to probe the hydrocarbon prospects within Barail formation. The well encountered one prospective sand range within Barail formation, and produced oil during testing. The discovery of oil in this well has opened up new avenue for exploration and exploitation of oil within the Barail formation in Lakwagaon and adjoining area.

**ii) South Baghjan-2 (Loc. BGV)**

The well South Baghjan-2 is located in South Baghjan structure under Baghjan PML. The well has been drilled to probe the hydrocarbon prospects within the Paleocene-Eocene formations. The well has encountered few prospective sand ranges within Paleocene-Eocene formations, and produced oil from new/unappraised sand tested within Paleocene-Eocene formations. The discovery of oil in this well has opened up new reservoir for exploration and exploitation of oil within the Paleocene-Eocene formations in South Baghjan and adjoining areas.

**iii) South Chandmari-5 (Loc. DHX)**

The well South Chandmari-5 is located in South Chandmari Extension structure under Dumduma PML. The well has been drilled to probe the hydrocarbon prospects within Paleocene-Eocene formations. The well encountered few prospective sand ranges within Paleocene-Eocene formations, and produced gas from one sand tested within Paleocene-Eocene formations. The discovery of gas in this well has opened up new avenue for exploration and exploitation of gas within the Paleocene-Eocene formations in South Chandmari and adjoining areas.

#### iv) Hukanguri-2 (Loc. DID)

The well Hukanguri-2 is located in Hukanguri structure under Dumduma PML. The well has been drilled to probe the hydrocarbon prospects within Paleocene-Eocene formations. The well encountered few prospective sand ranges within

Paleocene-Eocene formations, and produced oil from one sand tested within Narpuh formation. The discovery of oil in this well has opened up new avenue for exploration and exploitation of oil within the Paleocene-Eocene formations in Hukanguri and adjoining areas.

### 13. STATUS OF RESERVES

The Hydrocarbon In-Place and Reserves position of the Company of its domestic assets including JVs (as per OIL's PI) as on 31.03.2018 is as follows:

IN-PLACE VOLUME	Low Estimate	Best Estimate	High Estimate
STOIIP (MMT)	768.7770	817.0545	855.9973
GIIP (BCM)	364.4272	389.4486	422.6062
O+OEG(MMTOE)	1087.8985	1156.5871	1222.7802

CUMULATIVE PRODUCTION TILL 31.03.2018	
Oil+Condensate (MMSKL)	197.34 MMSKL (171.38 MMT)
Gas (BCM)	92.01

Particulars	1P	2P	3P
Oil + Condensate (MMT)	27.1121	78.6716	105.3078
Balance Recoverable Gas (BCM) *	79.7653	127.5892	165.0173
O+OEG (MMTOE)	97.0717	189.5232	247.2386

\* Based on projected volume of gas under various sales contracts, 1P, 2P and 3P Gas Reserves are 21.2190, 34.9810 and 69.5700 respectively.

The oil & gas reserves position as on 31.03.2018 of 5 (five) overseas Producing Assets (OIL's Share) namely Liquid Shale Assets (USA), License-61 (Russia), Vankorneft (Russia), Taas Yuryakh (Russia) and Carabobo (Venezuela) are as furnished below:

Particulars	1P	2P	3P
Oil + Condensate (MMT)	16.9633	38.0551	59.4801
Gas reserves (BCM)	4.8635	6.9002	8.3604
O+OEG (MMTOE)	21.1723	44.0378	66.7245

**Accretion:** The accretion to oil and gas volume during 2017-18 in OIL's domestic sector is given in table below:

IN-PLACE VOLUME	Low Estimate	Best Estimate	High Estimate
STOIIP (MMT)	-1.5477	3.0408	5.4796
GIIP (BCM)	10.5819	10.2972	8.8808
O+OEG(MMTOE)	7.9175	12.1894	13.3501
RESERVES/RECOVERABLE VOLUME	1P/Low Estimate	2P/Best Estimate	3P/High Estimate
Oil +Condensate (MMT)	1.1587	3.2443	2.5891
GAS (BCM)	6.0643	5.1560	6.6739
O+OEG (MMTOE)	6.5619	7.8317	8.5621

#### 14. NEW INITIATIVES

##### i. City Gas Distribution(CGD) Business

OIL has initiated steps to enter CGD business to expand its business portfolio in oil & gas value chain with the support of experienced downstream players having requisite experience in this sector. The consortium of HPCL and OIL submitted bids for four Geographical Areas (GAs) viz. South Goa, Kolhapur, Ambala, Kurukshetra and Karnal under 8<sup>th</sup> round of City Gas Distribution (CGD) bidding of PNGRB. The consortium won two GAs viz. Kolhapur and Ambala-Kurukshetra. PNGRB has issued letter for grant of authorization to the consortium for development of CGD network in the GA of Ambala & Kurukshetra on 22<sup>nd</sup> February, 2018 and for Kolhapur on 6<sup>th</sup> March, 2018. Necessary activities for incorporation of Joint Venture Company and the execution of the project are in progress.

##### ii. Assam Petrochemicals Ltd. (APL)

The Memorandum of Understanding (MoU) between APL, OIL and Govt. of Assam for restructuring of Assam Petrochemicals Ltd. (APL) was signed on 3<sup>rd</sup> Feb, 2018 during Advantage Assam Summit. The MoU envisages setting up of 500 TPD (Tons Per Day) Methanol plant at Namrup and 200 TPD Formalin Plant in West Assam. The total estimated cost of these projects is ₹ 1,337 crores.

#### 15. FUTURE OUTLOOK

- Since OIL has significant presence in the North East 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 North East to achieve continued reserve accretion.
- To enhance recovery, 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 decade.
- 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.
- In addition to acquisition of conventional assets, OIL would also look towards acquisition of non-conventional assets, such as oil sands, shale gas, shale oil, gas hydrate etc.
- While E & P business shall continue to be OIL's core focus, selective diversification into midstream, downstream and renewable energy segments is planned in order to balance the existing portfolios. The proposed diversification will be towards pipelines, wind/solar energy, CGD, LNG, refineries etc.

## ANNUAL REPORT ON CSR ACTIVITIES (Pursuant to Section 135 of the Companies Act 2013)

### 1. BRIEF OUTLINE

Oil India Limited has been fulfilling its duty as a Responsible Corporate Citizen with full commitment to the principles of Corporate Social Responsibility (CSR), towards achieving the inclusive and holistic development of its areas of operation and the society as a whole.

#### Vision Statement

**OIL is a Responsible Corporate Citizen deeply committed to socio-economic development in its areas of operation.**

#### CSR Policy

The broad objectives of OIL's CSR policy are as under:

- a) To provide a basis for decision making and execution of CSR initiatives as per the provisions of the Companies Act, 2013.

- b) To help OIL remain focused on its CSR Vision.
- c) To bring about tangible socio-economic development in operational areas of OIL.
- d) To improve community well-being through discretionary business practices and contributions of corporate resources.

The CSR policy of the company as approved by the board is available on the company's website: [www.oil-india.com](http://www.oil-india.com).

#### CSR Thrust Areas

As specified under schedule VII of the Companies Act, 2013, the Company has embarked upon various CSR projects and activities under key thrust areas of Healthcare and Sanitation & Clean drinking water, Education, Sustainable Livelihood Generation, Capacity Building, Empowerment of Women, Skill Development, Augmentation of Rural Infrastructure, Sports and Environmental Sustainability etc.

### CSR INITIATIVES

**Expenditure on major CSR projects under key thrust area is given below**

Sl.No.	Major Project under key thrust area	Amount spent (₹ in crore )
<b>Healthcare and Sanitation</b>		
1	Project Arogya on reduction of Infant Mortality Rate (IMR) and Maternal Mortality Rate (MMR)	1.03
2	Project Sparsha on mobile healthcare services through village health camps	2.53
3	Health Camps by NGOs	0.20
4	Development under Swachh Iconic Place Initiative- Kamakhya Temple, Guwahati	17.00
5	Maintenance of School toilets (1471 Nos.) constructed under Swachh Vidyalaya Abhiyan	1.34
6	Development and beautification projects in Tinsukia	0.04
7	Open Defecation Free (ODF) project in Dibrugarh District, Assam	1.80
8	Observing Swachh Bharat Pakhwada at OIL Spheres	1.28
<b>Education</b>		
9	Project OIL Super 30	3.59
10	Project Dikhya on promoting Computer literacy	9.78
11	Project Dikhya on promoting Adult Literacy	3.02
12	Career Counselling & Guidance through Edfair	0.35
13	OIL Award & Merit Scholarship	2.06
14	Contribution towards Indian Institute of Information Technology (IIIT) Guwahati	0.00
15	Assistance towards augmentation of educational infrastructure	2.82
16	Project Sakshyam on rehabilitation for persons with disabilities	0.37

Sl.No.	Major Project under key thrust area	Amount spent (₹ in crore)
<b>Sustainable Livelihood Generation</b>		
17	Project Rupantar on sustainable livelihood opportunities	4.49
18	Agriculture Project under OIRDS (Oil India Rural Development Society)	1.13
19	Project Jeevika on Cluster based livelihood project	0.05
<b>Skill Development</b>		
20	Project Swabalamban on Capacity Building & Skill Development	12.56
21	Skill Development Institute (SDI) - Guwahati	4.55
22	Contribution towards Hydrocarbon Sector Skill Council	1.50
<b>Capacity Building and empowerment of women</b>		
23	OIL Nursing School	0.84
	Handicrafts Training and Production Centre (HTPC)	0.33
<b>Environment</b>		
24	Project OIL Urja on providing renewable, cost effective and clean energy solutions	0.84
<b>Promotion of Art, Culture and Heritage</b>		
25	Renovation of Berry White Medical School	0.30
26	Support to socio-cultural event	0.36
<b>Promotion of Sports</b>		
27	Rural Sports in villages of OIL operational areas	0.97
<b>Augmentation of Rural Infrastructure/Other</b>		
28	Construction of Roads & Bridges	5.02
29	Construction of community halls, waiting sheds etc. and Township Development	3.67
30	Infrastructure development at Guwahati, Assam and KG Basin, Andhra Pradesh	1.75
31	Contribution towards Corpus/ Endowment fund for establishment of Indian Institute of Petroleum and Energy (IIPPE), Vishakhapatnam, Andhra Pradesh	15.00
<b>Total</b>		<b>100.58</b>

**2. Brief summary of the major CSR projects in operational areas, undertaken by the Company is given below (weblink - [www.oil-india.com/Csr\\_initiative.aspx](http://www.oil-india.com/Csr_initiative.aspx)):**

**i. Healthcare and Sanitation:**

**(a) Project 'Sparsha':** OIL Hospital, in association with St. Luke's Hospital, Tinsukia & Chabua, Assam and Piramal Swasthya implements the mobile health care CSR Project Sparsha, catering to the primary health care needs of the people living in OIL's operational areas in Assam and Arunachal Pradesh. During 2017-18, 1712 health camps were organised under Project Sparsha, screening around 2,48,834 patients in remote villages and providing primary healthcare to the poor and needy, free of cost. Since 2010-11 to 2017-18 fiscal, 7,269 camps were organised impacting 10,93,983 patients.

**(b) Project 'Arogya':** is an initiative with an umbrella focus on reduction of Maternal Mortality Rate (MMR) and Infant Mortality Rate (IMR) in and around OIL's operational areas of

Tinsukia & Dibrugarh districts in Assam. The program aims at caring for the new born, as well as addressing maternal and adolescent health issues at various stages of life. OIL provides pre-natal & post-natal check-up facilities sensitizing women on maternal, child health and benefits of institutional delivery, tracking and counselling of pregnant women, immunization of babies and pregnant women, training in and awareness on community health for better hygiene, sanitation and family planning.

During the year, OIL conducted prenatal & postnatal health check-up camps in 20 villages screening around 1,484 women & children, 1,893 babies (0-5 yrs) were immunised, provided training to 301 women on community health, Antenatal Care/ Postnatal Care (ANC/PNC) to 235 women and 278 children (0-5yrs). 840 home visits were carried out benefitting/ counselling 631 women. In addition, 522 adolescent girl students of four girls' schools adopted by OIL, were provided counselling on menstrual hygiene, family planning, STDs and

HIV/AIDS besides gynaecological and anaemia tests. Sanitary napkins were distributed along with general awareness amongst more than 200 adolescent girls and mothers of identified villages of OIL's operational areas.

**(c) Swachha Bharat Abhiyan:** OIL has rendered complete commitment to Hon'ble Prime Minister's Flagship programme "Swachh Bharat Abhiyan," undertaking various projects and activities in all spheres of the company. Most notable among all being the development & maintenance of Kamakhya temple, Guwahati under Swachh Iconic Place initiative and construction of 1500 individual household latrine (IHHL) with an aim to achieve 100% Open Defecation Free (ODF) status of Dibrugarh District under Swachh Bharat Mission (Gramin). Further, continuing with "Swachh Bharat- Swachh Vidyalaya Abhiyan " initiatives, the Company has provided financial assistance towards maintenance of 1471 school toilets constructed during the year 2014-15 . OIL has also initiated (phase-wise) development and beautification of Tinsukia town in Assam. Various events such as Walkathon, Cleanliness & Plantation drive of office premises, market areas & public places and awareness programs were also carried out on cleanliness and hygiene (amongst school students) under Swachha Bharat Pakhwada in all spheres of the company . OIL employees also carried out cleanliness campaigns through 'Shramdaan.

## ii. Education

**(a) Project OIL 'Super 30':** The project is a meaningful CSR initiative under the key thrust area of Education, which provides 11 month free residential coaching on IIT entrance examination for admission to IITs and other engineering colleges to students from marginalized section of society, in Assam, Arunachal Pradesh and Rajasthan. The Company has 6 (Six) OIL Super 30 centres at Guwahati, Jorhat Dibrugarh and Nogaon in Assam, Jodhpur in Rajasthan and Itanagar in Arunachal Pradesh, with annual intake of 30 students per centre. The success rate of the project is over 95% with OIL Super 30 students getting admission to IITs as well as in many other prestigious institutions/universities in the country. During 2017-18, 149 out of 181 students qualified for IIT-JEE (Main) while 77 students qualified IIT-JEE (Advance).

**(b) Project 'Dikhya':** OIL has taken up the project for promoting computer literacy and adult literacy in the selected areas of OIL's operational districts under the aegis of Project 'Dikhya' since 2012. During 2017-18, computer education was imparted to 7,094 students of Classes VI to VIII in 30 rural schools through mobile computer lab (bus). Value added sessions on creative studies, environmental science,

cleanliness, and behavioural science too are taught along with the computer classes. Adult education classes are conducted in 30 areas targeting illiterate and semi-literate people of rural areas and tea gardens. The course module is designed based on Government of Assam approved text books of Sarva Shikshya Abhiyan. During 2017-18, 1500 elderly persons have benefitted from the program.

Other programmes under Project Dikhya include Knowledge - Yan with K-class, OIL has distributed comprehensive audio-visual education devices called Knowledge Yan or K-Yan which includes high end computer, advanced projection system, DVD Player and in-built audio system for students to help understand difficult courses. Additionally, under the Adult Literacy Programme around 4800 adults were imparted education. In addition, Life Skills education was provided to 6,850 adolescent girls of 75 schools, teacher training to 152 teachers and financial literacy classes were conducted impacting 4,800 persons from rural parts of OIL's operational areas

**(c) OIL Shikshya Ratna Puraskar:** OIL introduced "OIL Shikshya Ratna Puraskar" in 2013-14 for recognizing the all-round contribution of the teaching fraternity from provincialized schools and colleges of Assam. The awards consist of cash incentive of Rupees one lakh and a citation is given to each awardee. During the FY 2017-18, five teachers were awarded OIL Shikshya Ratna Puraskar. Since, 2013, 28 teachers had received OIL Shikshya Ratna Puraskar.

**(d) OIL Awards and Merit Scholarships:** Every year, OIL rewards meritorious students from operational areas passing class X & XII with OIL Awards and OIL Merit Scholarships for encouraging the students to perform better. Since inception, OIL has awarded scholarships to more than 25,000 students.

## iii. Sustainable Livelihood Generation:

**(a) Project 'Rupantar':** A flagship CSR project of OIL, launched in 2003, towards generating alternate and sustainable sources of livelihood for unemployed youth of its operational areas. The project, implemented by State Institute of Rural Development (SIRD), Assam, focuses on strengthening the rural economy by creation and training of Self Help Groups (SHG)/ Joint Liability Group (JLG) of youth, in various economic activities in the agro-based industry, providing opportunities for self-employment and rural entrepreneurship. During 2017-18, 400 JLGs were formed and trained on handloom, poultry, farm mechanization etc. assisting 1850 families. Also, a computer education programme under OIL's Project Rupantar has been training students on Information Education and Communication (IEC)

and Panchayati Raj Institution (PRI), Rural Development etc. During 2017-18, a total of 919 students were trained under the said programme.

**(b) Agriculture Project:** It is one of Company's first CSR projects under the aegis of Oil India Rural Development Society (OIRDS), with representations from the civil society, State & Regional Agricultural Institutions, on modern methods of cultivation, to encourage the youth to take up agriculture as a source of livelihood. 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 in farming as well as distribution of high yielding seeds from Agriculture Research Centre, Titabor, Assam. During 2017-18, 16 (sixteen) new villages (total cultivable land of 3,000 bighas and impacting 2,053 farm families) were adopted for Sali and 17 (seventeen) villages were adopted under Rabi cultivation (total cultivable land of 1,465 bighas impacting 2,153 farm families) for paddy cultivation in OIL's operational areas in Dibrugarh and Tinsukia districts, Assam

**(c) Project OIL 'Jeevika':** Launched in 2016-17 fiscal and implemented by India Institute of Entrepreneurship (IIE), Guwahati, Project OIL Jeevika is a community cluster based sustainable livelihood promotion project is currently implemented in OIL's operational villages of Arunachal Pradesh aiming to benefit 400 households. The project aims at imparting skill development and upgradation training to the targeted beneficiaries on beekeeping & honey processing, mustard buckwheat and local pulses processing for generating alternate source of income and formation of self-sustainable livelihood clusters. In FY 2017-18, all trainings under the economic activity of beekeeping and honey processing have been completed. Apart from trainings on mustard, buckwheat & local pulse processing, the beneficiaries are also trained on packaging and marketing techniques.

#### iv. Skill Development:

**(a) Project 'Swabalamban':** Launched in 2013, This project is in line with the National Skill Development Mission of Government of India under which placement linked skill training is provided to unemployed youth / women of OIL operational areas. During 2017-18, the project has imparted placement linked skills training to 3000 unemployed youth of OIL's areas of operation and 22 districts of Assam on various trades, out of which 2381 youth have been placed in different organisations across the country, thus enabling these youth to enhance their employability and charter a career path for a better future.

From 2013-14 till 2017-18 11,680 candidates were successfully trained and 9,171 have been placed in various industries across the country.

**(b) Contribution towards Skill Development Institute, Guwahati:** Oil India limited (OIL) has set up Skill Development Institute Guwahati to cater the skilling need of youth of North East region in order to enhance their employability in hydrocarbon as well as other sectors. The Centre was dedicated to the nation on the 8<sup>th</sup> of December, 2017 by Shri Sarbananda Sonowal, Hon'ble Chief Minister of Assam and Shri Dharmendra Pradhan, Hon'ble Union Minister for Petroleum & Natural Gas and Skill Development & Entrepreneurship in presence of host of other dignitaries. The institute has been set up to cater to the skilling needs of the youth of the entire North East region. The institute has become functional from the 24<sup>th</sup> of August 2017 with two courses namely, Industrial Electrician and Industrial Welder of duration six (06) months each, in which two batches of 60 students underwent training and more than 70% of them has already been successfully placed.

#### v. Environment:

**(a) Project 'OIL Urja':** Started in 2016-17, to create a safer environment and enable reduction of carbon emissions through the use of renewable energy and prevention of indoor air pollution for communities of OIL's operational areas. In FY 2017-18 under the project, fuel efficient cook stoves with chimneys were constructed and installed in 3000 rural households in 6 tea gardens in OIL's operational areas of upper Assam. Unemployed youth were imparted training on technology for construction of fuel efficient challohs with chimneys so that installation service and minor repairs / breakages could be done at doorstep. Further, solar solutions in alignment with the Ministry of New & Renewable Energy, Govt. of India (MNRE) clean cooking & lighting solutions under Happy Home package will be provided targeting 400 households in a span of next 2 years.

**(b) Adoption of orphaned rhino calves in Kaziranga:** Under this project, OIL has adopted 3 (three) rhino calves in 2016-17, which were severely affected by devastating floods in Assam. The project is in association with Wildlife Trust of India (WTI) under its Centre for Wildlife Rehabilitation and Conservation located near Kaziranga. The project is underway during the FY 2017-18.

#### vi. Promotion of Rural Sports:

Promotion of Sports as a CSR initiative apart from providing a platform and motivating the budding talent from the rural areas

of OIL's operational areas, plays the role of uniting the communities, mobilizing, inspiring and instilling responsible behaviour among the children and youth. OIL's contribution and collaboration with the social groups, district administration and sports bodies, has helped in making rural sports as one of the most popular sports event in the rural areas creating social advantage, over the years. During FY 2017-18, OIL, conducted 12 rural sports events. and provided financial assistance to several schools and sports organizations for development of playground facilities benefitting larger number of youth and young sports persons.

#### vii. Promotion of Art, Culture and Heritage:

**(a) Renovation & Preservation of Berry White Medical School in Dibrugarh:** Currently known as Assam Medical College, "Berry White Medical School" was established by Dr. John Berry White, in the year 1900. The first medical school in North-eastern India. However, despite its glorious past, the building of Dr. John Berry White Medical School was in a dilapidated condition and required urgent restoration. Taking the onus, OIL alongwith District Commissioner (Dibrugarh)

and INTACH, New Delhi entered into a tripartite partnership to achieve the objective of preserving, restoring and renovating the cherished heritage of John Berry White Medical School.

#### viii. Augmentation of Rural Infrastructure

**(a) Rural development Projects:** OIL has been developing rural infrastructure in and around its operational areas for the people and communities residing in these areas to bring about all round development of the region. Over the years, the Company has built over 1500 kilometres of roads to facilitate and improve basic communication. Further the company constructed many public stages, auditoriums, libraries, lecture Halls, Computer Centres, roadside waiting sheds, upgraded & developed rural hospitals, rural schools & educational institute of higher development in various OIL operational areas of North East India.

In FY 2017-18, OIL has constructed over 203.189 kms of rural roads, 56 nos. of rural culverts, development of around 05 nos. of playgrounds and around 07 nos. of waiting sheds in various villages of OIL operational areas of Tinsukia, Dibrugarh.

## 2. COMPOSITION OF THE CSR & SD COMMITTEE AS ON 31.03.2018

S.No.	Name	Category	Chairman/Member
1.	Prof. (Dr.) Asha Kaul	Independent Director	Chairperson
2.	Dr. Priyank Sharma	Independent Director	Member
3.	Smt. R.S. Borah	Director (Finance)	Member
4.	Shri Biswajit Roy	Director ( HR & BD)	Member
5.	Shri Sunjay Sudhir	Government Nominee Director	Member

3. Average net profit of the company for last three financial years - ₹ 3,087.95 crore

4. Prescribed CSR Expenditure - ₹ 61.76 crore

5. Details of CSR spent during the financial year:

a. Total amount spent for the financial year - ₹ 100.58 crore

b. Amount unspent, if any - NIL\*

\*(As per the prescribed limit of 2% by the Companies Act 2013)

C. Manner in which the amount spent during the financial year is given below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified.	sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken	Amount outlay (budget) project or programs wise (₹ Crs)	Amount spent (1) Direct expenditure on projects (2) Overheads (₹ crs)	Cumulative expenditure w.e.f 01.04.2014 upto the reporting period (₹ crs)	Amount spent: Direct or through implementing agency
1	Project Arogya						
a	Reduction of IMR & MMR	Health: (Reduction of Infant Mortality Rate & Maternal Mortality Rate)	OIL operational areas of Tinsukia, Dibrugarh & Charaideo districts of Assam	1.03	1.03	3.83	IL&FS Education & Technology Services (IETS), New Delhi
2	Project Sparsha on mobile healthcare services	Health: Mobile Healthcare Project)	Tinsukia and Dibrugarh districts of Assam.	2.53	2.53	9.33	St.Lukes' Hospital (Tinsukia & Chabua), Piramal Swasthya and OIL hospital
3	Healthcamps by NGO's	Health: Specialized health camps on eye check-up etc.	OIL operational areas of Tinsukia, Dibrugarh & Charaideo districts of Assam, Arunachal Pradesh, Rajasthan & Mizoram.	0.43	0.20	0.43	NGOs like Deepshikha Cancer Care Foundation, Tarabai Desai Eye Hospital and Research Centre, Lions' Club, Rotary Club etc.
(a)	Project on combating HIV / AIDS	Health: Specialized health camps on combating HIV / AIDS	Tinsukia districts of Assam and Jodhpur District of Rajasthan	--	--	1.00	Global Fund (FY 2014-15)
4	Swachh Bharat Abhiyan- Development & maintenance under Swachh Iconic Place Initiative	Sanitation	Kamakhya Temple, Guwahati, Assam	17.00	17.00	62.56	Oil India Limited / District Administration- Assam Tourism Development Corporation
5	Maintenance of School Toilets (1471) constructed under Swachh Vidyalaya Abhiyaan	Sanitation	OIL operational areas under KG Basin Project	1.34	1.34	1.34	District Administration and Office of Sarba Shiksha Abhiyan
6	Development & beautification projects in Tinsukia District, Assam	Sanitation	Tinsukia District, Assam	0.03	0.04	0.04	Oil India Limited / District Administration

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified.	sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken	Amount outlay (budget) project or programs wise (₹ Crs)	Amount spent (1) Direct expenditure on projects (2) Overheads (₹ crs)	Cumulative expenditure w.e.f 01.04.2014 upto the reporting period (₹ crs)	Amount spent: Direct or through implementing agency
7	Open Defecation Free (ODF) project - construction of 1500 IHHL in Dibrugarh district, Assam	Sanitation	Dibrugarh District, Assam	1.80	1.80	1.80	Oil India Limited / District Administration
8	Observing Swachh Bharat Pakhwada across OIL spheres	Sanitation	OIL operational areas across the country	1.29	1.28	1.28	Oil India Limited
9	Project OIL Super 30	Education	Dibrugarh, Guwahati, Jorhat and Nogaon in Assam, Itanagar in Arunachal Pradesh and Jodhpur in Rajasthan	3.98	3.59	11.86	Centre for Social Responsibility and Leadership, New Delhi
10	Project Dikhya						
(a)	Computer Education to schools	Education	OIL operational areas of Tinsukia, Dibrugarh & / Charaideo districts of Assam.	9.78	9.78	35.83	State Institute of Rural Development, Assam, IL&FS Education and Technology Services Limited, New Delhi
(b)	Distribution of K-Yan						
(c)	Life Skills to Girls						
(d)	Teachers' Training						
11	Project on Adult Education	Education	OIL operational areas of Tinsukia, Dibrugarh & Charaideo districts of Assam.	3.02	3.02	10.33	State Institute of Rural Development, Assam (SIRD)
12	Career Counselling & Guidance	Education	OIL operational areas of Tinsukia, Dibrugarh & parts of Sivasagar districts of Assam	0.35	0.35	1.35	Professional agencies working in the field of career counselling & guidance/NGOs working in the same area of expertise.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified.	sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken	Amount outlay (budget) project or programs wise (₹ Crs)	Amount spent (1) Direct expenditure on projects (2) Overheads (₹ crs )	Cumulative expenditure w.e.f 01.04.2014 upto the reporting period (₹ crs)	Amount spent: Direct or through implementing agency
13	Meritorious Awards						
a	OIL Awards & Merit Scholarships	Education	OIL operational areas of Tinsukia, Dibrugarh Charaideo districts of Assam and Lohit & Changlang districts of Arunachal Pradesh.	2.06	2.06	11.08	Oil India Limited
b	OIL Shikshya Ratna Puraskar	Education	Implemented across the State of Assam.				IL&FS Education & Technology Services, New Delhi
14	Contribution towards Indian Institute of Information Technology (IIIT) Guwahati	Education	Assam	1.00	0.00	0.00	Indian Institute of Information Technology (IIIT) Guwahati
15	Assistance towards augmentation of educational Infrastructure	Education	OIL operational areas of Tinsukia, Dibrugarh & charaideo districts of Assam	6.38	2.82	17.60	District Administration
16	Project Sakshyam on rehabilitation of persons with disabilities	Education: Empowerment of Differently abled	Dibrugarh District of Assam	0.37	0.37	2.05	Mrinaljyoti Rehabilitation Centre, Duliajan and Moran Blind School, Moran
17	Project Rupantar						
(a)	Assistance to SHGs /JLGs	Sustainable Livelihood	OIL operational areas of Tinsukia, Dibrugarh & Charaideo districts of Assam	4.49	4.49	18.48	State Institute of Rural Development, Assam
(b)	Computer Centre	Skill Building	OIL operational areas of Tinsukia, Dibrugarh & Charaideo districts of Assam.				

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified.	sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken	Amount outlay (budget) project or programs wise (₹ Crs)	Amount spent (1) Direct expenditure on projects (2) Overheads ( ₹ crs )	Cumulative expenditure w.e.f 01.04.2014 upto the reporting period ( ₹ crs )	Amount spent: Direct or through implementing agency
(c)	Project Kamdhenu	Sustainable Livelihood	Baseline survey and need assessment study diary development project in the districts of Tinsukia and Dibrugarh of Assam	-	-	1.50	India Institute of Rural Management Anand, Gujarat (FY 2014-15)
18 OIL India Rural Development Society (OIRDS)							
a	Agriculture Project	Sustainable Livelihood	OIL operational areas of Tinsukia, Dibrugarh & Charaideo districts of Assam.	1.14	1.13	5.12	Under the aegis of Oil India Rural Development Society (OIRDS) and Rural development scheme (FY 2014-15)
19	Project OIL Jeevika on cluster based livelihood Project	Sustainable Livelihood	OIL operational areas of Arunachal Pradesh	0.05	0.05	0.56	Indian Institute of Entrepreneurship, Assam
20	Project Swabalamban	Skill Building: placement linked skill training & entrepreneurship education	OIL operational areas of Tinsukia, Dibrugarh & Charaideo districts of Assam.	12.89	12.56	52.06	CIDC, New Delhi, IL&FS Education & Technology Services, New Delhi and Indian Institute of Entrepreneurship, Guwahati
21	Contribution towards setting up Skill Development Institute - Guwahati	Skill Building: placement linked skill training & entrepreneurship education	Guwahati, Assam	4.55	4.55	4.55	Oil & Gas PSU's led by OIL
22	Contribution towards Hydrocarbon Sector Skill Council (HSSC)	Skill Building: placement linked skill training & entrepreneurship education		2.50	1.50	1.50	HSSC

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified.	sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken	Amount outlay (budget) project or programs wise (₹ Crs)	Amount spent (1) Direct expenditure on projects (2) Overheads (₹ crs )	Cumulative expenditure w.e.f 01.04.2014 upto the reporting period (₹ crs)	Amount spent: Direct or through implementing agency
23	Capacity building for Empowerment and women - Oil Nursing School & Handicrafts Training and Production Centre (HTPC)	Activities related to women empowerment	OIL operational areas of Tinsukia, Dibrugarh & Charaideo districts of Assam, Arunachal Pradesh & Mizoram.	1.17	1.17	2.65	Women organizations/ associations/ samitis
24	Project Urja	Environment : renewable and clean energy solution	OIL operational areas of Tinsukia, Dibrugarh & Charaideo districts of Assam.	0.85	0.84	2.84	Indian Institute of Entrepreneurship, IICO and North East Agency Pvt Ltd.
(A)	Environment Conservation - Project on Solar Energy & Bio-diversity	Environment	OIL operational areas of Tinsukia, Dibrugarh & parts of Charaideo districts of Assam.	---	---	3.81	NGOs working in the field of protection of environment & biodiversity/ Assam Tourism, etc.
(B)	Hoolock Gibbon Awareness	Environment: Protection of Environment and Bio-diversity	OIL operational areas of Tinsukia, Dibrugarh & Charaideo districts of Assam.	---	---	0.10	NGO's , Nature Beackon (FY 2014-15)
(C)	Activities related to CSR/ Sustainability Awareness	Environment: Sustainability	OIL operational areas of Tinsukia, Dibrugarh & parts of Charaideo districts of Assam	---	---	1.00	Oil India limited (FY 2014-15)
(D)	Wind Resource Assessment	Environment: Sustainability and Renewable Energy	Assam	---	---	3.00	National Institute of Wind Energy (Research and Development Institute under Ministry of New & Renewable Energy (FY 2014-15)
25	Renovation of Berry white Medical School	Promotion of Art, Culture and Heritage	Dibrugarh District, Assam	1.00	0.30	0.30	District Administartion
(a)	Statue of Unity	Promotion of Art, Culture and Heritage	Gujarat	-	---	25.0	Sardar Vallabhbai Patel Rashtriya Ekta Trust (SVPRET)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified.	sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken	Amount outlay (budget) project or programs wise (₹ Crs)	Amount spent (1) Direct expenditure on projects (2) Overheads (₹ crs )	Cumulative expenditure w.e.f 01.04.2014 upto the reporting period (₹ crs)	Amount spent: Direct or through implementing agency
26	Support to various events for Promotion of Art, culture and Heritage	Promotion of Art, Culture and Heritage	OIL operational areas of Tinsukia, Dibrugarh & parts of Charaideo districts of Assam	0.42	0.36	4.26	Literary associations / cultural groups/ organizations etc.
27	Rural Sports	Rural sports in villagers of OIL operational areas	OIL operational areas of Tinsukia, Dibrugarh & Charaideo districts of Assam.	1.31	0.97	5.35	Sports Associations/ Federations/ Clubs, etc.
28	Construction of Roads and Bridges	Development of rural infrastructure	OIL operational areas of Tinsukia, Dibrugarh & parts of Charaideo districts of Assam, Arunachal Pradesh & Mizoram.	10.68	5.02	23.63	District Administration
29	Construction of Other infrastructure	Development of other infrastructure like community hall, public auditorium, public libraries, cultural centres, etc.	OIL operational areas of Tinsukia, Dibrugarh & parts of Charaideo districts of Assam, Arunachal Pradesh & Mizoram.	5.08	3.67	12.55	District Administration
30	Infrastructure development at : 1. Guwahati, Assam 2. KG Basin, Andhra Pradesh	Development of other infrastructure like community hall, public auditorium, public libraries, cultural centres, etc.	Assam and Andhra Pradesh	6.50	1.75	1.75	District Administration
(A)	Greater Duliajan Township Development	Development of infrastructure and other amenities	Duliajan, Assam	--	--	7.00	Oil India Limited (Project of FY 2014-15)
(B)	LPG Scheme under Pradhan Mantri Ujjwala Yojana (PMUY)	Free LPG connections to BPL Families	--	13.76	--	61.65	Indian Oil Corporation Ltd. which is the nodal company for the scheme.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified.	sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken	Amount outlay (budget) project or programs wise (₹ Crs)	Amount spent (1) Direct expenditure on projects (2) Overheads ( ₹ crs )	Cumulative expenditure w.e.f 01.04.2014 upto the reporting period ( ₹ crs )	Amount spent: Direct or through implementing agency
31	Contribution towards corpus fund for establishment of Indian Institute for Petroleum and Energy (IPE), Vishakhapatnam Andhra Pradesh	Education/ Skill Building	Vishakhapatnam, Andhra Pradesh	15.00	15.00	15.00	Indian Institute for Petroleum and Energy (IPE), Vishakhapatnam, Andhra Pradesh
(A)	Fund allocated to various OIL spheres including Pipeline Headquarters, Rajasthan Project, KG Basin Project etc.	Developmental activities in the area of education/ health/ infrastructure/ socio-cultural etc.	OIL Operational areas of various spheres.	--	--	3.00	District administration/ civil societies/ NGO's/ organizations / cultural groups etc. (Project of FY 2014-15)
(B)	Fund for Industry-academia interface, Sponsorship / Advertisement for Goodwill.	Sponsorship / Industry academia interface	OIL operational areas across its spheres	--	--	6.35	Various nodal agencies for different Projects
	<b>Total</b>			<b>133.78</b>	<b>100.58</b>	<b>434.47</b>	

6. In case the company has failed to spend the two per cent, of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report. -NA (Amount unspent is NIL)
7. Responsibility Statement: CSR & SD Committee of the Company confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

Sd/-  
(Utpal Bora)  
Chairman and Managing Director

Sd/-  
( Prof. (Dr.) Asha Kaul )  
Chairperson-CSR & SD Committee

## 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 : 2017-18
7. Sector(s) that the Company is engaged in (industrial activity code-wise)

#### Code

- |  |     |
|--|-----|
| (i) Extraction of Crude Oil                  | 061 |
| (ii) Extraction of Natural Gas               | 062 |
| (iii) Transportation of Crude Oil            | 493 |
| (iv) LPG- Liquefied Petroleum Gas            | 192 |
| (v) Power Generation using renewable sources | 351 |
8. List three key products/services that the Company manufactures/provides (as in balance sheet)
    - a. Crude Oil
    - b. Natural Gas
    - c. LPG- Liquefied Petroleum Gas
  9. Total number of locations where business activity is undertaken by the company
    - i). Number of International Locations (Provide details of major 5)  
Refer Point No. 14 of the Report on Corporate Governance
    - ii). Number of National Locations  
Refer Point No.14 of the Report on Corporate Governance
  10. Markets served by the Company - Local/State/National/International}

The customers of the Company include PSUs like Numaligarh Refinery Ltd. (NRL), Indian Oil Corporation Ltd. (IOCL),

Brahmaputra Valley Fertilizer Corporation Ltd. (BVFCL), Brahmaputra Cracker and Polymer Ltd. (BCPL) etc.

### SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR) : 756.60 crore
2. Total Turnover (INR) :10656.47 crore
3. Total Profit after Taxes (INR) :2667.93 crore
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of net profit (%) is 3.18%.
5. List of activities in which expenditure in 4 above has been incurred:-

The List of activities in which expenditure in 4 above has been incurred are mentioned at point 5 of the Annual Report on CSR activities forming part of Management Discussion & Analysis Report :-

### SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?  
Yes.
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. The details of the subsidiaries are provided in the Directors' Report. (Point No. 20)

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.

OIL has signed an MOU with Transparency International India (TII) in 2007 for adopting Integrity Pact (IP) program in OIL. IP is a tool developed by TII to ensure that all activities and transactions between the company and its suppliers/ contractors are handled in a fair, transparent and corruption free manner.

**SECTION D: BR INFORMATION**

1. Details of Directors (s) responsible for BR

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

DIN Number	:	07567357
Name	:	Shri Utpal Bora
Designation	:	Chairman & Managing Director

**b) Details of the BR head**

S. N.	Particulars	Details
1.	DIN Number (if applicable)	NA
2.	Name	Shri B.P.Sarma
3.	Designation	Resident Chief Executive
4.	Telephone number	0374-2800525
5.	E-mail id	rce@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	P
		1	2	3	4	5	6	7	8	9
1.	Do you have a policy / policies for....	Y	Y	Y	Y	Y	Y	N	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)*	Y	Y	Y	Y	Y	Y	NA	Y	Y
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	NA	Y	Y
5.	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	NA	Y	Y
6.	Indicate the link for the policy to be viewed online?	Y	Y	Y	Y	Y	Y	NA	Y	Y
<b><a href="http://www.oil-india.com/oilnew/Investor-services.....Policies">http://www.oil-india.com/oilnew/Investor-services.....Policies</a></b>										
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to key internal stakeholders. The communication is an on-going process to cover all internal and external stakeholders. More over every citizen of India has free access to these policies under RTI Act, 2005. Also, many of the policies are available on OIL website (www.oil-india.com).								
8.	Does the company have in- house structure to implement the policy/policies.	Yes. Various Sub Committees of the Board are responsible for overseeing the implementation of the Policies.								
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Yes, The grievance redressal mechanism related to the policy/policies is monitored by Board Committees such as SRC, Audit, & Ethics HSE, CSR & SD Committee. Any stakeholder of the company can file online compliant on company website through public grievance portal. Besides this, any shareholder can file compliant to the compliance officer/RTA about his shareholding in the company.								
10.	Has the company carried out independent audit /evaluation of the working of this policy by an internal or external agency?	At regular intervals, audits are conducted by the Internal Audit Team combined with audit conducted by Statutory Auditors.								

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

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

S. No.	Questions	P	P	P	P	P	P	P	P	P
		1	2	3	4	5	6	7	8	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							✓		
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)									

## 2. Governance related to BR

- (a) 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

Board of OIL meets 12-13 times in a year wherein issues related to the CSR, Health, Safety and Environment, are discussed besides the business and financial performance. The BR initiatives are also discussed in detail in the Committees of the Board constituted for the purpose.. (Details of Board Meeting/Committee meeting held during the year are provided in Corporate Governance Report)

- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

OIL publishes its Sustainability Report annually and the same is uploaded on the Company's website (<http://www.oil-india.com/oilnew/Sustainability-at-oil>)

### Section E: Principle-wise performance

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

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?

Yes, OIL's policies regarding ethics, bribery and corruption extend to group, joint ventures, suppliers, contractors and other associated entities. OIL's 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 investors' complaints received during the year was '425'. All complaints received during the year 2017-18 have been duly attended to by the Company / RTA and there was no outstanding complaint as on 31.03.2018.

Further, status of pollution complaints received in the financial year 2017-18 is as under:

Sl. No.	Description of Pollution Complaints	2017-18	2016-17
1.	Opening Balance	17	17
2.	Received during the year	93	96
3.	Resolved during the year	90	96
4.	Pending at the end of the year	20	17

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

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, natural gas and LPG processing installations/ terminals are designed taking cognizance of environmental concerns, risk and/or opportunities involved. All drilling installations are equipped with Effluent Treatment Plants (ETP) to reuse/recycled the effluent water generated during drilling operations so that no effluents can be flown out to

cause any surface pollution to the surroundings. In addition to that, identification of emergency pit has also been carried out to transfer effluent water to resist the overflow of effluents at the operational effluent pits if any, in case of an emergency.

Noise level measurements were carried at various Production, Drilling and Engineering mine installations at regular intervals as per OISD-GDN-166 & EP Act, 1986 Guidelines.

The formation water produced along with crude oil is scientifically treated with oil soluble demulsifiers to separate oil and water. Settling time in the tanks was increased. The separated formation water is disposed off into selected disposal wells specially drilled for the purpose. Such wells have impermeable layers to prevent any vertical migration of disposed formation water to the surface. The water samples from the tube wells in the vicinity of the disposal wells are regularly monitored.

For abatement of noise pollution from power houses at drilling rigs, Oil Collecting Stations, Gas Compressor Stations and various other installations, the use of acoustic enclosure and construction of noise barrier walls around the machinery generating noise are resorted to..

Time to time, ambient air quality monitoring are carried out in and around OIL's operational areas and other vulnerable places with the help of a mobile Air Quality Monitoring Van procured by OIL and also by engaging third parties. Ambient Air Quality Monitoring in different OIL operational areas is also carried out periodically by PCBA.

1157 km long cross country crude oil pipeline is operated in an environmental friendly manner 660 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).

The measurement of per unit of usage of energy, water and raw material is not carried out by the company. However, all efforts are made to minimise the use of vital resources used in extraction and transportation of crude oil and natural. The brief on the efforts made towards energy conservation are detailed in the annexure to the Directors' Report and efforts for conservation of water are summarised below in question 3.

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

(i) For strategically managing increasing volumes of produced formation water (FW) and to reduce the volumes of fresh water from shallow aquifer, OIL embarked upon an ambitious & a geographically large project of Produced Water Re-injection into its reservoir. The three parts of the project are as under: (i) ETP-Tengakhat project job: An Effluent Treatment Plant at Tengakhat of 5000 KLPD capacity is being constructed which will take the produced water from surrounding installations viz. Tengakhat-OCS, Kathaloni-OCS, Bhogpara-OCS, Dikom-OCS, Chabua-EPS and Hatiali-EPS. The treated formation water coming out at the outlet of the ETP will be the source of formation water to be re-injected into reservoirs. Another project job of construction of STF, Madhuban comprising an ETP of 7200 KLPD capacity is being executed by Project department. STF will receive crude oil from Eastern Asset's fields and also from part of Naharkatiya and Jorajan fields. Some part (around 600- 800 KLPD) of formation water separated / dehydrated at STF will also be taken for reinjection into reservoirs at Water Injection Station WIS#21.

(ii) PWRI Pipeline project job: A pipeline network project is currently being executed to supply the untreated formation water to the ETP-Tengakhat and to take the treated water from the ETP-Tengakhat to different Water Injection Stations. Total length of this pipe-line network project is about 75 kms spanning over an area of aerial radius of 20-25 kms and is divided into 5 geographically convenient / manageable segments. All the 5 segments of the project are in the execution stage with an EDC of 28.02.2019.

(iii) Construction of a new (a) Water Injection Station (WIS) at Dikom and (b) Revamping of 4 (four) Water Injection Stations (WISs) in Naharkatiya area: Treated formation water of ETP-Tengakhat will be supplied to 2(two) water injection stations namely upcoming Dikom-WIS and WIS GCS#6. Subsequently, transfer pumps at WIS GCS#6 will supply the treated FW to 2 (two) other WISs namely WIS#240 & WIS#208. Job of revamping / reconstruction of WIS GCS#6, WIS#240 & WIS#208 (along with WIS#21 for receiving treated formation water from ETP of STF) is being taken up for converting these WISs suitable for handling treated Formation Water.

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 and 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 labourer from local communities,
- Outsourcing of services like transport/ transportation and small value service and maintenance contracts to local communities.

During the year 2017-18, OIL procured 14.19% of the total goods & Services from Medium and Small Enterprises.

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.**

Refer to the Annexure to the Directors' Report on Conservation of Energy.

**E-waste:**

In line with the requirements of the E-Waste (Management and Handling) Rules 2010, OIL has implemented the project where E-waste across different spheres viz, FHQ, Pipelines, Kolkata Office, Corporate Office Noida, Rajasthan Project and BEP is collected and disposed/ recycled as per norms. M/s Attero Recycling has been awarded contract for the same. During the year under review, 60 tonnes (approx.) of E-waste was disposed and the process is on for more disposal.

**Principle 3: Businesses should promote the wellbeing of all employees**

1. Please indicate the Total number of employees.

Total number of Employees: 6955

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

Total number of employees hired on temporary/contractual/casual basis: 248

3. Please indicate the Number of permanent women employees.

Number of permanent women employees: 386

4. Please indicate the Number of permanent employees with disabilities

Number of permanent employees with disabilities: 112

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

Yes.

i) Oil India Executive Employees Association - for Executives

ii) Oil and Gas Employees Union - for work persons

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

i) Oil India Executive Employees Association - 86.67%

ii) Oil and Gas Employees Union - 66.78%

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 end of the financial year
1.	Child labour /forced labour/involuntary labour	Nil	NA
2.	Sexual harassment	Nil	Nil
3.	Discriminatory employment	Nil	NA

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

**SAFETY UPGRADATION TRAINING**

S.No.	CATEGORY	PERCENTAGE
1)	Permanent Employees	15.77
2)	Permanent Women Employees	8.59
3)	Contractual/Temporary/ Casual Employees	37.60
4)	Employees with Disability	9.37

**SKILL UPGRADATON TRAINING**

1)	Permanent Employees	25.71
2)	Permanent Women Employees	36.21
3)	Contractual/Temporary/ Casual Employees	Nil(*)
4)	Employees with Disability	37

\*Contractual and other casual workers deployed by different contractors receive mandatory on-site safety training and On-the-Job Skill Up gradation training.

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

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

Yes

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

Yes.

The Company has structured CSR policy to take care of the disadvantaged vulnerable and marginalised people in and around OIL's operational areas. The vulnerable category includes SC/ST/OBC, women, children and senior citizens.

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, OIL has been sensitive to the needs of the disadvantaged vulnerable and marginalised stakeholders OIL makes special efforts for welfare of the society

neighbouring the OIL's Operational areas .The measures taken by OIL includes programmes on Empowering women through initiatives on sustainable livelihood generation, Self-employment programmes, Self Help Groups, Computer training Programme, Skill development programmes for hospitality, housekeeping, food & beverages, Electrician, Fitter etc Certificate course on Nursing, Developmental and Welfare projects for SC/ST/OBC ,Educational projects, programme on medical assistance etc

**Principle 5: Businesses should respect and promote human rights**

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

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

"OIL is fully committed to Health, Safety and Environment (HSE)", policy related to the Principle and extends it to all 'stakeholders' and society at large in its operational domain. Restoring environment has been a keyword in OIL's business operations.

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 being a key player in the upstream oil & gas sector is committed to minimize its impact on the environment while maximizing its profitability. OIL has thus initiated a process of low carbon transformation.

- i. As a first step OIL has calculated its carbon inventory and framed a low carbon strategy.
- ii. OIL has carried out exercise to calculate its overall carbon footprint of the organization in its and operational boundary which was 0 1.09 million CO<sub>2</sub> e in the year 2014-15 and with all the same has been reduced in-line with India's commitment to COP 21. Efforts are on for keeping the level and to reduce in future.
- iii. OIL has identified GHG emission & abatement opportunities through technology and process improvement levers and strategized the implementation plan.
- iv. OIL has set up solar power stations, wind mills to produce non-conventional energy thereby reducing GHG emission and climate change.
- v. For reduction of GHG emission, OIL has taken a number of steps such as phasing out of CFC, reduction in flaring, mass tree plantation etc.
- vi. OIL, with the intent of augmenting its reserves base and maximising recovery from its aging oilfields through Enhanced Oil recovery (EOR) by utilising emitted greenhouse gases (CO<sub>2</sub>) to reduce India's carbon footprint as per COP21 climate change policy, has entered into a MoU with University of Houston. OIL is also in talks with NRG (NRG Energy Inc.) - a leading power company in the U.S. - who can help OIL to assess CO<sub>2</sub> availability from the nearby industry sources, and support as well as advice on viability of Carbon Capture Utilisation & Sequestration (CCUS) pilot project.
- vii. 10 (Ten) numbers of Environment audit were done as per guidelines of the Ministry of Environment, Forest and Climate.

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

Yes, Environmental Impact Assessment (EIA) is carried out for the projects. The baseline scenario of all the environmental factors of the present conditions prevailing in the proposed project area is carried out.

The probable impact of the proposed project on the environment is identified during the construction and

operational phase. Thus based on the identified environmental risks, an Environment Management Plan is prepared which is followed during planning and implementation of various pollution abatement measures for the proposed project.

Risk Analysis studies are carried out for the installations and mitigation measures are developed and implemented.

In addition to the above, regular HSE audits are also carried out by internal and external agencies. The audit recommendations are implemented in time bound manner.

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, renewal

Yes, the salient features of the initiatives taken by the company on clean technology, energy efficiency, and renewable energy are detailed in Annexure to the Directors Report on conservation of energy & Technology absorption.

6. Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) at the end of Financial Year.

No show cause/ legal notices have been pending from CPCB/SPCB as on end of financial year.

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

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 does not engage in any lobbying for issues of Corporate interest. However, since OIL operates in a highly regulated industry, the Company interacts with the Central and State Governments at various levels under the supervisions and overview of management and also expresses views and opinions on different issues confronting the Company/ Industry.

**Principle 8: Businesses should support inclusive growth and equitable development**

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

The CSR policy of the company covers wide range of activities for inclusive growth including implementation of key programmes. OIL implements various CSR programmes and projects in key thrust areas such as Healthcare, Swachh Bharat Abhiyan, Education, Sustainable Livelihood Generation, Skill Development, Capacity Building & Empowerment of Women, Environment, Rural Sports, Rural Development/ Augmentation of Rural Infrastructure etc. The details of the major CSR projects and other activities are enumerated in Annual Report of CSR activities.( Annexure to the Management Discussion & Analysis Report )

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 various CSR projects.

3. Have you done any impact assessment of your initiative?
  - i. Company's monitoring and evaluation mechanism involves both internal as well as external authorities for impact assessment of the different CSR projects and programs pertaining to the different thrust areas under which the initiatives are undertaken.
  - ii. OIL had carried out evaluation and certification of its CSR

MoU Projects as well as several other CSR projects through Webcon Consulting (India) Ltd., Kolkata.

- iii. OIL had carried out an initial assessment survey on Functioning of Toilets constructed under Swachh Bharat Abhiyan in FY 2016-17.
  - iv. In case of implementation of the CSR projects, internally, the officials from department of Public Relations & Corporate Communication (PR&CC) are made responsible for periodically monitoring the implementation, wherein the department conducts field visits, public meetings, etc. at equal intervals to access the quantum of progress. Moreover, departments like Internal Audit, Finance & Accounts of the Company also do necessary auditing of the CSR projects and expenditure.
  - v. The infrastructure development related activities are assessed by the respective district authorities of the OIL operational areas. Moreover, a team of CSR inspectors from the Civil Engineering background and other officials of PR&CC department have been formed to physically monitor the work progress of on-going and completed projects.
  - vi. State Institute of Rural Development (SIRD), Government of Assam and St. Luke's Hospital, the implementing agencies for Project Rupantar and Mobile Healthcare Project Sparsha respectively in the OIL operational areas, conduct independent audits and assessments of the on-going activities under the projects. External agencies like Enterprises Group (New Delhi) had carried out a study of OIL's on-going CSR activities.
  - vii. Additionally, the Company had engaged Dibrugarh University, to conduct a need assessment study of the OIL operational areas along with a social audit on the Company's on-going CSR projects/ initiatives and its impact on the beneficiaries.
4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?
 

Refer Section B, Point no. 4 and Annual Report on CSR activities.
  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.
 

Successful adoption of community development initiatives are 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 at the departmental level.

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

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

No customer complaints are pending for FY 2017-18

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)

For sale of crude oil, joint ticket, which includes various quality parameters is signed by the buyer and the seller.

With respect to refilling of LPG cylinders, various quality checks are carried out before cylinders are handed over to IOCL (the buyer)

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 at the end of financial year. If so, provide details thereof, in about 50 words or so

No. Crude oil pricing formula is approved by the Government of India and sales are at an arm's length.

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, daily audit of quality is done at the point of sale. OIL also regularly checks integrity of product pipelines through standard pipeline inspection methods, hardware testing etc. OIL carries out Consumer Perception Surveys at periodical intervals, e.g OIL sells LPG both in packed and bulk to IOCL and also sells condensate. In this regard, OIL collects the customer feedback in the form of Assessment of Customer perception from IOCL and also from condensate buyers yearly. The assessment is based on certain parameters related to activities qualitative and quantitative.

## REPORT ON CORPORATE GOVERNANCE

### 1. PHILOSOPHY ON CORPORATE GOVERNANCE

OIL believes that "Corporate Governance is about accountability, transparency, effectiveness and responsibility among various key players". It is a commitment to values and ethical conduct of business. OIL's philosophy of Corporate Governance revolves around two pillars:-

- Transparency
- Accountability

Transparency means explaining the Company's policies and actions to those to whom Company is responsible/accountable. OIL believes that transparency increases accountability. Accountability is the obligation of an individual or organization to account for its activities, accept responsibilities and disclose the results in a transparent manner. Accountability also includes the responsibility of judicious utilization of money or other entrusted properties.

### 2. BOARD OF DIRECTORS

#### 2.1 Composition

Pursuant to Articles of Association of the Company, all the directors on the Board of the Company are appointed by the President of India. The sanctioned strength of Board is five Functional Directors (including Chairman & Managing Director), two Nominee Directors from Administrative Ministry i.e. Ministry of Petroleum & Natural Gas (MoP&NG) and seven Independent Directors (equivalent to 50% of the board strength). The independent directors appointed on the Board of the Company are eminent personalities drawn from fields like management, industry etc. having wide experience. Upon induction on the Board of the Company, the Independent directors are familiarized with profile of the Company, its business, industry scenario, operations, organizational

structure, statutory & regulatory responsibilities through familiarization programme which is also available on the Company's website ([http://www.oil-india.com/pdf/familiarisation\\_programme\\_for\\_independent\\_directors.pdf](http://www.oil-india.com/pdf/familiarisation_programme_for_independent_directors.pdf))

Against the sanctioned strength, the Board of the Company consists of five functional directors, two Government nominee directors and four independent directors as on 31.03.2018. The four independent directors were inducted into the Board of the Company on 15.09.2017.

There are three women directors on the Board, of which two are independent directors and one is functional director.

The number of independent directors on the Board is insufficient to meet the requirement of Regulation 17 of SEBI (LODR) Regulations, 2015 and time period between the completion of tenure of earlier independent directors and subsequent incumbents is not in compliance with the requirement of Regulation 25(6) of the SEBI (LODR) Regulations, 2015.

To enable Board to discharge its responsibilities, Board meetings are held at regular intervals and necessary information/updates are placed before it.

#### 2.2 Meetings

During the year, 12 (twelve) meetings of the Board of Directors were held on April 28, 2017, May 29, 2017, June 05, 2017, August 11, 2017, September 15, 2017, September 23, 2017, November 10, 2017, November 29, 2017, December 22, 2017, January 10, 2018, February 09, 2018 and March 27, 2018. The details of the composition of the Board, the attendance at the meetings held during the financial year, their directorships, memberships of the committees and shareholdings in OIL are given below:

S. No	Name, Designation and DIN	Attendance at Board Meeting	Attendance at AGM	Tenure	Directorships in Public Companies	Memberships/ Chairmanship of Committees	No. of shares held in the Co.	
<b>Whole-time Directors / Functional Directors</b>					<b>As on 31<sup>st</sup> March, 2018</b>			
1.	Shri. Utpal Bora Chairman & Managing Director (07567357)	12/12	Yes	18.07.2016 to 30.09.2019	3	-	-	
2.	Smt. Rupshikha Saikia Borah, Director (Finance) (06700534)	12/12	Yes	01.10.2013 to 30.09.2018	3	2	1	
3.	Shri. Biswajit Roy Director (HR&BD) (07109038)	11/12	Yes	08.05.2015 to 07.05.2020	2	1	-	

S. No	Name, Designation and DIN	Attendance at Board Meeting	Attendance at AGM	Tenure	Directorships in Public Companies	Memberships/ Chairmanship of Committees		No. of shares held in the Co.
<b>Whole-time Directors / Functional Directors</b>					<b>As on 31<sup>st</sup> March, 2018</b>			
4.	Shri. Pramod Kumar Sharma Director (Operations) (07194463)	12/12	Yes	01.06.2015 to 31.05.2020	1	1	-	3,000
5.	Dr. Pattabhiraman Chandrasekaran Director (E&D) (07778883)	12/12	Yes	01.04.2017 to 30.06.2021	2	1	-	-
<b>Government Nominee Directors</b>								
6.	Shri. Sunjay Sudhir Joint Secretary (IC), MoP&NG (07396936)	09/12	Yes	From 07.01.2016	3	1	-	-
7.	Shri. Diwakar Nath Misra Joint Secretary, MOP&NG (07464700)	4/5	NA	From 29.11.2017	1	1	-	-
<b>Independent Directors</b>								
8.	Prof. (Dr.) Asha Kaul (06987839)	5/7	No	15.09.2017 to 07.09.2020	1	1	-	-
9.	Dr. Priyank Sharma (07940638)	6/7	Yes	15.09.2017 to 07.09.2020	1	-	1	-
10.	Shri. S. Manoharan (03521659)	5/7	No	15.09.2017 to 07.09.2020	1	1	1	-
11.	Ms. Amina R. Khan (07940639)	6/7	No	15.09.2017 to 07.09.2020	1	2	-	-
<b>Particulars of Directors who ceased to be Directors of the Company during the year</b>								
12.	Shri. Amar Nath Joint Secretary (Expl), MoP&NG (05130108)	6/7	No	16.08.2016 to 28.11.2017				

The number of directorship(s)/ membership(s) / chairmanship(s) of all Directors is / are within the respective limits prescribed under the Companies Act, 2013 and the Listing Regulations.

To enable better and more focused attention on the affairs of the Company, the Board delegates particular matters to the Committees of the Board set up for the purpose. The Committees review items in great detail before it is placed to the Board for its consideration. These committees prepare the groundwork for decision making and report at the subsequent board meeting.

The Committees appointed by the Board focus on specific areas and take informed decisions within the framework of delegated authority, and make specific recommendations to the Board on matters in their areas or purview. All decisions and recommendations of the committees are

placed before the Board for information or approval. The Company Secretary acts as Secretary to all the Committees of the Board and is also designated as the Compliance Officer of the Company.

### 3. BOARD COMMITTEES

#### 3.1 Audit & Ethics Committee

The Audit & Ethics Committee is a major operating committee of the Board charged with oversight of financial reporting and disclosures. The role of the Audit & Ethics Committee is as defined in the Act and SEBI (LODR) Regulations, 2015.

During the year, Audit & Ethics Committee met seven times on May 03, 2017, May 29, 2017, August 11, 2017, September 15, 2017, November 10, 2017, December 22, 2017 and February 09, 2018.

The composition of the Audit & Ethics Committee and attendance of its members during the year is given below:

S.No	Name and Designation	Chairman/ Member	Date of Induction (I)/ Cessation (C)	Attended/ Held during tenure
1.	Dr. Priyank Sharma, Independent Director	Chairman	23.09.2017 (I)	3/3
2.	Shri. Sunjay Sudhir, JS(IC), MoP&NG-Govt. Nominee Director	Chairman	23.09.2017 (C)	3/4
3.	Shri. S. Manoharan, Independent Director	Member	23.09.2017 (I)	3/3
4.	Prof. (Dr.) Asha Kaul, Independent Director	Member	23.09.2017 (I)	3/3
5.	Ms. Amina R Khan, Independent Director	Member	23.09.2017 (I)	3/3
6.	Shri Diwakar Nath Misra, JS, MoP&NG-Govt. Nominee Director	Member	29.11.2017 (I)	0/2
7.	Shri. P.K. Sharma, Director (Operations)	Member	23.09.2017 (C)	4/4
8.	Dr.P. Chandrasekaran, Director(E&D)	Member	01.04.2017 (A) 23.09.2017 (C)	4/4
9.	Shri. Amar Nath, JS(E), MoP&NG-Govt. Nominee Director	Member	29.11.2017 (C)	3/4

### 3.2 Nomination & Remuneration Committee

Nomination & Remuneration Committee reviews and approves pay and allowances including Performance Related Payment (PRP) payable to Board level and below Board level executives within the framework of the DPE Guidelines. As per the DPE Guidelines, the Perquisites/PRP being paid to the employees of the Company are extendable to the functional directors.

The independent directors do not get any type of remuneration from the Company except the sitting fees of Rs. 20,000/- per meeting of Board and Board Committees. The Government Nominee Directors do not receive any pecuniary benefits from the Company. The Company has not issued any stock options to its directors / employees during the year.

#### Performance Evaluations of the Board and its Committees

Ministry of Corporate Affairs (MCA) vide General Circular dated 5th June, 2015 has exempted Government Companies from the provisions of section 178 (2) which requires performance evaluation of every director by the Nomination & Remuneration Committee. Similar exemption has been requested from SEBI under the SEBI (LODR) Regulations, 2015 which is under consideration.

The said circular has also exempted listed Govt. Companies from provisions of section 134 (3) (p) which requires mentioning the manner of formal evaluation of its own performance by the Board and that of its Committees and Individual director in the Board's Report, if directors are evaluated by the Ministry or Department of the Central Government which is administratively in charge of the company.

The performance of the functional directors on the Board of the Company is already being evaluated by the Administrative Ministry as per laid down procedure of Department of Public Enterprises (DPE), the nodal agency for all Central Public Sector Enterprises (CPSEs).

Further, performance of complete board is also evaluated through evaluation of the MOU targets assigned to the Company each year. It is worth mentioning that OIL enters into Memorandum of Understanding (MoU) with MoP&NG, Government of India each year, detailing key performance parameters for the Company.

During the year, three meetings of the Nomination & Remuneration Committee were held on April 18, 2017, August 11, 2017 and February 08, 2018. The composition of the Committee and attendance of the members during the year 2017-18 is presented below:

S.No	Name and Designation	Chairman/ Member	Date of Induction (I)/ Cessation (C)	Attended/ Held during tenure
1.	Prof. (Dr.) Asha Kaul Independent Director	Chairperson	23.09.2017 (I)	1/1
2.	Shri. Sunjay Sudhir, JS(IC), MoP&NG-Govt. Nominee Director	Chairman	23.09.2017 (C)	2/2
3.	Dr. Priyank Sharma, Independent Director	Member	23.09.2017 (I)	1/1
4.	Ms. Amina R Khan Independent Director	Member	23.09.2017 (I)	1/1
5.	Shri Diwakar Nath Misra JS(E), MoP&NG-Govt. Nominee Director	Member	29.11.2017 (I)	0/1
6.	Smt. R.S. Borah Director (Finance)	Member	---	2/3
7.	Shri. Biswajit Roy Director (HR&BD)	Member	---	3/3

Details of remuneration paid to the functional directors for the year 2017-18 are furnished below:

(Amount in ₹)

S.No	Name and Designation	Salary & Allowances	Contribution to PF and Other Funds	Other benefits	Total
1	Shri Utpal Bora, Chairman and Managing Director	45,76,308.84	6,03,434.73	5,85,145.05	57,64,888.62
2	Smt. R.S. Borah, Director Finance)	49,44,891.26	6,14,690.13	11,59,260.70	67,18,842.09
3	Shri Biswajit Roy, Director (HR&BD)	48,93,689.35	5,67,036.92	9,90,902.68	64,51,628.95
4	Shri P.K. Sharma, Director (Operations)	53,03,181.81	5,71,424.86	10,15,358.01	68,89,964.68
5	Shri P. Chandrasekaran, Director (E&D)	32,78,971.26	5,55,011.52	3,24,604.53	41,58,587.31
	<b>Total</b>	<b>2,29,97,042.52</b>	<b>29,11,598.16</b>	<b>40,75,270.97</b>	<b>2,99,83,911.65</b>

Details of sitting fees paid to the Independent Directors for the year 2017-18:

(Amount in ₹)

S.No	Name of Director(s)	No of meetings of committees and board	Fees paid
1	Shri. S. Manoharan	10	2,00,000
2.	Prof. (Dr.) Asha Kaul	10	2,00,000
3.	Dr. Priyank Sharma	11	2,20,000
4.	Ms. Amina R. Khan	11	2,20,000
	<b>Total</b>	<b>42</b>	<b>8,40,000</b>

### 3.3 CORPORATE SOCIAL RESPONSIBILITY (CSR) AND SUSTAINABLE DEVELOPMENT (SD) COMMITTEE

CSR & SD Committee formulates policies, reviews and recommends budget for the CSR activities to be undertaken by the Company and ensures compliance to the statutory/regulatory provisions of the law relating to CSR & SD activities.

During the year, two meetings of CSR & SD Committee were held on May 03, 2017 and November 29, 2017. The composition of the Committee and the attendance of its members during the year are given below:

S.No	Name and Designation	Chairman/ Member	Date of Induction (I)/ Cessation (C)	Attended/ Held during tenure
1.	Shri. Utpal Bora Chairman and Managing Director	Chairman	23.09.2017 (C)	1/1
2.	Prof. (Dr.) Asha Kaul Independent Director	Chairperson	23.09.2017 (I)	1/1
3.	Dr. Priyank Sharma Independent Director	Member	23.09.2017 (I)	1/1
4.	Smt. R.S.Borah Director (Finance)	Member	---	2/2
5.	Shri. Biswajit Roy Director (HR&BD)	Member	---	2/2
6.	Shri. Sunjay Sudhir, JS(IC), MoP&NG-Govt. Nominee Director	Member	---	2/2
7.	Shri. P.K. Sharma Director (Operations)	Member	23.09.2017 (C)	1/1

### 3.4 Stakeholders' Relationship Committee (SRC)

The Stakeholders Relationship Committee specifically looks into redressal of the grievances of security holders of the company inter-alia including transfer of securities, non-receipt of Annual Report, non-receipt of dividend etc. The Committee also oversees and reviews performance of the Registrar and Share Transfer Agents and recommends measures for overall improvement in the quality of investors services.

During the year, Stakeholders Relationship Committee met 2 times on June 05, 2017 and February 08, 2018. The composition of the Committee and attendance of its members during the year is presented below:

S.No	Name and Designation	Chairman/ Member	Date of Induction (I)/ Cessation (C)	Attended/ Held during tenure
1.	Shri. S. Manoharan Independent Director	Chairman	23.09.2017 (I)	1/1
2.	Shri. Sunjay Sudhir, JS(IC), MoP&NG-Govt. Nominee Director	Chairman	23.09.2017 (C)	1/1
3.	Smt. R.S. Borah Director (Finance)	Member	---	2/2
4.	Shri. P.K. Sharma Director (Operations)	Member	---	2/2
5.	Dr.P. Chandrasekaran Director(E&D)	Member	01.04.2017 (I) 23.09.2017 (C)	1/1
6.	Ms. Amina R Khan Independent Director	Member	23.09.2017 (I)	1/1

To reaffirm its commitment towards redressal of investors' complaints and creating awareness amongst investors about their rights and duties, Company had formulated a Shareholders' Grievance Policy which is available on the website of the Company. Further, Company has been organizing Investors' Grievance Campaigns and has created "Helpdesk" facility at Duliajan Office Complex to redress the queries/complaints of Investors in the area.

During the year, Company received 425 Investors' complaints. All complaints received during the year were duly redressed by the Company / RTA and there was no outstanding complaint as on 31.03.2018.

Contact details for the Investor's Services are available on the Company's website at the following link [www.oil-india.com/investor-contact](http://www.oil-india.com/investor-contact).

### 3.5 Risk Management Committee (RMC)

The Board has constituted a Risk Management Committee to monitor and review Risk Management Plan, review and recommend Risk Assessment & Management Report and ensure appropriateness of system of Risk Management.

During the year, one meeting of the Committee was held on February 08, 2018. The composition of the Committee and the attendance of its members during the year are given below:

S.No	Name and Designation	Chairman/Member	Date of Induction (I)/Cessation (C)	Attended/ Held during tenure
1.	Shri. S. Manoharan Independent Director	Chairman	23.09.2017 (I)	1/1
2.	Smt. R.S.Borah Director (Finance)	Member	----	1/1
3.	Shri. P.K. Sharma Director (Operations)	Member	----	1/1
4.	Dr. P. Chandrasekaran Director (E&D)	Member	01.04.2017 (I)	1/1

### 3.6 Health, Safety & Environment Committee (HSE)

Health, Safety & Environment 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 the statutory/regulatory provisions. The composition of the Committee as on 31.03.2018 is given below:

S.No.	Name and Category	Chairman/Member
1.	Shri. Utpal Bora Chairman and Managing Director	Chairman
2.	Shri. P.K. Sharma Director (Operations)	Member
3.	Dr. P. Chandrasekaran Director (E&D)	Member

**3.7 Human Resource Management (HRM) Committee**

Human Resource Management Committee considers all issues / areas concerning the human resource planning & management, review of HR Policies & Initiatives and promotions of employee's one level below directors (Executive Directors).

During the year, one meeting of HRM Committee was held on March 27, 2018. The composition of the Committee and attendance of its members during the year is presented below:

S.No	Name and Designation	Chairman/ Member	Date of Induction (I)/ Cessation (C)	Attended/ Held during tenure
1.	Shri. Utpal Bora Chairman and Managing Director	Chairman	---	1/1
2.	Smt. R.S.Borah Director (Finance)	Member	---	1/1
3.	Shri. Biswajit Roy Director (HR&BD)	Member	---	1/1
4.	Shri. P.K. Sharma Director (Operations)	Member	---	1/1
5.	Dr.P. Chandrasekaran Director(E&D)	Member	01.04.2017 (I)	1/1
6.	Shri. Sunjay Sudhir, JS(IC), MoP&NG-Govt. Nominee Director	Member	---	1/1

**4. ANNUAL GENERAL MEETINGS/EXTRA-ORDINARY GENERAL MEETINGS**

Location, date and time of last three AGMs of the company with details of special resolutions passed are as under:

AGM	Date	Time	Venue	Special Resolution
56 <sup>th</sup>	26 <sup>th</sup> Sept, 2015	11:00 AM	Bihutoli, Duliajan, Assam	None
57 <sup>th</sup>	24 <sup>th</sup> Sept, 2016	11:00 AM	Bihutoli, Duliajan, Assam	One- (Issue of debenture on private placement basis)
58 <sup>th</sup>	23 <sup>rd</sup> Sept, 2017	11:00 AM	Bihutoli, Duliajan, Assam	One- (Issue of debenture on private placement basis)

No special resolution was passed by the members through postal ballot in the last three years.

**5. MEANS OF COMMUNICATION**

The Company communicates with its stakeholders through Annual Reports, AGM/EGM, and disclosures through Company's website 'www.oil-india.com'.

The Annual Report containing, inter alia, Audited Financial Statements, Audited Consolidated Financial Statements, Boards' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report. The Company's Annual Report is also available in downloadable form on the Company's website.

The website contains separate dedicated section "Investor-Services" where all information like Annual Report, Shareholding Pattern, Notice of Board Meetings/AGM, Window Closures, Dividends / Shares transferred to IEPF Authority, formats for investors, Corporate Governance Report, Investors Relation Handbook etc. are available in a user-friendly manner. The Company's website also displays official news releases and other disclosures pursuant to RTI Act 2005.

The printed copy of the Chairman's speech is distributed to shareholders at Annual General Meeting. The document is also put on the Company's website and sent to the Stock Exchanges.

The Company annually organizes Investors' Meet to communicate with institutional investors and analysts etc. The presentations made to institutional investors or to the analysts are available on the website. No unpublished price sensitive information is discussed in meeting / presentation with institutional investors and financial analysts.

The Quarterly Results/Annual Results are communicated by means of newspapers/magazines and website to all concerned. These financial results are normally published in leading English Newspapers having wide circulation across the country and vernacular dailies having circulation in the state where the Registered Office of the Company is situated.

The reminders for unclaimed shares and unpaid dividends are sent to the shareholders as per records every year. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, statement of investor complaints, amongst others are filed electronically on NSE & BSE platform.

The Company has designated the following email-id exclusively for investor servicing: "Email: investors@oilindia.in"

## 6. GENERAL SHAREHOLDERS' INFORMATION

### 6.1 Annual General Meeting

Day, Date and Time	Saturday 22, 2018 at 11:00 AM
Venue	Bihutoli, Duliajan, Assam
Book Closure Dates	15 <sup>th</sup> September, 2018 to 22 <sup>nd</sup> September, 2018

### Tentative Financial Calendar

Financial Results (2018-19)	Last date for submission to Stock Exchanges
Quarter 1	14 <sup>th</sup> August, 2018
Quarter 2	14 <sup>th</sup> November, 2018
Quarter 3	14 <sup>th</sup> February, 2019
Annual/ Quarter 4	30 <sup>th</sup> May, 2019

### 6.2 Financial Year: April - March

### 6.3 Dividend Policy and Dividend Payment Date

Interim dividend @ ₹14/- (fourteen) per share was declared on 09.02.2018 for the year 2017-18 and was paid within 30 days. Further, Board has recommended a final dividend @ ₹1 (one)/- per share for the year 2017-18, subject to the approval of the shareholders. The Guidelines issued by Department of Investment and Public Asset Management (DIPAM), Ministry of Finance on Dividend Payments are being adhered to. Further, as per the requirement of Regulation 43A of the SEBI (LODR) Regulations, 2015, a "Dividend Distribution Policy" of the Company is in place and has been hosted on the website of the Company.

### 6.4 Name and address of the Stock Exchange at which shares are listed

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

Name & Address	Telephone / Fax / Website	Stock Code	Listing Fees (2018-19)
<b>National Stock Exchange of India Ltd.,</b> Exchange Plaza, C-1, Block G, BandraKurla Complex, Bandra (E) Mumbai - 400 051	Tel No: 022-26598100-8114 Fax No: 022- 26598120 Website: www.nseindia.com	OIL	PAID
<b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001	Phones : 022-22721233/4, 66545695 Fax : 022-22721919 Website: www.bseindia.com	533106	

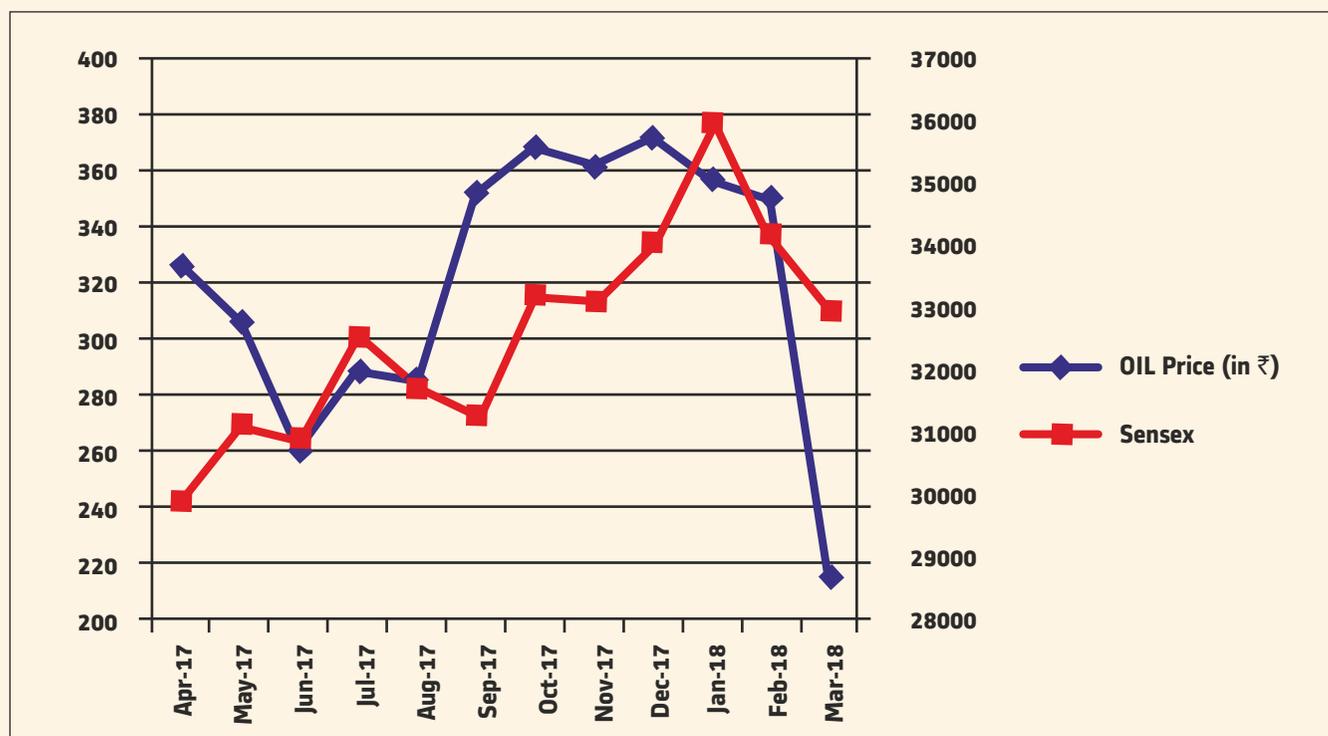
**6.5 Market Price Data:**

High, Low and Volume during each month in last financial year (2017-18)

MONTH	BSE			NATIONAL STOCK EXCHANGE		
	HIGH (₹)	LOW (₹)	VOLUME (No. of shares)	HIGH (₹)	LOW (₹)	VOLUME (No. of shares)
Apr 17	343	321	10,52,974	341	322	64,10,628
May 17	334	297	7,25,177	334	297	69,18,514
Jun 17	308	258	9,41,714	309	257	1,02,20,479
Jul 17	293	258	8,98,160	296	258	1,08,91,996
Aug 17	296	272	7,20,862	302	271	92,44,429
Sep 17	356	287	20,95,510	356	286	2,44,63,497
Oct 17	379	334	6,46,679	379	334	1,20,73,580
Nov 17	383	348	7,82,824	383	347	1,02,96,944
Dec 17	378	344	4,71,018	378	345	82,66,300
Jan 18	389	357	6,93,027	389	357	1,28,32,062
Feb 18	369	319	11,92,082	367	327	1,39,78,530
Mar 18	354	213	12,73,303	354	213	2,05,93,840

**6.6 Performance in comparison to Board based indices**

The stock price performance of OIL in comparison to BSE SENSEX is plotted below:



Note : OIL Share became ex-bonus (2018) on exchanges on 27.03.2018.

### 6.7 Registrar to the issue and share transfer agent

For transfer/transmission/dematerialization of shares, payments of dividend, bonus shares and other queries relating to shares of the Company Investors are advised to contact following:

For shares held in Physical Form	For Shares held in Demat Form
<p><b>Registrar and Share Transfer Agent</b></p> <p>Karvy Computershare Pvt. Ltd Karvy Selenium Tower B, Plot No 31 &amp; 32 Gachibowli, Financial District, Nanakramguda, Serilingampally Hyderabad - 500 032 Phone No: 040 - 67161526 (Direct line) Email- einward.ris@karvy.com Website- www.karvy.com</p>	<p>Concerned Depository Participant(S)</p>

### 6.8 Share Transfer System

#### Physical Shares:

The transfer of physical 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. Powers to approve share transfers / transmissions and other matters connected with or incidental thereto have been delegated to the RTA.

During the year, the Board of Directors delegated the following powers (earlier vested with Stakeholder's Relationship Committee) to a Committee of Directors ("Committee for Issue of Share Certificates") in order to expedite issuance of Share Certificates to the entitled Shareholders:

- i. Split of Share Certificates
- ii. Remat of Shares
- iii. Issue of Duplicate Share Certificates
- iv. Consolidation of Share Certificates etc.

#### Demat Shares:

OIL share is traded electronically in dematerialized form. Beneficiary gives purchase / sale instructions to their Depository Participants. ISIN Number is INE274J01014. Settlements of trades are done on NSE / BSE which is 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 SEBI (LODR) Regulations 2015, 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 submitted 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 at regular intervals.

**6.9 Distribution Schedule as on 31.03.2018**

Category	Folios	Percentage	Total shares	Amount	Percentage
1-5000	1,14,385	92.55	1,04,87,670	10,48,76,700	1.39
5001- 10000	4,198	3.40	32,15,370	3,21,53,700	0.42
10001- 20000	2,236	1.80	34,18,907	3,41,89,070	0.45
20001- 30000	1,516	1.23	42,06,079	42,060,790	0.56
30001- 40000	540	0.44	18,99,294	1,89,92,940	0.25
40001- 50000	152	0.12	6,86,914	68,69,140	0.09
50001-100000	246	0.20	16,95,530	1,69,55,300	0.22
100001& Above	322	0.26	73,09,92,843	730,99,28,430	96.62
<b>Total</b>	<b>1,23,595</b>	<b>100</b>	<b>75,66,02,607</b>	<b>756,60,26,070</b>	<b>100</b>

**6.10 Shareholding Pattern as on 31.03.2018**

S.NO.	Category of Shareholder	Folios	No of Shares	Percentage
1.	Promoters	1	50,03,65,555	66.13
2.	Indian Financial Institutions/Banks	16	9,49,60,830	12.56
3.	Bodies Corporates	690	9,39,55,009	12.42
4.	Foreign Portfolio Investors/Institutional	159	2,89,05,277	3.82
5.	Resident Individuals/HUF/Directors	1,20,446	2,73,41,000	3.61
6.	Mutual Funds	11	78,35,052	1.04
7.	Trusts	12	11,52,899	0.15
8.	Non Resident Indians (Non Repatriable)	777	6,94,428	0.09
9.	Clearing Members	95	5,59,986	0.07
10.	Non Resident Indians	1,378	5,15,432	0.07
11.	NBFC	9	2,94,590	0.04
12.	IEPF	1	22,549	0.00
	<b>Total</b>	<b>1,23,595</b>	<b>75,66,02,607</b>	<b>100</b>

**Status of Dematerialization (as on March 31, 2018)**

S No.	Category	No of Shares	Percentage
1.	NSDL	69,11,72,809	91.35
2.	CDSL	6,22,43,574	8.23
3.	Physical	31,86,224	0.42
	<b>Total</b>	<b>75,66,02,607</b>	<b>100.00</b>

### 6.11 Outstanding GDRS/ADRS/Warrants or Convertible Instrument

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

### 6.12 Commodity Price Risks / Foreign Exchange Risk and Hedging Activities

The Company is subject to commodity price risks due to fluctuation in prices of crude oil. The Company has in place a robust risk management framework for identification and monitoring and mitigation of commodity price and foreign exchange risks. The risks are tracked and monitored on a regular basis and mitigation strategies are adopted in line with the risk management framework. For further details on the above risks, please refer the Risk Management section of the MD&A Report.

### 6.13 Debt Instruments

In April 2014, OIL issued Regulation S Bonds in two tranches - USD 500 million for 5 year tenor and USD 500 million for 10 year tenor. The Bonds were rated as Baa2 by Moody's and BBB(-) by Fitch, which are investment grade ratings. The Bonds are listed at Singapore Stock Exchange under "SGX" debt segment.

## 7. OTHER DISCLOSURES

### 7.1 Disclosure on Materially Significant Related Party Transactions that may have Potential Conflict with the Company's interests at large

The Company's major related party transactions are generally with its subsidiaries and associates. The related party transactions are entered into based on considerations of various business exigencies. All the contracts / arrangements / transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on an arm's length basis. They were substantially on similar terms as in earlier years, as per the provisions of contract. The disclosures regarding transactions with related parties are given in the Notes to Accounts of the Financial Statements. The Policy on dealing with Related Party Transactions (RPTs) of the company is available at website of the Company. (Website link: [www.oil-india.com/Document/Financial/RPT\\_POLICY.pdf](http://www.oil-india.com/Document/Financial/RPT_POLICY.pdf)).

The Material Subsidiaries Policy of the Company is disclosed on Company website (Website link: [www.oil-india.com/Document/Financial/Material\\_Subsiidiary\\_Policy\\_final11.pdf](http://www.oil-india.com/Document/Financial/Material_Subsiidiary_Policy_final11.pdf)).

### 7.2 Details of Non-Compliances penalties, strictures imposed by Stock Exchange(s) - SEBI or any statutory authority on any matter related to capital market during last three years

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/Regulatory 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.

### 7.3 Details of Vigil mechanism and Whistle Blower Policy

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. During the year, no personnel have been denied access to the Audit & Ethics Committee.

### 7.4 Compliance of Requirement of Corporate Governance and its Report

The Company has complied with corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI LODR. Non-compliance, if any, of the Regulations of SEBI LODR has been specifically mentioned in the Report.

Further, all requirement of Corporate Governance Report specified in para 2-10 of the schedule V part C has been complied with.

### 7.5 Discretionary Requirements

As per discretionary requirements as specified in Part E of schedule II of the regulations, the Company is in the regime of unqualified financial statements. The Company has received 'NIL' comments on the Financial Statements from the Comptroller & Auditor General of India (C&AG) for the 16<sup>th</sup> year in succession.

## 8. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT /UNCLAIMED SUSPENSE ACCOUNT

8.1 The status of unclaimed/undelivered shares is as under:

As on 01.04.17		Received during the year		Dispatched during the year		As on 31.03.18	
Cases	No. of Shares	Cases	No. of Shares	Cases	No. of Shares	Cases	No. of Shares
313	1,19,952	121	71,435	68	16,943	366	1,74,444

The voting on these shares have been frozen till rightful owners of such shares makes the claim for the shares

### 8.2. Investors' Education & Protection Fund (IEPF)

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

Type of dividend and year	Unclaimed Dividend Amounts (in ₹)	Unclaimed Shares
Final Dividend 2009-10	13,83,184.00	20,285
Interim Dividend 2010-11	14,69,268.00	2,264

All shareholders are requested to visit the website of the Company and verify the payment status of their dividend. In case dividend is unpaid, claim may be lodged with Karvy Computershare Pvt. Ltd., RTA in the manner described on the website. Given below are the proposed dates for transfer of unclaimed dividend to IEPF in the year 2018-19.

Financial year	Type of dividend	Date of declaration	Due for transfer to IEPF (Tentative dates)
2010-11	Final	24.09.2011	31.10.2018
2011-12	Interim	21.12.2011	27.01.2019
2011-12	Second Interim	11.02.2012	19.03.2019

The Company will also be transferring the equity shares to IEPF for which dividends have remained unclaimed for a period of seven consecutive years. A list of such shareholders is being displayed on the website of the Company ([www.oil-india.com](http://www.oil-india.com)).

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

The Code of Conduct for the Board Members and Senior Management is available on the company's website. 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 2017-18."

Sd/-  
**(Utpal Bora)**  
Chairman and Managing Director

## 10. CEO/CFO CERTIFICATION

In terms of SEBI (LODR) Regulations, 2015, the certification by the CEO/ CFO on the financial statements and internal controls relating to financial reporting for the year 2017-18 was placed before the Board while seeking approval of the Annual Accounts 2017-18.

## 11. RISK MANGEMENT

OIL has implemented Enterprise Risk Management (ERM) Framework and put in place a comprehensive Risk Management plan to ensure structured and regular monitoring of risks that may pose threat to the company. The Risk Management Policy governs the entire Risk Management initiative within the company by defining the structure, processes and reporting of risks. The members of Board are periodically informed about the Risk Assessment and Risk Mitigation procedures by identifying/ assessing risks across the company and compiling a comprehensive Risk Register for the Company. The Board thus ensures integration & alignment of Risk Management System with Corporate & Operational Objectives During 2017-18, a paradigm shift in Company's Risk Assessment Process was brought in by replacing erstwhile Perceptive Risk Assessment with a scientific and analytical Quantitative Risk Assessment, based on quantifiable parameters that helped graduating Company's Risk Management Framework into its next level. This new approach has aptly facilitated respective Risk Owners to mitigate risks in a more systematic and conclusive manner by reducing the exposure of identified risks based on respective quantifiable parameters.

## 12. COMPLIANCE CERTIFICATE: CORPORATE GOVERNANCE

A Certificate from M/s RMG & Associates, Practicing Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated under SEBI (LODR) Regulations, 2015 and DPE Guidelines on Corporate Governance is annexed.

## 13. GUIDELINES ON CORPORATE GOVERNANCE BY DPE

The guidelines issued by DPE on Corporate Governance are being followed. No items of expenditure have been debited in books of accounts, which are not for the purpose of business. No Presidential Directives have been issued by the Central Government during the year and also in the last three years which have not been complied with.

No expenses, which are personal in nature, have been incurred for the Board of Directors and top management.

The administrative and office expenses were 6.06% (Previous Year 5.10%) of total expenses during 2017-18.

## 14. PROJECT LOCATIONS & OFFICES

Oil India Limited Field Headquarters & Registered Office Duliajan, Assam - 786 602	Corporate Office Plot No 19, sector 16A, Film City, Noida-201 301 (U.P)
Pipeline Headquarters P.O. Udayan Vihar Narengi, Guwahati, Assam - 786 602	Rajasthan Project 2-A, District Shopping Centre, Saraswati Nagar, Basni, Jodhpur-342 005 (Rajasthan)
KG Basin Project, 11-4-7, 3 <sup>rd</sup> Floor, Nookalamma Temple Street, Ramaraopet, Kakinada, Andhra Pradesh - 533 004,	Kolkata Branch, ICC building, 4 <sup>th</sup> floor, 4, India Exchange Place, Kolkata - 700 001 (West Bengal)
Bay Exploration Project IDCO Towers, Janpath Bhubaneswar, Odisha - 751 022	Centre for Excellence for Energy Studies INTEGRA, Opposite PIBCO, Rukminigaon, G.S. Road, Guwahati - 786 602 (Assam)
Gabon Project La Sablière Immeuble FIDJI, (Près de la Cour Constitutionnelle) Libreville, P.O. BOX : 23134, Gabon	Project Niobrara Shale, USA, 101, South Western Blvd, Suite 136, Sugar land, Texas, 77478 USA
Project Carabobo Oficina # 5 G, Piso 5, Torre BVC Av. Jorge Rodríguez Lecheri´a, Anzoátegui 6016, Venezuela	

## COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members,  
Oil India Limited

We have examined the compliance of conditions of Corporate Governance by **Oil India Limited ('the Company')**, for the year ended on 31<sup>st</sup> March, 2018, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Regulations, as applicable except that the requisite number of Independent Directors were not appointed on the Board as contemplated in SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

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

For RMG & Associates  
Company Secretaries  
Sd/-  
CS Manish Gupta  
Partner  
FCS : 5123; C.P. No.: 4095

Place : New Delhi  
Date : 27.07.2018

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OIL INDIA LIMITED

### REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS

We have audited the accompanying Standalone Ind AS Financial Statements of OIL INDIA LIMITED ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, the Statement of Profit & Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes In Equity for the year then ended, and a Summary of the Significant Accounting Policies and Additional Notes (herein after referred to as "Standalone Ind AS Financial Statements").

### MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these Standalone Ind AS Financial Statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act, the Rules made thereunder and the order issued under section 143(11) of the Act.

We conducted our audit of the Standalone Ind AS Financial statement in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Ind AS 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Ind AS Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS Financial Statements.

### OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS 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 including the Ind AS, of the financial position of the Company as at 31<sup>st</sup> March, 2018, and its financial performance including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

### OTHER MATTERS

1. The Standalone Ind AS Financial Statements and other Financial information include Company's proportionate share in unaudited joint ventures in respect of assets ₹ 944.95 crore, liabilities ₹ 572.49 crore, expenses ₹ 56.48 crore, incomes ₹ 11.90 crore and the elements

making up the Cash Flow Statement and related disclosures as at 31<sup>st</sup> March, 2018 which is based on statements from the operator and certified by the management.

2. we have also placed reliance on technical/commercial evaluation by the management in respect of categorization of wells as exploratory, development, producing and dry well, allocation of cost incurred on them, impairment, liability for decommission cost, liability under New Exploration Licensing Policy(NELP), and liability for under performance against minimum work programme.

Our opinion is not modified in respect of these matters.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. With respect to the other matters to be included in the Auditor's Report in terms of the directions of the Comptroller and Auditor-General of India (C&AG) under Section 143 (5) 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' and Annexure 'B', statement on the matters specified in the Directions and Additional-directions of C&AG respectively.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 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 'C', a statement on the matters specified in paragraphs 3 and 4 of the Order.
3. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

#### For N.C. BANERJEE & CO.

Chartered Accountants  
Firm Regn. No: 302081E

Sd/-

**(CA B.K BISWAS)**

Partner

Membership No.: 055623

**Place:** Noida

**Date:** 28/05/2018

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Standalone Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015.
- (e) In terms of notification no.G.S.R.463(E) Dated 05<sup>th</sup> June 2015 issued by the Ministry of Corporate Affair, section 164(2) of the Act regarding the disqualification of directors is not applicable to the company, since it is a Government Company.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, as required under Section 143 (3)(i) of the Act, refer to our separate report in Annexure D.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements – Refer Note 41.15.1 to the Standalone Ind AS Financial Statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

#### For B.N MISRA & CO.

Chartered Accountants  
Firm Regn. No: 321095E

Sd/-

**(CA S.S MOHAPATRA)**

Partner

Membership No.: 061619

## ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Statement on the matters specified in the Directions of CAG as referred in Paragraph 1 of Report on Other Legal and Regulatory Requirements paragraph of our report of even date to the members of OIL INDIA LIMITED on the Standalone Ind AS Financial Statements for the year ended 31<sup>st</sup> March 2018

No.	Direction	Reply
1	Whether the Company has clear title/ lease deeds for freehold and leasehold land respectively? If not please state the area of freehold and leasehold land for which title/ lease deeds are not available.	The Company has a clear title/ lease deeds for freehold and leasehold land except for 6705.75 bighas of land, mutation has not been applied for since payment for land value has not been made. (Refer note 2.3 to the Standalone Ind AS Financial Statements).
2	Whether there are cases of waiver / write-off of debts / loans / interest etc. if yes, the reasons thereof and the amount involved.	During the year there are cases of Well write off of ₹190.02 crore due to absence of prospect and unsuccessful drilling of the Wells. There is also a case of receivables written off of amounting to ₹ 2 crores. (Refer note 37 to the Standalone Ind AS Financial Statements)
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift/ grant(s) from Govt. or any other authorities.	The Company has maintained proper records for inventories lying with third parties. The company has not received any asset as gift/grant(s) from govt. or any other authority.

**For N.C. BANERJEE & CO.**  
Chartered Accountants  
Firm Regn. No: 302081E

Sd/-  
**(CA B.K BISWAS)**  
Partner  
Membership No.: 055623

**Place:** Noida  
**Date:** 28/05/2018

**For B.N MISRA & CO.**  
Chartered Accountants  
Firm Regn. No: 321095E

Sd/-  
**(CA S.S MOHAPATRA)**  
Partner  
Membership No.: 061619

**ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT**

Statement on the matters specified in the Additional Directions of C&AG as referred in Paragraph 1 of Report on Other Legal and Regulatory Requirements paragraph of our report of even date to the members of OIL INDIA LIMITED on the Standalone Ind AS Financial Statements of the Company for the year ended 31<sup>st</sup> March 2018

No.	Addition-direction	Reply
1	The accounting treatment of income/ expenditure and receivables/ liabilities arising from agreements/ contracts including JVs for exploration of Oil/Gas may be examined to ensure that they are strictly in conformity with the terms and conditions of the respective Production Sharing Contract (or similar arrangements including Joint Venture)	The accounting treatment of income/expenditure and receivables/liabilities arising from agreements/ contracts including JVs for exploration of Oil/Gas have been examined and found that they are strictly in conformity with the terms and conditions of the respective Production Sharing Contract (or similar arrangements including Joint Ventures) except in respect of non-accounting of interest on cash call for delay/non-payment of the same.

**For N.C. BANERJEE & CO.**

Chartered Accountants  
Firm Regn. No: 302081E

Sd/-

**(CA B.K BISWAS)**

Partner

Membership No.: 055623

**Place:** Noida**Date:** 28/05/2018**For B.N MISRA & CO.**

Chartered Accountants  
Firm Regn. No: 321095E

Sd/-

**(CA S.S MOHAPATRA)**

Partner

Membership No.: 061619

## ANNEXURE 'C' TO THE AUDITORS' REPORT

**The Annexure C referred to in paragraph 2 of Report on Other Legal and Regulatory Requirements paragraph of our report of even date to the members of OIL INDIA LIMITED on the Standalone Ind AS Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2018.**

- (i) (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets;
- (b) As explained to us the fixed assets have been physically verified by the Management in phased manner designed to cover all items over a period of five years. In accordance with this programme no material discrepancies have been noticed on such verification;
- (c) As per information and explanations given to us, the title deeds of immovable properties are held in name of the Company except for 6705.75 bighas of land, mutation has not been applied for since payment for land value has not been made.
- (ii) Inventories have been physically verified by the Management during the year. However, inventories of stores and spare parts (excluding stock in transit and/or under inspection with suppliers/contractors) have been physically verified by the Management in a phased manner. The frequency of verification is reasonable. No material discrepancies have been noticed on physical verification.
- (iii) The Company has granted unsecured loans to parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act"). In respect of aforesaid loans:
- (a) The terms and conditions under which such loans were granted are not prejudicial to the Company's interest;
- (b) The schedule of repayment of principal and interest has been stipulated and the repayments or receipts are as per stipulation except for default in repayment of loan amounting to ₹ 7.89 crores (US\$ 1.20 Million) by Oil India International BV; and
- (c) There is no amount which is overdue for more than ninety days.
- (iv) In respect of loans, investments, guarantees and security given or provided, provisions of Section 185 and 186 of the Companies Act, 2013 wherever applicable, have been complied with;
- (v) The Company has not accepted deposits from the public. Hence, the direction issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder are not applicable to the Company. As explained to us no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard;
- (vi) We have broadly reviewed the books of account maintained by the Company, pursuant to the rules made by the Central Government for the maintenance of the cost records under sub-section (1) of Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records maintained as aforesaid.
- (vii)(a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess, Goods and Service Tax and any other statutory dues as applicable to it with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31<sup>st</sup> of March, 2018 for a period of more than six months from the date they became payable.

Details of disputed dues in respect of income tax or sales tax or wealth tax or service tax or duty of customs or value added tax or cess, Goods and Service Tax and any other statutory dues 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
			Gross Demand	Deposited	Not Deposited	
Central Excise Act, 1944	Demand for non payment of duty as oil cess, NCCD and education cess	2011-12 to 2014-15	18.47	--	18.47	CESTAT, New Delhi
Finance Act, 1994	Service Tax	April 2011 to December 2011	20.94	1.94	19.00	CESTAT, Kolkata
		January'2012 to September'2012	9.88	0.92	8.96	
		October'2012 to March'2013	5.68	0.38	5.30	
		July'2008 to March'2009	0.30	0.01	0.29	
		April'2009 to March'2010	0.40	0.02	0.38	
		April'2013 to March'2014	10.62	0.77	9.85	
		April'2014 to March'2015	10.82	0.74	10.08	
		2014-15	7.08	--	7.08	
		July'2012 to March'2016	0.99	0.58	0.41	Commissioner CGST (Appeal)
		April'2015 to March'2016	0.77	0.03	0.74	Commissioner CGST (Appeal)
		April'2016 to June'2017	257.13	257.13	--	Principle Commissioner, Dibrugarh, Assam
Central Sales Tax Act, 1956	CST	2009-10 to 2010-11	0.67	--	0.67	Supp. of Tax, Naharkatiya
Assam VAT Act, 2005	Assam VAT	2009-10 to 2012-13	1327.73	--	1327.73	Commissioner of Taxes, Assam
Income Tax Act, 1961	Income Tax	2014-2015	205.05	205.05	--	Income Tax Appeal
		2010-2011	10.00	--	10.00	High Court, Rajasthan

- (viii) The Company has not defaulted in repayment of loans or borrowings to any financial institution, bank, Government or dues to debenture holders;
- (ix) In our opinion and according to information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. The term loans were applied for the purposes for which those were raised;
- (x) Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year;
- (xi) The Company has paid or provided for managerial remuneration in accordance with relevant approvals mandated by the provisions of Section 197 read with Schedule V to the Act;
- (xii) As the Company is not a Nidhi company, Nidhi Rules, 2014 are not applicable to it and accordingly the reporting under clause 3(xii) of the Order is not applicable;
- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 178 of the Act. The details of such related party transactions have been disclosed in the Standalone Ind AS Financial Statements as required under Ind AS 24 Related Party Disclosures, specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly the reporting under clause 3(xiv) of the Order is not applicable;
- (xv) Based on our examination of books and accounts and as per information and explanations given to us, the Company has not entered into any non cash transactions with directors or persons connected with him. Therefore reporting under para 3 (xv) of the Order is not applicable;
- (xvi) As per information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under para 3 (xvi) of the Order is not applicable.

**For N.C. BANERJEE & CO.**  
Chartered Accountants  
Firm Regn. No: 302081E

Sd/-  
**(CA B.K BISWAS)**  
Partner  
Membership No.: 055623

**Place:** Noida  
**Date:** 28/05/2018

**For B.N MISRA & CO.**  
Chartered Accountants  
Firm Regn. No: 321095E

Sd/-  
**(CA S.S MOHAPATRA)**  
Partner  
Membership No.: 061619

## ANNEXURE D TO THE INDEPENDENT AUDITORS' REPORT

**The Annexure D referred to in paragraph 3(f) of Report on Other Legal and Regulatory Requirements paragraph of our report of even date to the members of OIL INDIA LIMITED on the Standalone Ind AS Financial Statements for the year ended 31<sup>st</sup> March, 2018.**

**Report on the Internal Financial Control over Financial Reporting under clause (i) of sub section 3 of section 143 of the Companies Act, 2013 ("The Act")**

We have audited the internal financial controls over financial reporting of Oil India Limited ("the Company") as of 31<sup>st</sup> March 2018 in conjunction with our audit of the standalone Ind AS Financial Statements of the Company for the year ended on that date.

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for laying down and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing, to the extent applicable to an audit of internal financial controls and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note"), both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS Financial Statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or

improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For N.C. BANERJEE & CO.**  
Chartered Accountants  
Firm Regn. No: 302081E

Sd/-  
**(CA B.K BISWAS)**  
Partner  
Membership No.: 055623

**Place:** Noida  
**Date:** 28/05/2018

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For B.N MISRA & CO.**  
Chartered Accountants  
Firm Regn. No: 321095E

Sd/-  
**(CA S.S MOHAPATRA)**  
Partner  
Membership No.: 061619

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA  
UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013  
ON THE FINANCIAL STATEMENTS OF OIL INDIA LIMITED  
FOR THE YEAR ENDED 31 MARCH 2018**

The preparation of financial statements of Oil India Limited for the year ended 31 March 2018 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditor/ auditors appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 28 May 2018.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6) (a) of the Act of the financial statements of Oil India Limited for the year ended 31 March 2018. 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.

For and on behalf of the  
Comptroller & Auditor General of India



**(Reena Saha)**

**Principal Director of Commercial Audit  
& Ex-officio Member, Audit Board – II  
Kolkata**

Place : Kolkata  
Dated : 10 July, 2018

## OIL INDIA LIMITED

### Balance Sheet as at 31<sup>st</sup> March, 2018

(₹ in crore)

Particulars	Note	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>I. ASSETS</b>			
<b>1. Non-current Assets</b>			
(a) Property, Plant and Equipment	2	10221.91	8586.60
(b) Capital Work-in-Progress	3	988.08	1893.64
(c) Exploration and Evaluation Assets	4	1687.80	1492.55
(d) Other Intangible Assets	5	50.18	51.68
(e) Financial Assets			
(i) Investments	6	22180.17	20801.13
(ii) Loans	7	677.65	664.94
(iii) Others	8	67.08	67.31
(f) Other Non-current Assets	9	45.38	22.96
<b>Total Non-current Assets</b>		<b>35918.25</b>	<b>33580.81</b>
<b>2. Current Assets</b>			
(a) Inventories	10	1078.26	1096.47
(b) Financial Assets			
(i) Investments	11	605.40	1149.26
(ii) Trade Receivables	12	1407.76	1005.55
(iii) Cash and Cash Equivalents	13	114.95	177.71
(iv) Other Bank Balances	14	2977.62	6364.61
(v) Loans	15	67.60	35.94
(vi) Others	16	473.03	359.16
(c) Current Tax Assets (Net)	17	1200.87	1465.54
(d) Other Current Assets	18	190.44	104.50
<b>Total Current Assets</b>		<b>8115.93</b>	<b>11758.74</b>
<b>Total Assets</b>		<b>44034.18</b>	<b>45339.55</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity Share Capital	19	756.60	801.51
(b) Other Equity	20	27152.81	28288.98
<b>Total Equity</b>		<b>27909.41</b>	<b>29090.49</b>
<b>2. Non-current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	21	7365.56	8947.53
(ii) Trade Payables	22	1.86	3.27
(iii) Other Financial Liabilities	23	163.82	110.32
(b) Provisions	24	778.42	803.27
(c) Deferred Tax Liabilities (Net)	25	3438.96	3079.52
<b>Total Non-current Liabilities</b>		<b>11748.62</b>	<b>12943.91</b>

<b>3. Current Liabilities</b>			
(a) Financial Liabilities			
(i) Trade Payables	26	551.40	585.93
(ii) Other Financial Liabilities	27	3166.62	1605.32
(b) Other Current Liabilities	28	190.12	743.59
(c) Provisions	29	468.01	370.31
<b>Total Current Liabilities</b>		<b>4376.15</b>	<b>3305.15</b>
<b>Total Equity &amp; Liabilities</b>		<b>44034.18</b>	<b>45339.55</b>
Accompanying notes to the Financial Statements	1-41		

Notes referred to above form an integral part of the Financial Statements.

In terms of our report of even date

For and on behalf of the Board of Directors

**For N.C. BANERJEE & CO**

Chartered Accountants  
Firm Reg No.-302081E

**For B.N. MISRA & CO**

Chartered Accountants  
Firm Reg No.-321095E

Sd/-

**(CA B K Biswas)**

Partner

Membership No.: 055623

Sd/-

**(CA S.S. Mohapatra)**

Partner

Membership No.: 061619

Sd/-

**(S.K. Senapati)**

Company Secretary

Sd/-

**(Mrs. Rupshikha S. Borah)**

Director (Finance)

DIN 06700534

Sd/-

**(Utpal Bora)**

Chairman & Managing  
Director

DIN 07567357

**Place:** Noida

**Date:** 28th May, 2018

## OIL INDIA LIMITED

### Statement of Profit and Loss for the the year ended 31<sup>st</sup> March, 2018

(₹ in crore)

Particulars	Note	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
<b>I. Revenue from Operations</b>	30	10656.47	9510.39
<b>II. Other Income</b>	31	1484.17	1680.68
<b>III. Total Income (I +II)</b>		<b>12140.64</b>	<b>11191.07</b>
<b>IV. Expenses:</b>			
Purchases of Stock-in-Trade	32	28.29	-
Changes in Inventories of Finished Goods	33	20.68	(49.19)
Employee Benefits Expense	34	1693.29	1613.87
Finance Costs	35	415.68	396.71
Depreciation, Depletion and Amortization Expense	36	1270.01	1090.73
Other Expenses	37	5002.89	4840.90
<b>Total Expenses (IV)</b>		<b>8430.84</b>	<b>7893.02</b>
<b>V. Profit Before Exceptional Items and Tax (III - IV)</b>		<b>3709.80</b>	<b>3298.05</b>
<b>VI. Exceptional Items</b>	38	-	<b>1151.73</b>
<b>VII. Profit Before Tax (V - VI)</b>		<b>3709.80</b>	<b>2146.32</b>
<b>VIII. Tax Expenses:</b>			
(1) Current Tax		648.39	474.76
(2) Deferred Tax		393.48	122.88
<b>Total Tax Expenses (VIII)</b>		<b>1041.87</b>	<b>597.64</b>
<b>IX. Profit for the year from Continuing Operations (VII - VIII)</b>		<b>2667.93</b>	<b>1548.68</b>
X. Profit / (Loss) for the year from Discontinued Operations		-	-
XI. Tax Expense of Discontinued Operations		-	-
XII. Profit/(Loss) from Discontinued Operations after Tax (X-XI)		-	-
<b>XIII. Profit for the year (IX+XII)</b>		<b>2667.93</b>	<b>1548.68</b>
<b>XIV. Other Comprehensive Income</b>			
A (i) Items that will not be reclassified to profit or loss:			
(a) Remeasurement of the Defined Benefit Plans		184.64	(91.12)
(b) Equity Instruments through Other Comprehensive Income		(821.89)	4619.25
(ii) Income tax relating to items that will not be reclassified to profit or loss		1.80	(756.58)
B (i) Items that will be reclassified to profit or loss:		-	-
(ii) Income tax relating to Items that will be reclassified to profit or loss		-	-
<b>Total Other Comprehensive Income</b>		<b>(635.45)</b>	<b>3771.55</b>

<b>XV. Total Comprehensive Income for the year (XIII + XIV)</b>		<b>2032.48</b>	<b>5320.23</b>
<b>XVI. Earnings per Equity Share</b> (for continuing operations) (₹):	39	<b>23.32</b>	<b>13.13</b>
Basic & Diluted			
<b>XVII. Earnings per Equity Share</b> (for discontinued operations) (₹):	39	-	-
Basic & Diluted			
<b>XVIII. Earnings per Equity Share</b> (for discontinued & continuing operations) (₹):	39	<b>23.32</b>	<b>13.13</b>
Basic & Diluted			
Accompanying notes to the Financial Statements	1-41		

Notes referred to above form an integral part of the Financial Statements.

In terms of our report of even date

**For and on behalf of the Board of Directors**

**For N.C. BANERJEE & CO**

Chartered Accountants  
Firm Reg No.-302081E

**For B.N. MISRA & CO**

Chartered Accountants  
Firm Reg No.-321095E

Sd/-

**(CA B K Biswas)**

Partner

Membership No.: 055623

Sd/-

**(CA S.S. Mohapatra)**

Partner

Membership No.: 061619

Sd/-

**(S.K. Senapati)**

Company Secretary

Sd/-

**(Mrs. Rupshikha S. Borah)**

Director (Finance)

DIN 06700534

Sd/-

**(Utpal Bora)**

Chairman & Managing  
Director

DIN 07567357

**Place:** Noida

**Date:** 28th May, 2018

## OIL INDIA LIMITED

### Cash Flow Statement for the year ended 31<sup>ST</sup> March, 2018

(₹ in crore)

Particulars	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
<b>Cash flows from Operating Activities</b>		
<b>Profit before tax</b>	<b>3709.80</b>	<b>2146.32</b>
Adjustments for:		
Depreciation, Depletion & Amortisation	1270.01	1090.73
Exploration Cost written off	190.02	270.84
Provision for Impairment of Investments, Loans and Inventories	167.27	97.11
Dividend Income	(996.55)	(844.49)
Interest Income	(413.33)	(728.44)
Interest Expenses	379.00	371.99
Foreign Exchange Loss/(Gain)- Net	78.13	151.44
Income from Financial Guarantee	(15.67)	(12.65)
Loss on Deletion of Assets	51.68	25.99
Loss on Derivative Contract	-	1.90
Unwinding of Decommissioning Liability	36.68	24.72
<b>Total</b>	<b>747.24</b>	<b>449.14</b>
<b>Operating profit before working capital changes</b>	<b>4457.04</b>	<b>2595.46</b>
<b>Changes in working capital</b>		
Inventories - (Increase)/Decrease	9.37	(112.50)
Trade & other Receivables - (Increase)/Decrease	(515.24)	292.77
Prepayments, Loans and advances, Deposits- (Increase)/Decrease	(259.48)	(49.46)
Long term and short term provisions - Increase/(Decrease)	288.37	13.58
Trade payables & Other current liabilities - Increase/(Decrease)	(469.22)	435.22
<b>Total</b>	<b>(946.20)</b>	<b>579.61</b>
<b>Cash Generated from Operations</b>	3510.84	3175.07
Income Tax Payment (net of refund)	(415.96)	(601.80)
<b>Net cash from / (used in) Operating Activities (A)</b>	<b>3094.88</b>	<b>2573.27</b>
<b>Cash flows from Investing Activities</b>		
Acquisition, Exploration & Development Cost	(1990.48)	(2137.97)
Other Capital Expenditure	(670.63)	(712.09)
Investments in Equity including Advance	(2154.27)	(2068.13)
Maturity of Term Deposits and Liquid Investments	3927.15	2563.83
Loan to Subsidiary / Associate / JV Companies	(60.93)	69.67
Interest Income	412.91	727.42
Dividend Income	996.55	844.49
<b>Net cash from / (used in) Investing Activities (B)</b>	<b>460.30</b>	<b>(712.78)</b>

<b>Cash flows from Financing Activities</b>		
Utilisation for Buy-back of Shares	(1535.26)	-
Payment of Dividend	(1707.20)	(1494.58)
Interest Expenses	(377.92)	(375.10)
Foreign Exchange (Loss)/Gain- Net	2.44	4.32
<b>Net cash from / (used in) Financing Activities (C)</b>	<b>(3617.94)</b>	<b>(1865.36)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>		
Cash and cash equivalents at the beginning of the year	(62.76)	(4.87)
Cash and cash equivalents at the end of the year	177.71	182.58
	<b>114.95</b>	<b>177.71</b>
<b>Notes:</b>		
a. Cash and cash equivalents (Refer to Note 13) represents:		
i) Cash on hand	0.22	0.17
ii) Current accounts, Cash Credit & Term Deposits (3 months maturity)	114.73	177.54
	<b>114.95</b>	<b>177.71</b>

- b. The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (IND AS) - 7 Statement of Cash Flows.
- c. Cash & Cash equivalents includes Currency translation differences of ₹ 7.68 crore (corresponding year ₹ 7.57 crore)
- d. Figures in parenthesis represent cash outflows.
- e. Previous year's figures have been regrouped/reclassified wherever necessary to conform current year's classification.

In terms of our report of even date

For and on behalf of the Board of Directors

**For N.C. BANERJEE & CO**  
Chartered Accountants  
Firm Reg No.-302081E

**For B.N. MISRA & CO**  
Chartered Accountants  
Firm Reg No.-321095E

Sd/-  
**(CA B K Biswas)**  
Partner  
Membership No.: 055623

Sd/-  
**(CA S.S. Mohapatra)**  
Partner  
Membership No.: 061619

Sd/-  
**(S.K. Senapati)**  
Company Secretary

Sd/-  
**(Mrs. Rupshikha S. Borah)**  
Director (Finance)  
DIN 06700534

Sd/-  
**(Utpal Bora)**  
Chairman & Managing  
Director  
DIN 07567357

**Place:** Noida

**Date:** 28th May, 2018

**OIL INDIA LIMITED**  
**Statement of Changes in Equity (SOCIE) for the year ended 31<sup>st</sup> March, 2018**

(₹ in crore)

A. Equity Share Capital	Balance as on 01.04.2016	Changes during the year ended 31.03.2017	Balance as on 31.03.2017	Balance as on 01.04.2017	Changes during the year ended 31.03.2018	Balance as on 31.03.2018
Equity Share Capital	601.14	200.37	801.51	801.51	(44.91)	756.60

**B. Other Equity**

Particulars	Reserves and Surplus						Items of other Comprehensive Income			Total
	General Reserve	Retained Earnings	Securities Premium Reserve	Debt Redemption Reserve	Capital Redemption Reserve	Foreign Currency Monetary Item Translation Difference Account (FCMITDA)	Remeasurement of the net Defined Benefit Plans	Equity Instruments through Other Comprehensive Income		
<b>Balance at April 1, 2016</b>	<b>19,898.06</b>	-	<b>2,390.42</b>	<b>501.75</b>	-	<b>(588.81)</b>	<b>8.48</b>	<b>2,108.71</b>	<b>24,318.31</b>	
Profit for the year	-	1,548.68	-	-	-	-	-	-	1,548.68	
Other Comprehensive Income for the year, net of income tax	-	-	-	-	-	-	(71.69)	3,843.24	3,771.55	
<b>Total Comprehensive Income for the year</b>	-	<b>1,548.68</b>	-	-	-	-	<b>(71.69)</b>	<b>3,843.24</b>	<b>5,320.23</b>	
Addition /Adjustment in FCMITDA	-	-	-	-	-	346.07	-	-	346.07	
Payment of final dividends (including corporate dividend tax)	-	(578.81)	-	-	-	-	-	-	(578.81)	
Payment of interim dividends (including corporate dividend tax)	-	(916.45)	-	-	-	-	-	-	(916.45)	
Amount transferred to General Reserve	-	(53.42)	-	-	-	-	-	-	-	
Amount transferred to Debt Redemption Reserve	-	-	(200.37)	53.42	-	-	-	-	-	
Utilised for Bonus Issue of Shares	-	-	-	-	-	-	-	-	-	
Amount transferred to Capital Redemption Reserve	-	-	-	-	-	-	-	-	(200.37)	
<b>Balance at March 31, 2017</b>	<b>19,898.06</b>	-	<b>2,189.75</b>	<b>555.17</b>	-	<b>(242.74)</b>	<b>(63.21)</b>	<b>5,951.95</b>	<b>28,288.98</b>	
<b>Balance at April 1, 2017</b>	<b>19,898.06</b>	-	<b>2,189.75</b>	<b>555.17</b>	-	<b>(242.74)</b>	<b>(63.21)</b>	<b>5,951.95</b>	<b>28,288.98</b>	
Profit for the year	-	2,667.93	-	-	-	-	-	-	2,667.93	
Other Comprehensive Income for the year, net of income tax	-	-	-	-	-	-	152.40	(787.85)	(635.45)	
<b>Total Comprehensive Income for the year</b>	-	<b>2,667.93</b>	-	-	-	-	<b>152.40</b>	<b>(787.85)</b>	<b>2,032.48</b>	
Addition /Adjustment in FCMITDA	-	-	-	-	-	28.85	-	-	28.85	
Payment of final dividends (including corporate dividend tax)	-	(432.55)	-	-	-	-	-	-	(432.55)	
Payment of interim dividends (including corporate dividend tax)	-	(1,274.60)	-	-	-	-	-	-	(1,274.60)	
Amount transferred to General Reserve	-	-	-	-	-	-	-	-	-	
Amount transferred to Debt Redemption Reserve	-	(430.78)	-	430.78	-	-	-	-	-	
Utilised for Buyback of Shares	-	-	(1,490.35)	-	-	-	-	-	(1,490.35)	
Transferred to Capital Redemption Reserve	-	-	(44.91)	-	44.91	-	-	-	-	
Remeasurement of the net Defined Benefit Plans transferred from Other Comprehensive Income	-	89.19	-	-	-	-	(89.19)	-	-	
<b>Balance at March 31, 2018</b>	<b>19,898.06</b>	<b>619.19</b>	<b>654.49</b>	<b>985.95</b>	<b>44.91</b>	<b>(213.89)</b>	-	<b>5,164.10</b>	<b>27,152.81</b>	

In terms of our report of even date

**For N.C. BANERJEE & CO**  
Chartered Accountants  
Firm Reg No.-302081E

Sd/-  
**(CA K Biswas)**  
Partner  
Membership No.: 055623

Sd/-  
**(CA S.S. Mohapatra)**  
Partner  
Membership No.: 061619

**Place:** Noida

**Date:** 28th May, 2018

For and on behalf of the Board of Directors

Sd/-  
**(S.K. Senapati)**  
Company Secretary  
Director (Finance)  
DIN 06700534

Sd/-  
**(Mrs. Rupshikha S. Borah)**  
Chairman & Managing Director  
DIN 07567357

## NOTES TO THE SEPARATE STANDALONE FINANCIAL STATEMENTS

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### 1.1.1 STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with the Companies Act 2013 and in compliance with the Indian Accounting Standards (Ind AS) issued by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 as amended.

#### 1.1.2 BASIS OF PREPARATION

These financial statements are prepared in accordance with Indian Accounting standards (Ind AS) and under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified). The Ind ASs are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting standards) Amendment Rules, 2016.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date on such basis as provided under Ind AS 113.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

As the operating cycle cannot be identified in normal course due to the special nature of industry, the same has been assumed to have duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS-1 "Presentation of Financial Statements and Schedule III to the Companies Act, 2013.

#### 1.1.3 USE OF ESTIMATES

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates,

judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that requires critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 1.1.4. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of the changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

#### 1.1.4 MAJOR JUDGMENTS, ASSUMPTIONS AND ACCOUNTING ESTIMATES

##### A. ESTIMATION OF OIL AND GAS RESERVES

The estimation of oil and gas reserves is key factor in the in accounting for oil and gas producing activities. Oil and gas reserves are estimated by analysis of geosciences and engineering data using Deterministic Method. Production pattern analysis, number of additional wells to be completed, application of recovery techniques, validity of mining lease agreements, agreements/MOU for sales etc. influence the estimation of reserves. Unit-of-production depreciation, depletion and amortization charges are principally measured based on management's estimates of proved developed oil and gas reserves. Also, exploration drilling costs are capitalized pending the results of further exploration or appraisal activity, which may take several years to complete and before any related proved reserves can be booked.

##### B. IMPAIRMENT OF ASSETS

As part of the determination of the recoverable value of assets of cash generating units for impairment, the estimates, assumptions and judgments mainly concern oil and gas prices scenarios, operating costs, production volumes and oil and gas proved reserves. The discount rate used for estimating the value in use is reviewed annually. Changes in assumptions could affect the carrying amounts of assets, and any impairment losses and reversals will affect the revenues.

## C. EMPLOYEE BENEFITS

The benefit obligations and plan assets can be subject to significant volatility due to changes in market values and actuarial assumptions. These assumptions vary between different pension plans and thus take into account market conditions. They are determined following actuarial valuation method certified by external independent actuarial valuer. The assumptions for each plan are reviewed annually and adjusted if necessary to reflect changes from the experience and actuarial advices.

## D. ASSET RETIREMENT OBLIGATIONS

Asset retirement obligations, which result from a legal or constructive obligation, are recognized based on a reasonable estimate in the period in which the obligation arises. This estimate is based on information available in terms of costs and work program. It is regularly reviewed to take into account the changes in laws and regulations, the estimates useful life of fields based on proved and probable oil and gas reserves and current production off-take, the analysis of site conditions and technologies, risk adjusted discount rate. Such estimates can differ from estimates due to changes in the aforesaid factors. The risk adjusted discount rate used for estimating the present value of obligation is reviewed annually.

## E. TAXATION

Tax liabilities are recognized when it is considered probable that there will be a future outflow of funds to a taxing authority. In such cases, provision is made for the amount that is expected to be settled, where this can be reasonably estimated. This requires the application of judgment as to the ultimate outcome, which can change over time depending on facts and circumstances. A change in estimate of the likelihood of a future outflow and/or in the expected amount to be settled would be recognized in income in the period in which the change occurs.

Deferred tax assets are recognized only to the extent it is considered probable that those assets will be recoverable. This involves an assessment of when those assets are likely to reverse, and a judgment as to whether or not there will be sufficient taxable profits available to offset the assets when they do reverse. This requires assumptions regarding future profitability and is therefore inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognized in respect of deferred tax assets as well as in the amounts recognized in income in the period in which the change occurs.

## 1.2. REVENUE RECOGNITION

### 1.2.1 SALE OF PRODUCTS

- (i) Revenue from the sale of goods is recognized at the time when the following conditions are satisfied:
  - the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
  - the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
  - the amount of revenue can be measured reliably;
  - it is probable that the economic benefits associated with the transaction will flow to the Company; and
  - the costs incurred or to be incurred in respect of the transaction can be measured reliably.
- (ii) Revenue is measured at the fair value of the consideration received or receivable and represents amounts received or receivable for goods provided in the normal course of business which is net of all statutory levies recovered or recoverable from the customers and net of discounts & Company's share of profit petroleum paid to Government of India (GOI).
- (iii) Any retrospective revision in prices is accounted for in the year of such revision.
- (iv) Claims on Central Government / Petroleum Planning & Analysis Cell (PPAC) towards gas pool revenue are accrued based on quantity delivered to the customers at discounted price, in respect of which revenue has been recognized as per note no. 1.2.1(i) above.
- (v) Revenue in respect of short lifted quantity of Crude Oil & Natural Gas, if any, is recognized when there is reasonable certainty of ultimate realization of the same.

### 1.2.2 SALE OF SERVICES

Revenue from sale of services such as transportation of crude oil, products, natural gas, etc is recognized when service is rendered in line with the agreements.

### 1.2.3 OTHERS

- (i) Revenue from sale of Renewable Energy Certificates (REC) is recognized on sale of the certificates through the Exchange and included under other operating revenue.

- (ii) Revenue on account of reimbursable subsidies/grants and interest on delayed realization from customers are recognized when there is reasonable certainty of ultimate realization.
- (iii) Dividend income is recognized when the right to receive the dividend is established.
- (iv) Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and can be measured reliably. Interest income is recognized on a time proportion basis taking into account the amount outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to that asset's net carrying amount on initial recognition.
- (v) Recovery of liquidated damages is recognized in the Statement of Profit & Loss as income at the time of occurrence except in case of Joint Venture Contracts (JVC) which are governed by the respective Production Sharing Contracts. In case of return/refund of the liquidated damages, the same is accounted for as other expenses. In case of any dispute over the liquidated damages, provision is created in the accounts.
- (vi) Insurance claim other than that for transit loss of stores items are accounted for on final acceptance by the Insurance Company.

### 1.3. LEASING

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

#### 1.3.1 THE COMPANY AS LESSOR

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

#### 1.3.2 THE COMPANY AS LESSEE

Operating lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

In the event that lease incentives are received to enter into operating leases, such incentives are recognized as a liability. The aggregate benefit of incentives is recognized as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

#### 1.4.0 FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS

The functional currency of the Company is the Indian Rupee. The financial statements are presented in Indian Rupees.

- (i) In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rate prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.
- (ii) Transaction gains and losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.
- (iii) Exchange differences on monetary items are recognized in the statement of profit and loss in the period in which they arise except for:
  - (a) Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
  - (b) In accordance with para D13AA of Ind AS 101, First-time Adoption of Indian Accounting Standards the Company continues to exercise policy adopted under previous IGAAP and accordingly exchange differences on long-term foreign currency monetary items relating to acquisition of depreciable and other assets were adjusted to the carrying cost of the assets and depreciated over the balance life of

the assets and in other cases, exchange differences were accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortized over the balance period of such long term foreign currency monetary item by recognition as income or expense in each of such periods in respect of items recognized in the financial statement for the period ending immediately before the beginning of the first Ind AS financial reporting period as per previous GAAP i,e; 31 March 2016 as reported date.

### 1.5.0 BORROWING COSTS

- (i) Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale and also includes exchange difference arising from Foreign Currency borrowings to the extent that they are regarded as an adjustment to interest cost.
- (ii) All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

### 1.6.0 GOVERNMENT GRANTS

- (i) Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.
- (ii) Government grants are recognized in profit or loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate. Government grants with the primary condition that the Company should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue in the balance sheet and transferred to the statement of profit and loss on a systematic and rational basis over the useful lives of the related assets.

### 1.7.0 EMPLOYEE BENEFITS

#### 1.7.1 RETIREMENT BENEFIT COSTS AND TERMINATION BENEFITS:

Payments to defined contribution retirement benefit plans are recognized as expenses when employees have rendered service entitling them to the contributions.

The cost of providing benefits under defined benefit plans (such as gratuity, leave encashment, postretirement medical benefits, defined benefit pension schemes) is determined separately for each plan using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. This attributes the increase in present value of the defined benefit obligation resulting from employee service in the current period to determine current service cost. The current service cost as stated above and past service costs, resulting from either a plan amendment (a reduction in future obligations as a result of a material reduction in the number of employees covered by the plan), are recognized in the statement of profit and loss under 'employee benefits expense'.

Net interest which is recognized in the statement of profit and loss under 'employee benefits expense' represents the net change in present value of plan obligations and the value of plan assets resulting from the passage of time, and is determined by applying the discount rate to the present value of the benefit obligation at the start of the year, and to the fair value of plan assets at the beginning of the year, taking into account expected changes in the obligation or plan assets during the year.

Re-measurement of the defined benefit liability and asset, comprising actuarial gains and losses, and the return on plan assets (excluding amounts included in net interest described above) are recognized in other comprehensive income in the period in which they occur and are not subsequently reclassified to the statement of profit and loss.

The defined benefit pension plan surplus or deficit recognized in the balance sheet for each plan comprises the difference between the present value of the defined benefit obligation and the fair value of plan assets out of which the obligations are to be settled directly. Defined benefit pension plan surpluses are only recognized to the extent they are recoverable, naturally by way of refund or reductions in future contributions to the plans.

#### 1.7.2 SHORT-TERM AND OTHER LONG-TERM EMPLOYEE BENEFITS

A liability is recognized for benefits accruing to employees in respect of wages and salaries (including performance related pay), annual leave, sick leave and social security contribution in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

### 1.8.0 TAXATION

Income tax expense represents the aggregate of current tax and deferred tax.

#### 1.8.1 CURRENT TAX

Current tax is the amount of income tax payable based on taxable profit for the period. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates and the tax laws that have been enacted or substantively enacted by the end of the reporting period.

#### 1.8.2 DEFERRED TAX

- (i) Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.
- (ii) The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of all or part of the deferred tax asset to be utilized. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.
- (iii) Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
- (iv) Minimum Alternate Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognized as current tax in the statement of profit and loss. The credit available under the

Income Tax Act, 1961 in respect of MAT paid is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit recognized as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

#### 1.8.3 CURRENT AND DEFERRED TAX FOR THE YEAR

Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income, in which case, the current and deferred tax are also recognized in other comprehensive income.

### 1.9.0 OIL AND GAS EXPLORATION, EVALUATION AND DEVELOPMENT EXPENDITURE

The Company follows the Successful Efforts Method (SEM) of accounting in respect of its oil and gas exploration and production activities in accordance with Ind AS 106 and the "Guidance Note on Accounting for Oil & Gas Producing Activities (Ind AS)" issued by the Institute of Chartered Accountants of India.

#### 1.9.1 PRE-ACQUISITION, ACQUISITION, EXPLORATION & EVALUATION COSTS

- (i) **Pre-Acquisition costs:** Pre-Acquisition 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.
- (ii) **Acquisition costs:**
  - (a) 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.
  - (b) These costs are initially recorded under Exploration & Evaluation Assets (Intangible) except cost of land acquired for drilling operations which are shown as Acquisition cost-land under capital work in progress.
  - (c) On determination of proved developed reserves, associated acquisition costs are transferred to Property, Plant & Equipment as Oil & Gas assets.

- (d) Acquisition cost relating to an 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 ₹100 per bigha is transferred to Freehold land under Property, Plant & Equipment.
- (e) Cost for retaining the mineral interest in properties like lease carrying cost, license fees & other cost are charged as expense when incurred.

### (III) EXPLORATION & EVALUATION COST (E&E COST):

- (a) Geological and geophysical costs, including seismic surveys for exploration purposes are expensed as incurred.
- (b) 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 Exploration & Evaluation Assets (Intangible) till the time these are either transferred to Property, Plant & Equipment as Oil & Gas assets on establishment of Proved Developed Reserves or charged as expense when determined to be dry or of no further use.
- (c) E&E costs related to each exploratory well 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 books even if they start producing subsequently.

#### 1.9.2 DEVELOPMENT COST

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 under Capital Work in Progress as Development Cost till such time they are capitalized as Oil & Gas Asset under Property, Plant & Equipment on establishment of Proved Developed Reserves. Cost of dry development well, if any is capitalized as Oil & Gas Asset under Property, Plant & Equipment upon completion of the well.

#### 1.9.3 PRODUCTION COST

Production Cost consists of direct and indirect costs incurred to operate and maintain wells and related equipment and

facilities, including depreciation and applicable operating cost of support equipment and facilities.

#### 1.9.4 SIDE-TRACKING EXPENDITURE

In case of exploratory wells, the cost of abandoned portion of side tracked well is charged off to the Statement of Profit and Loss. 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 Statement of Profit and loss.

#### 1.10.0 RESEARCH & DEVELOPMENT EXPENDITURE

All revenue expenditure incurred for Research & Development Projects/Schemes, net of grants-in-aid (other than those related to asset) if any, are charged to the Statement of Profit and Loss.

#### 1.11.1 PROPERTY, PLANT AND EQUIPMENT (PPE)

- (i) Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price including import duties and non-refundable purchase taxes or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation wherever applicable and eligible borrowing costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. Assets in the course of construction are initially kept under assets under construction and capitalized when the assets are available for use in the manner as intended by the management.
- (ii) Cost of day-to-day servicing of property, plant and equipment are recognized in the Statement of Profit and Loss as incurred. Major shut-down and overhaul expenditure is capitalized as the activities undertaken to improve the economic benefits expected to arise from the asset. Where an asset or part of an asset that was separately depreciated is replaced and it is probable that future economic benefits associated with the item will flow to the Company, the expenditure is capitalized and the carrying amount of the replaced asset is derecognized. Inspection costs associated with major maintenance programs from which future economic benefits are expected to flow, are capitalized and amortized over the period to the next inspection.

(iii) Oil and gas assets which comprise of producing wells, related acquisition cost and production facilities are depleted using a unit-of-production method except in cases where life of assets is lower than life of the field. The cost of producing wells and production facilities are depleted over total proved reserves. Acquisition cost is depleted over proved developed reserves. Rate of depletion is determined based on production from the Oil/Gas field or a group of Oil/Gas fields identified to the related reserves having homogeneous geological feature. Estimation of oil and natural gas reserves are done annually at the year end and the impact of changes in the estimated proved reserves is dealt with prospectively by depleting the remaining carrying value of the asset.

(iv) Other property, plant and equipment are depreciated based on useful life of the asset under "Written down value method" as specified in Schedule II to the Companies Act., 2013. When any part of an item of property, plant and equipment, has different useful life and cost is significant in relation to the total cost of the asset, they are accounted for and depreciated separately. Depreciation on additions / deletions during the year is provided on pro rata basis with reference to the date of additions / deletions except low value items not exceeding ₹5,000 which are fully depreciated at the time of addition. The typical useful lives of other major property, plant and equipment are as follows:

Buildings	30 to 60 years
Plant & Machinery	10 to 40 years
Furniture and fixtures	8 to 10 years
Office equipments	3 to 10 years
Vehicles	8 to 10 years
Railway sliding's	15 years

(v) The expected useful lives of property, plant and equipment other than Oil and gas assets are reviewed on an annual basis and, if necessary, impact arising out the changes in useful lives are accounted for prospectively.

(vi) An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the period in which the item is derecognized. 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.

(vii) Physical verification of the property, plant and equipment is carried out by the Company in a phased manner to cover all the items over a period of five years. The discrepancies noticed, if any, are accounted for in the year in which such differences are found.

### 1.11.2 INTANGIBLE ASSETS

Costs of intangible assets are capitalized when the asset is ready for its intended use.

Intangible assets include expenditure on computer software, and right to way/right of use of land and are stated at the amount initially recognized less accumulated amortization and accumulated impairment losses.

Cost of right of use / right of way of land is amortized on a straight line basis over the lower of period of such rights or useful life of the related asset for which right of use / right of way is taken. Cost of computer software is amortized over the useful life not exceeding five years from the date of capitalization.;

Any intangible asset, when determined of no further use, is written off.

### 1.11.3 IMPAIRMENT OF PROPERTY, PLANT & EQUIPMENT (PPE), E&E ASSETS, INTANGIBLE ASSETS OTHER THAN GOODWILL.

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant & equipment (including capital work in progress) to determine whether there is any indication that those assets have suffered an impairment loss. For this purpose Producing fields, LPG plant, Transportation Pipeline and Power Generating Units (other than captive power plants) are considered as Cash Generating Units (CGU). If any such indication exists, the recoverable amount of the CGU is estimated in order to determine the extent of the impairment loss (if any). Corporate assets and common service assets are also allocated to individual cash-generating units on a reasonable and consistent basis.

Intangible assets are tested for impairment annually. Whenever there is an indication that the asset may be impaired, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present

value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of a CGU is estimated to be less than its carrying amount, the carrying amount of the asset or group of assets covered under the CGU is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of profit and loss.

E&E Assets are reviewed for indicators of impairment as per Ind AS 106 and if events and circumstances suggest, impairment loss is provided for and carrying amount is reduced accordingly.

When an impairment loss is subsequently reversed, the carrying amount of the asset or group of assets covered under the CGU is increased to the revised estimate of its recoverable amount, so however that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or group of assets covered under the CGU in prior years. A reversal of an impairment loss is recognized immediately in the Statement of Profit and Loss.

#### 1.12.0 INVENTORIES

Finished goods of Crude Oil, Liquefied Petroleum Gas (LPG) 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. The value of such inventories includes excise duty and royalty (wherever applicable). Net realizable value represents the estimated selling price for inventories less all costs necessary to effect the sale.

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 for the operation of the facility.

Stores and spares 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 including those in Storage Locations which have 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.

Renewable Energy Certificates (REC) received based on generation of renewable energy certified by the competent authority, held for trading are not valued.

#### 1.13.1 PROVISIONS

Provisions are recognized when the Company has a present obligation as a result of a past event and it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

#### 1.13.2 DECOMMISSIONING AND RESTORATION OBLIGATIONS

Full eventual liabilities towards costs relating to assets retirement obligations are recognized when the Company has an obligation to plug and abandon a well, dismantle and remove a facility or an item of plant and to restore the site on which it is located, and when a reliable estimate of that liability can be made. Liabilities towards costs relating to dismantling, abandoning and restoring well sites and associated Production Facilities are recognized at the commencement of drilling a well or when facilities are installed, as the case may be. The amount recognized is the present value of the estimated future expenditure determined in accordance with local conditions and requirements. The provision for the costs of decommissioning wells, production facilities including fields' pipelines at the end of their economic lives is estimated using existing technology, at current prices or future assumptions, depending on the expected timing of the activity, and discounted using govt. bonds rate.

An amount equivalent to the decommissioning liability provision is recognized as part of the corresponding PPE or Exploration & Evaluation Asset (E&E) as the case may be.

Liability for decommissioning cost is updated annually based on the technical assessment available at current costs. The unwinding of the discount is included as a finance cost. Any change in the present value of the estimated future cash flow to settle the obligation due to change in measurement or discount rate shall be added to or deducted from the cost of the asset in the current period and would be considered for depreciation (depletion) prospectively.

Except in the case of E&E assets, the actual cost incurred on settlement of the obligation 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.

#### **1.14.0 INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

The Company measures its investments in subsidiaries, associates and joint ventures at cost less impairment. The Company assesses investments for impairment whenever events or changes in circumstances indicate that the carrying value of an investment may not be recoverable. If any such indication of impairment exists, the Company makes an estimate of its recoverable amount. Where the carrying amount of an investment exceeds its recoverable amount, the investment is considered impaired and is written down to its recoverable amount.

#### **1.15.0 FINANCIAL INSTRUMENTS**

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as is appropriate, on initial recognition.

#### **1.15.1 FINANCIAL ASSETS**

##### **1.15.1.1 INVESTMENT IN SECURITIES**

All regular purchases or sales of financial assets are recognized and de-recognized on a trade date basis.

All recognized financial assets are subsequently measured in their entirety either at amortized cost or fair value, depending on the classification of the financial assets

##### **1.15.1.1.1 CLASSIFICATION OF FINANCIAL ASSETS**

(i) Debt instruments that meet the following conditions are subsequently measured at amortized cost less impairment

loss (except for debt investments that are designated as at Fair Value Through Profit or Loss (FVTPL) on initial recognition):

- a) the asset is held within a business model whose objective is to hold assets till maturity in order to collect contractual cash flows; and
  - b) the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- (ii) Debt instruments that meet the following conditions are subsequently measured at Fair Value Through Other Comprehensive Income (except for debt investments that are designated as at FVTPL on initial recognition):
- a) the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
  - b) the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- (iii) Debt instruments that do not meet the criteria of an amortized cost or Fair Value through Other Comprehensive Income (FVTOCI) are measured at FVTPL.
- (iv) All other financial assets are subsequently measured at fair value through Profit or Loss.

##### **1.15.1.1.2 AMORTISED COST AND EFFECTIVE INTEREST METHOD**

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash flows (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognized in the statement of profit & loss under investment income on an effective interest basis for debt instruments other than those financial assets classified as FVTPL.

### 1.15.1.1.3 INVESTMENTS IN EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVTOCI)

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income for equity instruments that are not held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in other equity under subhead Equity instruments through other comprehensive income. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

Dividends on these investments in equity instruments are recognized in the Statement of Profit and Loss when the Company's right to receive the dividends is established and it does not represent a recovery of part of cost of the investment.

### 1.15.1.2 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank and in hand, including offsetting bank overdrafts, and short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in fair value and have a maturity of three months or less from the acquisition date.

### 1.15.1.3 TRADE RECEIVABLES

Trade receivables are recognized initially at fair value based on amounts exchanged and subsequently at the amortized cost less any impairment.

### 1.15.1.4 IMPAIRMENT OF FINANCIAL ASSETS

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since its initial recognition. If the credit risk on a financial instrument has not increased significantly since its initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

### 1.15.1.5 DE-RECOGNITION OF FINANCIAL ASSETS

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

### 1.15.2 FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

#### 1.15.2.1 EQUITY INSTRUMENTS

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

#### 1.15.2.2 FINANCIAL LIABILITIES

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL. However, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

##### 1.15.2.2.1 FINANCIAL LIABILITIES AT FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

##### 1.15.2.2.2 FINANCIAL LIABILITIES SUBSEQUENTLY MEASURED AT AMORTIZED COST

Financial liabilities that are not held-for-trading and not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'finance costs' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is

the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

#### **1.15.2.2.3 FINANCIAL GUARANTEE CONTRACTS**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- a) the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- b) the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18 or the amount initially recognised less, when appropriate, the cumulative amount of finance income recognized which measured by amortizing the initial fair value of guarantee on a straight line basis over the guarantee period.

#### **1.15.2.2.4 DE-RECOGNITION OF FINANCIAL LIABILITIES**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in profit or loss.

#### **1.16.0 INTEREST IN JOINT OPERATIONS**

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:

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. Proved Developed Reserve of Oil & Gas in such concessions/block/area is also considered in proportion to participating interest of the Company. Consideration recoverable from new Joint Venture Partners for the right to participate in operations is reduced from respective assets and/or expenditure to the extent of the new partner's contribution towards past cost and balance is considered as miscellaneous receipts/expenses.

#### **1.17.0 SEGMENT ACCOUNTING**

Considering the nature and associated risks and return of products & services, 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.

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.

#### **1.18.0 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.

#### **1.19.0 DIVIDEND**

The final dividend on shares is recorded as a liability on the date of approval by shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's board of directors.

#### **1.20.0 CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

- (i) Contingent liabilities, if material, are disclosed by way of notes to the accounts.
- (ii) Contingent assets are not recognized but disclosed in the financial statements along with an estimate of their financial effect where an inflow of economic benefits is probable and where practicable.

**NOTE-2**

**PROPERTY, PLANT AND EQUIPMENT (PPE)**

(₹ in crore)

Particulars	Cost				Depreciation/Depletion				Carrying amount	
	As at 1 <sup>st</sup> April, 2017	Additions during the year	Deletions/adjustments during the year	As at 31 <sup>st</sup> March, 2018	Up to 31 <sup>st</sup> March, 2017	For the year	Deletions/adjustments during the year	Upto 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Land -Freehold (Refer Note 2.3)	116.79	16.55	0.12	133.22	-	-	-	-	133.22	116.79
Buildings	388.57	340.68	18.54	710.71	37.74	41.46	0.10	79.10	631.61	350.83
Roads & Bridges	16.99	15.49	-	32.48	3.25	5.26	-	8.51	23.97	13.74
Oil & Gas Assets										
-Acquisition Cost	181.79	7.52	2.69	186.62	28.45	20.23	(0.10)	48.78	137.84	153.34
-Producing Wells	6,757.41	1,255.04	51.01	7,961.44	1,377.59	795.19	7.66	2,165.12	5,796.32	5,379.82
-Production Facilities	984.19	227.15	15.41	1,195.93	169.94	105.40	1.41	273.93	922.00	814.25
Plant & Machinery	2,069.50	1,088.08	29.56	3,128.02	393.35	320.10	4.02	709.43	2,418.59	1,676.15
Furniture & Fixtures	14.93	8.38	0.87	22.44	6.29	3.64	0.38	9.55	12.89	8.64
Vehicles	25.97	30.89	1.34	55.52	10.50	8.65	1.19	17.96	37.56	15.47
Office Equipments	114.82	93.67	23.87	184.62	53.00	38.67	19.24	72.43	112.19	61.82
Railway Sidings	0.64	-	-	0.64	0.15	0.03	-	0.18	0.46	0.49
<b>Total</b>	<b>10,671.60</b>	<b>3,083.45</b>	<b>143.41</b>	<b>13,611.64</b>	<b>2,080.26</b>	<b>1,338.63</b>	<b>33.90</b>	<b>3,384.99</b>	<b>10,226.65</b>	<b>8,591.34</b>
Less: Prov for Impairment against Acquisition Cost	4.74	-	-	4.74	-	-	-	-	4.74	4.74
<b>PPE (Net)</b>	<b>10,666.86</b>	<b>3,083.45</b>	<b>143.41</b>	<b>13,606.90</b>	<b>2,080.26</b>	<b>1,338.63</b>	<b>33.90</b>	<b>3,384.99</b>	<b>10,221.91</b>	<b>8,586.60</b>
Previous Year	8,010.38	2,717.03	60.55	10,666.86	943.99	1,139.32	3.05	2,080.26	8,586.60	

**2.1** The Company has adopted to continue with the carrying value of its Property, Plant & Equipment (PPE) – Tangible Assets, recognised as on 1<sup>st</sup> April, 2015 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date.

**2.2** Carrying value of Oil and Gas assets include decommissioning liabilities amounting to ₹ 120.85 crore (previous year ₹ 182.31 crore).

**2.3** Lands for projects and drillings operations are acquired primarily through bipartite negotiation with the occupiers/pattadars. In case, however, bipartite negotiation fails, land is acquired under relevant land laws with Government intervention. 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 Land Under Possession or as Oil & Gas assets. 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 Oil & Gas Assets is either amortized or charged off depending on discovery in the well. Land cost forming part of the Land Under Possession is not amortized. The total land in the possession of the Company is segregated as appended below:

Particulars	Bigha
Total Land mutated	6755.98
Total Govt. land taken over	2315.85
Total Forest land taken over	5324.65
Total Annual patta land	1621.05
Total Land applied for mutation	3958.29
Leasehold Land	181.61
Total Land pending for payment of Land Value (Sale deed not executed)	6705.75
Total Land taken over by the Company	26863.18

**NOTE-3**

**CAPITAL WORK-IN-PROGRESS**

(₹ in crore)

Particulars	Cost						
	As at 1 <sup>st</sup> April, 2017	Additions during the year	Deletions / adjustments during the year	Capitalised during the year	Transfer to Profit and Loss during the year	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b><u>Tangible Assets</u></b>							
Buildings (Including Roads & Bridges)	466.84	57.07	116.42	372.72	-	34.77	466.84
Plant & Machinery (Including Office Equipments)	985.89	524.01	(116.42)	1,221.02	-	405.30	985.89
Oil & Gas Assets							
Acquisition Cost-Land	45.30	25.08	0.18	7.52	5.65	57.03	45.30
Development Cost - Wells*	204.23	723.34	(0.11)	705.58	-	222.10	204.23
Development Cost-Production Facilities*	190.40	301.34	-	227.15	(4.29)	268.88	190.40
<b><u>Intangible Assets</u></b>							
Software	0.98	17.33	-	18.31	-	-	0.98
<b>Total</b>	<b>1,893.64</b>	<b>1,648.17</b>	<b>0.07</b>	<b>2,552.30</b>	<b>1.36</b>	<b>988.08</b>	<b>1,893.64</b>
Previous Year	1,804.87	2,242.28	-	2,150.58	2.93	1,893.64	

**3.1** Capital work in progress includes capital goods in transit ₹ 230.18 crore (previous year ₹ 383.90 crore).

**3.2** \*Oil & Gas Assets include decommissioning liabilities amounting to ₹ 12.01 crore (previous year ₹ 9.68 crore).

**NOTE-4**

**EXPLORATION AND EVALUATION ASSETS**

(₹ in crore)

Particulars	Cost						
	As at 1 <sup>st</sup> April, 2017	Additions during the year	Deletions / adjustments during the year	Capitalised during the year	Transfer to Profit and Loss during the year	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b><u>Exploratory wells in progress (Intangible Assets)</u></b>							
-Acquisition Cost-Others	41.77	0.16	-	-	-	41.93	41.77
-Exploration Cost	1,762.22	1,139.39	0.77	549.46	408.14	1,943.24	1,762.22
<b>Total</b>	<b>1,803.99</b>	<b>1,139.55</b>	<b>0.77</b>	<b>549.46</b>	<b>408.14</b>	<b>1,985.17</b>	<b>1,803.99</b>
Less: Provisions for Impairment	311.44	275.77	70.37	-	219.47	297.37	311.44
<b>Exploration and Evaluation assets (Net)</b>	<b>1,492.55</b>	<b>863.78</b>	<b>(69.60)</b>	<b>549.46</b>	<b>188.67</b>	<b>1,687.80</b>	<b>1,492.55</b>
Previous Year	1,053.82	1,286.35	(3.82)	581.06	270.38	1,492.55	

**4.1** Exploration and Evaluation assets include decommissioning liabilities amounting to ₹30.73 crore (previous year ₹ 19.30 crore).

**NOTE-5**

**OTHER INTANGIBLE ASSETS**

(₹ in crore)

Particulars	Cost				Amortisation				Carrying amount	
	As at 1 <sup>st</sup> April, 2017	Additions during the year	Deletions/ adjustments during the year	As at 31 <sup>st</sup> March, 2018	Up to 31 <sup>st</sup> March, 2017	For the year	Deletions/ adjustments during the year	Upto 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Right of Use	11.53	-	-	11.53	3.25	0.48	-	3.73	7.80	8.28
Computer Software	65.67	18.31	0.26	83.72	22.27	19.33	0.26	41.34	42.38	43.40
<b>Total</b>	<b>77.20</b>	<b>18.31</b>	<b>0.26</b>	<b>95.25</b>	<b>25.52</b>	<b>19.81</b>	<b>0.26</b>	<b>45.07</b>	<b>50.18</b>	<b>51.68</b>
Previous Year	74.06	9.87	6.73	77.20	16.27	15.73	6.48	25.52	51.68	-

5.1 Right of Use (ROU) to lay pipelines does not bestow ownership of land upon the Company. Hence, ROU is treated as Intangible Assets.

**NOTE-6**

**NON-CURRENT FINANCIAL ASSETS: INVESTMENTS**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
<b>A. Equity Instruments</b>				
1) Unquoted - at cost				
- Oil India Sweden AB		294.76		293.57
- Oil India Cyprus Limited		0.43		0.23
- Oil India (USA) Inc.	712.46		122.41	
Less: Provision for impairment	28.22	684.24	-	122.41
- Oil India International Limited		100.00		100.00
- Oil India International B.V.		212.11		0.06
- Oil India International Pte. Ltd		3,488.68		1,195.57
- Beas Rovuma Energy Mozambique Ltd	6838.60		6787.04	
Less: Provision for impairment	174.00	6,664.60	174.00	6,613.04
- Suntera Nigeria 205 Limited		0.05		0.05
- Duliajan Numaligarh Pipeline Limited		38.46		38.46
- Numaligarh Refinery Limited		483.65		483.65
- Brahmaputra Cracker & Polymer Limited		141.77		141.77
2) Quoted - Designated at fair value through other comprehensive income				
- Indian Oil Corporation Limited-At initial cost	2,670.75		2670.75	
Add: Cumulative fair value gain	5,904.78	8,575.53	6726.64	9,397.39
<b>B. Tax Free Bonds</b>				
1) Quoted - at amortised cost				
a) National Highway Authority of India		123.62		123.62
b) Power Finance Corporation Limited		35.67		35.67
c) Indian Railway Finance Corporation Limited		147.40		147.40
d) Rural Electrification Corporation Limited		334.35		334.35
e) National Thermal Power Corporation Ltd		19.99		19.99

2) Unquoted - at amortised cost				
a) Power Finance Corporation Limited		100.00		100.00
b) Indian Railway Finance Corporation Limited		60.00		60.00
c) Rural Electrification Corporation Limited		200.00		200.00
d) India Infrastructure Finance Corporation Limited		300.00		300.00
<b>C. Investment in Debentures - at amortised cost</b>				
-The East India Clinic Limited, 5% Non Redeemable Debenture Stock 1957 (Carried at a nominal value of ₹ 1/- only)		0.00		0.00
<b>D. Investment in Capital Fund - at fair value through other comprehensive income</b>				
- Petroleum India International-At initial cost	0.05		0.05	
Add: Cumulative fair value gain	0.48	0.53	0.51	0.56
<b>E. Investments - at amortised cost</b>				
- Advance against acquisition of Equity Shares		73.10		1,066.99
<b>F. Financial Guarantee -</b>				
- Fair Value of Financial Guarantees		101.23		26.35
		<b>22,180.17</b>		<b>20,801.13</b>

6.1 The aggregate carrying value of unquoted investments is ₹12,943.61 crore (previous year ₹ 10,742.71 crore).

6.2 The aggregate amount of quoted investments is ₹9,236.56 crore (previous year ₹10,058.42 crore).

6.3 The aggregate market value of quoted investments is ₹9,326.78 crore (previous year ₹ 10,150.44 crore).

6.4 The aggregate amount of impairment in value of investment is ₹202.22 crore (previous year ₹174.00 crore).

6.5 The details of Equity investments are as under: -

Name of Body Corporate	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
	No of Shares	Face Value Per Share	No of Shares	Face Value Per Share
M/s Oil India Sweden AB	4202983	EURO 11.1945	4189048	EURO 11.1945
M/s Oil India Cyprus Limited	58044	EURO 1	32501	EURO 1
M/s Oil India (USA) Inc.	11110000000	US\$ 0.01	2110000000	US\$0.01
M/s Oil India International Limited	100000000	₹10	100000000	₹10
M/s Oil India International B.V.	28816743	EURO 1	7328	EURO 1
M/s Oil India International Pte. Ltd	533707277	US\$ 1	179375975	US\$ 1
M/s Beas Rovuma Energy Mozambique Ltd	5120	No par value	5120	No par value
M/s Numaligarh Refinery Limited (NRL)	191264202	₹10	191264202	₹10
M/s Brahmaputra Cracker & Polymer Limited (BCPL)	141767000	₹10	141767000	₹10
M/s Duliajan Numaligarh Pipeline Limited (DNPL)	38460000	₹10	38460000	₹10
M/s Indian Oil Corporation Limited (IOCL)*	485590496	₹10	242795248	₹10
M/s Suntera Nigeria 205 Ltd	2500000	Naira 1	2500000	Naira 1

(\*) The increase in number of shares was due to issue of bonus share.

6.6 Mode of valuation of investments is given in Note no 1.14 & 1.15.

6.7 Advance against acquisition of equity shares pending allotment:

(₹ in crore)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
M/s Oil India (USA) Inc.	-	590.04
M/s Oil India Cyprus Limited,	0.07	0.06
M/s Beas Rovuma Energy Mozambique Ltd,	73.03	51.56
M/s Oil India International B.V.,	0.00	211.22
M/s Oil India Sweden AB	0.00	0.51
M/s Oil India International Pte. Ltd.	-	213.60
<b>Total</b>	<b>73.10</b>	<b>1066.99</b>

6.8 Fair Value of Financial Guarantee includes:

(₹ in crore)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
M/s Oil India (USA) Inc.	8.50	8.50
M/s Oil India International Pte. Ltd	91.47	16.59
M/s Brahmaputra Cracker & Polymer Limited	1.26	1.26
<b>Total</b>	<b>101.23</b>	<b>26.35</b>

## NOTE-7

### NON-CURRENT FINANCIAL ASSETS: LOANS

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>At amortised cost</b>		
Secured, considered good		
Loans to employees	128.17	124.72
Unsecured, considered good		
Loans to related parties		
-M/s Oil India International B.V.	424.23	404.37
-M/s Suntera Nigeria 205 Limited	121.53	131.80
Loans to employees	3.72	4.05
Unsecured, Considered doubtful		
Loans to M/s Suntera Nigeria 205 Limited	65.91	41.13
Less: Allowances for bad and doubtful loans	65.91	41.13
	<b>677.65</b>	<b>664.94</b>

7.1 Loans to employees include amount due from whole time Directors and Other Officers of the Company are as under:

(₹ in crore)

Particulars	Balance as at	
	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
<b>Secured, considered good</b>		
Directors	1.69	1.68
Other Officers	0.00	0.00
<b>Total</b>	<b>1.69</b>	<b>1.68</b>

7.2 Loans to related parties include:

Particulars	Balance as at			
	31 <sup>st</sup> March, 2018		31 <sup>st</sup> March, 2017	
(i) M/s Oil India International B.V. : *	US\$ (Million)	₹ in crore	US\$ (Million)	₹ in crore
Loans maturing on 31 <sup>st</sup> December, 2025 carries interest at 3 months LIBOR plus 5.65%	45.00	295.79	45.00	294.44
Loans maturing on 7 <sup>th</sup> April, 2021 carries interest at 3 months LIBOR plus 8.65%	10.00	65.73	10.00	65.43
Loans maturing on 7 <sup>th</sup> April, 2021 carries interest at 3 months LIBOR plus 8.65%**	2.00	13.15	-	-
Accrued interest and revaluation	7.54	49.56	6.80	44.50
<b>Total</b>	<b>64.54</b>	<b>424.23</b>	<b>61.80</b>	<b>404.37</b>

\* As on 31.03.2018, the Company has entered into three interest bearing Facility Agreements with Oil India International BV to extend total ₹ 387.81 crore (USD 59 million) and as on balance sheet date the total amount withdrawn under the agreements is ₹ 382.56 crore (USD 58.2 million).

Out of total amount withdrawn, ₹ 7.89 crore (USD 1.2 million) is included in "Loan to OIIBV" disclosed in Current Financial Assets: Loan under Note-15.

\*\* The interest on USD 3.2 million revised to 3 months LIBOR plus 13.65% w.e.f 01.01.2018 on account of non payment of USD 1.2 million as on 31.12.2017.

(ii) M/s Suntera Nigeria 205 Ltd.*	US\$ (Million)	₹ in crore	US\$ (Million)	₹ in crore
Loans maturing on 31 <sup>st</sup> January, 2022 carries interest at 8.75%	17.43	114.56	16.86	110.29
Accrued interest and revaluation	11.09	72.88	9.57	62.64
<b>Total</b>	<b>28.52</b>	<b>187.44</b>	<b>26.43</b>	<b>172.93</b>

\* As on 31.03.2018, the total receivables consisting of principal and interest from M/s Suntera Nigeria 205 Limited is ₹ 187.44 crore as against the fair value assessment of ₹ 121.53 crore. Accordingly an amount of ₹ 65.91 crore has been taken as allowances for bad and doubtful loans as of 31.03.2018.

**NOTE-8**

**NON-CURRENT FINANCIAL ASSETS: OTHERS**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>At amortised cost</b>		
Unsecured, considered good	3.94	3.39
Deposit under Site Restoration Scheme	63.14	63.92
Deferred Employee Benefit Expenses	<u>67.08</u>	<u>67.31</u>

**NOTE-9**

**OTHER NON-CURRENT ASSETS**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>Unsecured, considered good</b>		
Capital advances	19.12	0.62
Advances other than capital advances		
Prepayment Leasehold Land	16.40	10.61
Security Deposits	4.12	3.90
Prepaid expenses-Others	5.74	7.83
	<u>26.26</u>	<u>22.34</u>
	<u>45.38</u>	<u>22.96</u>

**9.1** Security deposits include deposits with Appellate Authorities, other Government entities and deposits made for office facilities.

**NOTE-10**

**INVENTORIES**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>Finished goods</b>		
Crude Oil	100.32	121.29
Liquefied Petroleum Gas	0.81	0.49
Condensate	0.20	0.23
	<u>101.33</u>	<u>122.01</u>
Stores and spares	924.75	806.57
Less: Allowances for slow / non-moving inventory	<u>77.86</u>	<u>69.02</u>
Stores and spares in transit	128.70	235.67
Scrap and unservicable items	1.34	1.24
	<u>1078.26</u>	<u>1096.47</u>

**10.1** The cost of inventories recognised as an expense during the year in respect of continuing operations was ₹ 185.18 crores (previous year ₹ 198.55 crores).

**10.2** Mode of valuation of inventories is given in Note no 1.12.0.

## NOTE-11

## CURRENT FINANCIAL ASSETS: INVESTMENTS

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>At Fair Value Through Profit &amp; Loss</b>		
Unquoted :		
Leave Encashment Fund		
i) With Life Insurance Corporation of India	94.30	122.01
ii) With SBI Life Insurance Company Limited	75.65	67.10
Mutual Funds		
i) Units of UTI Mutual Fund under Liquid Cash Plan	195.95	384.07
ii) Units of SBI Mutual Fund under Liquid Cash Plan	195.97	384.08
iii) Units of IDBI Mutual Fund under Liquid Cash Plan	43.53	96.00
iv) Units of Canara Robeco Mutual Fund under Liquid Cash Plan	-	96.00
	<b>605.40</b>	<b>1149.26</b>

11.1 Mode of valuation of investments is given in Note no 1.15.1.1.

## NOTE-12

## CURRENT FINANCIAL ASSETS: TRADE RECEIVABLES

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>At amortised cost</b>		
(a) Unsecured, considered good	1407.76	1005.55
(b) Unsecured, considered doubtful	43.82	35.86
Less: Allowances for doubtful receivables	43.82	35.86
	<b>1407.76</b>	<b>1005.55</b>

12.1 Trade receivables primarily comprise of government related entities. These government related entities have very strong capacity to meet their obligations. The Company allows credit period of 15-30 days to its customers for payment. Normally, payments are made by the customers on or before the due dates. The management does not anticipate any payment default from these customers other than those already provided for. Hence, as per the prevailing circumstances, management does not consider the increase in credit risk from the time of initial recognition of trade receivables and at the reporting date as significant.

12.2 The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The aggregate percentage of provision against trade receivables outstanding for more than six months is 14.04% as at 31.03.2018 (as at 31.03.2017 11.83%).

12.3 The details of allowances for doubtful receivables are as under: -

(₹ in crore)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Opening Balance	35.86	19.92
Add/(Less): Allowances for doubtful receivables	9.75	16.83
Less: Write off	1.79	0.89
Closing Balance	43.82	35.86

**NOTE-13**

**CASH AND CASH EQUIVALENTS**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Balances with Banks		
Current Accounts	93.92	90.03
Term Deposits (Original maturity of 3 months or less)	20.00	87.00
Cash Credit Accounts	0.81	0.51
Cash on Hand	0.22	0.17
	<u>114.95</u>	<u>177.71</u>

**NOTE-14**

**OTHER BANK BALANCES**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Unpaid Dividend Bank Account	5.09	5.14
Earmarked Balance REC Purchase Obligation	0.04	0.02
Term Deposits (Original maturity of more than 3 months and upto 12 months)	2972.49	6359.45
	<u>2977.62</u>	<u>6364.61</u>

**14.1** If the dividend has not been paid or claimed within 30 days from the date of its declaration, the Company is required to transfer the total amount of the dividend which remains unpaid or unclaimed, to a special account maintained by the Company in a scheduled bank as "Unpaid Dividend Account". The unclaimed dividend lying with the Company is required to be transferred to the Investor Education and Protection Fund (IEPF), administered by the Central Government after a period of seven years of its declaration.

**NOTE-15**

**CURRENT FINANCIAL ASSETS: LOANS**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>At amortised cost</b>		
Secured, considered good		
Loans to employees	31.81	32.15
Unsecured, considered good		
Loans to related parties		
M/s Oil India (USA) Inc.	-	1.13
M/s Oil India International B.V.	32.69	-
Loans to employees	3.10	2.66
Unsecured, Considered doubtful		
Inter Corporate Deposits to		
M/s Indian Drugs Pharmaceuticals Ltd.	28.33	28.33
Less: Allowances for doubtful loans	28.33	-
	<u>67.60</u>	<u>35.94</u>

15.1 Loans to employees include amount due from whole time Directors and Other Officers of the Company are as under: (₹ in crore)

Particulars	Balance as at	
	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
<b>Secured, considered good</b>		
Directors	0.08	0.11
Other Officers	0.00	0.00
<b>Total</b>	<b>0.08</b>	<b>0.11</b>

15.2 Loans to related parties include:

Particulars	Balance as at			
	31 <sup>st</sup> March, 2018		31 <sup>st</sup> March, 2017	
<b>(i) M/s Oil India International B.V. :</b>	US\$ (Million)	₹ in crore	US\$ (Million)	₹ in crore
Loan matured on 31.12.2017 carries interest at 3 months LIBOR plus 8.65%*	1.20	7.89	-	-
Accrued interest and Revaluation	3.77	24.80	-	-
<b>Total</b>	<b>4.97</b>	<b>32.69</b>	-	-

\* The interest on USD 3.2 million revised to 3 months LIBOR plus 13.65% w.e.f 01.01.2018 on account of non payment of USD 1.2 million as on 31.12.2017

**NOTE-16**

**CURRENT FINANCIAL ASSETS: OTHERS**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>At amortised cost</b>		
Unsecured, considered good		
Cash call receivable from JV Partners	37.74	36.27
Accrued interest on financial assets	40.69	40.27
Claim receivable against insurance and leave encashment	25.27	5.22
Deferred Employee benefit expenses	12.21	11.69
Advances to Employees	45.84	17.24
Advance- Others	0.44	-
Other Receivables	310.84	248.47
Unsecured, Considered doubtful		
Cash call receivable from JV Partners	291.78	241.11
Less: Allowances for doubtful receivables	291.78	241.11
Claim receivable against insurance and leave encashment	0.59	8.80
Less: Allowances for doubtful receivables	0.59	8.80
Other Receivables (manpower cost from Ind OIL Netherlands)	12.30	-
Less: Allowances for doubtful receivables	12.30	-
	<b>473.03</b>	<b>359.16</b>

**16.1** Other receivables include receivables from:

(₹ in crore)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
M/s BCPL against capital cost reimbursement	145.35	145.35
Directorate General of Hydrocarbon	131.90	65.64
M/s ONGC Limited	16.26	-
M/s Indian Oil Corporation Limited	5.35	10.74
M/s BPRL	5.35	10.74
M/s Suntera Nigeria Ltd towards manpower secondments	1.96	-
M/s Ind OIL Netherlands towards manpower secondments	12.30	9.67
M/s Oil India International Ltd.	0.04	-
M/s Oil India (USA) Inc.	0.17	-
M/s Vankor India Pte Limited	0.14	-
Towards other miscellaneous services	4.32	6.33
<b>Total</b>	<b>323.14</b>	<b>248.47</b>

**NOTE-17**

**CURRENT TAX ASSETS (NET)**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Income Tax paid (Including demand tax under appeal)	2850.92	2434.96
Less: Provision for Taxation	1650.05	969.42
	<b>1200.87</b>	<b>1465.54</b>

**NOTE-18**

**OTHER CURRENT ASSETS**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Unsecured, considered good		
Prepayment Leasehold land	1.09	0.34
Advance to Suppliers	71.43	6.21
Cenvat Credit and Other Receivable	81.09	45.95
Prepaid Insurance and Others	33.66	48.05
Security Deposits	3.17	3.95
Unsecured, Considered doubtful		
Advances to Suppliers	6.30	7.38
Less: Allowances for doubtful receivables	6.30	7.38
Cenvat Credit and Other Receivable	637.22	585.47
Less: Allowances for doubtful receivables	637.22	585.47
	<b>190.44</b>	<b>104.50</b>

**18.1** Security deposits include deposit with Appellate Authorities, other Government entities and deposits made for office facilities.

## NOTE-19

## EQUITY SHARE CAPITAL

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>Authorised:</b> 200,00,00,000 (March 31, 2017 : 200,00,00,000) Equity Shares of ₹ 10/- each	<u>2000.00</u>	<u>2000.00</u>
<b>Issued, Subscribed and Fully Paid up:</b> 75,66,02,607 (March 31, 2017 : 80,15,14,607) Equity Shares of ₹ 10/- each fully paid up	<u>756.60</u>	<u>801.51</u>

**19.1** Terms/rights attached to equity shares: The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share and carry a right to dividend.

**19.2** Details of shareholders holding more than 5% shares in the Company are as under:

Category	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
	No. of shares	% to equity	No. of shares	% to equity
President of India	500,365,555	66.13%	533,793,769	66.60%
Life Insurance Corporation of India	67,559,588	8.93%	64,016,548	7.99%

**19.3** The reconciliation of the shares outstanding as at 31st March, 2018 and 31<sup>st</sup> March, 2017 is set out below:

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	No of Shares	No of Shares
Outstanding at the beginning of the year	801,514,607	601,135,955
Add: Addition during the year	-	200,378,652
Less: Buy-back during the year	44,912,000	-
Outstanding at the end of the year	756,602,607	801,514,607

**19.4** 36,06,81,573 Equity shares of ₹10 each allotted as fully paid up bonus shares in the FY 2012-13.

**19.5** 20,03,78,652 Equity shares of ₹10 each allotted as fully paid up bonus shares in the FY 2016-17.

**19.6** 37,83,01,304 Equity shares of ₹10 each allotted as fully paid up bonus shares in the FY 2017-18 on 3rd April, 2018.

**19.7** As per the approval of Board of Directors in its meeting held on 20<sup>th</sup> March, 2017, the Company has completed the buy-back of 4,49,12,000 fully paid up equity shares at the price of ₹340 per equity share, on 15<sup>th</sup> June, 2017. After the buy back, the share capital of the Company stands decreased from ₹801.51 crore to ₹756.60 crore.

**19.8** The Board of Directors has recommended a final dividend of ₹1.00 per share which is subject to the approval of the shareholders in the ensuing Annual General Meeting.

**NOTE-20**

(₹ in crore)

**OTHER EQUITY**

	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
<b>I. Reserves and Surplus</b>				
(a) Securities Premium Reserve				
Opening Balance	2189.75		2390.12	
Utilised for Bonus Issue	-		(200.37)	
Utilised for Buyback of Shares	(1490.35)		-	
Utilised for transfer to Capital Redemption Reserve	(44.91)	654.49	-	2189.75
(b) Foreign Currency Monetary Item Translation Difference Account				
Opening Balance	(242.74)		(588.81)	
Addition during the year	(36.54)		184.44	
Adjusted/Amortised during the year	65.39	(213.89)	161.63	(242.74)
(c) Debenture Redemption Reserve				
Opening Balance	555.17		501.75	
Add: Amount transferred from surplus balance	430.78	985.95	53.42	555.17
(d) Capital Redemption Reserve				
Opening Balance	-		-	
Transferred from Securities Premium Reserve	44.91	44.91	-	-
(e) General Reserve		19898.06		19898.06
(f) Retained Earnings				
Balance as per Statement of Profit & Loss	2667.93		1548.68	
Interim Dividend	(1059.25)		(761.44)	
Tax on Interim Dividend	(215.35)		(155.01)	
Final Dividend of previous year	(359.39)		(480.91)	
Tax on Final Dividend of previous year	(73.16)		(97.90)	
Remeasurement of the net Defined Benefit Plans transferred from Other Comprehensive Income	89.19		-	
Transfer to Debenture Redemption Reserve	(430.78)	619.19	(53.42)	-
<b>II. Other Comprehensive Income (OCI)</b>				
Opening Balance	5,888.74		2,117.19	
Equity Instrument designated as FVTOCI	(787.85)		3,843.24	
Other Items	152.40		(71.69)	
Remeasurement of the net Defined Benefit Plans transferred to Retained Earnings	(89.19)	5164.10	-	5888.74
		<b>27152.81</b>		<b>28288.98</b>

**20.1 Nature and purpose of reserves:**

- (a) Securities Premium Reserve: Security Premium Reserve is created when securities are issued at premium. This reserve may be utilised for issue of fully paid bonus shares and for any other purpose as permitted under the provisions of the Companies Act, 2013.

- (b) Foreign Currency Monetary Item Translation Difference Account: Exchange difference on long-term foreign currency monetary items are accumulated in a Foreign Currency Monetary Item Difference Account and amortised over the balance period of such long term foreign currency monetary item in continuance of policy as permitted under D13AA of Ind AS 101.
- (c) Debenture Redemption Reserve: Debenture Redemption Reserve is created out of the profits of the Company, available for payment of dividend and the amount credited to such account shall not be utilised by the Company except for the redemption of debentures.
- (d) Capital Redemption Reserve: Capital Redemption Reserve is created out of the Securities Premium Reserve, a sum equal to nominal value of the fully paid up own equity shares purchased by the Company during the period. The amount credited to such account may be applied in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares.
- (e) General Reserve: The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.
- 20.2 Other Comprehensive Income: It includes the cumulative gains/losses arising on measurement of equity instruments designated at fair value through Other Comprehensive Income. On disposal of such equity instruments the net amount shall be reclassified to retained earnings. It also includes remeasurement of defined benefit plans due to change in actuarial assumptions.

**20.3** The Debenture Redemption Reserve position for above is as under:

(₹ in crore)

Particulars	As at 01.04.2017	Addition during 2017-18	As at 31.03.2018
Unsecured 3.875% 5 years Reg S Bonds-USD 500 million	370.11	287.19	657.30
Unsecured 5.375% 10 years Reg S Bonds-USD 500 million	185.06	143.59	328.65
<b>Total</b>	<b>555.17</b>	<b>430.78</b>	<b>985.95</b>

## NOTE-21

### NON-CURRENT FINANCIAL LIABILITIES: BORROWINGS

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>At amortised cost</b>		
Unsecured Loan-Foreign Currency Bonds	6550.51	6514.44
External Commercial Borrowings from Banks	815.05	2433.09
	<b>7365.56</b>	<b>8947.53</b>

**21.1** Bonds represent:

Particulars	Balance as at			
	31 <sup>st</sup> March, 2018		31 <sup>st</sup> March, 2017	
	US\$ (Million)	₹ in crore	US\$ (Million)	₹ in crore
5.375% Notes issued on 17.04.2014 payable on the date falling 10 years from the date of issue	500.00	3,267.88	500.00	3250.42
3.875% Notes issued on 17.04.2014 payable on the date falling 5 years from the date of issue	500.00	3,282.63	500.00	3264.02
<b>Total</b>	<b>1000.00</b>	<b>6550.51</b>	<b>1000.00</b>	<b>6514.44</b>

**21.2** External Commercial Borrowings from Banks represent:

Particulars	Balance as at			
	31 <sup>st</sup> March, 2018		31 <sup>st</sup> March, 2017	
	US\$ (Million)	₹ in crore	US\$ (Million)	₹ in crore
Syndicate Loans repayable after 5 years from the date of drawl at an interest rate of 1 month LIBOR +1.04%	125.00	815.05	125.00	808.01
Syndicate Loans repayable after 5 years from the date of drawl (26.12.2013) at an interest rate of 3 month LIBOR +1.18%*	-	-	250.00	1625.08
<b>Total</b>	<b>125.00</b>	<b>815.05</b>	<b>375.00</b>	<b>2433.09</b>

\* Syndicate Loans at an interest rate of 3 month LIBOR +1.18% being repayable within a period of one year has been shown as current maturity of long term borrowings in Note 27:Current Other Financial Liabilities

**21.3** The figures in US\$ in Note 21.1 and Note 21.2 represent the original borrowings availed from the respective lenders.

**NOTE-22**

**NON-CURRENT FINANCIAL LIABILITIES: TRADE PAYABLES**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>At amortised cost</b>		
Dues to Micro, Small and Medium Enterprises	-	-
Dues to Others	1.86	3.27
	<b>1.86</b>	<b>3.27</b>

**22.1** Refer to note no. 41.8 for dues to Micro, Small and Medium Enterprises.

**NOTE-23**

**NON-CURRENT: OTHERS FINANCIAL LIABILITIES**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Financial guarantee contract liability	60.62	0.41
Deferred Income	103.20	109.91
	<b>163.82</b>	<b>110.32</b>

**NOTE-24**

**NON-CURRENT LIABILITIES: PROVISIONS**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Provision for employee benefits	319.19	307.02
Provisions for well abandonment		
Opening Balance	496.25	319.32
Addition during the year	-	179.88
Adjusted/reversal during the year	(37.02)	(2.95)
	459.23	496.25
	<b>778.42</b>	<b>803.27</b>

**24.1** Provision for employee benefits represents defined benefit plans as appended below:

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Leave encashment	160.43	149.77
Post retirement medical benefit	126.96	125.26
Long service award	31.80	31.99
<b>Total</b>	<b>319.19</b>	<b>307.02</b>

**NOTE-25**

**DEFERRED TAX LIABILITIES (NET)**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Deferred tax liability		
Timing differences in "Depreciation/Depletion"	3,879.96	3,746.11
Deferred tax assets		
Timing differences in "Disallowance"	(441.00)	(666.59)
Deferred tax liability (Net)	<b>3438.96</b>	<b>3079.52</b>

**NOTE-26**

**CURRENT FINANCIAL LIABILITIES: TRADE PAYABLES**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>At amortised cost</b>		
Dues to Micro, Small and Medium Enterprises	0.40	1.61
Dues to Others	551.00	584.32
	<b>551.40</b>	<b>585.93</b>

**26.1** Refer to note no. 41.8 for dues to Micro, Small and Medium Enterprises.

**NOTE-27**

**CURRENT: OTHER FINANCIAL LIABILITIES**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Current maturity of Long Term Borrowings	1638.69	-
Interest accrued	140.23	139.15
Unpaid dividends	5.09	5.14
Financial guarantee contract liability	7.60	8.60
Deferred Income	7.04	7.95
Other Payables		
- Liabilities for Capital Expenditure & others	932.74	1,091.08
- Cash call payable to Joint Venture	135.02	181.72
- Employees Benefits	300.21	171.68
	<b>3166.62</b>	<b>1,605.32</b>

**27.1** Current maturity of Long Term Borrowings represents External Commercial Borrowings referred in Note 21.2, repayment of which is due within a year:

Particulars	Balance as at			
	31 <sup>st</sup> March, 2018		31 <sup>st</sup> March, 2017	
	US\$ (Million)	₹ in crore	US\$ (Million)	₹ in crore
Syndicate Loans repayable after 5 years from the date of drawl (26.12.2013) at an interest rate of 3 month LIBOR +1.18%	250.00	1,638.69	-	-
<b>Total</b>	<b>250.00</b>	<b>1,638.69</b>	-	-

### NOTE-28

#### OTHER CURRENT LIABILITIES

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Statutory Liabilities	179.80	694.91
Advance received from Customers/Vendors	10.32	48.68
	<b>190.12</b>	<b>743.59</b>

**28.1** Statutory Liabilities for the previous year includes ₹304.59 crore on account of increase in gratuity ceiling from ₹10 Lakhs to ₹20 Lakhs as per DPE guidelines.

### NOTE-29

#### CURRENT LIABILITIES: PROVISIONS

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
<b>Provision for Employee Benefits</b>	302.88		229.85	
Provision for -				
1. Well Abandonment Cost				
Opening Balance	26.97		15.18	
Addition during the year	6.14		11.79	
Adjusted/reversal during the year	-	33.11	-	26.97
2. Unfinished Minimum Work Programme				
Opening Balance	103.90		126.27	
Addition during the year	23.66		9.81	
Adjustment/reversal during the year	(9.81)	117.75	(32.18)	103.90
3. Others				
Opening Balance	9.59		6.49	
Addition during the year	4.68		3.10	
Adjustment/reversal during the year	-	14.27	-	9.59
		<b>165.13</b>		<b>140.46</b>
		<b>468.01</b>		<b>370.31</b>

**29.1** Provision for employee benefits represents :

(₹ in crore)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Pay revision	189.29	67.76
Leave encashment	32.10	87.78
Long service award	30.72	24.66
Post retirement medical benefit	37.75	38.87
Ex-gratia for members of Oil India Pension Fund	13.02	10.78
<b>Total</b>	<b><u>302.88</u></b>	<b><u>229.85</u></b>

**NOTE-30****REVENUE FROM OPERATIONS**

(₹ in crore)

	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
Sale of Products		
Crude Oil	8467.01	7253.22
Natural Gas	1251.78	1331.33
Liquefied Petroleum Gas	120.88	103.34
Condensate	32.83	21.69
Renewable Energy	116.56	110.68
Sale of Services		
Income from Pipeline Transportation		
Crude Oil	187.84	188.01
Refined Products	175.89	167.38
Natural Gas	<u>1.85</u>	<u>0.79</u>
Income from OFC Fibre Leasing	13.27	11.49
Other Operating Revenues		
Claims towards under-recovery of Natural Gas Price	279.57	310.07
Income from Business Development Services	4.73	6.15
Renewable Energy-Others	4.26	6.24
	<b><u>10656.47</u></b>	<b><u>9510.39</u></b>

**30.1** As per the directives 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.

**30.2** LPG prices are governed as per PAHAL (DBTL) Scheme, 2014 issued by MOP&NG vide letter No. 20019/101/2014-LPG dated 1<sup>st</sup> April, 2015.

**30.3** 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.

**30.4** Company is holding 77,172 (as on 31.03.2017 61,042) numbers of Renewable Energy Certificates (REC) as on 31.03.2018. The Floor Price of REC in the Energy Exchange on 31.03.2018 was ₹1000 (as on 31.03.2017 ₹3500) per REC.

**NOTE-31**

**OTHER INCOME**

(₹ in crore)

	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
<b>Interest on:</b>		
Financial assets measured at amortised cost	413.33	728.44
<b>Dividend from:</b>		
Investments in Subsidiaries, Associates and Joint Ventures	471.47	258.86
Equity Instruments measured at Fair value through other comprehensive income	485.59	540.22
Investment in Mutual Funds	39.49	45.41
<b>Others:</b>		
Financial Guarantee	15.67	12.65
Amortization of Deferred Income	7.62	27.49
Miscellaneous Income	51.00	67.61
	<b>1484.17</b>	<b>1680.68</b>

**31.1** Dividends from equity instruments designated at FVTOCI relate to investment held at the end of the year. There was no dividend income relating to investments derecognised during the year.

**31.2** Interest Income from financial assets measured at amortised cost includes an amount of ₹39.43 crore (previous year ₹42.75 crore) interest income from the loan given to related parties.

**NOTE-32**

**PURCHASES OF STOCK-IN-TRADE**

(₹ in crore)

	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
Purchase of Natural Gas	28.29	-
	<b>28.29</b>	<b>0.00</b>

**NOTE-33**

**CHANGES IN INVENTORIES OF FINISHED GOODS**

(₹ in crore)

	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
Opening Stock		
Crude Oil	121.29	72.25
Liquefied Petroleum Gas	0.49	0.40
Condensate	0.23	0.17
	122.01	72.82
Closing Stock		
Crude oil	100.32	121.29
Liquefied Petroleum Gas	0.81	0.49
Condensate	0.20	0.23
	101.33	122.01
(Increase) / Decrease	<b>20.68</b>	<b>(49.19)</b>

**NOTE-34****EMPLOYEE BENEFITS EXPENSE**

(₹ in crore)

	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
Salaries & Wages	1701.73	1491.71
Contribution to provident and other funds	400.29	599.18
Staff Welfare Expenses	81.12	86.49
	<u>2183.14</u>	<u>2177.38</u>
Less: Capitalised during the year	489.85	563.51
	<u><b>1693.29</b></u>	<u><b>1613.87</b></u>

**NOTE-35****FINANCE COSTS**

(₹ in crore)

	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
Interest expenses on borrowings at amortised cost		
-Secured loan	0.18	0.18
-Unsecured loan	378.82	371.81
Unwinding of decommissioning liability	36.68	24.72
	<u><b>415.68</b></u>	<u><b>396.71</b></u>

**35.1** Pursuant to directive from Government of India, the Company has raised overseas borrowings for acquiring 4% participating interest in Rovuma 1 offshore block in Mozambique. In the opinion of the Management, there is no explicit restriction by Government of India with regard to repayment & servicing of such overseas borrowings from domestic resources of the Company. Interest servicing of ₹319.29 crore (previous year ₹322.07 crore) on such overseas borrowings have been met from domestic resources. The Company has informed MoP&NG that servicing of interest on the external commercial borrowings raised for financing of above transaction is being done from domestic resources. Approval of MOP&NG is awaited.

**NOTE-36****DEPRECIATION, DEPLETION AND AMORTIZATION EXPENSE**

(₹ in crore)

	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
Depreciation	417.81	275.51
Less: Capitalised during the year	88.42	64.32
	<u>329.39</u>	<u>211.19</u>
Depletion	920.82	863.81
Amortization	19.80	15.73
	<u><b>1270.01</b></u>	<u><b>1090.73</b></u>

**NOTE-37**

**OTHER EXPENSES**

(₹ in crore)

	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
Statutory Levies	2929.03	2528.67
Consumption of Stores & Spares parts	185.18	198.55
Consumption of Fuel	31.34	29.74
Contract cost	926.94	887.62
Insurance, rent, rates & taxes	27.39	33.68
Exchange Loss-Net	78.13	151.44
Exploratory Wells written off	190.02	270.84
Provisions/Write off:		
Impairment of Exploratory Wells	209.41	343.33
Cost of unfinished Minimum Work Programme	23.56	(1.00)
Loans & advances	131.57	179.43
Inventories	11.26	19.10
Trade receivables	9.97	16.83
Loss on deletion of assets	51.68	25.99
Diminution in value of investment	28.22	-
Others	12.19	1.97
CSR (Corporate social responsibility) expenditure	100.58	108.37
Fair Value Loss/(Gain) on Derivative	-	1.90
Miscellaneous Expenses	56.42	44.44
	<b>5002.89</b>	<b>4840.90</b>

**37.1** Statutory levies represent Royalty ₹ 1493.94 crore (previous year ₹ 1297.14 crore) and Cess ₹ 1435.09 crore (previous year ₹ 1231.53 crore).

**37.2** Corporate Social Responsibility (CSR) expenditure :

(₹ in crore)

Particulars	for the year ended 31 <sup>st</sup> March, 2018		for the year ended 31 <sup>st</sup> March, 2017	
	In cash	yet to be paid in cash	In cash	yet to be paid in cash
(a) Gross amount required to be spent	61.76		74.37	
(b) Amount spent during the period				
(i) Construction/Acquisition of asset	10.44	-	9.10	-
(ii) On purpose other than (i) above	86.74	3.40	85.92	13.35
	97.18	3.40	95.02	13.35
<b>Total</b>	<b>100.58</b>		<b>108.37</b>	

37.3 The details of fees to statutory auditors (included under Miscellaneous Expenses):

(₹ in crore)

Particulars	for the year ended 31 <sup>st</sup> March, 2018	for the year ended 31 <sup>st</sup> March, 2017
<b>Fees to Statutory Auditors (including GST/Service Tax):</b>		
(a) As Auditor	0.57	0.57
(b) For Taxation matters (Tax Audit)	0.03	-
(c) For company law matters	-	-
(d) For Other Services-Certification	0.14	0.12
(e) For reimbursement of expenses	-	0.02
<b>Total</b>	<b>0.74</b>	<b>0.71</b>

**NOTE-38**

**EXCEPTIONAL ITEMS**

(₹ in crore)

	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
Royalty on Crude Oil	-	1151.73
	-	<b>1151.73</b>

38.1. Exceptional items represents the differential royalty for the period from February 2014 to December, 2016 amounting to ₹1151.73 crore paid to government of Assam and Arunachal Pradesh as per GOI directives and charged to the Statement of Profit and Loss during the previous year ended 31<sup>st</sup> March, 2017.

**EARNINGS PER EQUITY SHARE**

**NOTE-39**

	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
Basic & Diluted		
Weighted average number of Equity Shares outstanding during the year	1144132404	1179815911
Face value of each Equity Share (₹)	10.00	10.00
Profit for the year from Continuing Operations (₹ in crore)	2667.93	1548.68
Earnings per Equity Share (for continuing operation) (₹) - Basic	<b>23.32</b>	<b>13.13</b>
Earning Per Equity Share (for continuing operations) (₹) - Diluted	<b>23.32</b>	<b>13.13</b>
Profit for the period from Discontinued Operations (₹ in crore)	-	-
Earnings per Equity Share (for discontinued operations) (₹) - Basic	-	-
Earning per Equity Share (for discontinued operations) (₹) - Diluted	-	-
Profit for the year (for discontinued operations & continuing operations) (₹ in crore)	2667.93	1548.68
Earnings per Equity Share (for discontinued operations & continuing operations) (₹) - Basic	<b>23.32</b>	<b>13.13</b>
Earnings per Equity Share (for discontinued operations & continuing operations) (₹) - Diluted	<b>23.32</b>	<b>13.13</b>

39.1 Earnings per share for the year ended 31<sup>st</sup> March, 2018 has been computed on the basis of weighted average number of shares outstanding during the year considering :

i) Buy back of 449,12,000 shares completed on 15th June, 2017.

ii) Issue of 37,83,01,304 number of bonus shares as per approval of the shareholders on 21<sup>st</sup> March, 2018 allotment of which was made on 3<sup>rd</sup> April, 2018.

39.2 Earnings per share for the year ended 31<sup>st</sup> March, 2017 has been restated considering the bonus issue of shares as stated in point 39.1 (ii).

(in Indian Rupees crores, unless otherwise stated)

#### 40. Financial Instruments

##### 40.1.1 Capital Management

The Company manages its capital to ensure that Company will be able to continue as going concern while maximizing the return to stakeholders through the optimization of the capital structure.

The capital structure of the Company consists of total equity and debt. The Company is not subject to any externally imposed capital requirements except the guidelines issued by Government of India.

The Company's management reviews the capital structure on a regular basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. The company aims to maintain gearing ratio target around 45% at Group level. The gearing ratio of the company is provided below.

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Debt	9,004.25	8,947.53
Equity*	22,745.31	23,201.75
Total capital employed	31,749.56	32,149.28
Gearing ratio	28%	28%

\*Equity taken above excludes Items of Other Comprehensive Income(OCI).

#### 40.2 Categorisation of financial instruments

##### 40.2.1 Categorisation of financial assets

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>Financial assets</b>		
<b>(i) Assets measured at fair value through profit and loss (FVTPL)</b>		
(a) Investments in Mutual Funds		
-Units of UTI Mutual Fund under Liquid cash plan	195.95	384.07
-Units of SBI Mutual Fund under Liquid cash plan	195.97	384.08
-Units of IDBI Mutual Funds under Liquid Cash plan	43.53	96.00
-Units of Canara Robeco Mutual Fund under Liquid Cash plan	-	96.00
-Leave Encashment Fund Investment	169.95	189.11
<b>Total assets measured at FVTPL</b>	<b>605.40</b>	<b>1,149.26</b>
<b>(ii) Assets measured at amortised cost</b>		
(a) Cash and cash equivalent	114.95	177.71
(b) Bank balances other than (a) above	2,977.62	6,364.61
(c) Trade receivables	1,407.76	1,005.55
(d) Investment in tax free bonds		
-National Highway Authority of India	123.62	123.62
-Power Finance Corporation Limited	135.67	135.67
-Indian Railway Finance Corporation Limited	207.40	207.40
-Rural Electrification Corporation Limited	534.35	534.35
-India Infrastructure Finance Corp Ltd.	300.00	300.00
-National Thermal Power Corporation Limited	19.99	19.99

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
(e) Loan to related parties (Unsecured) - Non Current		
Loans to M/s Oil India International B.V.	424.23	404.37
Loans to M/s Suntera Nigeria 205 Limited	121.53	131.80
(f) Loan to employees (Secured) -Non Current	128.17	124.72
(g) Loan to employees (Unsecured)-Non Current	3.72	4.05
(h) Loan to related parties (Unsecured) - Current		
Advance to M/s Oil India (USA) Inc.	-	1.13
Loan to M/s Oil India International B.V.	32.69	-
(i) Loan to employees (Secured) - Current	31.81	32.15
(j) Loan to employees (Unsecured) - Current	3.10	2.66
(k) Restricted assets		
-Deposit under Site Restoration Scheme	3.94	3.39
(l) Other financial asstes		
-Insurance claims recoverable	25.27	5.22
-Other receivable	310.84	248.47
-Advances to Employee	45.84	17.24
-Advances Others	0.44	-
-Cash Call receivables from JV Partners	37.74	36.27
-Interest Receivable	40.69	40.27
<b>Total assets measured at amortised cost</b>	<b><u>7,031.37</u></b>	<b><u>9,920.64</u></b>
<b>(iii) Assets designated at FVTOCI</b>		
(a) Investment in equity instruments		
-Indian Oil Corporation Limited	8,575.53	9,397.39
(b) Other Investments		
-Contribution to Capital Fund of Petroleum India International	0.53	0.56
<b>Total assets measured at FVTOCI</b>	<b><u>8,576.06</u></b>	<b><u>9,397.95</u></b>
<b>Total financial assets</b>	<b><u>16,212.83</u></b>	<b><u>20,467.85</u></b>

#### 40.2.2 Categorisation of financial liabilities

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>(i) Liabilities measured at amortised cost</b>		
(a) Trade payables	553.26	589.20
(b) Borrowings		
-External Commercial Borrowings from banks	2,453.74	2,433.09
-Bonds	6,550.51	6,514.44
(c) Other financial liabilities		
-Unpaid dividend	5.09	5.14
-Interest accrued but not due on borrowings	140.23	139.15
-Liabilities for Capital Expenditure and others	932.74	1,091.08
-Cash call payable to Joint Venture	135.02	181.72
-Unpaid liability-Employees	300.21	171.68
<b>Total liabilities measured at amortised cost</b>	<b><u>11,070.80</u></b>	<b><u>11,125.50</u></b>
Financial guarantee contract	68.22	9.01
<b>Total financial liabilities</b>	<b><u>11,139.02</u></b>	<b><u>11,134.51</u></b>

### 40.3 Financial Risk Management

#### 40.3.1 Objective

The Company monitors and manages the financial risks relating to the operations of the Company by analysing exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

#### 40.3.2 Commodity Risk

Crude oil and Natural gas price of the company are linked to international prices of crude oil/natural gas. In case of any upward or downward movement in the international prices of crude oil/natural gas, the revenue of the company get affected correspondingly. Therefore, the company is exposed to commodity price risk.

#### 40.3.3 Market Risk

The company activities exposes it primarily to the financial risks of changes in foreign currency exchange rates, interest rate risk, market exposures that are measured using sensitivity analysis.

### 40.4 Foreign Currency Risk Management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Liabilities	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
USD	9427.16	9308.26
Others	61.39	36.28
<b>Total</b>	<b><u>9,488.55</u></b>	<b><u>9,344.54</u></b>

Assets	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
USD	1964.56	2117.99
Others	10.90	2.10
<b>Total</b>	<b><u>1,975.46</u></b>	<b><u>2,120.09</u></b>

The price of crude oil and natural gas produced and sold by the company are linked to US Dollars, though billed and received in INR. Hence any movement in the USD against INR has direct impact on the future cash flows of the company on account of sale of these products.

#### 40.4.1 Foreign Currency Sensitivity Analysis

The Company is mainly exposed to the currency of United States of America (USD).

The following table details the Company's sensitivity to a 5% increase and decrease in the INR against USD. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as at period end and adjusts their translation at the period end for a 5% change in foreign currency rates.

Particulars	2017-2018	2016-17
i) Impact on Profit and Equity	244.00	235.09

#### 40.4.2 Forward foreign exchange contracts

The Company has entered into a forward foreign exchange contracts during the reporting period. However, there is no forward foreign exchange contract outstanding as on balance sheet date.

#### 40.5 Interest rate risk management

The Company is exposed to interest rate risk because the Company borrows funds at both fixed and floating interest rates and make investment in mutual funds. Periodical interest rate payable on floating interest loan or receivable on mutual fund investment that are linked to market rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. The company policy allows to use forward interest rate agreements (FRA's) or interest rate swap as per the requirements

The Company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management. Refer note 40.8.

##### 40.5.1 Interest Rate Sensitivity Analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. The analysis is prepared based on the floating interest rate assets and liabilities, assuming that the amount outstanding at the end of the reporting period was outstanding for the whole year.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's:

##### Loan Given

- Profit and Equity for the year ended March 31, 2018 would increase / decrease by ₹ 1.25 crores (for the year ended March 31, 2017: increase / decrease by ₹ 1.18 crores).

##### Loan Taken

- Profit and Equity for the year ended March 31, 2018 would decrease/increase by ₹ 8.06 crores (for the year ended March 31, 2017: decrease/increase by ₹ 8.02 crores).

#### 40.6 Price risk

The Company is exposed to equity price risks arising from equity investments in Indian Oil Corporation Limited.

##### Exposure in mutual funds

The company also manages short term surplus fund through investments in debt mutual fund plans regulated by Securities Exchange Board of India (SEBI). The NAV declared by Asset Management Companies (AMC) has generally remained constant on the mutual funds plan taken by the company. However, if the NAV of the fund is increased/decreased by 5%, the sensitivity analysis has been mentioned below:

- Profit and Equity for the year ended March 31, 2018 would decrease/increase by ₹ 14.22 crores (for the year ended March 31, 2017: decrease/increase by ₹ 31.39 crores).

##### 40.6.1 Equity Price Sensitivity Analysis

The sensitivity analyses below have been determined based on the exposure to price risks at the end of the reporting period.

If equity prices had been 5% higher/lower:

- Other comprehensive income and Equity for the year ended March 31, 2018 would increase/decrease by ₹ 385.90 crores (for the year ended March 31, 2017 would increase/decrease by ₹ 422.88 crores).

#### 40.7 Credit Risk Management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company regularly monitors its counterparty limits by reviewing the outstanding balance and ageing of the same.

Possible Credit Risk	Credit Risk Management
Credit risk related to trade receivables	Company's significant trade receivables consist of amounts due from reputed and creditworthy Public Sector Undertakings (PSUs)/Government undertaking. Apart from amounts due from PSUs/ Government undertakings. (collectively IOCL, NRL, ONGC, BVFCL etc.), the Company does not have significant credit risk exposure to any single counterparty. Concentration of credit risk to any other counterparty did not exceed 2% of total monetary assets at any time during the year.
Credit risk related to bank balances	Company holds bank balances with reputed and creditworthy banking institution within the approved exposures limit of each bank.
Credit risk related to investments	Company has made investments in highly liquid SEBI regulated public sector mutual funds to meet their short term liquidity objectives. Company has also made investment in Tax free Government Bonds having AAA rating. The company analyses the credit worthiness of the party before investing their funds.
Other credit risk	The Company is exposed to credit risk in relation to financial guarantees given on behalf of subsidiary/ associate companies. The Company's maximum exposure in this respect if the guarantee is called on as at March 31, 2018 is ₹ 3,712.38 crores (As at March 31, 2017 is ₹ 5,488.66 crores). The decrease in financial guarantee from previous year is due to reduction in corporate guarantee given by the company to its subsidiary Oil India International Pte Ltd. Singapore, commensurate with its outstanding long term loan.
The Company has a credit policy that is designed to ensure that consistent processes are in place to measure and control credit risk. Credit risk is considered as part of the risk-reward balance of doing business. On entering into any business contract the extent to which the arrangement exposes the Company to credit risk is considered.	

#### 40.8 Liquidity Risk Management

Liquidity risk is the risk that suitable sources of funding for the Company's business activities may not be available.

The Company manages liquidity risk by monitoring its forecast and actual cash flows, maintaining adequate reserves and by matching the maturity profiles of financial assets and liabilities.

**40.8.1.1** The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2018:

Particulars	Carrying amount	Weighted average effective interest rate	Upto 1 Year	2 <sup>nd</sup> year	3 <sup>rd</sup> Year	4-5 Years	After 5 Year	Total contracted cash flows
<b>Financial Liabilities</b>								
<b>(i) Non Interest Bearing</b>								
-Trade payables	553.26	-	551.40	0.95	0.26	0.01	0.64	553.26
-Unpaid dividend	5.09	-	5.09	-	-	-	-	5.09
-Unpaid liability-Employees	300.21	-	300.21	-	-	-	-	300.21
-Liabilites for Capital Expenditure and others	932.74	-	932.74	-	-	-	-	932.74
-Cash call payable to Joint Venture	135.02	-	135.02	-	-	-	-	135.02
	<b>1,926.32</b>		<b>1,924.46</b>	<b>0.95</b>	<b>0.26</b>	<b>0.01</b>	<b>0.64</b>	<b>1,926.32</b>
<b>(ii) Interest Bearing</b>								
-External Commercial Borrowings (including interest)	2,454.64	2.51	1710.14	845.38	-	-	-	2555.52
-Bonds (including interest)	6,689.84	4.63	304.00	3468.46	176.65	353.30	3470.51	7772.91
	<b>9,144.48</b>		<b>2014.14</b>	<b>4313.83</b>	<b>176.65</b>	<b>353.30</b>	<b>3470.51</b>	<b>10328.43</b>
-Financial Guarantee Contracts	68.22	-						68.22

**40.8.1.2** The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2017:

Particulars	Carrying amount	Weighted average effective interest rate	Upto 1 Year	2 <sup>nd</sup> year	3 <sup>rd</sup> Year	4-5 Years	After 5 Year	Total contracted cash flows
<b>Financial Liabilities</b>								
<b>(i) Non Interest Bearing</b>								
-Trade payables	589.20	-	585.93	2.81	0.36	0.06	0.04	589.20
-Unpaid dividend	5.14	-	5.14	-	-	-	-	5.14
-Unpaid liability-Employees	171.68	-	171.68	-	-	-	-	171.68
-Liabilites for Capital Expenditure and others	1,091.08	-	1,091.08	-	-	-	-	1,091.08
-Cash call payable to Joint Venture	181.72	-	181.72	-	-	-	-	181.72
	<b>2,038.82</b>		<b>2,035.55</b>	<b>2.81</b>	<b>0.36</b>	<b>0.06</b>	<b>0.04</b>	<b>2,038.82</b>
<b>(ii) Interest Bearing</b>								
-External Commercial Borrowings (including interest)	2,433.54	1.86	54.65	1680.77	834.23	-	-	2,569.65
-Bonds (including interest)	6,653.14	4.63	302.61	302.61	3452.63	351.69	3630.51	8,040.05
	<b>9,086.68</b>		<b>357.26</b>	<b>1983.38</b>	<b>4286.86</b>	<b>351.69</b>	<b>3630.51</b>	<b>10609.7</b>
-Financial Guarantee Contracts	9.01	-						9.01

**40.8.1.3** The table below provides details regarding the contractual maturities of financial assets including estimated interest receipts as at March 31, 2018:

Particulars	Carrying amount	Weighted average effective interest rate	Upto 1 Year	2 <sup>nd</sup> year	3 <sup>rd</sup> Year	4-5 Years	After 5 Year	Total contracted cash flows
<b>Financial Assets</b>								
<b>(i) Non Interest Bearing</b>								
Trade receivables	1,407.76	-	1,407.76	-	-	-	-	1,407.76
Investment in equity instruments(quoted)	8,576.06	-	-	-	-	-	8,576.06	8,576.06
Other financial assets								
-Insurance claims recoverable	25.27	-	25.27	-	-	-	-	25.27
-Other receivable	310.84	-	310.84	-	-	-	-	310.84
-Advances to Employee	45.84	-	45.84	-	-	-	-	45.84
-Cash Call receivables from JV Partners	37.74	-	37.74	-	-	-	-	37.74
-Accrued interest on term deposit	40.69	-	40.69	-	-	-	-	40.69
-Advances Others	0.44	-	0.44	-	-	-	-	0.44
	<b>10,444.64</b>		<b>1,868.58</b>	-	-	-	<b>8,576.06</b>	<b>10,444.64</b>
<b>(ii) Interest Bearing</b>								
Investment in tax free bonds								
-National Highway Authority of India	123.62	8.20%	10.14	10.14	10.14	131.92	0.00	162.33
-Power Finance Corporation Limited	135.67	7.55%	10.24	10.24	10.24	46.26	148.19	225.18
-Indian Railway Finance Corporation Limited	207.40	7.61%	15.79	15.79	15.79	110.94	175.13	333.44
-Rural Electrification Corporation Limited	534.35	7.77%	41.53	41.53	41.53	83.05	761.26	968.89
-India Infrastructure Finance Corp Ltd.	300.00	7.41%	22.23	22.23	22.23	44.46	513.96	625.11
-National Thermal Power Corporation Limited	19.99	7.37%	1.47	1.47	1.47	2.95	38.42	45.78
-Deposit under Site Restoration Scheme	3.94	7.05%	1.71	0.84	1.48	-	-	4.02
Investment in Mutual funds	435.45	4.38%	435.45	-	-	-	-	435.45
Leave encashment fund investment	169.95	7.67%	182.99	-	-	-	-	182.99
Loans to related parties	578.45	8.15%	51.29	52.84	83.57	302.46	364.23	854.39
Loans to employees (including interest)	166.80	4.84%	34.91	26.31	20.81	27.47	57.30	166.80
	<b>2,675.62</b>		<b>807.75</b>	<b>181.38</b>	<b>207.26</b>	<b>749.51</b>	<b>2,058.48</b>	<b>4,004.38</b>

**40.8.1.4** The table below provides details regarding the contractual maturities of financial assets including estimated interest receipts as at March 31, 2017:

Particulars	Carrying amount	Weighted average effective interest rate	Upto 1 Year	2 <sup>nd</sup> year	3 <sup>rd</sup> Year	4-5 Years	After 5 Year	Total contracted cash flows
<b>Financial Assets</b>								
<b>(i) Non Interest Bearing</b>								
Trade receivables	1,005.55	-	1,005.55	-	-	-	-	1,005.55
Investment in equity instruments(quoted)	9,397.95	-	-	-	-	-	9,397.95	9,397.95
Other financial assets								
-Insurance claims recoverable	5.22	-	5.22	-	-	-	-	5.22
-Other receivable	248.47	-	248.47	-	-	-	-	248.47
-Advances to Employee	17.24	-	17.24	-	-	-	-	17.24
-Cash Call receivables from JV Partners	36.27	-	36.27	-	-	-	-	36.27
-Accrued interest on term deposit	40.27	-	40.27	-	-	-	-	40.27
Loans to related parties	1.13	-	1.13	-	-	-	-	1.13
	<b>10,752.10</b>		<b>1,354.15</b>	-	-	-	<b>9,397.95</b>	<b>10,752.10</b>
<b>(ii) Interest Bearing</b>								
Investment in tax free bonds								
-National Highway Authority of India	123.62	8.20%	10.14	10.14	10.14	142.06	-	172.48
-Power Finance Corporation Limited	135.67	7.55%	10.24	10.24	10.24	48.59	155.57	234.88
-Indian Railway Finance Corporation Limited	207.40	7.61%	15.79	15.79	15.79	117.90	183.96	349.23
-Rural Electrification Corporation Limited	534.35	7.77%	41.53	41.53	41.53	83.05	800.32	1,007.96
-India Infrastructure Finance Corp Ltd.	300.00	7.41%	22.23	22.23	22.23	44.46	536.19	647.34
-National Thermal Power Corporation Limited	19.99	7.37%	1.47	1.47	1.47	2.95	38.42	45.78
-Deposit under Site Restoration Scheme	3.39	7.00%	-	-	-	-	4.81	4.81
Investment in Mutual funds	960.15	5.08%	960.15	-	-	-	-	960.15
Leave encashment fund investment	189.11	7.14%	202.61	-	-	-	-	202.61
Loans to related parties	536.17	7.46%	18.35	25.00	46.63	404.11	356.58	850.67
Loans to employees (including interest)	163.58	4.72%	34.81	29.44	27.81	32.72	38.80	163.58
	<b>3,173.43</b>		<b>1,317.32</b>	<b>155.84</b>	<b>175.84</b>	<b>875.84</b>	<b>2,114.65</b>	<b>4,639.49</b>

The amounts included above for variable interest rate instruments for both non-derivative financial assets and liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

#### 40.8.2 Credit Rating of the Company

Management believes that it has access to sufficient debt funding sources (capital market), and to undrawn committed borrowing facilities to meet foreseeable requirements. The Company's financial prudence is reflected in the strong credit rating ascribed by ratings agencies as below:

Category	Rating Agency	Rating	Remark
Long term rating	Moody's Investor Services	Baa2 (Stable)	At par with India's sovereign rating
Long term rating	Fitch Rating	BBB- (Stable)	At par with India's sovereign rating
Long term facilities	CARE Rating	CARE AAA	Highest Rating awarded by CARE
Short term facilities	CARE Rating	CARE A1+	Highest Rating awarded by CARE

#### 40.8.2.1 Financing Facility

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>External Commercial Borrowings</b>		
- amount used	2,464.88	2,453.63
- amount unused	-	-
<b>Bonds</b>		
- amount used	6,573.00	6,543.00
- amount unused	-	-

#### 40.9 Fair Value Measurement

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

##### 40.9.1 Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Financial assets/financial liabilities	Fair value as at		Fair Value Hierarchy	Valuation Technique(s) & key inputs used
	March 31, 2018	March 31, 2017		
<b>Financial Assets</b>				
(a) Investments in Mutual Funds				
-Units of UTI Mutual Fund under Liquid cash plan	195.95	384.07	Level 2	Refer note 1 below
-Units of SBI Mutual Fund under Liquid cash plan	195.97	384.08	Level 2	Refer note 1 below
-Units of IDBI Mutual Funds under Liquid Cash plan	43.53	96.00	Level 2	Refer note 1 below
-Units of Canara Robeco Mutual Fund under Liquid Cash plan	-	96.00	Level 2	Refer note 1 below
-Leave Encashment Fund Investment	169.95	189.11	Level 2	Refer note 2 below
(b) Investment in equity instruments				
-Indian Oil Corporation Limited	8,575.53	9,397.39	Level 1	Refer note 3 below
(c) Other Investments				
-Contribution to Capital Fund of Petroleum India International	0.53	0.56	Level 2	Refer note 4 below
	<b>9,181.46</b>	<b>10,547.21</b>		

Note 1 : Fair value determined on the basis of NAV declared by respective Asset Management Companies

Note 2 : Fair value on the basis of price provided by respective Insurance companies

Note 3 : Fair value on the basis of quoted price from NSE

Note 4 : Fair value on the basis of book value which closely approximates the fair value

##### 40.9.2 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Except as detailed in the following table, the company considers that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

**Fair value hierarchy**

Level 1-Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2-Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Particulars	As at March 31, 2018		As at March 31, 2017		Fair Value Hierarchy
	Carrying amount	Fair value	Carrying amount	Fair value	
<b>Financial assets</b>					
<b>Trade receivables</b>	1,407.76	1,407.76	1,005.55	1,005.55	Level 2
<b>Investment in tax free bonds(quoted)</b>					
- National Highway Authority of India	123.62	137.27	123.62	138.95	Level 1
- Power Finance Corporation Limited	35.67	40.05	35.67	39.66	Level 1
- Indian Railway Finance Corporation Limited	147.40	160.96	147.40	160.39	Level 1
- Rural Electrification Corporation Limited	334.35	390.78	334.35	391.06	Level 1
- National Thermal Power Corporation Limited	19.99	22.20	19.99	22.98	Level 1
<b>Investment in tax free bonds(unquoted)</b>					
- Power Finance Corporation Limited	100.00	85.72	100.00	91.87	Level 2
- Indian Railway Finance Corporation Limited	60.00	51.60	60.00	55.22	Level 2
- Rural Electrification Corporation Limited	200.00	171.43	200.00	192.84	Level 2
- India Infrastructure Finance Corp Ltd.	300.00	233.32	300.00	268.19	Level 2
<b>Other financial assets</b>					
- Deposit under Site Restoration Scheme	3.94	3.94	3.39	3.39	Level 2
- Insurance claims recoverable	25.27	25.27	5.22	5.22	Level 2
- Other receivable	310.84	310.84	248.47	248.47	Level 2
- Advances to Employee	45.84	45.84	17.24	17.24	Level 2
- Cash Call receivables from JV Partners	37.74	37.74	36.27	36.27	Level 2
- Advances Others	0.44	0.44	-	-	Level 2
- Interest Receivable	40.69	40.69	40.27	40.27	Level 2
<b>Loans</b>					
Loans to employees	166.80	157.12	163.58	157.63	Level 2
Loans to related parties	578.45	578.45	537.30	537.30	Level 2
<b>Financial Liabilities</b>					
<b>Trade payables</b>	553.26	553.26	589.20	589.20	Level 2
<b>Borrowings</b>					
- External Commercial Borrowings from banks	2,453.74	2,453.74	2,433.09	2,433.09	Level 2
- Bonds	6,550.51	6,811.60	6,514.44	6,930.84	Level 1
<b>Other financial liabilities</b>					
- Financial Guarantee Contract	68.22	68.22	9.01	9.01	Level 2
- Unpaid dividend	5.09	5.09	5.14	5.14	Level 2
- Interest accrued but not due on borrowings	140.23	140.23	139.15	139.15	Level 2
- Liabilities for Capital Expenditure and others	932.74	932.74	1,091.08	1,091.08	Level 2
- Cash call payable to Joint Venture	135.02	135.02	181.72	181.72	Level 2
- Unpaid liability-Employees	300.21	300.21	171.68	171.68	Level 2

The fair values of the financial assets and financial liabilities included in the level 2 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counter parties.

The Fair Value of current financial assets and current financial liabilities are approximately equals to their carrying value.

## NOTE-41: Additional Notes

### 41.1 Disclosure pursuant to Indian Accounting Standard (Ind AS) 19 - Employee Benefits:

#### 41.1.1 Defined Contribution Plans

The Company's contribution to Provident Funds and Oil India Superannuation Benefit Scheme Fund (OISBSF) for employees and executives are as follows:

(₹ in crore)

Particulars	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
Provident Funds	92.03	88.26
Oil India Superannuation Benefit Scheme Fund (OISBSF)	140.66	81.95

#### 41.1.2 Defined Benefit Plans

The various Benefit Plans which are in operation are Oil India Gratuity Fund (OIGF), 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.

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.

These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yields at the end of the reporting period on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

In respect of the plans in India, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2018 by Mr Bhudev Chatterjee, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation and the related current service cost and past service cost was measured using the projected unit credit method.

41.1.3 The principal assumptions used for the purposes of the actuarial valuations were as follows:

March 31, 2018

Particulars	Oil India Gratuity Fund (OIGF)	Oil India Employee's Pension Fund (OIEPF)	Oil India Pension Fund (OIPF)	Leave Encashment Fund	Post- Retirement Medical Benefit
Mortality	IALM 2006-2008	IALM 2006-2008	IALM 2006-2008	IALM 2006-2008	IALM 2006-2008
Superannuation Age (years)	60	60	60	60	60
Early Retirement & Disablement (10 per thousand P.A.)					
-age above 45	6	6	6	6	NA
-age between 30 and 45	3	3	3	3	NA
-age below 30	1	1	1	1	NA
Discount Rate	7.67%	7.67%	6.69%	7.67%	7.67%
Return on capital	7.67%	7.67%	6.69%	7.67%	NA
Expected rate of salary increase	6.00%	6.00%	6.00%	6.00%	NA
Attrition Rate	1.00%	1.00%	1.00%	1.00%	1.00%
Number of employees	6996	7099	211	6997	12,784
Basic Salary (₹ in crore)	69.75	33.17	3.17	58.76	69.75
Remaining working life (Years)	11	11	2	10.65	13
Rationale	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method

March 31, 2017

Particulars	Oil India Gratuity Fund (OIGF)	Oil India Employee's Pension Fund (OIEPF)	Oil India Pension Fund (OIPF)	Leave Encashment Fund	Post- Retirement Medical Benefit
Mortality	IALM 2006-2008	IALM 2006-2008	IALM 2006-2008	IALM 2006-2008	IALM 2006-2008
Superannuation Age (years)	60	60	60	60	60
Early Retirement & Disablement (10 per thousand P.A.)					
-age above 45	6	6	6	6	NA
-age between 30 and 45	3	3	3	3	NA
-age below 30	1	1	1	1	NA
Discount Rate	7.50%	7.14%	6.26%	7.14%	7.14%
Return on capital	7.50%	7.14%	6.26%	7.14%	NA
Expected rate of salary increase	6.00%	6.00%	6.00%	6.00%	NA
Attrition Rate	1.00%	1.00%	1.00%	1.00%	1.00%
Number of employees	7248	7363	310	7246	12574
Basic Salary (₹ in crore)	70.62	33.89	4.38	70.59	70.61
Remaining working life (Years)	10	10	10	10	10
Rationale	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method

#### 41.1.4 Certified Actuarial Data:

The following tables set out the status of the Defined Benefit plans as required under INDAS-19:

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

(₹ in crore)

Particulars		Oil India Gratuity Fund (OIGF)	Oil India Employee's Pension Fund (OIEPF)	Oil India Pension Fund (OIPF)	Leave Encashment Fund	Post-Retirement Medical Benefit
Present Value of obligation at the end of the year	CY	585.21	1,574.78	181.90	192.54	164.71
	PY	624.71	1,656.41	249.59	237.55	164.13
Fair Value of Plan Asset at the end of the year	CY	582.70	1,583.95	223.06	169.95	-
	PY	320.12	1,462.56	246.38	189.11	-
Fund Status at the end of the year (Net Assets)/ Net liability	CY	2.51	(9.17)	(41.16)	22.59	164.71
	PY	304.59	193.85	3.21	48.44	164.13

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

(₹ in crore)

Particulars		Oil India Gratuity Fund (OIGF)	Oil India Employee's Pension Fund (OIEPF)	Oil India Pension Fund (OIPF)	Leave Encashment Fund	Post-Retirement Medical Benefit
Present Value of obligation at the beginning of the year	CY	624.71	1,656.41	249.59	237.55	164.13
	PY	352.60	1,374.18	280.92	215.67	146.65
Current Service Cost	CY	34.61	89.59	4.27	25.53	17.41
	PY	35.69	104.31	8.22	30.96	17.34
Interest Cost	CY	46.06	120.53	14.40	15.00	11.53
	PY	23.49	93.14	15.06	13.88	9.58
Actuarial gain(-)/loss on obligations due to Change in Financial Assumption	CY	(17.38)	(77.83)	(2.18)	(3.16)	(7.30)
	PY	-	121.19	12.88	4.81	11.32
Plan Amendments: Vested portion at end of period (Past Service)	CY	-	-	-	-	-
	PY	266.69	-	-	-	-
Actuarial gain(-)/loss on obligations due to Unexpected Experience	CY	(54.43)	(44.07)	(15.64)	1.54	6.67
	PY	(6.57)	103.13	13.21	14.81	4.19
Benefits Paid	CY	(48.36)	(169.85)	(68.54)	(83.92)	(27.73)
	PY	(47.19)	(139.54)	(80.70)	(42.58)	(24.95)
Present Value of obligation at the end of the year	CY	585.21	1,574.78	181.90	192.54	164.71
	PY	624.71	1,656.41	249.59	237.55	164.13

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

(₹ in crore)

Particulars		Oil India Gratuity Fund (OIGF)	Oil India Employee's Pension Fund (OIEPF)	Oil India Pension Fund (OIPF)	Leave Encashment Fund	Post- Retirement Medical Benefit
Fair Value of Plan Asset at Beginning of the year	CY	320.12	1,462.56	246.38	189.11	NA*
	PY	337.33	1,264.18	254.06	172.98	
Interest Income	CY	24.55	112.18	16.48	13.50	NA*
	PY	24.09	90.26	15.90	12.35	
Contributions	CY	257.90	193.85	3.21	48.44	NA*
	PY	15.26	110.00	26.86	42.69	
Benefits Paid	CY	(48.36)	(169.85)	(68.54)	(83.92)	NA*
	PY	(47.19)	(139.54)	(80.70)	(42.58)	
Return on Plan Assets excluding Interest Income	CY	28.49	(14.79)	25.53	2.82	NA*
	PY	(9.37)	137.66	30.26	3.67	
Fair Value of Plan Asset at the end of the year	CY	582.70	1,583.95	223.06	169.95	NA*
	PY	320.12	1,462.56	246.38	189.11	

NA\*: Not Applicable as Scheme is unfunded

**D. Expenses Recognised in Statement of Profit / Loss:**

(₹ in crore)

Particulars		Oil India Gratuity Fund (OIGF)	Oil India Employee's Pension Fund (OIEPF)	Oil India Pension Fund (OIPF)	Leave Encashment Fund	Post- Retirement Medical Benefit
Current Service Cost	CY	34.61	89.59	4.27	25.53	17.41
	PY	35.69	104.31	8.22	30.96	17.34
Net Interest Cost	CY	21.51	8.35	(2.08)	1.50	11.53
	PY	(0.59)	2.88	(0.84)	1.53	9.58
Actuarial Gain loss Applicable only for last year	CY	-	-	-	(4.44)	-
	PY	266.69	-	-	15.95	-
Expense Recognized in Statement of Profit/Loss Account	CY	56.12	97.94	2.19	22.59	28.94
	PY	301.79	107.19	7.38	48.44	26.92

### E. Other Comprehensive Income:

(₹ in crore)

Particulars		Oil India Gratuity Fund (OIGF)	Oil India Employee's Pension Fund (OIEPF)	Oil India Pension Fund (OIPF)	Leave Encashment Fund	Post-Retirement Medical Benefit
		Actuarial gain/loss on obligations due to Change in Financial Assumption	CY	(17.38)	(77.83)	(2.18)
	PY	(6.57)	121.19	12.88	-	11.32
Actuarial gain/loss on obligations due to Unexpected Experience	CY	(54.43)	(44.07)	(15.64)	-	6.67
	PY	-	103.13	13.21	-	4.19
Return on Plan Asset, Excluding Interest Income	CY	(28.49)	14.79	(25.53)	-	-
	PY	9.37	(137.66)	(30.26)	-	-
Net(Income)/Expense for the Period Recognized in OCI	CY	(100.30)	(107.11)	(43.35)	-	(0.63)
	PY	2.80	86.66	(4.17)	-	15.50

### F. Investment of Superannuation Fund:

(₹ in crore)

Particulars	Percentage of Investment					
	Gratuity Fund (OIGF)		Pension Fund (OIEPF)		Pension Fund (OIPF)	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017	31.03.2018	31.03.2017
Government Securities and Related Investments	46.91	47.13	57.55	58.48	50.85	58.60
Debt Instruments and Related Investments	31.15	31.91	40.03	39.01	49.07	41.23
Equities and Related Investments	0.91	0.34	2.42	2.51	-	-
Others	21.03	20.62	-	-	0.08	0.17
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

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

(₹ in crore)

Particulars		Oil India Gratuity Fund (OIGF)	Oil India Employee's Pension Fund (OIEPF)	Oil India Pension Fund (OIPF)	Leave Encashment Fund	Post-Retirement Medical Benefit
		Current Liability	CY	2.51	(9.17)	(41.16)
	PY	304.59	193.85	3.21	87.78	38.87
Non-current Liability	CY	-	-	-	160.43	126.96
	PY	-	-	-	149.77	125.26
Total	CY	2.51	(9.17)	(41.16)	192.54	164.71
	PY	304.59	193.85	3.21	237.55	164.13

H. Sensitivity Analysis

Particulars	Gratuity Fund		Pension Fund (OIEPF)		Pension Fund (OIPF)		Leave Encashment		Post-Retirement Medical Benefits	
	31 <sup>st</sup> Mar 2018	31 <sup>st</sup> Mar 2017	31st Mar 2018	31 <sup>st</sup> Mar 2017	31 <sup>st</sup> Mar 2018	31 <sup>st</sup> Mar 2017	31 <sup>st</sup> Mar 2018	31 <sup>st</sup> Mar 2017	31 <sup>st</sup> Mar 2018	31 <sup>st</sup> Mar 2017
<b>a) Discount Rate (-/+ 0.5%)</b>										
Increase ( in ₹ Crore)	569.73	607.84	1,507.76	1,583.79	179.42	245.78	189.15	233.86	158.32	157.37
Increase (%)	(2.640)	(2.400)	(4.260)	(4.384)	(1.370)	(1.530)	(1.760)	(1.550)	(3.880)	(4.120)
Decrease ( in ₹ Crore)	601.58	642.58	1,648.00	1,735.69	184.45	253.48	196.04	241.37	171.57	171.44
Decrease (%)	2.800	3.570	4.650	4.790	1.400	(1.560)	1.820	(1.610)	(4.170)	4.45
<b>b) Salary Growth/ Benefit Inflation (-/+ 0.5%)</b>										
Increase ( in ₹ Crore)	590.61	618.15	1,641.63	1,727.99	183.58	249.55	195.42	240.52	164.97	171.44
Increase (%)	0.920	0.480	4.250	4.320	0.920	1.070	1.500	1.250	0.160	4.470
Decrease ( in ₹ Crore)	579.66	606.60	1,513.26	1,590.45	180.25	246.94	189.72	234.66	164.45	156.79
Decrease (%)	(0.950)	(0.520)	(3.910)	(3.980)	(0.910)	(1.060)	(1.460)	(1.220)	(0.160)	(4.470)
<b>c) Attrition Rate (-/+ 0.5%)</b>										
Increase ( in ₹ Crore)	585.28	612.47	1,574.49	1,656.03	181.88	249.61	192.53	237.55	168.49	168.91
Increase (%)	0.013	0.003	(0.020)	(0.023)	(0.014)	(0.016)	0.000	0.000	2.250	2.910
Decrease ( in ₹ Crore)	585.13	612.47	1,575.05	1,656.78	181.93	249.63	192.53	237.53	160.75	159.15
Decrease (%)	(0.0134)	(0.003)	0.020	(0.020)	0.014	0.016	0.000	0.000	(2.400)	(3.040)
<b>d) Mortality Rate (-/+ 10%)</b>										
Increase ( in ₹ Crore)	585.70	612.97	1,575.65	1,657.06	181.92	252.27	192.56	237.57	162.87	160.79
Increase (%)	0.080	0.056	0.060	0.039	0.010	0.007	(0.014)	0.010	(1.120)	(2.030)
Decrease ( in ₹ Crore)	584.72	611.97	1,573.89	1,655.75	181.89	249.57	192.51	237.53	167.39	167.49
Decrease (%)	(0.080)	(0.056)	(0.060)	(0.040)	(0.010)	(0.007)	(0.014)	(0.010)	1.630	2.050

#### 41.2 Information as per Indian Accounting Standard (Ind AS) 108 - Segment Reporting:

##### A. Segment Revenue and Results for the year ended 31st March, 2018

(₹ in crore)

Particulars	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
<b>Revenue</b>		
<b>External Sales</b>		
Crude Oil	8,499.84	7,274.91
Natural Gas	1,531.35	1,641.40
LPG	120.88	103.34
Pipeline Transportation	365.58	356.18
Renewable Energy	120.82	116.92
Others	18.00	17.64
<b>Total Revenue</b>	<b>10,656.47</b>	<b>9,510.39</b>
<b>Results</b>		
Crude Oil	2,876.21	893.70
Natural Gas	456.14	446.79
LPG	63.93	51.09
Pipeline Transportation	(46.88)	72.56
Renewable Energy	18.59	27.78
Others	12.30	11.95
<b>Segment Results</b>	<b>3,380.29</b>	<b>1,503.87</b>
Less: Unallocated expenses	738.98	641.51
Add: Unallocated income	74.29	107.76
<b>Operating profit</b>	<b>2,715.60</b>	<b>970.12</b>
Add : Interest / Dividend income	1,409.88	1,572.92
Less: Interest expense	415.68	396.71
<b>Profit before tax</b>	<b>3,709.80</b>	<b>2,146.32</b>
Tax expenses	1,041.87	597.64
<b>Profit after tax</b>	<b>2,667.93</b>	<b>1,548.68</b>
<b>Capital Expenditure during the period</b>		
Crude Oil	1,211.23	1,771.28
Natural Gas	637.14	643.02
LPG	18.76	14.00
Pipeline Transportation	938.22	179.02
Renewable Energy	265.14	102.46
Others	-	-
Unallocated	31.27	21.86
<b>Total Capital Expenditure during the period</b>	<b>3,101.76</b>	<b>2,731.64</b>
<b>Depreciation, Depletion and Amortisation</b>		
Crude Oil	742.59	680.37
Natural Gas	274.68	258.75
LPG	14.64	14.37
Pipeline Transportation	125.32	34.58
Renewable Energy	82.21	78.21
Others	1.34	1.38
Unallocated	29.23	23.07

Particulars	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
<b>Total Depreciation, Depletion and Amortisation</b>	<b>1,270.01</b>	<b>1,090.73</b>
<b>Non-cash expenses other than depreciation, depletion and amortization</b>		
Crude Oil	542.85	670.15
Natural Gas	82.79	183.43
LPG	-	-
Pipeline Transportation	-	-
Renewable Energy	-	-
Others	-	-
Unallocated	12.19	2.91
<b>Total Non-cash expenses other than depreciation, depletion and amortisation</b>	<b>637.83</b>	<b>856.49</b>
<b>Reconciliation of Revenue</b>		
Total Segment Revenue	10,656.47	9,510.39
Add: Unallocated income	74.29	107.76
Add : Interest / Dividend income	1,409.88	1,572.92
<b>Total Revenue for the period</b>	<b>12,140.64</b>	<b>11,191.07</b>

**B. Segment Assets and Liabilities as on 31st March, 2018**

(₹ in crore)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>Segment Assets</b>		
Crude Oil	8,665.58	8,060.55
Natural Gas	4,893.62	4,097.77
LPG	73.86	76.25
Pipeline Transportation	1,345.09	1,399.66
Renewable Energy	863.88	669.28
Others	9.01	3.72
Unallocated assets	28,183.14	31,032.33
<b>Total Assets</b>	<b>44,034.18</b>	<b>45,339.55</b>
<b>Segment Liabilities</b>		
Crude Oil	2,184.90	2,525.12
Natural Gas	712.95	832.84
LPG	24.26	28.95
Pipeline Transportation	175.68	232.51
Renewable Energy	3.63	4.97
Others	-	-
Unallocated liabilities	13,023.35	12,624.67
<b>Liabilities</b>	<b>16,124.77</b>	<b>16,249.06</b>
Equity	27,909.41	29,090.49
<b>Total Equity and Liabilities</b>	<b>44,034.18</b>	<b>45,339.55</b>

**Note:** 1. Revenue and expenses directly identifiable to the segments have been allocated to the relative primary reportable segments.  
2. Segment revenue and expenses which are not directly identifiable to the primary reportable segments have been disclosed under others which primarily includes business development services, leasing of OFC.

3. Assets and liabilities which are directly identifiable to the segments have been allocated to relative segments.
4. Assets and liabilities which are not directly identifiable to the segments have been disclosed under unallocated.
5. There are no reportable geographical segments.

## 6. Information about major customers:

Company's significant revenue comes from sales to Public Sector Undertakings (PSUs). The total sales to such PSUs during the year ended 31.03.2018 amounted to ₹ 10,273 crore (corresponding year ended ₹ 9,103 crore). Sales to such PSUs during the year ended contributed around 96.40% of the total sales (corresponding year ended 95.72 %). The Company has received ₹ 279.57 crore from Ministry of Petroleum & Natural Gas against claim recovery of Natural Gas during the year ended 31.03.2018 (corresponding year ended ₹ 310.07 crore). The contribution of claim recovery of Natural Gas towards sales revenue during the year ended 31.03.2018 is 2.62% (corresponding year ended 3.26%). No other single customer contributed 10% or more to the Company's revenue for the year ended 31.03.2018

### 4.1.3 Information as per Indian Accounting Standard (Ind AS) 23 "Borrowing Costs"

Borrowing cost capitalized during the year is NIL (Previous year NIL).

### 4.1.4 Information as per Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures"

#### 4.1.4.1 Related party relationships

Name of related parties and description of relationship are as under:

#### i) Subsidiaries:

Sl. No	Name of Subsidiary
1	Oil India Sweden AB
2	Oil India Cyprus Limited
3	Oil India (USA) Inc.
4	Oil India International Limited
5	Oil India International B.V.
6	Oil India International Pte. Limited, Singapore

#### iii) Associates:

Sl. No.	Name of Associate
1.	Numaligarh Refinery Limited
2.	Brahmaputra Cracker & Polymer Ltd

#### ii) Joint Ventures:

Sl. No	Name of Joint Venture
1.	Beas Rovuma Energy Mozambique Limited
2.	Suntera Nigeria 205 Limited
3.	Duliajan Numaligarh Pipeline Limited
4.	Indoil Netherland B.V. (Joint Venture of subsidiary Oil India Sweden AB)
5.	Taas India Pte Limited (Joint Venture of subsidiary Oil India International Pte. Singapore)
6.	Vankor India Pte Limited (Joint Venture of subsidiary Oil India International Pte. Singapore)
7.	World Ace Investment Limited (Joint Venture of subsidiary Oil India International B.V.)

#### iv) Trust Funds:

Sl. No.	Name of Trust Fund
1.	Oil India Limited Employees' Provident Fund (OILEPF)
2.	Oil India Limited Staff Provident Fund (OILSPF)
3.	Oil India Superannuation Benefit Scheme Fund (OISBSF)
4.	Oil India Employees' Pension Fund (OIEPF)
5.	Oil India Pension Fund (OIPF)
6.	Oil India Gratuity Fund (OIGF)

**41.4.2 Key Management Personnel:**

Sl. No.	Name	Designation / Effective Date
<b>A. Whole time Functional Directors:</b>		
1.	Mr. Utpal Bora	Chairman and Managing Director
2.	Mrs. R S Borah	Director (Finance)
3.	Mr. Biswajit Roy	Director (HR & BD)
4.	Mr. P K Sharma	Director (Operations)
5.	Dr. P Chandrasekaran	Director (E & D) (w.e.f.01.04.2017)
<b>B. Company Secretary:</b>		
1.	Mr. S K Senapati	Company Secretary
<b>C. Independent Directors:</b>		
1.	Dr. Priyank Sharma	(w.e.f. 15.09.2017)
2.	Prof. (Dr.) Asha Kaul	(w.e.f. 15.09.2017)
3.	Shri S Manoharan	(w.e.f. 15.09.2017)
4.	Ms. Amina R Khan	(w.e.f. 15.09.2017)
<b>D. Government Nominee Directors:</b>		
1.	Mr. Amar Nath	Joint Secretary (Exploration), MOP&G (upto 28.11.2017)
2.	Mr. D N Misra	Joint Secretary, MOP&G (w.e.f. 29.11.2017)
3.	Mr. Sunjay Sudhir	Joint Secretary (International Cooperation), MOP&G

**41.4.3 Transaction with Related Parties:**

**1. Transaction with Subsidiaries:**

(₹ in crore)

Name of related party	Nature of transaction	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
<b>A. Services provided to:</b>			
<b>B. Advances</b>			
i) Oil India International B.V.	Advances against Equity	0.83	0.69
	Repayment/Adjustment Equity	212.05	-
ii) Oil India International Pte. Limited, Singapore	Advances against Equity	2,079.52	213.60
	Repayment/Adjustment Equity	2,293.11	-
iii) Oil India Cyprus Limited	Advances against Equity	0.21	0.06
	Repayment / Adj. against Equity	0.20	-
iv) Oil India (USA) Inc.	Advances against Equity	-	590.04
	Repayment / Adj. against Equity	590.04	-
	Other advances	0.96	0.49
v) Oil India Sweden AB	Investment	0.69	-
	Repayment / Adj. against Equity	1.19	0.50
<b>C. Loans</b>			
i) Oil India International B.V.	Loans given	20.64	33.70
<b>D. Other Income:</b>			
i) Oil India International B.V.	Interest income on loan	29.50	25.04
<b>E. Corporate Financial guarantee income recognized during the period:</b>			
i) Oil India (USA) Inc.		-	4.35
ii) Oil India International Pte. Limited, Singapore		15.53	8.14

## 2. Outstanding Balances with Subsidiaries:

(₹ in crore)

Name of related party	Nature of transaction	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>A. Advances:</b>			
i) Oil India International B.V.	Advances against Equity	-	211.22
ii) Oil India (USA) Inc.	Advances against Equity	-	590.04
iii) Oil India Cyprus Limited	Advances against Equity	0.07	0.06
iv) Oil India International Pt. Limited, Singapore	Advances against Equity	-	213.60
v) Oil India Sweden AB	Advances against Equity	-	0.50
<b>B. Loans:</b>			
i) Oil India International B.V.	Loans given	456.92	404.37
ii) Oil India (USA) Inc.	Loans given	-	1.13
iii) Oil India International Limited	Loans given	-	-
<b>C. Amount receivable:</b>			
i) Indoil Netherland B.V.	Other receivable	-	9.67
ii) Oil India (USA) Inc.	Other receivable	0.17	-
iii) Oil India International Limited	Other receivable	0.04	-
<b>D. Amount payable:</b>			
	Other payable	-	-
<b>E. Fair Value of Corporate Financial Guarantee issued on behalf of subsidiaries:</b>			
i) Oil India (USA) Inc.		8.50	8.50
ii) Oil India International Pte. Limited, Singapore		91.47	16.59

## 3. Transaction with Joint Ventures:

(₹ in crore)

Name of related party	Nature of transaction	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
<b>A. Sale of products to:</b>			
i) Duliajan Numaligarh Pipeline Limited	Sale of natural gas	5.10	5.39
ii) Duliajan Numaligarh Pipeline Limited	Cathodic Protection & Misc Services	0.13	0.14
iii) Indoil Netherland B.V.	Manpower Deputation	2.57	3.91
<b>B. Advances :</b>			
i) Beas Rovuma Energy Mozambique Limited	Advance against equity	73.03	51.56
	Repayment/Adjustment Equity	51.56	-
<b>C. Loans:</b>			
i) Suntera Nigeria 205 Limited	Loan disbursement	3.70	5.68
<b>D. Other Income:</b>			
i) Duliajan Numaligarh Pipeline Limited	Dividend income	0.96	0.65
ii) Suntera Nigeria 205 Limited	Interest income on loan	9.93	9.60
	Manpower services	1.96	-

## 4. Outstanding Balance with Joint Ventures:

(₹ in crore)

Name of related party	Nature of transaction	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>A. Amount receivable:</b>			
i) Duliajan Numaligarh Pipeline Limited	Trade and other receivables	0.44	0.54
ii) Suntera Nigeria 205 Limited	Other receivables	1.96	-
iii) Indoil Netherland B.V.	Other receivables	12.30	-
	Less: Provision	12.30	
	Balance	-	-
iv) Vankor India Pte Ltd.	Other receivables	0.14	-
<b>B. Loans:</b>			
i) Suntera Nigeria 205 Limited	Loan given	187.44	172.93
	Less: Provision	65.91	41.13
	Balance	121.53	131.80
<b>C. Advance against equity:</b>			
i) Beas Rovuma Energy Mozambique Limited	Advance against equity	73.03	51.56

## 5. Transaction with Associates:

(₹ in crore)

Name of related party	Nature of transaction	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
<b>A. Sale of products to:</b>			
i) Numaligarh Refinery Limited	Sale of Crude Oil and Natural Gas	5,780.64	4783.00
ii) Brahmaputra Cracker and Polymer Limited	Sale of natural gas	367.10	373.34
<b>B. Services provided to:</b>			
i) Numaligarh Refinery Limited	Pipeline transportation	254.13	237.85
<b>C. Services received from:</b>			
i) Numaligarh Refinery Limited	Utility charges and rental for facilities	6.24	7.69
<b>D. Advances:</b>			
i) Brahmaputra Cracker and Polymer Limited	Repayment / Adj. against equity	-	-
<b>E. Loans:</b>			
i) Brahmaputra Cracker and Polymer Limited	Repayment of loan	-	125.68
	Interest on loan	-	8.20
<b>F. Other Income:</b>			
i) Numaligarh Refinery Limited	Dividend received	470.51	258.21
<b>G. Corporate Financial guarantee income recognized during the period:</b>			
i) Brahmaputra Cracker and Polymer Limited	Income	0.14	0.15

## 6. Outstanding balances with Associates:

(₹ in crore)

Name of related party	Nature of transaction	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>A. Amount receivable:</b>			
i) Numaligarh Refinery Limited	Trade receivables	528.86	261.37
ii) Brahmaputra Cracker and Polymer Limited	Trade receivables	341.19	357.87
	Capital Cost Reimbursement	145.35	145.35
	Receivable		
<b>B. Loans:</b>			
		-	-
<b>C. Amount payable:</b>			
i) Numaligarh Refinery Limited	Trade payables	-	-
<b>D. Fair Value of Corporate Financial Guarantee issued on behalf of Associates:</b>			
i) Brahmaputra Cracker and Polymer Limited		1.26	1.26

### 41.4.4 Transaction with Post Employment Benefit Plans managed through separate Trust Funds:

(₹ in crore)

Sl. No.	Name of Trust Fund	Plan	Year ended 31 <sup>st</sup> March, 2018		Year ended 31 <sup>st</sup> March, 2017	
			Contribution by Employer	Outstanding/Receivable/(Payable)	Contribution by Employer	Outstanding/Receivable/(Payable)
1.	Oil India Limited Employees' Provident Fund	Define Contribution	64.59	29.11	60.74	(13.75)
2.	Oil India Limited Staff Provident Fund	Define Contribution	34.71	10.15	24.69	(7.70)
3.	Oil India Superannuation Benefit Scheme Fund	Define Contribution	77.55	(43.51)	99.70	17.01
4.	Oil India Employees' Pension Fund	Define Benefit	193.85	11.96	110.00	(188.16)
5.	Oil India Pension Fund	Define Benefit	3.21	53.16	26.86	(10.92)
6.	Oil India Gratuity Fund	Define Benefit	257.90	1.68	15.27	(303.10)

### 41.4.5 Compensation of key Management Personnel and Independent Directors:

#### 1. Whole Time Director and Company Secretary:

(₹ in crore)

Particulars	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
Short term employee benefits	3.24	1.39
Post-employment benefits	0.29	0.25
Other long-term benefits	0.09	0.34
<b>Total</b>	<b>3.62</b>	<b>1.98</b>

**2. Independent Directors:**

(₹ in crore)

Particulars	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
Sitting fees	0.09	-
<b>Total</b>	<u>0.09</u>	-

**41.5 Disclosure in respect of Government related entities:****41.5.1 Name of Government related entities and description of relationship wherein significant amount of transactions have taken place:**

Sl. No.	Government related entities	Status
1.	Numaligarh Refinery Limited	Central PSU
2.	Indian Oil Corporation Limited	Central PSU
3.	Brahmaputra Cracker & Polymer Limited	Central PSU
4.	Directorate General of Hydrocarbon	Govt.

**41.5.2 Major transactions with Government Related Entities:**

(₹ in crore)

Name of related party	Nature of transaction	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
<b>Revenue:</b>			
Numaligarh Refinery Limited	Sale of Crude Oil & Natural Gas	5,780.64	4783.00
	Pipeline Transportation	254.13	237.85
Indian Oil Corporation Limited	Sales of Crude Oil, Natural Gas & LPG	3461.40	2926.27
	Natural Gas Transportation	142.08	143.05
Brahmaputra Cracker & Polymer Limited	Sales of Natural Gas	367.10	373.34
<b>Dividend / Other Income:</b>			
Numaligarh Refinery Limited	Dividend Income	470.51	258.21
Indian Oil Corporation Limited	Dividend Income	485.59	540.22
<b>Reimbursement</b>			
Directorate General of Hydrocarbon	Survey Cost	66.26	65.64

**41.5.3 Outstanding with Government Related Entities:**

(₹ in crore)

Name of related party	Nature of transaction	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
Numaligarh Refinery Limited	Trade Receivable	528.86	261.37
Indian Oil Corporation Limited	Trade Receivable	296.81	252.36
Brahmaputra Cracker & Polymer Limited	Trade Receivable	341.19	357.87
	Capital Cost Reimbursement Receivable	145.35	145.35
Directorate General of Hydrocarbon	Survey Cost	131.90	65.64

#### 41.6 Information as per Indian Accounting Standard (Ind AS) 112 "Interest in Other Entities".

41.6.1 Company executed various JVCs/PSCs in India for oil and gas exploration, as Jointly Control Assets as on 31.03.2018, the details of which are given below:

##### 41.6.2 Jointly controlled Assets in India

##### A. Operated/Jointly Operated

Sl. No.	Block No.	Company's Participating Interest	Other's Participating Interest
1.	AA-ONN-2010/2	50%(50%)	ONGCL - 30%(30%), GAIL-20%(20%)
2.	AA-ONN-2010/3	40%(40%)	ONGCL - 40%(40%), BPRL-20%(20%)
3.	CY-OSN-2009/2**	50%(50%)	ONGCL - 50%(50%)
4.	KG-ONN-2004/1*	90%(90%)	GGR - 10%(10%)
5.	MB-OSN-2010/2**	50%(50%)	HPCL - 30%(30%), BPRL 20%(20%)
6.	MZ-ONN-2004/1 ***	85%(85%)	SHIV VANI - 15%(15%)
7.	RJ-ONN-2004/2*	75%(75%)	GGR - 25%(25%)

**Note: Figures in parenthesis ( ) represent Participating Interest as on 31.03.2017.**

\*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 both the Block for which final approval is pending from MOP&NG.

\*\* Proposed for relinquishment by the Operating Committee during the financial year 2016-17.

\*\*\* The validity of the Block expired on October, 2016, special dispensation received for extension of Phase - I upto 30<sup>th</sup> June, 2020. However, M/s Shiv Vani having participating interest of 15% in the said block has gone into liquidation which was intimated by the Dy. Official Liquidator, Delhi High Court vide their letter reference T.C.I./SHIV-VANI 512 dated 17<sup>th</sup> January, 2018. The Company is in the process of acquisition of the 15% participating interest of M/s Shiv Vani in the Block.

#### The Summarised Financial position of the above blocks are as under:

(₹ in crore)

Particulars	Audited Blocks				Unaudited Blocks			
	Assets	Liabilities	Income	Expenditure	Assets	Liabilities	Income	Expenditure
For year ended 31.03.2018	3,568.26	2,329.59	0.01	172.78	-	-	-	-
For year ended 31.03.2017	606.64	512.63	0.00	146.28	2,757.60	2,033.02	0.25	307.54

**Note :** Financial position of the following blocks applied for relinquishment (approval pending) in previous year has not been considered in above statement:

1. **AA-ONN-2009/4 - Relinquished during the financial year 2017-18**
2. **AN-DWN-2009/3**
3. **RJ-ONN-2005/2**
4. **CY-OSN-2009/2**
5. **MB-OSN-2010/2**

**B. Non-operated**

Sl. No.	Block No.	Company's Participating Interest	Other's Participating Interest
1.	AAP-ON-94/1 *	44.086%(44.086%)	HOEC(O) - 26.882%(26.882%), IOCL - 29.032(29.032%)
2.	GK-OSN-2010/1	30%(30%)	ONGC (O)- 60%(60%), GAIL - 10%(10%)
3.	KG-OSN-2009/4***	30%(30%)	ONGC (O)- 50% (50%), NTPC - 10%(10%), APGICL - 10%(10%)
4.	Kharsang PSC *	40%(40%)	GEOENPRO (O)- 10%(10%), GEOPETROL-25%(25%), JUBILANT ENERGY-25%(25%)
5.	WB-ONN-2005/4	25%(25%)	ONGC (O)- 75% (75%)
6.	KHERAM**	40%(40%)	HOEC(O)-40%(40%) Prize Petroleum 20%(20%)

**Note: Figures in parenthesis ( ) represent Participating Interest as on 31.03.2017**

\*Pre NELP Blocks

\*\* Under Discover Small Field Bid 2016

\*\*\* Proposed for relinquishment

(O) Operator

**The Summarised Financial position of the above blocks are as under:**

(₹ in crore)

Particulars	Audited Blocks				Unaudited Blocks			
	Assets	Liabilities	Income	Expenditure	Assets	Liabilities	Income	Expenditure
For year ended 31.03.2018	81.17	9.86	44.46	45.30	244.58	54.22	11.38	55.73
For year ended 31.03.2017	152.84	23.38	0.48	3.76	172.59	62.41	46.78	103.51

**Note :** Financial position of the following blocks applied for relinquishment (approval pending) in previous year has not been considered in above statement:

- 1. AA-ONN-2009/1**
- 2. AN-DWN-2009/2**
- 3. AS-CBM-2008/IV**
- 4. MN-OSN-2000/2 - Relinquished during the financial year 2017-18**
- 5. KG-OSN-2009/4**

#### 41.6.3 Joint Operations in Overseas Blocks

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

Sl. No.	Block/Area No.	Country of Origin	Company's Participating interest	Other's Participating interest
1.	Block SS-04	Bangladesh	45%(45%)	OVL(O) -45%(45%), BAPEX - 10%(10%)
2.	Block SS-09	Bangladesh	45%(45%)	OVL(O) - 45%(45%), BAPEX - 10%(10%)
3.	Shakthi	Gabon	50%(50%) (O)	IOCL - 50%(50%)
4.	Farsi (offshore) Block	Islamic Republic of Iran	20%(20%)	OVL(O) - 40%(40%), IOCL - 40%(40%)
5.	Area 95/96	Libya	25%(25%)	SIPEX (O)- 50%(50%), IOCL - 25%(25%)
6.	Block M-4*	Myanmar	60%(60%)(O)	MPL - 25%(25%), Oilmax - 10% (10%) & Oil Star - 5%(5%)
7.	Block YEB*	Myanmar	60%(60%)(O)	MPL - 25%(25%), Oilmax - 10%(10%) & Oil Star - 5%(5%)
8.	Block 82	Yemen	12.75% (12.75%)	MEDCO AMED(O)- 38.25% (38.25%), Kuwait Energy(O), - 21.25% (21.25%) Yemen Oil & Gas 15%(15%), IOCL - 12.75%(12.75%)
9.	Block 32, ISRAEL	Israel	25% (NIL)	OVL(O)-25% (NIL) , BPRL-25% (NIL), IOCL-25% (NIL)

**Note: Figures in parenthesis ( ) represent Participating Interest as on 31.03.2017**

(O) Operator

\* The Company has intimated the Myanmar Oil & Gas Enterprise (MOGE) for termination of PSC for two shallow offshore Blocks, M-4 & YEB. The MOGE has accepted the termination proposal of the Company and has advised the Consortium Partners to settle the issues on the financial obligations, title of assets and transfer of G&G data collected from MOGE in order to finalise the Termination Agreement.

**The Summarised Financial position of the above blocks are as under:**

(₹ in crore)

Particulars	Audited Blocks				Unaudited Blocks			
	Assets	Liabilities	Income	Expenditure	Assets	Liabilities	Income	Expenditure
For year ended 31.03.2018	383.93	252.49	-	12.80	208.78	107.12	0.47	(0.53)
For year ended 31.03.2017	372.85	241.87	0.39	13.06	228.50	172.82	0.02	45.61

**Note:** Financial position of the following block applied for relinquishment (approval pending) in previous year has not been considered in above statement:

1. **Block 102/4 of Libya**
2. **Block 86 of Libya**
3. **Block M-4**
4. **Block YEB**

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

**41.7 Disclosure pursuant to Regulation 34(3) and 53(f) Securities And Exchange Board Of India  
(Listing Obligations and Disclosure Requirements) Regulations, 2015**

(₹ in crore)

Particulars	Outstanding as at 31.03.2018	Maximum Amount Outstanding during the year 2017-18	Outstanding as at 31.03.2017	Maximum Amount Outstanding during the year 2016-17	Outstanding as at 01.04.2016
<b>Loans &amp; Advances in the nature of Loan to :</b>					
<b>a) Subsidiaries*</b>					
i) Oil India Sweden AB	Nil	Nil	Nil	Nil	Nil
ii) Oil India Cyprus Ltd	Nil	Nil	Nil	Nil	Nil
iii) Oil India USA INC.	Nil	Nil	1.13	1.13	0.63
iv) Oil India International Limited	Nil	Nil	Nil	Nil	Nil
v) Oil India International B.V.	456.92	456.92	404.37	404.37	355.24
vi) Oil India International Pte., Singapore	Nil	Nil	Nil	Nil	Nil
<b>b) To Associates / Jointly controlled entity</b>					
i) Beas Rovuma Energy Mozambique Ltd.	Nil	Nil	Nil	Nil	Nil
ii) Suntera Nigeria 205 Ltd	187.44	187.44	172.93	172.93	161.55
iii) DNP Ltd	Nil	Nil	Nil	Nil	Nil
<b>c) In the nature of loans to Firms/companies in which directors are interested:</b>					
i) BCP Ltd.	Nil	Nil	Nil	125.68	125.68
<b>d) Investment by Loanee in Parent or other subsidiary company</b>	Nil	Nil	Nil	Nil	Nil

\* Excludes Current account transactions

**41.8 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 31.03.2018.

(₹ in crore)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
a) Principal amount remaining unpaid but not due as at year end	0.40	1.61
b) Interest due thereon as at year end	-	-
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	-	-
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	-	-
e) Interest accrued and remaining unpaid as at year end	-	-
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	-	-

#### 41.9 Income Tax :

##### 41.9.1 Income Taxes relating to continuing operations

##### Income Tax Recognised in Profit or Loss

(₹ in crore)

Particulars	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
<b>Current tax</b>		
In respect of the current year	648.39	356.30
In respect of the Previous year	-	118.47
<b>Total</b>	<b>648.39</b>	<b>474.76</b>
<b>Deferred tax</b>		
In respect of the current year	393.48	122.88
<b>Total</b>	<b>393.48</b>	<b>122.88</b>
<b>Total income tax expense recognised in the current year</b>	<b>1,041.87</b>	<b>597.64</b>

##### 41.9.2 The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ in crore)

Particulars	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
<b>Profit before tax</b>	<b>3,709.80</b>	<b>2,146.32</b>
Income tax expense calculated at 34.608% (2016-2017: 30*112%*103%=34.608%)	1,283.89	742.80
Add:		
Tax effect of expenses that are not deductible in determining taxable profit	102.38	181.74
Prior Period Income Tax Adjustment	-	118.47
Re-Assessment of Deferred Tax Assets	87.11	-
	189.49	300.21
<b>Sub -Total</b>	<b>1,473.38</b>	<b>1,043.01</b>
Less:		
Tax effect of ICDS transition Adjustment	-	26.58
Tax effect of Weighted Deductions, Superannuation & Investment allowances etc.	5.89	59.92
Tax effect of income that is exempt from taxation	380.02	327.19
Prior Period Income Tax Adjustment	45.60	
Additional tax effect due to differential tax rates and tax losses	-	31.68
	431.51	445.37
<b>Total</b>	<b>1,041.87</b>	<b>597.64</b>
<b>Income tax expense recognised in profit or loss</b>	<b>1,041.87</b>	<b>597.64</b>

**Note :** The tax rate used for the 2017-2018 and 2016-2017 reconciliations above is the effective corporate tax rate of 34.608% payable by corporate entities in India on taxable profits under the Indian tax law.

**41.9.3 Income tax recognised in Other Comprehensive Income****Current & Deferred tax**

(₹ in crore)

Particulars	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
Arising on income and expenses recognised in Other Comprehensive Income:		
Fair value re-measurement of hedging instruments entered into for a hedge of a net investment in a foreign operation	-	-
Deferred Tax on Net fair value gain on investments in equity Fund of PII at FVTOCI	(34.05)	776.01
Net fair value gain on investments in debt instruments at FVTOCI	-	-
Net gain on designated portion of hedging instruments in cash flow hedges	-	-
Net gain/(loss) on time value of options and forward elements of forward	-	-
Contracts in hedging relationship	-	-
Current Tax on Re-measurement of defined benefit obligation	32.25	(19.43)
<b>Total</b>	<b>(1.80)</b>	<b>756.58</b>
<b>Total income tax recognised in Other Comprehensive Income</b>	<b>(1.80)</b>	<b>756.58</b>
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will not be reclassified to profit or loss	(1.80)	756.58
Items that may be reclassified to profit or loss	-	-
<b>Total</b>	<b>(1.80)</b>	<b>756.58</b>

**41.9.4 Deferred tax liabilities (net)****a. The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:**

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017
Deferred tax assets	441.00	666.59
Deferred tax liabilities	(3,879.96)	(3,746.11)
<b>Total</b>	<b>(3,438.96)</b>	<b>(3,079.52)</b>
Components of Deferred Tax Asset and Liability:		
Deferred Tax Liability		
Depreciation and Amortization expenses	(2,963.37)	(2,779.97)
Fair Value gain on Investment	(741.95)	(775.99)
Employee Deferred Benefit Expenses	(26.08)	(26.17)
Others	(148.56)	(163.99)
<b>Total</b>	<b>(3,879.96)</b>	<b>(3,746.11)</b>
Deferred Tax Asset:		
Expenditure covered by section 43B of I.T. Act, 1961	83.15	80.14
Provision for doubtful advances/debts/stores	217.24	164.25
Deferred Income	38.15	40.79
MAT Credit	-	336.87
Others	102.46	44.55
<b>Total</b>	<b>441.00</b>	<b>666.59</b>
<b>Net Deferred Tax Liability</b>	<b>(3438.96)</b>	<b>(3,079.52)</b>

**b) Deferred Tax Assets / (Liabilities) movement**

(₹ in crore)

Particulars	For the year ended March 31, 2018				For the year ended March 31, 2017			
	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
<b>Deferred tax (liabilities)/ assets in relation to:</b>								
Provision for doubtful advances/debts/stores	164.25	52.99		217.24	170.31	(6.06)	-	164.25
Expenditure covered under section 43B	80.14	3.01		83.15	69.90	10.24	-	80.14
Employee Loan Fair Valuation	17.98	0.40		18.38	17.51	0.47	-	17.98
Deferred Income	40.79	(2.64)		38.15	-	40.79	-	40.79
MAT Credit	336.87	(336.87)		-	-	336.87	-	336.87
Fair valuation of guarantee	3.12	20.49		23.61	1.73	1.39	-	3.12
Other Provisions	23.45	37.03		60.48	8.17	15.28	-	23.45
Investment in Petroleum International	(0.18)	-	0.01	(0.17)	(0.40)	0.25	(0.03)	(0.18)
Depreciation on property, plant and equipment	(2,779.97)	(183.40)		(2963.37)	(2,220.28)	(559.69)	-	(2,779.97)
Fair Value gain on Equity Investment	(775.99)	-	34.03	(741.95)	-	-	(775.99)	(775.99)
Forex Gain/Loss	(84.01)	9.98		(74.03)	(123.97)	39.96	-	(84.01)
Employee Deferred Benefit Expenses	(26.17)	0.09		(26.08)	(27.05)	0.88	-	(26.17)
Fair valuation of guarantee investment	(4.78)	(12.96)		(17.74)	(0.97)	(3.81)	-	(4.78)
Other Items	(75.03)	18.39		(56.65)	(75.59)	0.56	-	(75.03)
<b>Total</b>	<b>(3,079.52)</b>	<b>(393.48)</b>	<b>34.04</b>	<b>(3,438.96)</b>	<b>(2,180.63)</b>	<b>(122.88)</b>	<b>(776.01)</b>	<b>(3,079.52)</b>

**Notes:**

- For Assessment Years (AY) 2003-04 to 2014-15 appeals are pending for disposal before the Hon'ble Income Tax Appellate Tribunal (ITAT), Guwahati with respect to the Company's claims/disallowances u/s 14A, 37, 42, 80-IB & 80-IC of the Income Tax Act, 1961, hereinafter called the Act.
- The benefit u/s 80-IA, 80-IB and 80-IC of the Act has not been considered to make provisions of tax in the books.
- The resulting interest, whether receivable or payable, shall be accounted for on finalization of the matter by an appellate authority.
- Income tax assessment up to the Assessment Year 2014-15 has been completed and a demand of ₹ 205.05 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 are likely to be deleted or may be reduced substantially on the grounds taken by the Company before the appellate authority. However, wherever demand is raised, the amount has been paid.
- The Current Tax figure of the year includes ₹ (45.60) crore due to brought forward losses of FY 2016-17 of ₹ 131.76 crore.

- f) The tax liability of the company for the Assessment year 2017-18 was calculated based on book profit determined u/s 115JB of the income Tax Act, 1961. As per the provisions of section 115JAA, the income tax paid u/s 115JB (i.e. Minimum Alternate Tax) can be carried forward up to next ten Assessment years for being utilized against tax payable under normal provisions of the Act subject to limits specified u/s 115JAA. The Company has utilized the entire MAT credit amounting to ₹ 337.39 crore in determining its current tax liability for the financial year ended 2017-18 (AY 2018-19).
- g) 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 year for capital and revenue expenditure on scientific research on in-house approved research and development facilities:

(₹ in crore)

Particulars	Financial Year	
	2017-18	2016-17
Capital Expenditure	7.87	7.61
Revenue Expenditure	56.45	55.81
Total Expenditure	64.32	63.42

#### 41.10 Disclosures as per Guidance Note on Oil & Gas Producing Activities (Ind AS):

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

##### (i) Net quantities of interest in Proved Reserves of oil (including condensates & Heavy Oil) and natural gas as on 31.03.2018:

Area of Operation	Crude Oil				Natural Gas			
	Position as at 1 <sup>st</sup> Apr 2017	Addition/Revision	Production Quantity	Position as at 31 <sup>st</sup> Mar 2018	Position as at 1 <sup>st</sup> Apr 2017	Addition/Revision	Adjusted Sales Quantity	Position as at 31 <sup>st</sup> Mar 2018
	(MM KL)	(MM KL)	(MM KL)	(MM KL)	(MM Cub Meter)	(MM Cub Meter)	(MM Cub Meter)	(MM Cub Meter)
Assam	32.8969	1.2856	3.7769	30.4056	18604	3798	2539	19863
Arunachal Pradesh	0.1018	0.0212	0.0085	0.1145	-	-	-	-
Rajasthan	0.0009	(0.0004)	0.0001	0.0004	1679	(112)	211	1356
Kharsang-JV*	0.2169	(0.1000)	0.0193	0.0976	-	-	-	-
Dirok Joint Venture *	-	-	-	-	-	2092	13	2079
<b>Total</b>	<b>33.2165</b>	<b>1.2064</b>	<b>3.8048</b>	<b>30.6181</b>	<b>20283</b>	<b>5778</b>	<b>2763</b>	<b>23298</b>

\* Shown to the extent of participating interest of the Company

##### (ii) Net quantities of interest in Proved Reserves of Crude Oil (including condensate & Heavy Oil) and Natural Gas as on 31.03.2017:

Area of Operation	Crude Oil				Natural Gas			
	Position as at 1 <sup>st</sup> Apr 2016	Addition/Revision	Production Quantity	Position as at 31 <sup>st</sup> Mar 2017	Position as at 1 <sup>st</sup> Apr 2016	Addition/Revision	Adjusted Sales Quantity	Position as at 31 <sup>st</sup> Mar 2017
	(MM KL)	(MM KL)	(MM KL)	(MM KL)	(MM Cub Meter)	(MM Cub Meter)	(MM Cub Meter)	(MM Cub Meter)
Assam	31.8111	4.7303	3.6445	32.8969	20560	617	2573	18604
Arunachal Pradesh	0.1292	(0.0188)	0.0086	0.1018	-	-	-	-
Rajasthan	0.0025	(0.0012)	0.0004	0.0009	1803	108	232	1679
Kharsang Joint Venture *	0.2384	-	0.0215	0.2169	-	-	-	-
<b>Total</b>	<b>32.1812</b>	<b>4.7103</b>	<b>3.6750</b>	<b>33.2165</b>	<b>22363</b>	<b>725</b>	<b>2805</b>	<b>20283</b>

\* Shown to the extent of participating interest of the Company

**(iii) Net quantities of interest in Proved Developed Reserves of oil (including condensates) and natural gas as on 31.03.2018:**

Area of Operation	Crude Oil				Natural Gas			
	Position as at 1 <sup>st</sup> Apr 2017	Addition/Revision	Production Quantity	Position as at 31 <sup>st</sup> Mar 2018	Position as at 1 <sup>st</sup> Apr 2017	Addition/Revision	Adjusted Sales Quantity	Position as at 31 <sup>st</sup> Mar 2018
	(MM KL)	(MM KL)	(MM KL)	(MM KL)	(MM Cub Meter)	(MM Cub Meter)	(MM Cub Meter)	(MM Cub Meter)
Assam	30.0906	1.8201	3.7769	28.1338	18604	3798	2539	19863
Arunachal Pradesh	0.1018	0.0212	0.0085	0.1145	-	-	-	-
Rajasthan	0.0009	(0.0004)	0.0001	0.0004	1679	(112)	211	1356
Kharsang-JV*	0.0759	-	0.0193	0.0566	-	-	-	-
Dirok Joint Venture *	-	-	-	-	-	2092	13	2079
<b>Total</b>	<b>30.2692</b>	<b>1.8409</b>	<b>3.8048</b>	<b>28.3053</b>	<b>20283</b>	<b>5778</b>	<b>2763</b>	<b>23298</b>

\* Shown to the extent of participating interest of the Company  
Reserves are calculated in terms of Million kilo litres.

**(iv) Net quantities of interest in Proved Developed Reserves of oil (including condensates) and natural gas as on 31.03.2017:**

Area of Operation	Crude Oil				Natural Gas			
	Position as at 1 <sup>st</sup> Apr 2016	Addition/Revision	Production Quantity	Position as at 31 <sup>st</sup> Mar 2017	Position as at 1 <sup>st</sup> Apr 2016	Addition/Revision	Adjusted Sales Quantity	Position as at 31 <sup>st</sup> Mar 2017
	(MM KL)	(MM KL)	(MM KL)	(MM KL)	(MM Cub Meter)	(MM Cub Meter)	(MM Cub Meter)	(MM Cub Meter)
Assam	29.1974	4.5377	3.6445	30.0906	20560	617	2573	18604
Arunachal Pradesh	0.1292	(0.0188)	0.0086	0.1018	-	-	-	-
Rajasthan	0.0025	(0.0012)	0.0004	0.0009	1803	108	232	1679
Kharsang JV*	0.0974	-	0.0215	0.0759	-	-	-	-
<b>Total</b>	<b>29.4265</b>	<b>4.5177</b>	<b>3.6750</b>	<b>30.2692</b>	<b>22363</b>	<b>725</b>	<b>2805</b>	<b>20283</b>

\* Shown to the extent of participating interest of the Company  
Reserves are calculated in terms of Million kilo litres.

(v) 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, numbers of additional wells to be completed, application of enhanced recovery techniques, validity of mining lease agreements, agreements/MOU for sales are taken into consideration for determining reserves quantity.

**4.1.11 Physical verification of Property, Plant and Equipment (PPE):**

Physical verification of the property, plant and equipment is carried out by the Company in phased manner over the period of 5 years. The current block started from 2013-14. Physical verification of PPE carried out till 31<sup>st</sup> March, 2018 covers 94.29% of PPE in terms of value.

**41.12 VAT on crude oil:**

The Company has received notices for demand of ₹ 1349.71 crore from Assam Value Added Tax Authority claiming VAT on sharing of under recoveries to downstream oil companies and on transportation charges of own crude oil of the financial year 2009-10 to 2012-13. The Company has paid ₹ 21.97 crore in April, 2016 on account of VAT on transportation of crude oil for the said period. However, the demand for ₹ 1327.73 crore, being VAT on sharing of under-recoveries has been contested by the Company before the Commissioner of Taxes, Assam. In a similar matter, ONGC vs State of Gujarat, the Hon'ble Gujarat High Court has passed order against applicability of VAT on the amount of under recoveries shared. The decision of the Hon'ble Gujarat High Court has been challenged by the State of Gujarat in the Hon'ble Supreme Court of India through a special Leave Petition. The Hon'ble Supreme Court of India has upheld the decision of the Hon'ble Gujarat High Court dismissing the Special Leave Petition of State of Gujarat.

**41.13 Service Tax and GST on Royalty payment.**

The Company has received show cause cum demand notices from the Directorate General of Goods and Service Tax Intelligence for ₹257.13 crore towards service tax on Royalty for Assam & Arunachal Pradesh and Rajasthan for the period March, 2016 to June, 2017, against which the Company has made detailed representations to the Appropriate Authorities. Pending adjudication of the matter, the entire Service Tax amount has been deposited by the Company under protest in May, 2018.

The Company has also deposited under protest in May 2018, GST on Royalty payment for the period July, 2017 to March, 2018 amounting to ₹209.17 crore and ₹11.18 crore as interest thereon. The above amounts have been disclosed in the financial statement as contingent liability as on 31.03.2018.

**41.14 Crackers and Polymer :**

**41.14.1** As per approval of the Cabinet Committee on Economic Affairs (CCEA), an amount of ₹ 215.00 crore is reimbursable by Brahmaputra Cracker and Polymers Limited (BCPL) to the company out of the capital subsidy received from the Ministry of Chemical and Fertilizers for development of infrastructure for gas supply. An amount of ₹ 69.65 crore has already been received in this regard up to the financial year 2011-12. In view of the reasonable assurance on receipt of the balance amount of ₹ 145.35 crore based on recommendation of the Inter Ministerial Committee on Assam Gas Cracker Project, the same has been recognised as reimbursement of capital cost receivable with a corresponding credit to deferred income. The deferred income corresponding to the amount of reimbursement of capital cost receivable is recognized over the useful life of the asset from December 2014 when the related assets were commissioned. During the financial year 2017-18 the Company has recognized an amount of ₹ 7.62 crore as deferred income from amortization and credited to the statement of Profit or Loss.

**41.14.2 Details of charge:**

(a) The Company has created charge against Current Assets to the tune of ₹ 377.45 crore (corresponding period ₹ 377.45 crore) for availing Bank Guarantee.

(b) Further the Company has created charge against the Current Assets to the tune of ₹ 700.00 crore (corresponding period ₹ 700.00 crore) for availing Cash Credit/Letter of Credit/Bank Guarantee Facility.

#### 41.15 Other disclosure under Schedule III to the Companies Act, 2013

##### 41.15.1 Contingent Liabilities and Commitments (to the extent not provided for)

###### (i) Contingent Liabilities:

###### (a) Claims against the Company not acknowledged as debts:

(₹ in crore)

Sl. No.	Particulars	As at March 31, 2018	As at March 31, 2017
i.	Under the Assam VAT Act, 2003	1327.73	1,327.73
ii.	Under the Central Sales Tax Act, 1956	0.67	0.67
iii.	Under Central Excise Act, Service Tax and GST	563.43	230.25
iv.	Under Income Tax Act	215.05	200.48
v.	Under Other Acts	74.19	55.42
vi.	By Contractor pending in Arbitration / Courts	27.55	44.68
vii.	Claim on JVC/PSC account	11.66	10.93
viii.	Demand raised under Assam Taxation (on specified lands) Amendment Act, 2004 for the period from 2010 to 2015	755.31	755.21
ix.	Additional demand of 2% NPV by CCF (Assam) against afforestation	82.77	76.23
x.	LD for unfinished MWP of Phase I Shale Gas for five Blocks @US \$ 0.25 Million per Block	8.22	8.18
	<b>Total</b>	<b>3,066.58</b>	<b>2,709.78</b>

###### (b) In respect of Guarantees :

(₹ in crore)

Sl. No.	Particulars	As at March 31, 2018	As at March 31, 2017
i.	Bank Guarantee issued to Superintendent of Taxes, Naharkatia, Assam, in relation to demand raised by the Department under Assam Taxation (on specified lands) Amendment Act, 2004 for the period from 2005 to 2009.	702.02	702.02
ii.	Bank Guarantee for Domestic Minimum Work Program (MWP) commitment	797.90	257.26
iii.	Bank Guarantee for Overseas Minimum Work Program (MWP) commitment	343.27	337.75
iv.	Bank Guarantee in respect of NLD, Solar & City gas Distribution	978.73	-
v.	Bank Guarantee against OAPL 2017	34.32	-
vi.	Against Letter of Credit	184.51	114.96
vii.	Others	0.05	-
	<b>Total</b>	<b>3,040.80</b>	<b>1,411.99</b>

###### (c) Other matters for which the Company is contingently liable:

###### Commitments:

###### (a) Capital Commitments:

- (i) The estimated amount of contracts remaining to be executed on Capital Account and not provided for in the accounts: ₹ 507.00 crore (corresponding period ₹ 366.59 crore).

- (ii) Company's share in the amount of contracts remaining to be executed on Capital Accounts and not provided for in the account in respect of the un-incorporated Joint Ventures is ₹ 0.07 crore (Corresponding period ₹ 9.91 crore).
- (iii) Company's share of Capital Commitment of in Non Operated Joint Venture Block AAP-ON-94/1 is ₹0.82 crore (corresponding period ₹ 29.92 crore).
- (b) Other Commitment:
- (i) The estimated amount of contracts remaining to be executed on Revenue Account and not provided for in the accounts: ₹ 575.80 crore (corresponding period ₹ 35.40 crore).
- (ii) Balance of Minimum Work Program Commitment (MWP) by OIL under Production Sharing Contracts (PSCs) entered for NELP Blocks with Govt. of India is ₹ 835.21 crore (corresponding period ₹ 861.88 crore). The commitment is covered by Bank Guarantee as referred in point no 41.15.1 (b) (ii).
- (iii) Balance of Minimum Work Program Commitment (MWP) by OIL under Production Sharing Contracts (PSCs) entered for overseas Blocks is ₹ 475.95 crore (corresponding period ₹ 378.03 crore). The commitment is covered by Bank Guarantee as referred in point no 41.15.1 (b) (iii).

**41.16 Figures of Previous year have been regrouped/reclassified, wherever necessary, to conform to current years classification.**

In terms of our report of even date

**For and on behalf of the Board of Directors**

**For N.C. BANERJEE & CO**  
Chartered Accountants  
Firm Reg No.-302081E

**For B.N. MISRA & CO**  
Chartered Accountants  
Firm Reg No.-321095E

Sd/-  
**(CA B K Biswas)**  
Partner  
Membership No.: 055623

Sd/-  
**(CA S.S. Mohapatra)**  
Partner  
Membership No.: 061619

Sd/-  
**(S.K. Senapati)**  
Company Secretary

Sd/-  
**(Mrs. Rupshikha S. Borah)**  
Director (Finance)  
DIN 06700534

Sd/-  
**(Utpal Bora)**  
Chairman & Managing  
Director  
DIN 07567357

**Place:** Noida

**Date:** 28th May, 2018

## Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

### Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures

#### Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

Sl. No.	Particulars	Oil India Sweden AB	Oil India Cyprus Ltd.	Oil India (USA) Inc.	Oil India International Ltd.	Oil India International B.V.	Oil India International Pte. Ltd.
1	Date when Subsidiaries was acquired	26.02.2010	21.10.2011	26.09.2012	20.09.2013	02.05.2014	06.05.2016
2	Reporting Year / Period ending on	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018
3	Reporting Currency	Euro	USD	USD	₹ Crore	USD	USD
4	Exchange Rate (as on 31.03.2018)	Euro 1 = INR 81.34	USD 1 = INR 65.73	USD 1 = INR 65.73	NA	USD 1 = INR 65.73	USD 1 = INR 65.73
5	Share Capital	Euro ₹ Crore	USD ₹ Crore	USD ₹ Crore	₹ Crore	USD ₹ Crore	USD ₹ Crore
		47,050,393	89,589	111,100,000	100.00	35,505,109	533,707,277
6	Reserves & Surplus	(334,684)	(104,361)	(53,192,890)	17.10	(46,581,647)	150,913,670
7	Total Assets	46,750,732	7,316	60,417,836	121.50	58,495,581	1,190,493,762
8	Total Liabilities	35,023	22,088	2,510,726	4.40	69,572,119	505,872,815
9	Investments	46,632,269	-	-	-	1	1,129,058,225
10	Turnover	-	-	6,348,324	-	-	-
11	Profit Before Taxation	(27,128)	(30,011)	(6,333,968)	7.10	(5,007,515)	30,519,220
12	Provision for Taxation	-	-	-	2.65	-	14,889
13	Profit After Taxation	(27,128)	(30,011)	(6,333,968)	4.45	(5,007,515)	30,504,331
14	Proposed Dividend	-	-	-	-	-	-
15	% of Shareholding	100%	76%*	100%	100%	100%	100%

**Notes:** 1 Names of subsidiaries which are yet to commence operations : a) Oil India Cyprus Ltd. b) Oil India International Ltd.-steps have been initiated for voluntary winding up.

2 Names of subsidiaries which have been liquidated or sold during the year : a) NIL

3 \*: Remaining 24% shareholding by Oil India Sweden AB

4 Figures in parenthesis represent loss.

In terms of our report of even date

**For N.C. BANERJEE & CO**  
Chartered Accountants  
Firm Reg No.-302081E

Sd/-  
**(CA B K Biswas)**  
Partner

Membership No.: 055623

Place: Noida

Date: 28th May, 2018

For and on behalf of the Board of Directors

Sd/-  
**(S.K. Senapati)**  
Company Secretary

Sd/-  
**(Mrs. Rupshikha S. Borah)**  
Director (Finance)

DIN 06700534

Sd/-  
**(Utpal Bora)**  
Chairman & Managing Director

DIN 07567357

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OIL INDIA LIMITED

### REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

We have audited the accompanying Consolidated Ind AS Financial Statements of OIL INDIA LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and joint ventures, comprising of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2018, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement for the year then ended, the Consolidated statement of changes in equity for the year then ended and Significant Accounting Policies and Additional Notes (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

### MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its Associates and Joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Ind AS Financial Statements. The respective Board of Directors of the companies included in the Group, and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its associates and joint ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS

Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

### AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these Consolidated Ind AS Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Ind AS Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated Ind AS 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 the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Ind AS Financial Statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Emphasis of Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.

## OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS 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 including the Ind AS, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31<sup>st</sup> March, 2018 and its consolidated financial performance including other comprehensive income, its consolidated cash flows and the consolidated changes in equity for the year then ended.

## EMPHASIS OF MATTER

We draw attention to the following matters in the Notes to the Consolidated Ind AS Financial Statements:

- a) The auditors of a subsidiary Oil India International BV, Netherlands have given a qualified opinion in their independent auditor's report as follows:

Oil India International B.V.'s investment in WorldAce Investments Limited, a foreign associate acquired during the year 2014/2015 and accounted for by the equity method, is carried at USD 1 in the Balance Sheet as at 31 March 2018, the loan due from WorldAce Investments Limited is carried at USD 4,66,07,778 and Oil India International B.V.'s share of WorldAce Investments Limited's net Loss of USD 50,56,906 is included in Oil India International B.V.'s result for the year then ended.

We were unable to obtain sufficient appropriate audit evidence about the carrying amounts of Oil India International B.V.'s loan due from WorldAce Investments Limited as at 31 March 2018 and Oil India International B.V.'s share of WorldAce Investments Limited's result for the year, as well as figures disclosed in Note 6, because there were no audited financial statements of WorldAce Investments Limited as at 31 March 2018 available to us.

The information available consisted of the audited financial statements of WorldAce Investments Limited as at 31 December 2017 and unaudited management accounts of WorldAce Investments Limited as at 31 March 2018. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

The auditors of Oil India International BV in their Paragraph "Material uncertainty relating to going concern" has reported the following:

We draw attention to the note 'going concern' paragraph on page no 8 of the financial statements which indicates that the company's joint venture incurred a significant losses during the previous year. As of ended 31 December 2018, the company's equity is still negative. This conditions along with others matters as set forward in the note 'Going Concern', indicate the existence of material uncertainty which may cast significant doubt about the company's ability to continue as going concern.

- b) The auditors of Oil India International Ltd in their Emphasis of Matter Paragraph has reported the following:

We draw attention to Note 17 to the financial statements which details that Board of the Company has passed a resolution for Members Voluntary Winding up of the Company and General Meeting is yet to be called/held. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the company have been prepared on a going concern basis based on net realisable value of the company determined by the management as stated in the said Note.

- c) The auditors of a Joint venture Suntera Nigeria 205 Limited in their Emphasis of Matter Paragraph has reported the following:

We draw attention to Note 2(a) to the financial statements, we indicates that these financial statements are not the statutory financial statements of the entity that are required to be prepared in Nigerian Naira in accordance with rule 8 of the Financial Reporting Council of Nigeria; in line with both the International Financial Reporting Standards(IFRS) and the manner required by the Company and Allied Matters Act, Cap C.20, laws of the Federation of Nigeria,2004 and the financial reporting Council of Nigeria Act, 2011.

- d) The auditors of Oil India Cyprus Limited in their Emphasis of Matter Paragraph has reported the following:

We draw attention to Note 2 to the Financial Statements which indicates that the company incurred a loss of US\$ 30,011 during the year ended 31<sup>st</sup> March 2018, for the year ended 31<sup>st</sup> March 2018, and, as at the date its current liabilities exceeds its current assets by US\$ 14,772. These conditions, along with others matters as set forth in note 2 indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern .

e) The auditors of Brahmaputra Cracker and Polymer Limited in their Emphasis of Matter Paragraph has reported the following :

1. we draw the attention to para 24 of note 1 of the Ind AS Financial Statements regarding the status of the claims made against the company, and that no claims has been acknowledged there against.
2. we draw attention to para 32 of note 1 to the Ind AS Financial statement regarding the subsidies under various scheme of NEIIP ( North East Industrial Policy), the company has accounted for subsidies amounting to ₹ 6,272.61 lakhs on the accrual basis, however, claims for subsidy amounting to ₹ 2,998.90 lakhs is yet to be submitted/ in the process of submission.
3. we draw our attention to the point (vii)(a) of Annexure-A to this report indicating that the company has not yet registered itself for ESI purpose.

Our opinion is not modified in respect of these matters.

#### **OTHER MATTERS**

The Consolidated Ind AS Financial Statements reflects net assets, total operating revenue and net cash flow aggregating to ₹ 1120.58 crore, ₹ 41.28 crore and ₹ 75.12 crore respectively and the elements making up the Cash Flow Statement and related disclosures for the year ended 31<sup>st</sup> March 2018 in respect of six subsidiaries, two associates and three joint ventures, the accounts of which have not been audited by us and have been incorporated based on audited financial statements. The Consolidated Ind As Financial Statements also include the Group share of net profits of ₹ 66.69 crores for the year ended 31<sup>st</sup> March 2018.

These financial statements audited by other auditors whose reports have been furnished to us by the management and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amount and disclosure included in respect of these subsidiaries, associates and joint ventures , and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, associates and joint ventures, is based solely on the reports of the other auditors.

Certain of these subsidiaries, associates and joint ventures are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under

generally accepted auditing standards applicable in their respective countries. The company's management has converted the financial statements of such subsidiaries, associates and joint ventures located outside India to financial statements as per accounting principles generally accepted in India. Our opinion in so far as it relates to the balances and affairs of such subsidiaries, associates and joint ventures is based on the reports of other auditors as mentioned above.

Our opinion on the Consolidated Ind AS Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS Financial Statements.
  - (d) In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015.
  - (e) On the basis of the reports of the statutory auditors of subsidiary, associate and joint venture incorporated in India, none of the directors of subsidiary, associates and joint ventures incorporated in India is disqualified as on 31<sup>st</sup> March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act. We are informed that the provisions of sections 164(2) of the Act are not

applicable to the holding company and its subsidiary companies incorporated in India being Government Company in terms of notification no. G.S.R. 463(E) dated 5th June, 2015 issued by the Ministry of Corporate Affairs.

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies, associated companies and jointly controlled companies incorporated in India and the operating effectiveness of such controls, as required under Section 143 (3)(i) of the Act, refer to our separate report in Annexure A; and
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Consolidated Ind AS Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Holding Company, its subsidiary, its associates and joint ventures- Refer Note 42.5.1 to the Consolidated Ind AS Financial statements.
- ii. The Holding Company, its subsidiary, its associates and joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts; and
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India.

**For N.C. BANERJEE & CO.**  
Chartered Accountants  
Firm Regn. No: 302081E

Sd/-  
**(CA B.K BISWAS)**  
Partner  
Membership No.: 055623

**Place:** Noida  
**Date:** 28/05/2018

**For B.N MISRA & CO.**  
Chartered Accountants  
Firm Regn. No: 321095E

Sd/-  
**(CA B.N MISRA)**  
Partner  
Membership No.: 083927

## ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT ON THE INTERNAL FINANCIAL CONTROL UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

**The Annexure A referred to in paragraph 1(f) of Report on Other Legal and Regulatory Requirements paragraph of our report of even date to the members of OIL INDIA LIMITED on the Consolidated Ind AS Financial Statements (CFS) for the year ended 31<sup>st</sup> March, 2018.**

In conjunction with our audit of the Consolidated Ind AS Financial Statements of the Company as of and for the year ended 31<sup>st</sup> March 2018, we have audited the internal financial controls over financial reporting of Oil India Limited ("the Holding Company") and its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India as of that date.

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies and its jointly controlled companies which are companies incorporated in India are responsible for laying down and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group wherever applicable considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting, wherever applicable, based on our audit and audit report of the subsidiary companies, associate companies and joint ventures. We conducted our audit in accordance with the Standards on Auditing, to the extent applicable to an audit of internal financial controls and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance

Note"), both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports are sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system over financial reporting.

### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection

of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS Financial Statements.

### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **OPINION**

In our opinion, the Group, its associates and joint ventures wherever applicable, has, in all material respects, an adequate

internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2018, based on the internal control over financial reporting criteria established by the Group, its associates and joint ventures considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **OTHER MATTERS**

(i) Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary company and two associate companies which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of these matters.

#### **For N.C. BANERJEE & CO.**

Chartered Accountants  
Firm Regn. No: 302081E

Sd/-

**(CA B.K BISWAS)**

Partner

Membership No.: 055623

**Place:** Noida

**Date:** 28/05/2018

#### **For B.N MISRA & CO.**

Chartered Accountants  
Firm Regn. No: 321095E

Sd/-

**(CA B.N MISRA)**

Partner

Membership No.: 083927

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA  
UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES  
ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF OIL INDIA  
LIMITED FOR THE YEAR ENDED 31 MARCH 2018.**

The preparation of consolidated financial statements of Oil India Limited for the year ended 31 March 2018 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139 (5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 28 May 2018.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) read with section 129(4) of the Act of the consolidated financial statements of Oil India Limited for the year ended 31 March 2018. We conducted a supplementary audit of the financial statements of Oil India Limited and Oil India International Limited (a subsidiary of Oil India Limited), but did not conduct supplementary audit of the financial statements of the other subsidiaries, associate companies and jointly controlled entities (as listed in Annexure-I) for the year ended on that date. Further, Section 139 (5) and 143 (6) (b) of the Act are not applicable to subsidiaries, associate companies and jointly controlled entities (as listed in Annexure-II) being entities incorporated in foreign countries under the respective laws, for appointment of their Statutory Auditor nor for conduct of supplementary audit. Accordingly, C&AG has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies. 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.

**Place :** Kolkata

**Dated :** 10 July, 2018

For and on behalf of the  
Comptroller & Auditor General of India



**(Reena Saha)**

**Principal Director of Commercial Audit  
& Ex-officio Member, Audit Board – II  
Kolkata**

### **Annexure-I**

Names of Subsidiaries, Associate Companies and Jointly Controlled Entities of  
Oil India Limited (OIL) where supplementary audit was not conducted.

<b><u>Sl. No.</u></b>	<b><u>Name of Company</u></b>	<b><u>Country of Incorporation</u></b>	<b><u>Relation</u></b>
1	Oil India Sweden AB	Sweden	Subsidiary
2	Oil India Cyprus Limited	Cyprus	Subsidiary
3	Oil India (USA) Inc.	USA	Subsidiary
4	Oil India International B.V.	Netherlands	Subsidiary
5	Oil India International Pte. Ltd.	Singapore	Subsidiary
6	Beas Rovuma Energy Mozambique Limited	British Virgin Islands	JV
7	Suntera Nigeria 205 Ltd.	Nigeria	JV
8	Numaligarh Refinery Limited	India	Associates
9	DNP Limited	India	JV
10	BCP Ltd.	India	Associate

### **Annexure-II**

Names of Subsidiaries, Associate Companies and Jointly Controlled Entities of  
Oil India Limited being entities incorporated in foreign countries.

<b><u>Sl. No.</u></b>	<b><u>Name of Company</u></b>	<b><u>Country of Incorporation</u></b>	<b><u>Relation</u></b>
1	Oil India Sweden AB	Sweden	Subsidiary
2	Oil India Cyprus Limited	Cyprus	Subsidiary
3	Oil India (USA) Inc.	USA	Subsidiary
4	Oil India International B.V.	Netherlands	Subsidiary
5	Oil India International Pte. Ltd.	Singapore	Subsidiary
6	Beas Rovuma Energy Mozambique Limited	British Virgin Islands	JV
7	Suntera Nigeria 205 Ltd.	Nigeria	JV

**OIL INDIA LIMITED**  
**Consolidated Balance Sheet as at 31<sup>st</sup> March, 2018**

(₹ in crore)

Particulars	Note	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>I. ASSETS</b>			
<b>1. Non-current Assets</b>			
(a) Property, Plant and Equipment	2	10569.69	8967.12
(b) Capital Work-in-Progress	3	988.08	1893.64
(c) Exploration and Evaluation Assets	4	1700.50	1531.60
(d) Other Intangible Assets	5	50.18	51.68
(e) Financial Assets			
(i) Investments	6	26051.33	26311.63
(ii) Loans	7	650.82	495.31
(iii) Others	8	70.05	67.31
(f) Other Non-current Assets	9	45.38	22.96
<b>Total Non-current Assets</b>		<b>40126.03</b>	<b>39341.25</b>
<b>2. Current Assets</b>			
(a) Inventories	10	1078.26	1096.47
(b) Financial Assets			
(i) Investments	11	605.40	1149.26
(ii) Trade Receivables	12	1413.77	1011.36
(iii) Cash and Cash Equivalents	13	204.46	192.10
(iv) Other Bank Balances	14	3115.51	6479.61
(v) Loans	15	225.96	34.81
(vi) Others	16	473.89	359.27
(c) Current Tax Assets (Net)	17	1200.75	1465.66
(d) Other Current Assets	18	190.44	104.50
<b>Total Current Assets</b>		<b>8508.44</b>	<b>11893.04</b>
<b>Total Assets</b>		<b>48634.47</b>	<b>51234.29</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1. Equity</b>			
(a) Equity Share Capital	19	756.60	801.51
(b) Other Equity	20	28273.39	28717.85
<b>Total Equity</b>		<b>29029.99</b>	<b>29519.36</b>
<b>2. Non-current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	21	10689.84	8947.53
(ii) Trade Payables	22	1.86	3.27
(iii) Other Financial Liabilities	23	103.50	110.32
(b) Provisions	24	789.41	813.75
(c) Deferred Tax Liabilities (Net)	25	3643.64	3299.89
<b>Total Non-current Liabilities</b>		<b>15228.25</b>	<b>13174.76</b>

<b>3. Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	26	0.78	5236.30
(ii) Trade Payables	27	558.17	590.14
(iii) Other Financial Liabilities	28	3159.15	1599.83
(b) Other Current Liabilities	29	190.12	743.59
(c) Provisions	30	468.01	370.31
<b>Total Current Liabilities</b>		<b>4376.23</b>	<b>8540.17</b>
<b>Total Equity &amp; Liabilities</b>		<b>48634.47</b>	<b>51234.29</b>
Accompanying notes to the Financial Statements	1-42		

Notes referred to above form an integral part of the Financial Statements.

In terms of our report of even date

**For and on behalf of the Board of Directors**

**For N.C. BANERJEE & CO**

Chartered Accountants

Firm Reg No.-302081E

**For B.N. MISRA & CO**

Chartered Accountants

Firm Reg No.-321095E

Sd/-  
**(CA B K Biswas)**  
Partner  
Membership No.: 055623

Sd/-  
**(CA B.N. MISRA)**  
Partner  
Membership No.: 083927

Sd/-  
**(S.K. Senapati)**  
Company Secretary

Sd/-  
**(Mrs. Rupshikha S. Borah)**  
Director (Finance)  
DIN 06700534

Sd/-  
**(Utpal Bora)**  
Chairman & Managing  
Director  
DIN 07567357

**Place:** Noida

**Date:** 28<sup>th</sup> May, 2018

OIL INDIA LIMITED

Consolidated Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2018

(₹ in crore)

Particulars	Note	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
<b>I. Revenue from Operations</b>	31	10697.75	9566.36
<b>II. Other Income</b>	32	1010.06	1419.75
<b>III. Total Income (I +II)</b>		<b>11707.81</b>	<b>10986.11</b>
<b>IV. Expenses:</b>			
Purchases of Stock-in-Trade	33	28.29	-
Changes in Inventories of Finished Goods	34	20.68	(49.19)
Employee Benefits Expense	35	1693.29	1613.87
Finance Costs	36	553.68	440.60
Depreciation, Depletion and Amortization Expense	37	1326.64	1180.38
Other Expenses	38	5027.96	4881.19
<b>Total Expenses (IV)</b>		<b>8650.54</b>	<b>8066.85</b>
<b>V. Profit before exceptional items, share of net profit of Associates and Joint Ventures accounted for using the equity method and Tax (III - IV)</b>		<b>3057.27</b>	<b>2919.26</b>
<b>VI. Exceptional Items</b>	39	-	1151.73
<b>VII. Share of Profit of Associates and Joint Ventures accounted for using the equity method</b>		801.81	524.56
<b>VIII. Profit Before Tax (V -VI+VII)</b>		<b>3859.08</b>	<b>2292.09</b>
<b>IX. Tax Expenses:</b>			
(1) Current Tax		746.66	530.25
(2) Deferred Tax		377.80	165.28
<b>Total Tax Expenses (IX)</b>		<b>1124.46</b>	<b>695.53</b>
<b>X. Profit for the year from Continuing Operations (VIII - IX)</b>		<b>2734.62</b>	<b>1596.56</b>
<b>XI. Profit / (Loss) for the year from Discontinued Operations</b>		-	-
<b>XII. Tax Expense of Discontinued Operations</b>		-	-
<b>XIII. Profit/(Loss) from Discontinued Operations after Tax (XI-XII)</b>		-	-
<b>XIV. Profit for the year (X+XIII)</b>		<b>2734.62</b>	<b>1596.56</b>
<b>XV. Other Comprehensive Income</b>			
A (i) Items that will not be reclassified to profit or loss:			
(a) Remeasurement of the Defined Benefit Plans		184.64	(91.12)
(b) Equity Instruments through Other Comprehensive Income		(821.89)	4619.25
(c) Share of other comprehensive income in associates and joint ventures, to the extent not to be reclassified to profit or loss		(0.75)	(1.02)
(ii) Income tax relating to items that will not be reclassified to profit or loss		1.80	(756.58)

B (i) Items that will be reclassified to profit or loss:			
(a) Exchange difference in translating the financial statements of foreign operations		169.87	(60.39)
(b) Share of other comprehensive income in associates and joint ventures, to the extent that may be reclassified to profit or loss		455.90	184.02
(ii) Income tax relating to Items that will be reclassified to profit or loss		-	-
<b>Total Other Comprehensive Income</b>		<b>(10.43)</b>	<b>3894.16</b>
<b>XVI. Total Comprehensive Income for the year (XIV + XV)</b>		<b>2724.19</b>	<b>5490.72</b>
<b>XVII. Earnings per Equity Share (for continuing operations) (₹):</b>	40	<b>23.90</b>	<b>13.53</b>
Basic & Diluted			
<b>XVIII. Earnings per Equity Share (for discontinued operations) (₹):</b>	40	-	-
Basic & Diluted			
<b>XIX. Earnings per Equity Share</b>	40		
(for discontinued & continuing operations) (₹):			
Basic & Diluted		<b>23.90</b>	<b>13.53</b>
Accompanying notes to the Financial Statements	1-42		

Notes referred to above form an integral part of the Financial Statements.

In terms of our report of even date

For and on behalf of the Board of Directors

**For N.C. BANERJEE & CO**  
Chartered Accountants  
Firm Reg No.-302081E

**For B.N. MISRA & CO**  
Chartered Accountants  
Firm Reg No.-321095E

Sd/-  
**(CA B K Biswas)**  
Partner  
Membership No.: 055623

Sd/-  
**(CA B.N. MISRA)**  
Partner  
Membership No.: 083927

Sd/-  
**(S.K. Senapati)**  
Company Secretary

Sd/-  
**(Mrs. Rupshikha S. Borah)**  
Director (Finance)  
DIN 06700534

Sd/-  
**(Utpal Bora)**  
Chairman & Managing  
Director  
DIN 07567357

**Place:** Noida

**Date:** 28<sup>th</sup> May, 2018

**OIL INDIA LIMITED**  
**Consolidated Cash Flow Statement for the year ended 31<sup>st</sup> March, 2018**

(₹ in crore)

Particulars	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
<b>Cash flows from Operating Activities</b>		
<b>Profit before tax</b>	<b>3859.08</b>	<b>2292.09</b>
Adjustments for:		
Depreciation, Depletion & Amortisation	1326.64	1180.38
Exploration Cost written off	195.43	279.60
Provision for Impairment of Investment, Loans and Inventories	139.05	97.11
Dividend Income	(525.08)	(585.63)
Interest Income	(425.63)	(738.89)
Interest Expenses	516.60	415.49
Foreign Exchange Loss/(Gain)- Net	120.90	152.21
Financial Guarantee	(0.14)	(0.16)
Loss on Deletion of Assets	51.71	25.99
Loss on Derivative Contract	-	1.90
Unwinding of Decommissioning Liability	37.08	25.11
<b>Total</b>	<b>1436.56</b>	<b>853.11</b>
<b>Operating profit before working capital changes</b>	<b>5295.64</b>	<b>3145.20</b>
Changes in working capital		
Inventories - (Increase)/Decrease	9.37	(112.50)
Trade & other Receivables - (Increase)/Decrease	(516.09)	289.23
Prepayments, Loans and advances, Deposits - (Increase)/Decrease	(259.48)	(49.46)
Long term and short term provisions - Increase/(Decrease)	288.37	13.58
Trade payables & Other current liabilities - Increase/(Decrease)	(466.73)	432.47
<b>Total</b>	<b>(944.56)</b>	<b>573.32</b>
<b>Cash Generated from Operations</b>	<b>4351.08</b>	<b>3718.52</b>
Income Tax Payment (net of refund)	(418.02)	(604.58)
<b>Net cash from / (used in) Operating Activities (A)</b>	<b>3933.06</b>	<b>3113.94</b>
<b>Cash flows from Investing Activities</b>		
Acquisition, Exploration & Development Cost	(1992.15)	(2154.94)
Other Capital Expenditure	(673.55)	(711.28)
Investments in Equity including Advance	(270.18)	(7434.50)
Maturity of Term Deposits and Liquid Investments	3904.44	2558.43
Loan to Subsidiary / Associate / JV Companies	(485.25)	(3.28)
Interest Income	451.69	761.79
Dividend Income	525.08	844.49

<b>Net cash from / (used in) Investing Activities ( B )</b>	<b>1460.08</b>	<b>(6139.29)</b>
<b>Cash flows from Financing Activities</b>		
Utilisation for Buy-back of Shares	(1535.26)	0.00
Issue of shares	0.00	0.00
Proceeds from Borrowings/(Repayment of Borrowings)	(1914.67)	4689.84
Payment of Dividend	(1707.20)	(1494.58)
Interest Expenses	(545.02)	(440.84)
Foreign Exchange (Loss)/Gain- Net	2.15	3.57
<b>Net cash from / (used in) Financing Activities ( C )</b>	<b>(5700.00)</b>	<b>2757.99</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(306.86)</b>	<b>(267.36)</b>
Cash and cash equivalents at the beginning of the year	192.09	185.29
Add: effect of foreign exchange on translation of the transactions and balances of cash and cash equivalents held in foreign currency	319.23	274.17
Cash and cash equivalents at the end of the year	<b>204.46</b>	<b>192.10</b>
<b>Notes:</b>		
a. Cash and cash equivalents ( Refer to Note 13 ) represents:		
i) Cash on hand	14.46	13.12
ii) Current accounts, Cash Credit & Term Deposits (3 months maturity)	190.00	178.98
	<b>204.46</b>	<b>192.10</b>
b. The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (IND AS) - 7 Statement of Cash Flows.		
c. Figures in parenthesis represent cash outflows.		
d. Previous year's figures have been regrouped wherever necessary to conform current year's classification.		

In terms of our report of even date

For and on behalf of the Board of Directors

**For N.C. BANERJEE & CO**  
Chartered Accountants  
Firm Reg No.-302081E

**For B.N. MISRA & CO**  
Chartered Accountants  
Firm Reg No.-321095E

Sd/-  
**(CA B K Biswas)**  
Partner  
Membership No.: 055623

Sd/-  
**(CA B.N. MISRA)**  
Partner  
Membership No.: 083927

Sd/-  
**(S.K. Senapati)**  
Company Secretary

Sd/-  
**(Mrs. Rupshikha S. Borah)**  
Director (Finance)  
DIN 06700534

Sd/-  
**(Utpal Bora)**  
Chairman & Managing  
Director  
DIN 07567357

**Place:** Noida

**Date:** 28<sup>th</sup> May, 2018

**OIL INDIA LIMITED**  
**Consolidated Statement of Changes in Equity (SOCIE) for the year ended 31<sup>st</sup> March, 2018**

(₹ in crore)

	Balance as on 01.04.2016	Changes during the year ended 31.03.2017	Balance as on 31.03.2017	Balance as on 01.04.2017	Changes during the year ended 31.03.2018	Balance as on 31.03.2018
<b>A. Equity Share Capital</b>	601.14	200.37	801.51	801.51	(44.91)	756.60
Equity Share Capital						

**B. Other Equity**

Particulars	Reserves and Surplus				Items of other Comprehensive Income			Total			
	General Reserve	Retained Earnings	Securities premium Reserve	Debt Redemption Reserve	Capital Redemption Reserve	Capital Reserve	Foreign Currency Translation Difference Account (FCMITDA)		Foreign Currency Translation Reserve	Remeasurement of net Defined Benefit Plans	Equity Instruments through Other Comprehensive Income
<b>Balance at April 1, 2016</b>	19,757.38	-	2,390.12	501.75	-	58.81	(588.81)	340.00	8.73	2,108.71	24,576.69
Profit for the year	-	1,596.56	-	-	-	-	-	-	-	-	1,596.56
Other Comprehensive Income for the year, net of income tax	-	-	-	-	-	-	-	123.63	(72.71)	3,843.24	3,894.16
<b>Total Comprehensive Income for the year</b>	-	1,596.56	-	-	-	-	-	123.63	(72.71)	3,843.24	5,490.72
Addition /Adjustment in FCMITDA	-	-	-	-	-	-	346.07	-	-	-	346.07
Payment of interim dividends (including corporate dividend tax)	-	(578.81)	-	-	-	-	-	-	-	-	(578.81)
Payment of final dividends (including corporate dividend tax)	-	(916.45)	-	-	-	-	-	-	-	-	(916.45)
Amount transferred to General Reserve	47.88	(47.88)	-	-	-	-	-	-	-	-	-
Amount transferred to Debenture Redemption Reserve	-	(53.42)	(200.37)	53.42	-	-	-	-	-	-	(200.37)
Utilised for Bonus Issue of Shares	-	-	-	-	-	-	-	-	-	-	-
Utilised for Buyback of Shares	-	-	-	-	-	-	-	-	-	-	-
Amount transferred to Capital Redemption Reserve	-	-	-	-	-	-	-	-	-	-	-
<b>Balance at March 31, 2017</b>	19,805.26	-	2,189.75	555.17	-	58.81	(242.74)	463.63	(63.98)	5,951.95	28,717.85
<b>Balance at April 1, 2017</b>	19,805.26	-	2,189.75	555.17	-	58.81	(242.74)	463.63	(63.98)	5,951.95	28,717.85
Profit for the year	-	2,734.62	-	-	-	-	-	-	-	-	2,734.62
Other Comprehensive Income for the year, net of income tax	-	-	-	-	-	-	-	625.77	151.65	(787.85)	(10.43)
<b>Total Comprehensive Income for the year</b>	-	2,734.62	-	-	-	-	-	625.77	151.65	(787.85)	2,724.19
Addition /Adjustment in FCMITDA	-	-	-	-	-	-	28.85	-	-	-	28.85
Payment of final dividends (including corporate dividend tax)	-	(432.55)	-	-	-	-	-	-	-	-	(432.55)
Payment of interim dividends (including corporate dividend tax)	-	(1,274.60)	-	-	-	-	-	-	-	-	(1,274.60)
Amount transferred to General Reserve	-	(430.78)	-	-	-	-	-	-	-	-	-
Amount transferred to Debenture Redemption Reserve	-	-	-	430.78	-	-	-	-	-	-	-
Utilised for Bonus Issue of Shares	-	-	-	-	-	-	-	-	-	-	-
Utilised for Buyback of Shares	-	-	(1,490.35)	-	-	-	-	-	-	-	(1,490.35)
Transferred to Capital Redemption Reserve	-	-	(44.91)	-	44.91	-	-	-	-	-	-
Transfer to General Reserve	-	87.67	-	-	-	-	-	-	(87.67)	-	-
<b>Balance at March 31, 2018</b>	19,805.26	684.36	654.49	985.95	44.91	58.81	(213.89)	1,089.40	-	5,164.10	28,273.39

In terms of our report of even date

**For N.C. BANERJEE & CO**  
Chartered Accountants  
Firm Reg No.-302081E

Sd/-  
**(CA B K Biswas)**  
Partner

Membership No.: 055623

**Place:** Noida  
**Date:** 28th May, 2018

For and on behalf of the Board of Directors

Sd/-  
**(Mrs. Rupshikha S. Borah)**  
Director (Finance)

Sd/-  
**(S.K. Senapati)**  
Company Secretary

Sd/-  
**(Utpal Bora)**  
Chairman & Managing Director

DIN 06700534

DIN 06700534



### Additional information - Instruction No 2 of Schedule III

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other comprehensive Income		Share in Total comprehensive Income	
	as % of Amount consolidated net assets	Amount (₹ in Crore)	as % of consolidated profit or loss	Amount (₹ in Crore)	as % of consolidated other comprehensive income	Amount (₹ in Crore)	as % of consolidated total comprehensive income	Amount (₹ in Crore)
1	2	3	4	5	6	7	8	9
<b>Parent</b>	<b>96.14%</b>	<b>27,909.41</b>	<b>97.56%</b>	<b>2667.93</b>	<b>6092.52%</b>	<b>(635.45)</b>	<b>74.61%</b>	<b>2032.48</b>
<b>Subsidiaries:</b>								
Indian								
Oil India International Limited	0.04%	12.65	0.16%	4.45	0.00%	-	0.16%	4.45
Foreign								
Oil India Sweden AB	0.46%	133.15	-0.02%	(0.63)	-22.91%	2.39	0.06%	1.76
Oil India Cyprus Limited *	0.00%	(0.48)	-0.01%	(0.20)	-0.10%	0.01	-0.01%	(0.19)
Oil India (USA) Inc.	-1.16%	(336.98)	-0.47%	(12.97)	-14.48%	1.51	-0.42%	(11.46)
Oil India International B.V.	-0.97%	(281.65)	-1.55%	(42.33)	-390.51%	40.73	-0.06%	(1.60)
Oil India International Pte. Ltd	0.53%	153.00	5.48%	149.95	-5261.65%	548.79	25.65%	698.74
<b>Minority Interest in all subsidiaries</b>	-	-	-	-	-	-	-	-
<b>Associates (Investment as per the equity method)</b>								
Indian								
Numaligarh Refinery Limited	6.52%	1,892.19	15.87%	433.87	7.19%	(0.75)	15.90%	433.12
Brahmaputra Crackers & Polymers Ltd.	-0.58%	(169.64)	-0.30%	(8.12)	0.00%	-	-0.30%	(8.12)
Less: Dividend from Associates	-1.62%	(470.51)	-17.21%	(470.51)	0.00%	-	-17.27%	(470.51)
<b>Joint Ventures (Investment as per the equity method)</b>								
Indian								
DNP Limited	0.06%	18.03	0.28%	7.63	0.00%	-	0.28%	7.63
Less: Dividend	0.00%	(0.96)	-0.04%	(0.96)	0.00%	-	-0.04%	(0.96)
Foreign								
Beas Rovuma Energy Mozambique Ltd	1.54%	447.68	-0.07%	(1.85)	-316.68%	33.03	1.14%	31.18
Suntera Nigeria 205 Ltd	-0.95%	(275.90)	0.31%	8.36	6.62%	(0.69)	0.28%	7.67
<b>Total</b>	<b>100.00%</b>	<b>29,029.99</b>	<b>100.00%</b>	<b>2734.62</b>	<b>100.00%</b>	<b>(10.43)</b>	<b>100.00%</b>	<b>2724.19</b>

\* Oil India Sweden AB has remaining 24% shareholding.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### Note-1

### PRINCIPLES OF CONSOLIDATION & SIGNIFICANT ACCOUNTING POLICIES

#### A. Statement of Compliance

The financial statements have been prepared in accordance with the Companies Act 2013 and in compliance with the Indian Accounting Standards (Ind AS) issued by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015, as amended.

#### B. Principles of Consolidation

The Consolidated Financial Statements (CFS) comprise the financial statement of the Company (Oil India Limited), its' subsidiary, Joint Venture Entities and Associates which have been prepared on accrual basis under the historical cost basis except financial instruments that are measured at revalued amounts or fair values at the end of each reporting period. The Group (comprising of the Company and its subsidiaries, Joint Venture Entities and Associates) are mainly engaged in Exploration & Production (E&P) of Oil & Gas in India and abroad including Refinery, Power Generation and Transportation through pipeline. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

The financial statements of Group companies are consolidated from the date of their acquisition, being the date on which the group obtains control, and continue to be consolidated until the date that control ceases.

Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The financial statements of the Group and its subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies if material.

The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as that of the parent.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in Other Comprehensive Income of those investees is presented as part of the Group's Other Comprehensive Income.

In addition, when there has been a change recognized directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture. The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss.

**The CFS has been prepared on the following basis:**

- 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 expenditure after eliminating the intra-group balances and intra-group transactions resulting in unrealized profits & losses. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- 1.2 Associates are entities over which the Group has significant influence but not control. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement and joint control exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Investments in associates and joint ventures are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost and the carrying amount is increased or decreased to recognise the investor's share of profit or loss of investee after the acquisition date, less distributions received and less any impairment in value of the investment.

When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the

cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate or a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities,

the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised

in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

1.3 In the consolidated financial statements, the assets and liabilities of subsidiaries, joint ventures, associates, and related goodwill, having functional currency other than Rupee are translated into Rupee using the exchange rate on the balance sheet date. The results of foreign currency subsidiaries, joint ventures and associates are translated into Rupee using average rates of exchange. In the consolidated financial statements, exchange adjustments arising on account of the above translations are recognized in a separate component of equity and reported in other comprehensive income.

1.4 The excess/shortfall of cost of investment in the subsidiaries/associates/Joint venture entities over the net asset at the time of acquisition of shares in subsidiaries/associates/Joint ventures is recognized in the financial statements as goodwill/capital reserve respectively as the case may be.

### 1.5 The Consolidated Financial Statements include the results of the following entities:

SI No	Name of Company	Country of Incorporation	Relation	Ownership Interest	
				31.03.2018	31.03.2017
1.	Oil India Sweden AB	Sweden	Subsidiary	100%	100%
2.	Oil India Cyprus Limited*	Cyprus	Subsidiary	76%	76%
3.	Oil India (USA) Inc.	USA	Subsidiary	100%	100%
4.	Oil India International Limited	India	Subsidiary	100%	100%
5.	Oil India International B.V.	Netherlands	Subsidiary	100%	100%
6.	Oil India International Pte. Ltd.**	Singapore	Subsidiary	100%	100%
7.	Beas Rovuma Energy Mozambique Ltd	British Virgin Islands	Joint Venture	40%	40%
8.	Suntera Nigeria 205 Ltd	Nigeria	Joint venture	25%	25%
9.	Numaligarh Refinery Limited	India	Associates	26%	26%
10.	DNP Limited	India	Joint venture	23%	23%
11.	BCP Limited	India	Associates	10.11%	10.11%

\*Oil India Sweden AB has remaining 24% shareholding.

\*\*Acquisition date is 06<sup>th</sup> May, 2016.

1.6 The Company holds 76% in its subsidiary Oil India Cyprus Limited and its 100% subsidiary Oil India Sweden AB holds remaining 24% share. The assets, liabilities, income and expenditure are consolidated as 100% subsidiary of the Company.

1.7 The audited consolidated accounts of Oil India Sweden AB which accounted Oil India Cyprus Limited as its associate has been recasted without consolidating the associate as per fact mentioned in Para 1.6 above.

### C. Significant Accounting Policies

Refer to Note 1 of Separate Financial Statements for details of significant accounting policies.

**NOTE-2**  
(₹ in crore)

**PROPERTY, PLANT AND EQUIPMENT (PPE)**

Particulars	Cost			Depreciation/Depletion				Carrying amount				
	As at 1 <sup>st</sup> April, 2017	Additions during the year	Deletions/adjustments during the year	Effect of foreign currency differences	As at 31 <sup>st</sup> March, 2018	Up to 31 <sup>st</sup> March, 2017	For the year	Deletions/adjustments during the year	Effect of foreign currency exchange differences	Upto 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Land -Freehold (Refer Note 2.3)	116.79	16.55	0.12	-	133.22	-	-	-	-	-	133.22	116.79
Buildings	388.57	340.68	18.54	-	710.71	37.74	41.46	0.10	-	79.10	631.61	350.83
Roads & Bridges	16.99	15.49	-	-	32.48	3.25	5.26	-	-	8.51	23.97	13.74
Oil & Gas Assets												
-Acquisition Cost	296.90	27.82	2.69	0.91	322.94	63.36	27.81	(0.10)	0.41	91.68	231.26	233.54
-Producing Wells	7,192.74	1,255.04	54.79	2.79	8,395.78	1,544.18	843.46	7.66	2.11	2,382.09	6,013.69	5,648.56
-Production Facilities	1,036.21	233.20	15.41	0.41	1,254.41	190.52	106.16	1.41	0.21	295.48	958.93	845.69
Plant & Machinery	2,069.50	1,088.08	29.56	-	3,128.02	393.35	320.10	4.02	-	709.43	2,418.59	1,676.15
Furniture & Fixtures	15.12	8.38	0.94	(0.01)	22.55	6.34	3.66	0.41	0.01	9.60	12.95	8.78
Vehicles	25.97	30.89	1.34	-	55.52	10.50	8.65	1.19	-	17.96	37.56	15.47
Office Equipments	114.82	93.67	23.87	-	184.62	53.00	38.67	19.24	-	72.43	112.19	61.82
Railway Sidings	0.64	-	-	-	0.64	0.15	0.03	-	-	0.18	0.46	0.49
<b>Total</b>	<b>11,274.25</b>	<b>3,109.80</b>	<b>147.26</b>	<b>4.10</b>	<b>14,240.89</b>	<b>2,302.39</b>	<b>1,395.26</b>	<b>33.93</b>	<b>2.74</b>	<b>3,666.46</b>	<b>10,574.43</b>	<b>8,971.86</b>
Less: Prov for Impairment against Acquisition Cost	4.74	-	-	-	4.74	-	-	-	-	-	4.74	4.74
<b>PPE (Net)</b>	<b>11,269.51</b>	<b>3,109.80</b>	<b>147.26</b>	<b>4.10</b>	<b>14,236.15</b>	<b>2,302.39</b>	<b>1,395.26</b>	<b>33.93</b>	<b>2.74</b>	<b>3,666.46</b>	<b>10,569.69</b>	<b>8,967.12</b>
Previous Year	8,606.00	2,738.84	56.08	(19.25)	11,269.51	1,087.95	1,228.96	3.06	(11.46)	2,302.39	8,967.12	

**2.1** The Company has adopted to continue with the carrying value of its Property, Plant & Equipment (PPE) – Tangible Assets, recognised as on 1st April, 2015 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date.

**2.2** Carrying value of Oil and Gas assets include decommissioning liabilities amounting to ₹ 167.07 crore (previous year ₹ 187.14 crore).

**2.3** Lands for projects and drillings operations are acquired primarily through bipartite negotiation with the occupiers/pattadars. In case, however, bipartite negotiation fails, land is acquired under relevant land laws with Government intervention. 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 Land Under Possession or as Oil & Gas assets. 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 Oil & Gas Assets is either amortized or charged off

depending on discovery in the well. Land cost forming part of the Land Under Possession is not amortized. The total land in the possession of the Company is segregated as appended below:

Particulars	Bigha
Total Land mutated	6755.98
Total Govt. land taken over	2315.85
Total Forest land taken over	5324.65
Total Annual patta land	1621.05
Total Land applied for mutation	3958.29
Leasehold Land	181.61
Total Land pending for payment of Land Value (Sale deed not executed)	6705.75
Total Land taken over by the Company	26863.18

**NOTE-3**

(₹ in crore)

**Capital Work-in-Progress**

Particulars	Cost							As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	As at 1 <sup>st</sup> April, 2017	Additions during the year	Deletions / adjustments during the year	Capitalised during the year	Transfer to Profit and Loss during the year	Effect of foreign currency exchange differences			
<b>Tangible Assets</b>									
Buildings (Including Roads & Bridges)	466.84	57.07	116.42	372.72	-	-	34.77	466.84	
Plant & Machinery (Including Office Equipments)	985.89	524.01	(116.42)	1,221.02	-	-	405.30	985.89	
<b>Oil &amp; Gas Assets</b>									
Acquisition Cost-Land	45.30	25.08	0.18	7.52	5.65	-	57.03	45.30	
Development Cost - Wells*	204.23	723.34	(0.11)	705.58	-	-	222.10	204.23	
Development Cost -Production Facilities*	190.40	301.34	-	227.15	(4.29)	-	268.88	190.40	
<b>Intangible Assets</b>									
Software	0.98	17.33	-	18.31	-	-	-	0.98	
<b>Total</b>	<b>1,893.64</b>	<b>1,648.17</b>	<b>0.07</b>	<b>2,552.30</b>	<b>1.36</b>	<b>-</b>	<b>988.08</b>	<b>1,893.64</b>	
Previous Year	1,812.50	2,242.28	7.73	2,150.58	2.93	0.10	1,893.64		

**3.1** Capital work in progress includes capital goods in transit ₹ 230.18 crore (previous year ₹ 383.90 crore).

**3.2** \*Oil & Gas Assets include decommissioning liabilities amounting to ₹ 12.01 crore (previous year ₹ 9.68 crore).

**NOTE-4**

**Exploration and Evaluation Assets**

(₹ in crore)

Particulars	Cost							As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	As at 1 <sup>st</sup> April, 2017	Additions during the year	Deletions / adjustments during the year	Capitalised during the year	Transfer to Profit and Loss during the year	Effect of foreign currency exchange differences			
<b>Exploratory wells in progress (Intangible Assets)</b>									
-Acquisition Cost-Others	80.82	0.16	-	20.30	5.40	(0.65)	54.63	80.82	
-Exploration Cost	1,762.22	1,139.39	0.77	549.46	408.14	-	1,943.24	1,762.22	
<b>Total</b>	<b>1,843.04</b>	<b>1,139.55</b>	<b>0.77</b>	<b>569.76</b>	<b>413.54</b>	<b>(0.65)</b>	<b>1,997.87</b>	<b>1,843.04</b>	
Less: Provisions for Impairment	311.44	275.77	70.37	-	219.47	-	297.37	311.44	
<b>Exploration and Evaluation assets (Net)</b>	<b>1,531.60</b>	<b>863.78</b>	<b>(69.60)</b>	<b>569.76</b>	<b>194.07</b>	<b>(0.65)</b>	<b>1,700.50</b>	<b>1,531.60</b>	
Previous Year	1,102.43	1,287.21	5.83	581.06	270.38	(0.77)	1,531.60		

4.1 Exploration and Evaluation assets include decommissioning liabilities amounting to ₹ 30.73 crore (previous year ₹ 19.30 crore).

**NOTE-5**

**Other Intangible Assets**

(₹ in crore)

Particulars	Cost				Amortisation				Carrying amount	
	As at 1 <sup>st</sup> April, 2017	Additions during the year	Deletions/ adjustments during the year	As at 31 <sup>st</sup> March, 2018	Up to 31 <sup>st</sup> March, 2017	For the year	Deletions/ adjustments during the year	Upto 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Right of Use	11.53	-	-	11.53	3.25	0.48	-	3.73	7.80	8.28
Computer Software	65.67	18.31	0.26	83.72	22.27	19.33	0.26	41.34	42.38	43.40
<b>Total</b>	<b>77.20</b>	<b>18.31</b>	<b>0.26</b>	<b>95.25</b>	<b>25.52</b>	<b>19.81</b>	<b>0.26</b>	<b>45.07</b>	<b>50.18</b>	<b>51.68</b>
Previous Year	74.06	9.87	6.73	77.20	16.27	15.73	6.48	25.52	51.68	-

5.1 Right of Use (ROU) to lay pipelines does not bestow ownership of land upon the Company. Hence, ROU is treated as Intangible Assets.

NOTE-6

Non-current Financial Assets: Investments

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
<b>A. Equity Instruments</b>				
1) Unquoted - at cost				
- Beas Rovuma Energy Mozambique Ltd Joint Venture	7093.63		7010.85	
Less: Provision for impairment	174.00	6,919.63	174.00	6,836.85
- Suntera Nigeria 205 Limited Joint Venture		0.01		0.01
- Indoil Netherlands B.V. Joint Venture		378.86		376.99
- World Ace Joint Venture		0.00		0.00
- Taas India Pte. Ltd. Joint Venture		2,923.57		2,717.00
- Vankor India Pte. Ltd. Joint Venture		4,497.73		4,192.17
- Duliajan Numaligarh Pipeline Limited Joint Venture		53.08		46.82
- Numaligarh Refinery Limited Associate		1,258.24		1,311.38
- Brahmaputra Cracker & Polymer Limited Associate		48.83		58.61
2) Quoted - Designated at fair value through other comprehensive income				
- Indian Oil Corporation Limited-At initial cost	2,670.75		2,670.75	
Add: Cumulative fair value gain	5,904.78	8,575.53	6,726.64	9,397.39
<b>B. Tax Free Bonds</b>				
1) Quoted - at amortised cost				
a) National Highway Authority of India		123.62		123.62
b) Power Finance Corporation Limited		35.67		35.67
c) Indian Railway Finance Corporation Limited		147.40		147.40
d) Rural Electrification Corporation Limited		334.35		334.35
e) National Thermal Power Corporation Ltd		19.99		19.99
2) Unquoted - at amortised cost				
a) Power Finance Corporation Limited		100.00		100.00
b) Indian Railway Finance Corporation Limited		60.00		60.00
c) Rural Electrification Corporation Limited		200.00		200.00
d) India Infrastructure Finance Corporation Limited		300.00		300.00
<b>C. Investment in Debentures - at amortised cost</b>				
-The East India Clinic Limited, 5% Non Redeemable Debenture Stock 1957 (Carried at a nominal value of ₹ 1/- only)		0.00		0.00
<b>D. Investment in Capital Fund - at fair value through other comprehensive income</b>				
- Petroleum India International-At initial cost	0.05		0.05	
Add: Cumulative fair value gain	0.48	0.53	0.51	0.56
<b>E. Investments - at amortised cost</b>				
- Advance against acquisition of Equity Shares		73.03		51.56
<b>F. Financial Guarantee -</b>				
- Fair Value of Financial Guarantees		1.26		1.26
		<b>26,051.33</b>		<b>26,311.63</b>

**6.1** The aggregate carrying value of unquoted investments is ₹16,814.77 crore (previous year ₹ 16,253.21 crore).

**6.2** The aggregate amount of quoted investments is ₹9,236.56 crore (previous year ₹10,058.42 crore).

**6.3** The aggregate market value of quoted investments is ₹9,321.07 crore (previous year ₹10,150.44 crore).

**6.4** The aggregate amount of impairment in value of investment is ₹174.00 crore (previous year ₹174.00 crore).

**6.5 The details of Equity investment are as under: -**

Name of Body Corporate	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
	No of Shares	Face Value Per Share	No of Shares	Face Value Per Share
M/s Beas Rovuma Energy Mozambique Ltd	5120	No par value	5120	No par value
M/s Numaligarh Refinery Limited (NRL)	191264202	₹10	191264202	₹10
M/s Brahmaputra Cracker & Polymer Limited (BCPL)	141767000	₹10	141767000	₹10
M/s Duliajan Numaligarh Pipeline Limited (DNPL)	38460000	₹10	38460000	₹10
M/s Indian Oil Corporation Limited (IOCL) *	485590496	₹10	242795248	₹10
M/s Suntera Nigeria 205 Ltd	2500000	Naira 1	2500000	Naira 1
M/s Indoil Netherlands B.V.	93940	EURO 454	93940	EURO 454
M/s World Ace	20000	EURO 1	20000	EURO 1
M/s Taas India Pte. Ltd.	407941731	US\$ 1	407941731	US\$ 1
M/s Vankor India Pte. Ltd.	568968589	US\$ 1	568968589	US\$ 1

(\*) The increase in number of shares was due to issue of bonus share.

**6.6** Mode of valuation of investments is given in Note no 1.14 & 1.15 of standalone financial statements.

**6.7** Advance against acquisition of equity shares pending allotment:

(₹ in crore)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
M/s Beas Rovuma Energy Mozambique Ltd,	73.03	51.56
<b>Total</b>	<b>73.03</b>	<b>51.56</b>

**6.8** Fair Value of Financial Guarantee includes:

(₹ in crore)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
M/s Brahmaputra Cracker & Polymer Limited	1.26	1.26
<b>Total</b>	<b>1.26</b>	<b>1.26</b>

**NOTE-7**

**Non-current Financial Assets: Loans**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>At amortised cost</b>		
Secured, considered good		
Loans to employees	128.17	124.72
Unsecured, considered good		
Loans to related parties		
-M/s Suntera Nigeria 205 Limited	121.53	131.80
Less: Liability in respect of loss of Joint Venture	121.53	129.21
-M/s World Ace	384.38	363.95
-M/s Taas India Pte. Ltd	134.55	-
Loans to employees	3.72	4.05
Unsecured, Considered doubtful		
Loans to M/s Suntera Nigeria 205 Limited	65.91	41.13
Less: Liability in respect of loss of Joint Venture	17.39	-
Less: Allowances for bad and doubtful loans	48.52	41.13
	<b>650.82</b>	<b>495.31</b>

**7.1** Loans to employees include amount due from whole time Directors and Other Officers of the Company areas under: (₹ in crore)

Particulars	Balance as at	
	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
<b>Secured, considered good</b>		
Directors	1.69	1.68
Other Officers	-	-
<b>Total</b>	<b>1.69</b>	<b>1.68</b>

**7.2** Loans to related parties include:

Particulars	Balance as at			
	31 <sup>st</sup> March, 2018		31 <sup>st</sup> March, 2017	
(i) M/s Suntera Nigeria 205 Ltd. :	US\$ (Million)	₹ in crore	US\$ (Million)	₹ in crore
Loans maturing on 31st January, 2022 carries interest at 8.75%	17.43	114.56	16.86	110.29
Accrued interest and Revaluation	11.09	72.88	9.57	62.64
<b>Total</b>	<b>28.52</b>	<b>187.44</b>	<b>26.43</b>	<b>172.93</b>

**(ii) M/s World Ace Investment Limited :**

As on 31.03.2018, the Group Company has entered into three interest bearing Facility Agreements with World Ace Investment Ltd to extend total ₹ 387.81 crore (USD 59 million) and as on balance sheet date the total amount withdrawn under the agreements is ₹ 382.55 crore (USD 58.2 million).

Total loan value including interest thereon after adjustment of liability in respect of loss of World Ace as on 31.03.2018 is ₹384.38 crore.

**NOTE-8**

**Non-current Financial Assets: Others**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>At amortised cost</b>		
Unsecured, considered good		
Deposit under Site Restoration Scheme	3.94	3.39
Deferred Employee Benefit Expenses	63.14	63.92
Accrued interest on financial assets	2.97	-
	<u>70.05</u>	<u>67.31</u>

**NOTE-9**

**Other Non-current Assets**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Unsecured, considered good		
Capital advances	19.12	0.62
Advances other than capital advances		
Prepayment Leasehold Land	16.40	10.61
Security Deposits	4.12	3.90
Prepaid expenses-Others	5.74	7.83
	<u>26.26</u>	<u>22.34</u>
	<u>45.38</u>	<u>22.96</u>

9.1 Security deposits include deposits with Appellate Authorities, other Government entities and deposits made for office facilities.

**NOTE-10**

**Inventories**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Finished goods		
Crude Oil	100.32	121.29
Liquefied Petroleum Gas	0.81	0.49
Condensate	0.20	0.23
Stores and spares	924.75	806.57
Less: Allowances for slow / non-moving inventory	77.86	69.02
Stores and spares in transit	128.70	235.67
Scrap and unservicable items	1.34	1.24
	<u>1078.26</u>	<u>1096.47</u>

10.1 The cost of inventories recognised as an expense during the year in respect of continuing operations was ₹ 185.18 crores (previous year ₹ 198.55 crores).

10.2 Mode of valuation of inventories is given in Note no 1.12.0 of standalone financial statements.

**NOTE-11**

(₹ in crore)

**Current Financial Assets: Investments**

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b><u>At Fair Value Through Profit &amp; Loss</u></b>		
Unquoted :		
Leave Encashment Fund		
i) With Life Insurance Corporation of India	94.30	122.01
ii) With SBI Life Insurance Company Limited	75.65	67.10
Mutual Funds		
i) Units of UTI Mutual Fund under Liquid Cash Plan	195.95	384.07
ii) Units of SBI Mutual Fund under Liquid Cash Plan	195.97	384.08
iii) Units of IDBI Mutual Fund under Liquid Cash Plan	43.53	96.00
iv) Units of Canara Robeco Mutual Fund under Liquid Cash Plan	-	96.00
	<b>605.40</b>	<b>1149.26</b>

**11.1** Mode of valuation of investments is given in Note no 1.15.1.1 of standalone financial statements.

**NOTE-12**

(₹ in crore)

**Current Financial Assets: Trade Receivables**

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b><u>At amortised cost</u></b>		
(a) Unsecured, considered good	1413.77	1011.36
(b) Unsecured, considered doubtful	43.82	35.86
	1457.59	1047.22
Less: Allowances for doubtful receivables	43.82	35.86
	<b>1413.77</b>	<b>1011.36</b>

**12.1** Trade receivables primarily comprise of government related entities. These government related entities have very strong capacity to meet their obligations. The Company allows credit period of 15-30 days to its customers for payment. Normally, payments are made by the customers on or before the due dates. The management does not anticipate any payment default from these customers other than those already provided for. Hence, as per the prevailing circumstances, management does not consider the increase in credit risk from the time of initial recognition of trade receivables and at the reporting date as significant.

**12.2** The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The aggregate percentage of provision against trade receivables outstanding for more than six months is 14.04% as at 31.03.2018 (as at 31.03.2017 11.83%).

**12.3 The details of allowances for doubtful receivables are as under: -**

(₹ in crore)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Opening Balance	35.86	19.92
Add/(Less): Allowances for doubtful receivables	9.75	16.83
Less: Write off	1.79	0.89
Closing Balance	43.82	35.86

**NOTE-13**

**Cash and Cash Equivalents**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Balances with Banks		
Current Accounts	169.19	91.47
Term Deposits (Original maturity of 3 months or less)	20.00	87.00
Cash Credit Accounts	0.81	0.51
Cash on Hand	14.46	13.12
	<u>204.46</u>	<u>192.10</u>

**NOTE-14**

**Other Bank Balances**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Unpaid Dividend Bank Account	5.09	5.14
Earmarked Balance REC Purchase Obligation	0.04	0.02
Term Deposits (Original maturity of more than 3 months and upto 12 months)	3110.38	6474.45
	<u>3115.51</u>	<u>6479.61</u>

**14.1** If the dividend has not been paid or claimed within 30 days from the date of its declaration, the Company is required to transfer the total amount of the dividend which remains unpaid or unclaimed, to a special account maintained by the Company in a scheduled bank as "Unpaid Dividend Account". The unclaimed dividend lying with the Company is required to be transferred to the Investor Education and Protection Fund (IEPF), administered by the Central Government after a period of seven years of its declaration.

**NOTE-15**

**Current Financial Assets: Loans**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>At amortised cost</b>		
Secured, considered good		
Loans to employees	31.81	32.15
Unsecured, considered good		
Loans to related parties		
M/s Vankor India Pte Ltd.	191.05	-
Loans to employees	3.10	2.66
Unsecured, Considered doubtful		
Inter Corporate Deposits to		
M/s Indian Drugs Pharmaceuticals Ltd.	28.33	28.33
Less: Allowances for doubtful loans	28.33	-
	<u>225.96</u>	<u>34.81</u>

15.1 Loans to employees include amount due from whole time Directors and Other Officers of the Company are as under: (₹ in crore)

Particulars	Balance As at	
	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
Secured, considered good		
Directors	0.08	0.11
Other Officers	0.00	0.00
<b>Total</b>	<b>0.08</b>	<b>0.11</b>

**NOTE-16**

**Current Financial Assets: Others**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>At amortised cost</b>		
Unsecured, considered good		
Cash call receivable from JV Partners	37.74	36.27
Accrued interest on financial assets	40.80	40.29
Claim receivable against insurance and leave encashment	25.27	5.22
Deferred Employee benefit expenses	12.21	11.69
Advances to Employees	45.84	17.24
Advance- Others	0.44	-
Other Receivables	311.59	248.56
Unsecured, Considered doubtful		
Cash call receivable from JV Partners	291.78	241.11
Less: Allowances for doubtful receivables	291.78	241.11
Claim receivable against insurance and leave encashment	0.59	8.80
Less: Allowances for doubtful receivables	0.59	8.80
Other Receivables (manpower cost from Ind OIL Netherlands)	12.30	-
Less: Allowances for doubtful receivables	12.30	-
	<b>473.89</b>	<b>359.27</b>

16.1 Other receivables include receivables from:

(₹ in crore)

Particulars	Balance As at	
	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
M/s BCPL against capital cost reimbursement	145.35	145.35
Directorate General of Hydrocarbon	131.90	65.64
M/s ONGC Limited	16.26	-
M/s Indian Oil Corporation Limited	5.35	10.74
M/s BPRL	5.35	10.74
M/s Suntera Nigeria Ltd towards manpower secondments	1.96	-
M/s Ind OIL Netherland towards manpower secondments	12.30	9.67
M/s Ind OIL Netherland ( Oil India Sweden AB)	0.81	-
M/s Vankor India Pte Limited	0.22	-
M/s Taas India Pte Limited	0.07	-
Towards other miscellaneous services	4.32	6.42
<b>Total</b>	<b>323.89</b>	<b>248.56</b>

**NOTE-17**

**Current Tax Assets (Net)**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Income Tax paid (Including demand tax under appeal)	2850.92	2434.96
Less: Provision for Taxation	1650.17	969.30
	<u>1200.75</u>	<u>1465.66</u>

**NOTE-18**

**Other Current Assets**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Unsecured, considered good		
Prepayment Leasehold land	1.09	0.34
Advance to Suppliers	71.43	6.21
Cenvat Credit and Other Receivable	81.09	45.95
Prepaid Insurance and Others	33.66	48.05
Security Deposits	3.17	3.95
Unsecured, Considered doubtful		
Advances to Suppliers	6.30	7.38
Less: Allowances for doubtful receivables	<u>6.30</u>	<u>7.38</u>
Cenvat Credit and Other Receivable	637.22	585.47
Less: Allowances for doubtful receivables	<u>637.22</u>	<u>585.47</u>
	<u>190.44</u>	<u>104.50</u>

**18.1** Security deposits include deposit with Appellate Authorities, other Government entities and deposits made for office facilities.

**NOTE-19**

**Equity Share Capital**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>Authorised:</b>		
200,00,00,000 (March 31, 2017 : 200,00,00,000) Equity Shares of ₹10/- each	<u>2000.00</u>	<u>2000.00</u>
<b>Issued, Subscribed and Fully Paid up:</b>		
75,66,02,607 (March 31, 2017 : 80,15,14,607) Equity Shares of ₹10/- each fully paid up	<u>756.60</u>	<u>801.51</u>

**19.1** Terms/rights attached to equity shares: The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share and carry a right to dividend

**19.2** Details of shareholders holding more than 5% shares in the Company are as under:

Name of Body Corporate	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
	No of Shares	% to Equity	No of Shares	% to Equity
President of India	500,365,555	66.13%	533,793,769	66.60%
Life Insurance Corporation of India	67,559,588	8.93%	64,016,548	7.99%

19.3 The reconciliation of the shares outstanding as at 31<sup>st</sup> March, 2018 and 31<sup>st</sup> March, 2017 is set out below:

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
	No of Shares	No of Shares
Outstanding at the beginning of the year	801,514,607	601,135,955
Add: Addition during the year	-	200,378,652
Less: Buy-back during the year	44,912,000	-
Outstanding at the end of the year	756,602,607	801,514,607

19.4 36,06,81,573 Equity shares of ₹10 each allotted as fully paid up bonus shares in the FY 2012-13.

19.5 20,03,78,652 Equity shares of ₹10 each allotted as fully paid up bonus shares in the FY 2016-17.

19.6 37,83,01,304 Equity shares of ₹10 each allotted as fully paid up bonus shares in the FY 2017-18 on 3rd April, 2018.

19.7 As per the approval of Board of Directors in its meeting held on 20<sup>th</sup> March, 2017, the Company has completed the buy-back of 4,49,12,000 fully paid up equity shares at the price of ₹340 per equity share, on 15<sup>th</sup> June, 2017. After the buy back, the share capital of the Company stands decreased from ₹801.51 crore to ₹756.60 crore.

19.8 The Board of Directors has recommended a final dividend of ₹1 per share (post bonus issue) which is subject to the approval of the shareholders in the ensuing Annual General Meeting.

**NOTE-20**

(₹ in crore)

**Other Equity**

	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
<b>I. Reserves and Surplus</b>				
(a) Securities Premium Reserve				
Opening Balance	2189.75		2390.12	
Utilised for Bonus Issue	-		(200.37)	
Utilised for Buyback of Shares	(1490.35)		-	
Utilised for transfer to Capital Redemption Reserve	(44.91)	654.49	-	2189.75
(b) Foreign Currency Monetary Item Translation Difference Account"				
Opening Balance	(242.74)		(588.81)	
Addition during the year	(36.54)		184.44	
Adjusted/Amortised during the year	65.39	(213.89)	161.63	(242.74)
(c) Debenture Redemption Reserve				
Opening Balance	555.17		501.75	
Add: Amount transferred from surplus balance	430.78	985.95	53.42	555.17
(d) Capital Redemption Reserve				
Opening Balance	-		-	
Transferred from Securities Premium Reserve	44.91	44.91	-	-
(e) General Reserve				
Opening Balance	19805.26		19757.38	
Add: Amount transferred from surplus balance	-	19805.26	47.88	19805.26

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
(f) Retained Earnings		
Balance as per Statement of Profit & Loss	2734.62	1596.56
Interim Dividend	(1059.25)	(761.44)
Tax on Interim Dividend	(215.35)	(155.01)
Final Dividend of previous year	(359.39)	(480.91)
Tax on Final Dividend of previous year	(73.16)	(97.90)
Transfer to Debenture Redemption Reserve	(430.78)	(53.42)
Remeasurement of the net Defined Benefit Plans transferred from Other Comprehensive Income	87.67	-
Transfer to General Reserve	-	(47.88)
(g) Capital Reserve	58.81	58.81
<b>II. Other Comprehensive Income (OCI)</b>		
Opening Balance	6,351.60	2,457.44
Equity Instrument designated as FVTOCI	(787.85)	3,843.24
Foreign Currency Translation Reserve	625.77	123.63
Other Items	151.65	(72.71)
Remeasurement of the net Defined Benefit Plans transferred to Retained Earnings	(87.67)	-
	<b>28273.39</b>	<b>28717.85</b>

### 20.1 Nature and purpose of reserves:

- Securities Premium Reserve: Security Premium Reserve is created when securities are issued at premium. This reserve may be utilised for issue of fully paid bonus shares and for any other purpose as permitted under the provisions of the Companies Act, 2013.
- Foreign Currency Monetary Item Translation Difference Account: Exchange difference on long-term foreign currency monetary items are accumulated in a Foreign Currency Monetary Item Difference Account and amortised over the balance period of such long term foreign currency monetary item in continuance of policy as permitted under D13AA of Ind AS 101.
- Debenture Redemption Reserve: Debenture Redemption Reserve is created out of the profits of the Company, available for payment of dividend and the amount credited to such account shall not be utilised by the Company except for the redemption of debentures.
- Capital Redemption Reserve: Capital Redemption Reserve is created out of the Securities Premium Reserve, a sum equal to nominal value of the fully paid up own equity shares purchased by the Company during the period. The amount credited to such account may be applied in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares.
- General Reserve: The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.
- Capital Reserve: It represents the excess of book value of shares over consideration paid towards acquisition of equity shares of associate companies accounted as per Ind AS 28.

**20.2 Other Comprehensive Income:** It includes the cumulative gains/losses arising on measurement of equity instruments designated at fair value through Other Comprehensive Income. On disposal of such equity instruments the net amount shall be reclassified to retained earnings. It also includes remeasurement of defined benefit plans due to change in actuarial assumptions and foreign currency translation reserve arising on translation of the financial statements of foreign operations.

### 20.3 The Debenture Redemption Reserve position for above is as under:

Particulars	As at 01.04.2017	Addition during 2017-18	As at 31.03.2018
Unsecured 3.875% 5 years Reg S Bonds-USD 500 million	370.11	287.19	657.30
Unsecured 5.375% 10 years Reg S Bonds-USD 500 million	185.06	143.59	328.65
<b>Total</b>	<b>555.17</b>	<b>430.78</b>	<b>985.95</b>

**NOTE-21**

**Non-current Financial Liabilities: Borrowings**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>At amortised cost</b>		
Unsecured Loan-Foreign Currency		
Bonds	9874.79	6514.44
External Commercial Borrowings from Banks	815.05	2433.09
	<b>10689.84</b>	<b>8947.53</b>

**21.1** Bonds represent:

Particulars	Balance as at			
	31 <sup>st</sup> March, 2018		31 <sup>st</sup> March, 2017	
	US\$ (Million)	₹ in crore	US\$ (Million)	₹ in crore
5.375% Notes issued on 17.04.2014 payable on the date falling 10 years from the date of issue	500.00	3,267.88	500.00	3250.42
3.875% Notes issued on 17.04.2014 payable on the date falling 5 years from the date of issue	500.00	3,282.63	500.00	3264.02
4% Notes issued on 21.04.2017 payable on the date falling 10 years from the date of issue	500.00	3,324.28	-	-
<b>Total</b>	<b>1500.00</b>	<b>9874.79</b>	<b>1000.00</b>	<b>6514.44</b>

**21.2** External Commercial Borrowings from Banks represent:

Particulars	Balance as at			
	31 <sup>st</sup> March, 2018		31 <sup>st</sup> March, 2017	
	US\$ (Million)	₹ in crore	US\$ (Million)	₹ in crore
Syndicate Loans repayable after 5 years from the date of drawl at an interest rate of 1 month LIBOR +1.04%	125.00	815.05	125.00	808.01
Syndicate Loans repayable after 5 years from the date of drawl (26.12.2013) at an interest rate of 3 month LIBOR +1.18% *	-	-	250.00	1625.08
<b>Total</b>	<b>125.00</b>	<b>815.05</b>	<b>375.00</b>	<b>2433.09</b>

\* Syndicate Loans at an interest rate of 3 month LIBOR +1.18% being repayable within a period of one year has been shown as current maturity of long term borrowings in Note 28: Current Other Financial Liabilities

**21.3** The figures in US\$ in Note 21.1 and Note 21.2 represent the original borrowings availed from the respective lenders.

**NOTE-22**

**Non-current Financial Liabilities: Trade Payables**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>At amortised cost</b>		
Dues to Micro, Small and Medium Enterprises	-	-
Dues to Others	1.86	3.27
	<b>1.86</b>	<b>3.27</b>

**22.1** Refer to note no. 41.8 of standalone financial statements for dues to Micro, Small and Medium Enterprises.

**NOTE-23**

**Non-current: Others Financial Liabilities**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Financial guarantee contract liability	0.30	0.41
Deferred Income	103.20	109.91
	<u>103.50</u>	<u>110.32</u>

**NOTE-24**

**Non-current Liabilities: Provisions**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Provision for employee benefits	319.19	307.02
Provisions for well abandonment		
Opening Balance	496.25	328.78
Addition during the year	10.99	180.90
Adjusted/reversal during the year	(37.02)	(2.95)
	<u>470.22</u>	<u>506.73</u>
	<u>789.41</u>	<u>813.75</u>

**24.1** Provision for employee benefits represents defined benefit plans as appended below:

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Leave encashment	160.43	149.77
Post retirement medical benefit	126.96	125.26
Long service award	31.80	31.99
<b>Total</b>	<u>319.19</u>	<u>307.02</u>

**NOTE-25**

**Deferred Tax Liabilities (Net)**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Deferred tax liability		
Timing differences in "Depreciation/Depletion"	4,096.18	3,972.28
Deferred tax assets		
Timing differences in "Disallowance"	(452.54)	(672.39)
Deferred tax liability (Net)	<u>3643.64</u>	<u>3299.89</u>

**NOTE-26**

**Current Financial Liabilities: Borrowings**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>At amortised cost</b>		
Short Term Borrowings	0.78	5236.30
	<u>0.78</u>	<u>5236.30</u>

**NOTE-27**

**Current Financial Liabilities: Trade Payables**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>At amortised cost</b>		
Dues to Micro, Small and Medium Enterprises	0.40	1.61
Dues to Others	557.77	588.53
	<u>558.17</u>	<u>590.14</u>

**27.1** Refer to note no. 41.8 of standalone financial statements for dues to Micro, Small and Medium Enterprises.

**NOTE-28**

**Current: Other Financial Liabilities**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Current maturity of Long Term Borrowings	1638.69	-
Interest accrued	140.24	139.15
Unpaid dividends	5.09	5.14
Financial guarantee contract liability	0.12	0.14
Deferred Income	7.04	7.95
Other Payables		
- Liabilities for Capital Expenditure & others	932.74	1,094.05
- Cash call payable to Joint Venture	135.02	181.72
- Employees Benefits	300.21	171.68
	<u>3159.15</u>	<u>1,599.83</u>

**28.1** Current maturity of Long Term Borrowings represents External Commercial Borrowings referred in Note 21.2, repayment of which is due within a year:

Particulars	Balance as at			
	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
	US\$ (Million)	₹ in crore	US\$ (Million)	₹ in crore
Syndicate Loans repayable after 5 years from the date of drawl (26.12.2013) at an interest rate of 3 month LIBOR +1.18%	250.00	1,638.69	-	-
<b>Total</b>	<u>250.00</u>	<u>1638.69</u>	-	-

**NOTE-29**

**Other Current Liabilities**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Statutory Liabilities	179.80	694.91
Advance received from Customers/Vendors	10.32	48.68
	<b>190.12</b>	<b>743.59</b>

**29.1** Statutory Liabilities for the previous year includes ₹304.59 crore on account of increase in gratuity ceiling from ₹10 Lakhs to ₹20 Lakhs as per DPE guidelines.

**NOTE-30**

**Current Liabilities: Provisions**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>Provision for Employee Benefits</b>	302.88	229.85
Provision for -		
1. Well Abandonment Cost		
Opening Balance	26.97	15.18
Addition during the year	6.14	11.79
Adjusted/reversal during the year	- 33.11	- 26.97
2. Unfinished Minimum Work Programme		
Opening Balance	103.90	126.27
Addition during the year	23.66	9.81
Adjustment/reversal during the year	(9.81) 117.75	(32.18) 103.90
3. Others		
Opening Balance	9.59	6.49
Addition during the year	4.68	3.10
Adjustment/reversal during the year	- 14.27 165.13	- 9.59 140.46
	<b>468.01</b>	<b>370.31</b>

**30.1** Provision for employee benefits represents :

(₹ in crore)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Pay revision	189.29	67.76
Leave encashment	32.10	87.78
Long service award	30.72	24.66
Post retirement medical benefit	37.75	38.87
Ex-gratia for members of Oil India Pension Fund	13.02	10.78
<b>Total</b>	<b>302.88</b>	<b>229.85</b>

**NOTE-31**

(₹ in crore)

**Revenue from Operations**

	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
Sale of Products		
Crude Oil	8502.31	7303.09
Natural Gas	1253.92	1334.81
Liquefied Petroleum Gas	120.88	103.34
Condensate	36.67	24.31
Renewable Energy	116.56	110.68
Sale of Services		
Income from Pipeline Transportation		
Crude Oil	187.84	188.01
Refined Products	175.89	167.38
Natural Gas	1.85	0.79
Income from OFC Fibre Leasing	13.27	11.49
Other Operating Revenues		
Claims towards under-recovery of Natural Gas Price	279.57	310.07
Income from Business Development Services	4.73	6.15
Renewable Energy-Others	4.26	6.24
	<b>10697.75</b>	<b>9566.36</b>

**31.1** As per the directives 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.

**31.2** LPG prices are governed as per PAHAL (DBTL) Scheme, 2014 issued by MOP&NG vide letter No. 20019/101/2014-LPG dated 1<sup>st</sup> April, 2015.

**31.3** 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.

**31.4** Company is holding 77,172 (as on 31.03.2017 61,042) numbers of Renewable Energy Certificates (REC) as on 31.03.2018. The Floor Price of REC in the Energy Exchange on 31.03.2018 was ₹1000 (as on 31.03.2017 ₹3500) per REC.

**NOTE-32**

(₹ in crore)

**Other Income**

	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
<b>Interest on:</b>		
Financial assets measured at amortised cost	425.63	738.89
<b>Dividend from:</b>		
Equity Instruments measured at Fair value through other comprehensive income	485.59	540.22
Investment in Mutual Funds	39.49	45.41
<b>Others:</b>		
Financial Guarantee	0.14	0.16
Amortization of Deferred Income	7.62	27.49
Miscellaneous Income	51.59	67.58
	<b>1010.06</b>	<b>1419.75</b>

**32.1** Dividends from equity instruments designated at FVTOCI relate to investment held at the end of the year. There was no dividend income relating to investments derecognised during the year.

**NOTE-33**  
(₹ in crore)

**Purchases of Stock-in-Trade**

	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
Purchase of Natural Gas	28.29	-
	<u>28.29</u>	<u>0.00</u>

**NOTE-34**  
(₹ in crore)

**Changes in Inventories of Finished Goods**

	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
Opening Stock		
Crude Oil	121.29	72.25
Liquefied Petroleum Gas	0.49	0.40
Condensate	0.23	0.17
	<u>122.01</u>	<u>72.82</u>
Closing Stock		
Crude oil	100.32	121.29
Liquefied Petroleum Gas	0.81	0.49
Condensate	0.20	0.23
	<u>101.33</u>	<u>122.01</u>
(Increase) / Decrease	<u>20.68</u>	<u>(49.19)</u>

**NOTE-35**  
(₹ in crore)

**Employee Benefits Expense**

	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
Salaries & Wages	1701.73	1491.71
Contribution to provident and other funds	400.29	599.18
Staff Welfare Expenses	81.12	86.49
	<u>2183.14</u>	<u>2177.38</u>
Less: Capitalised during the year	489.85	563.51
	<u>1693.29</u>	<u>1613.87</u>

**NOTE-36**  
(₹ in crore)

**Finance Costs**

	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
Interest expenses on borrowings at amortised cost		
-Secured loan	0.18	0.18
-Unsecured loan	516.42	415.31
Unwinding of decommissioning liability	37.08	25.11
	<u>553.68</u>	<u>440.60</u>

**36.1** Pursuant to directive from Government of India, the Company has raised overseas borrowings for acquiring 4% participating interest in Rovuma 1 offshore block in Mozambique. In the opinion of the Management, there is no explicit restriction by Government of India with regard to repayment & servicing of such overseas borrowings from domestic resources of the Company. Interest servicing of ₹ 319.29 crore (previous year ₹ 322.07 crore) on such overseas borrowings have been met from domestic resources. The Company has informed MoP&NG that servicing of interest on the external commercial borrowings raised for financing of above transaction is being done from domestic resources. Approval of MOP&NG is awaited.

**NOTE-37**

**Depreciation, Depletion and Amortization Expense**

(₹ in crore)

	Year ended 31 <sup>st</sup> March, 2018		Year ended 31 <sup>st</sup> March, 2017	
Depreciation	417.81		275.51	
Less: Capitalised during the year	88.42	329.39	64.32	211.19
Depletion		977.45		953.46
Amortization		19.80		15.73
		<b>1326.64</b>		<b>1180.38</b>

**NOTE-38**

**Other Expenses**

(₹ in crore)

	Year ended 31 <sup>st</sup> March, 2018		Year ended 31 <sup>st</sup> March, 2017	
Statutory Levies		2929.60		2530.67
Consumption of Stores & Spares parts		185.18		198.55
Consumption of Fuel		31.34		29.74
Contract cost		926.94		887.62
Insurance, rent, rates & taxes		27.39		33.68
Exchange Loss-Net		120.90		152.21
Exploratory Wells written off		195.43		279.60
Provisions/Write off:				
Impairment of Exploratory Wells	209.41		343.33	
Cost of unfinished Minimum Work Programme	23.56		(1.00)	
Loans & advances	114.18		179.43	
Inventories	11.26		19.10	
Trade receivables	9.97		16.83	
Loss on deletion of assets	51.71		25.99	
Diminution in value of investment	0.00		0.00	
Others	12.19	432.28	1.97	585.65
CSR (Corporate social responsibility) expenditure		100.58		108.37
Fair Value Loss/(Gain) on Derivative		-		1.90
Miscellaneous Expenses		78.32		73.20
		<b>5027.96</b>		<b>4881.19</b>

**38.1** Statutory levies represent Royalty ₹1494.51 crore (previous year ₹1299.14 crore) and Cess ₹1435.09 crore (previous year ₹1231.53 crore).

**38.2** Corporate Social Responsibility (CSR) expenditure :

(₹ in crore)

Particulars	for the year ended 31 <sup>st</sup> March, 2018		for the year ended 31 <sup>st</sup> March, 2017	
	In cash	yet to be paid in cash	In cash	yet to be paid in cash
(a) Gross amount required to be spent	61.76		74.37	
(b) Amount spent during the period				
(i) Construction/Acquisition of asset	10.44	-	9.10	-
(ii) On purpose other tha	86.74	3.40	85.92	13.35
	97.18	3.40	95.02	13.35
<b>Total</b>	<b>100.58</b>		<b>108.37</b>	

**38.3** The details of fees to statutory auditors (included under Miscellaneous Expenses):

(₹ in crore)

Particulars	for the year ended 31 <sup>st</sup> March, 2018	for the year ended 31 <sup>st</sup> March, 2017
<b>Fees to Statutory Auditors (including GST/Service Tax):</b>		
(a) As Auditor	0.73	0.89
(b) For Taxation matters (Tax Audit)	0.14	0.11
(c) For company law matters	-	-
(d) For Other Services-Certification	0.14	0.12
(e) For reimbursement of expenses	-	0.02
<b>Total</b>	<b>1.01</b>	<b>1.14</b>

**NOTE-39**

**Exceptional Items**

(₹ in crore)

	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
Royalty on Crude Oil	-	1151.73
	-	<b>1151.73</b>

**39.1.** Exceptional items represents the differential royalty for the period from February 2014 to December, 2016 amounting to ₹1151.73 crore paid to government of Assam and Arunachal Pradesh as per GOI directives and charged to the Statement of Profit and Loss during the previous year ended 31<sup>st</sup> March, 2017.

**Earnings per Equity Share**

**NOTE-40**

	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
Basic & Diluted		
Weighted average number of Equity Shares outstanding during the year	1144132404	1179815911
Face value of each Equity Share (₹)	10.00	10.00
Profit for the year from Continuing Operations (₹ in crore)	2734.62	1596.56
Earnings per Equity Share (for continuing operation) (₹) - Basic	<b>23.90</b>	<b>13.53</b>
Earning Per Equity Share (for continuing operations) (₹) - Diluted	<b>23.90</b>	<b>13.53</b>
Profit for the period from Discontinued Operations (₹ in crore)	-	-
Earnings per Equity Share (for discontinued operations) (₹) - Basic	-	-
Earning per Equity Share (for discontinued operations) (₹) - Diluted	-	-
Profit for the year (for discontinued operations & continuing operations) (₹ in crore)	2734.62	1596.56
Earnings per Equity Share (for discontinued operations & continuing operations) (₹) - Basic	<b>23.90</b>	<b>13.53</b>
Earnings per Equity Share (for discontinued operations & continuing operations) (₹) - Diluted	<b>23.90</b>	<b>13.53</b>

**40.1** Earnings per share for the year ended 31<sup>st</sup> March, 2018 has been computed on the basis of weighted average number of shares outstanding during the year considering :

i) Buy back of 449,12,000 shares completed on 15<sup>th</sup> June, 2017.

ii) Issue of 37,83,01,304 number of bonus shares as per approval of the shareholders on March 21,2018 allotment of which was made on April 3,2018.

**40.2** Earnings per share for the year ended 31<sup>st</sup> March, 2017 has been restated considering the bonus issue of shares as stated in point 40.1 (ii).

(in Indian Rupees crores, unless otherwise stated)

#### 41. Financial Instruments

##### 41.1.1 Capital Management

The Group manages its capital to ensure that Group will be able to continue as going concern while maximizing the return to stakeholders through the optimization of the capital structure.

The capital structure of the Group consists of total equity and debt. The Group is not subject to any externally imposed capital requirements except the guidelines issued by Government of India.

The Group's management reviews the capital structure on a regular basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. The Group aims to maintain gearing ratio target around 45% at Group level. The gearing ratio of the Group is provided below.

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Debt	12,329.31	14,183.83
Equity*	22,776.49	23,167.76
Total capital employed	35,105.80	37,351.59
Gearing ratio	35%	38%

\*Equity taken above excludes Items of Other Comprehensive Income(OCI).

#### 41.2 Categorisation of financial instruments

##### 41.2.1 Categorisation of financial assets

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>Financial assets</b>		
<b>(i) Assets measured at fair value through profit and loss (FVTPL)</b>		
(a) Investments in Mutual Funds		
-Units of UTI Mutual Fund under Liquid cash plan	195.95	384.07
-Units of SBI Mutual Fund under Liquid cash plan	195.97	384.08
-Units of IDBI Mutual Funds under Liquid Cash plan	43.53	96.00
-Units of Canara Robeco Mutual Fund under Liquid Cash plan	-	96.00
-Leave Encashment Fund Investment	169.95	189.11
<b>Total assets measured at FVTPL</b>	<b>605.40</b>	<b>1,149.26</b>
<b>(ii) Assets measured at amortised cost</b>		
(a) Cash and cash equivalent	204.46	192.10
(b) Bank balances other than (a) above	3,115.51	6,479.61
(c) Trade receivables	1,413.77	1,011.36
(d) Investment in tax free bonds		
-National Highway Authority of India	123.62	123.62
-Power Finance Corporation Limited	135.67	135.67
-Indian Railway Finance Corporation Limited	207.40	207.40
-Rural Electrification Corporation Limited	534.35	534.35
-India Infrastructure Finance Corp Ltd.	300.00	300.00
-National Thermal Power Corporation Limited	19.99	19.99

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
(e) Loan to related parties (Unsecured) - Non Current		
-M/s World Ace	384.38	363.95
-M/s Taas India Pte. Ltd	134.55	-
-M/s Suntera Nigeria 205 Ltd		2.59
(f) Loan to employees (Secured) -Non Current	128.17	124.72
(g) Loan to employees (Unsecured)-Non Current	3.72	4.05
(h) Loan to related parties (Unsecured) - Current		
-M/s Vankor India Pte Ltd.	191.05	-
(i) Loan to employees (Secured) - Current	31.81	32.15
(j) Loan to employees (Unsecured) - Current	3.10	2.66
(k) Restricted assets		
-Deposit under Site Restoration Scheme	3.94	3.39
(l) Other financial assets		
-Insurance claims recoverable	25.27	5.22
-Other receivable	311.59	248.56
-Advances to Employee	45.84	17.24
-Advances Others	0.44	-
-Cash Call receivables from JV Partners	37.74	36.27
-Interest Receivable	43.77	40.29
<b>Total assets measured at amortised cost</b>	<b><u>7,400.14</u></b>	<b><u>9,885.19</u></b>
<b>(iii) Assets designated at FVTOCI</b>		
(a) Investment in equity instruments		
-Indian Oil Corporation Limited	8,575.53	9,397.39
(b) Other Investments		
-Contribution to Capital Fund of Petroleum India International	0.53	0.56
<b>Total assets measured at FVTOCI</b>	<b><u>8,576.06</u></b>	<b><u>9,397.95</u></b>
<b>Total financial assets</b>	<b><u>16,581.60</u></b>	<b><u>20,432.40</u></b>

#### 41.2.2 Categorisation of financial liabilities

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>(i) Liabilities measured at amortised cost</b>		
(a) Trade payables	560.03	593.41
(b) Borrowings		
-External Commercial Borrowings from banks	2,454.52	7,669.39
-Bonds	9,874.79	6,514.44
(c) Other financial liabilities		
-Unpaid dividend	5.09	5.14
-Interest accrued but not due on borrowings	140.24	139.15
-Liabilities for Capital Expenditure and others	932.74	1,094.05
-Cash call payable to Joint Venture	135.02	181.72
-Unpaid liability-Employees	300.21	171.68
<b>Total liabilities measured at amortised cost</b>	<b><u>14,402.64</u></b>	<b><u>16,368.98</u></b>
Financial guarantee contract	0.42	0.55
<b>Total financial liabilities</b>	<b><u>14,403.06</u></b>	<b><u>16,369.53</u></b>

### 41.3 Financial Risk Management

#### 41.3.1 Objective

The Group monitors and manages the financial risks relating to the operations of the Group by analysing exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

#### 41.3.2 Commodity Risk

Crude oil and Natural gas price of the Group are linked to international prices of crude oil/natural gas. In case of any upward or downward movement in the international prices of crude oil/natural gas, the revenue of the Group get affected correspondingly. Therefore, the Group is exposed to commodity price risk.

#### 41.3.3 Market Risk

The Group activities exposes it primarily to the financial risks of changes in foreign currency exchange rates, interest rate risk, market exposures that are measured using sensitivity analysis.

### 41.4 Foreign Currency Risk Management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Liabilities	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
USD	9427.24	14774.04
Others	61.39	36.28
<b>Total</b>	<b>9,488.63</b>	<b>14,810.32</b>

Assets	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
USD	2357.08	2252.24
Others	10.90	2.10
<b>Total</b>	<b>2,367.98</b>	<b>2,254.34</b>

The price of crude oil and natural gas produced and sold by the Group are linked to US Dollars, though billed and received in INR. Hence any movement in the USD against INR has direct impact on the future cash flows of the Group on account of sale of these products.

#### 41.4.1 Foreign Currency Sensitivity Analysis

The Group is mainly exposed to the currency of United States of America (USD).

The following table details the Group's sensitivity to a 5% increase and decrease in the INR against USD. The sensitivity analysis includes only outstanding foreign currency denominated monetary items as at period end and adjusts their translation at the period end for a 5% change in foreign currency rates.

Particulars	2017-2018	2016-17
i) Impact on Profit and Equity	231.17	409.41

#### 41.4.2 Forward foreign exchange contracts

The Group has entered into a forward foreign exchange contracts during the reporting period. However, there is no forward foreign exchange contract outstanding as on balance sheet date.

#### 41.5 Interest rate risk management

The Group is exposed to interest rate risk because the Group borrows funds at both fixed and floating interest rates and make investment in mutual funds. Periodical interest rate payable on floating interest loan or receivable on mutual fund investment that are linked to market rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings. The Group policy allows to use forward interest rate agreements (FRA's) or interest rate swap as per the requirements.

The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management Refer note 41.8.

##### 41.5.1 Interest Rate Sensitivity Analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. The analysis is prepared based on the floating interest rate assets and liabilities, assuming that the amount outstanding at the end of the reporting period was outstanding for the whole year.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's:

##### Loan Given

- Profit and Equity for the year ended March 31, 2018 would increase / decrease by ₹ 1.25 crores (for the year ended March 31, 2017: increase / decrease by ₹ 1.04 crores).

##### Loan Taken

- Profit and Equity for the year ended March 31, 2018 would decrease/increase by ₹ 8.06 crores (for the year ended March 31, 2017: decrease/increase by ₹16.44 crores).

#### 41.6 Price risk

The Group is exposed to equity price risks arising from equity investments in Indian Oil Corporation Limited.

##### Exposure in mutual funds

The Group also manages short term surplus fund through investments in debt mutual fund plans regulated by Securities Exchange Board of India(SEBI). The NAV declared by Asset Management Companies(AMC) has generally remained constant on the mutual funds plan taken by the Group. However, if the NAV of the fund is increased/decreased by 5%, the sensitivity analysis has been mentioned below:

- Profit and Equity for the year ended March 31, 2018 would decrease/increase by ₹14.22 crores (for the year ended March 31, 2017: decrease/increase by ₹ 31.39 crores).

##### 41.6.1 Equity Price Sensitivity Analysis

The sensitivity analyses below have been determined based on the exposure to price risks at the end of the reporting period.

If equity prices had been 5% higher/lower:

- Other comprehensive income and Equity for the year ended March 31, 2018 would increase/decrease by ₹385.90 crores (for the year ended March 31, 2017 would increase/decrease by ₹422.88 crores).

#### 41.7 Credit Risk Management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group regularly monitors its counterparty limits by reviewing the outstanding balance and ageing of the same.

Possible Credit Risk	Credit Risk Management
Credit risk related to trade receivables	Group's significant trade receivables consist of amounts due from reputed and creditworthy Public Sector Undertakings (PSUs)/Government undertaking. Apart from amounts due from PSUs/ Government undertakings. (collectively IOCL, NRL, ONGC, BVFCL etc.), the Group does not have significant credit risk exposure to any single counterparty. Concentration of credit risk to any other counterparty did not exceed 2% of total monetary assets at any time during the year.
Credit risk related to bank balances	Group holds bank balances with reputed and creditworthy banking institution within the approved exposures limit of each bank.
Credit risk related to investments	Group has made investments in highly liquid SEBI regulated public sector mutual funds to meet their short term liquidity objectives. Group has also made investment in Tax free Government Bonds having AAA rating. The Group analyses the credit worthiness of the party before investing their funds.
Other credit risk	The Group is exposed to credit risk in relation to financial guarantees given on behalf of subsidiary/ associate companies. The Group's maximum exposure in this respect if the guarantee is called on as at March 31, 2018 is ₹97.23 crores (As at March 31, 2017 is ₹97.23 crores).
The Group has a credit policy that is designed to ensure that consistent processes are in place to measure and control credit risk. Credit risk is considered as part of the risk-reward balance of doing business. On entering into any business contract the extent to which the arrangement exposes the Group to credit risk is considered.	

#### 41.8 Liquidity Risk Management

Liquidity risk is the risk that suitable sources of funding for the Group's business activities may not be available.

The Group manages liquidity risk by monitoring its forecast and actual cash flows, maintaining adequate reserves and by matching the maturity profiles of financial assets and liabilities.

**41.8.1.1** The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2018:

Particulars	Carrying amount	Weighted average effective interest rate	Upto 1 Year	2 <sup>nd</sup> year	3 <sup>rd</sup> Year	4-5 Years	After 5 Year	Total contracted cash flows
<b>Financial Liabilities</b>								
<b>(i) Non Interest Bearing</b>								
-Trade payables	560.03	-	558.17	0.95	0.26	0.01	0.64	560.03
-Unpaid dividend	5.09	-	5.09	-	-	-	-	5.09
-Unpaid liability-Employees	300.21	-	300.21	-	-	-	-	300.21
-Liabilities for Capital Expenditure and others	932.74	-	932.74	-	-	-	-	932.74
-Cash call payable to Joint Venture	135.02	-	135.02	-	-	-	-	135.02
	<b>1,933.09</b>		<b>1,931.23</b>	<b>0.95</b>	<b>0.26</b>	<b>0.01</b>	<b>0.64</b>	<b>1,933.09</b>
<b>(ii) Interest Bearing</b>								
-External Commercial Borrowings (including interest)	2,455.42	2.51%	1710.14	845.38	-	-	-	2555.52
-Bonds (including interest)	10,014.13	4.42%	435.46	3599.92	308.11	616.22	7290.15	12249.86
	<b>12,469.55</b>		<b>2145.60</b>	<b>4445.30</b>	<b>308.11</b>	<b>616.22</b>	<b>7290.15</b>	<b>14805.38</b>
-Financial Guarantee Contracts	0.42	-						0.42

**41.8.1.2** The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2017:

Particulars	Carrying amount	Weighted average effective interest rate	Upto 1 Year	2 <sup>nd</sup> year	3 <sup>rd</sup> Year	4-5 Years	After 5 Year	Total contracted cash flows
<b>Financial Liabilities</b>								
<b>(i) Non Interest Bearing</b>								
-Trade payables	593.41	-	590.14	2.81	0.36	0.06	0.04	593.41
-Unpaid dividend	5.14	-	5.14	-	-	-	-	5.14
-Unpaid liability-Employees	171.68	-	171.68	-	-	-	-	171.68
-Liabilities for Capital Expenditure and others	1,094.05	-	1,094.05	-	-	-	-	1,094.05
-Cash call payable to Joint Venture	181.72	-	181.72	-	-	-	-	181.72
	<b>2,046.00</b>		<b>2,042.73</b>	<b>2.81</b>	<b>0.36</b>	<b>0.06</b>	<b>0.04</b>	<b>2,046.00</b>
<b>(ii) Interest Bearing</b>								
-External Commercial Borrowings (including interest)	7,669.84	1.80%	5290.95	1680.77	834.23	-	-	7,805.95
-Bonds (including interest)	6,653.14	4.63%	302.61	302.61	3452.63	351.69	3630.51	8,040.05
	<b>14,322.98</b>		<b>5593.56</b>	<b>1983.38</b>	<b>4286.86</b>	<b>351.69</b>	<b>3630.51</b>	<b>15846.00</b>
-Financial Guarantee Contracts	0.55	-						0.55

**41.8.1.3** The table below provides details regarding the contractual maturities of financial assets including estimated interest receipts as at March 31, 2018:

Particulars	Carrying amount	Weighted average effective interest rate	Upto 1 Year	2 <sup>nd</sup> year	3 <sup>rd</sup> Year	4-5 Years	After 5 Year	Total contracted cash flows
<b>Financial Assets</b>								
<b>(i) Non Interest Bearing</b>								
Trade receivables	1,413.77	-	1,413.77	-	-	-	-	1,413.77
Investment in equity instruments (quoted)	8,576.06	-	-	-	-	-	8,576.06	8,576.06
Other financial assets								
-Insurance claims recoverable	25.27	-	25.27	-	-	-	-	25.27
-Other receivable	311.59	-	311.59	-	-	-	-	311.59
-Advances to Employee	45.84	-	45.84	-	-	-	-	45.84
-Cash Call receivables from JV Partners	37.74	-	37.74	-	-	-	-	37.74
-Accrued interest on term deposit	43.77	-	43.77	-	-	-	-	43.77
-Advances Others	0.44	-	0.44	-	-	-	-	0.44
	<b>10,454.48</b>		<b>1,878.42</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,576.06</b>	<b>10,454.48</b>
<b>(ii) Interest Bearing</b>								
Investment in tax free bonds								
-National Highway Authority of India	123.62	8.20%	10.14	10.14	10.14	131.92	-	162.33
-Power Finance Corporation Limited	135.67	7.55%	10.24	10.24	10.24	46.26	148.19	225.18
-Indian Railway Finance Corporation Limited	207.40	7.61%	15.79	15.79	15.79	110.94	175.13	333.44
-Rural Electrification Corporation Limited	534.35	7.77%	41.53	41.53	41.53	83.05	761.26	968.89
-India Infrastructure Finance Corp Ltd.	300.00	7.41%	22.23	22.23	22.23	44.46	513.96	625.11
-National Thermal Power Corporation Limited	19.99	7.37%	1.47	1.47	1.47	2.95	38.42	45.78
-Deposit under Site Restoration Scheme	3.94	7.05%	1.71	0.84	1.48	-	-	4.02
Investment in Mutual funds	435.45	4.38%	435.45	-	-	-	-	435.45
Leave encashment fund investment	169.95	7.67%	182.99	-	-	-	-	182.99
Loans to related parties	709.98	7.83%	187.10	54.10	275.75	78.66	367.08	962.69
Loans to employees (including interest)	166.80	4.84%	34.91	26.31	20.81	27.47	57.30	166.80
	<b>2,807.15</b>		<b>943.56</b>	<b>182.64</b>	<b>399.44</b>	<b>525.71</b>	<b>2,061.33</b>	<b>4,112.68</b>

**41.8.1.4** The table below provides details regarding the contractual maturities of financial assets including estimated interest receipts as at March 31, 2017:

Particulars	Carrying amount	Weighted average effective interest rate	Upto 1 Year	2 <sup>nd</sup> year	3 <sup>rd</sup> Year	4-5 Years	After 5 Year	Total contracted cash flows
<b>Financial Assets</b>								
<b>(i) Non Interest Bearing</b>								
Trade receivables	1,011.36	-	1,011.36	-	-	-	-	1,011.36
Investment in equity instruments(quoted)	9,397.95	-	-	-	-	-	9,397.95	9,397.95
Other financial assets								
-Insurance claims recoverable	5.22	-	5.22	-	-	-	-	5.22
-Other receivable	248.56	-	248.56	-	-	-	-	248.56
-Advances to Employee	17.24	-	17.24	-	-	-	-	17.24
-Cash Call receivables from JV Partners	36.27	-	36.27	-	-	-	-	36.27
-Accrued interest on term deposit	40.29	-	40.29	-	-	-	-	40.29
	<b>10,756.89</b>		<b>1,358.94</b>	-	-	-	<b>9,397.95</b>	<b>10,756.89</b>
<b>(ii) Interest Bearing</b>								
Investment in tax free bonds								
-National Highway Authority of India	123.62	8.20%	10.14	10.14	10.14	142.06	-	172.48
-Power Finance Corporation Limited	135.67	7.55%	10.24	10.24	10.24	48.59	155.57	234.88
-Indian Railway Finance Corporation Limited	207.40	7.61%	15.79	15.79	15.79	117.90	183.96	349.23
-Rural Electrification Corporation Limited	534.35	7.77%	41.53	41.53	41.53	83.05	800.32	1,007.96
-India Infrastructure Finance Corp Ltd.	300.00	7.41%	22.23	22.23	22.23	44.46	536.19	647.34
-National Thermal Power Corporation Limited	19.99	7.37%	1.47	1.47	1.47	2.95	38.42	45.78
-Deposit under Site Restoration Scheme	3.39	7.00%	-	-	-	-	4.81	4.81
Investment in Mutual funds	960.15	5.08%	960.15	-	-	-	-	960.15
Leave encashment fund investment	189.11	7.14%	202.61	-	-	-	-	202.61
Loans to related parties	367.63	7.50%	20.43	26.28	47.90	406.43	359.78	860.82
Loans to employees (including interest)	163.58	4.72%	34.81	29.44	27.81	32.72	38.80	163.58
	<b>3,004.89</b>		<b>1,319.40</b>	<b>157.12</b>	<b>177.11</b>	<b>878.16</b>	<b>2,117.85</b>	<b>4,649.64</b>

The amounts included above for variable interest rate instruments for both non-derivative financial assets and liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

#### 41.8.2 Credit Rating of the Group

Management believes that it has access to sufficient debt funding sources (capital market), and to undrawn committed borrowing facilities to meet foreseeable requirements. The Group's financial prudence is reflected in the strong credit rating ascribed by ratings agencies as below:

Category	Rating Agency	Rating	Remark
Long term rating	Moody's Investor Services	Baa2 (Stable)	At par with India's sovereign rating
Long term rating	Fitch Rating	BBB- (Stable)	At par with India's sovereign rating
Long term facilities	CARE Rating	CARE AAA	Highest Rating awarded by CARE
Short term facilities	CARE Rating	CARE A1+	Highest Rating awarded by CARE

#### 41.8.2.1 Financing Facility

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>External Commercial Borrowings</b>		
- amount used	2,464.88	7,688.03
- amount unused	-	-
<b>Bonds</b>		
- amount used	9,859.50	6,543.00
- amount unused	-	-

#### 41.9 Fair Value Measurement

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

##### 41.9.1 Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Financial assets/Financial liabilities	Fair value as at		Fair Value Hierarchy	Valuation Technique(s) & key inputs used
	March 31, 2018	March 31, 2017		
<b>Financial Assets</b>				
(a) Investments in Mutual Funds				
-Units of UTI Mutual Fund under Liquid cash plan	195.95	384.07	Level 2	Refer note 1 below
-Units of SBI Mutual Fund under Liquid cash plan	195.97	384.08	Level 2	Refer note 1 below
-Units of IDBI Mutual Funds under Liquid Cash plan	43.53	96.00	Level 2	Refer note 1 below
-Units of Canara Robeco Mutual Fund under Liquid Cash plan	-	96.00	Level 2	Refer note 1 below
-Leave Encashment Fund Investment	169.95	189.11	Level 2	Refer note 2 below
(b) Investment in equity instruments				
-Indian Oil Corporation Limited	8,575.53	9,397.39	Level 1	Refer note 3 below
(c) Other Investements				
-Contribution to Capital Fund of Petroleum India International	0.53	0.56	Level 2	Refer note 4 below
	<b>9,181.46</b>	<b>10,547.21</b>		

Note 1 : Fair value determined on the basis of NAV declared by respective Asset Management Companies

Note 2 : Fair value on the basis of price provided by respective Insurance companies

Note 3 : Fair value on the basis of quoted price from NSE

Note 4 : Fair value on the basis of book value which closely approximates the fair value

##### 41.9.2 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Except as detailed in the following table, the Group considers that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

### Fair value hierarchy

Level 1-Quoted prices(unadjusted) in active markets for identical assets or liabilities.

Level 2-Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly(i.e. derived from prices).

Particulars	As at March 31, 2018		As at March 31, 2017		Fair Value Hierarchy
	Carrying amount	Fair value	Carrying amount	Fair value	
<b>Financial assets</b>					
<b>Trade receivables</b>	1,413.77	1,413.77	1,011.36	1,011.36	Level 2
<b>Investment in tax free bonds(quoted)</b>					
-National Highway Authority of India	123.62	137.27	123.62	138.95	Level 1
-Power Finance Corporation Limited	35.67	40.05	35.67	39.66	Level 1
-Indian Railway Finance Corporation Limited	147.40	160.96	147.40	160.39	Level 1
-Rural Electrification Corporation Limited	334.35	390.78	334.35	391.06	Level 1
-National Thermal Power Corporation Limited	19.99	22.20	19.99	22.98	Level 1
<b>Investment in tax free bonds(unquoted)</b>					
-Power Finance Corporation Limited	100.00	85.72	100.00	91.87	Level 2
-Indian Railway Finance Corporation Limited	60.00	51.60	60.00	55.22	Level 2
-Rural Electrification Corporation Limited	200.00	171.43	200.00	192.84	Level 2
-India Infrastructure Finance Corp Ltd.	300.00	233.32	300.00	268.19	Level 2
<b>Other financial assets</b>					
-Deposit under Site Restoration Scheme	3.94	3.94	3.39	3.39	Level 2
-Insurance claims recoverable	25.27	25.27	5.22	5.22	Level 2
-Other receivable	311.59	311.59	248.56	248.56	Level 2
-Advances to Employee	45.84	45.84	17.24	17.24	Level 2
-Cash Call receivables from JV Partners	37.74	37.74	36.27	36.27	Level 2
-Advances Others	0.44	0.44	-	-	Level 2
-Interest Receivable	43.77	43.77	40.29	40.29	Level 2
<b>Loans</b>					
Loans to employees	166.80	157.12	163.58	157.63	Level 2
Loans to related parties	709.98	709.98	367.63	367.63	Level 2
<b>Financial Liabilities</b>					
<b>Trade payables</b>	560.03	560.03	593.41	593.41	Level 2
<b>Borrowings</b>					
-External Commercial Borrowings from banks	2,454.52	2,454.52	7,669.39	7,669.39	Level 2
-Bonds	9,874.79	9,957.11	6,514.44	6,930.84	Level 1
<b>Other financial liabilities</b>					
-Financial Guarantee Contract	0.42	0.42	0.55	0.55	Level 2
-Unpaid dividend	5.09	5.09	5.14	5.14	Level 2
-Interest accrued but not due on borrowings	140.24	140.24	139.15	139.15	Level 2
-Liabilities for Capital Expenditure and others	932.74	932.74	1,094.05	1,094.05	Level 2
-Cash call payable to Joint Venture	135.02	135.02	181.72	181.72	Level 2
-Unpaid liability-Employees	300.21	300.21	171.68	171.68	Level 2

The fair values of the financial assets and financial liabilities included in the level 2 categories above have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

The Fair Value of current financial assets and current financial liabilities are approximately equals to their carrying value.

**NOTE-42: Additional Notes**

**42.1. Disclosure of Interest in Other Entities (Ind AS) 112**

**A. Interest disclosure of Associates and Joint Ventures**

**(1) Numaligarh Refinery Limited**

Principal activity	Refinery
Place of incorporation and operation	India
Face value/per share	INR 10
Number of equity shares held as at:	
31 <sup>st</sup> Mar, 2018	191264202
31 <sup>st</sup> Mar, 2017	191264202
Proportion of ownership and voting power held by the group as at:	
31 <sup>st</sup> Mar, 2018	26%
31 <sup>st</sup> Mar, 2017	26%
Quoted(Y/N)	N

**(2) Brahmaputra Cracker and Polymer Limited**

Principal activity	Polymer Manufacturing
Place of incorporation and operation	India
Face value/per share	INR 10
Number of equity shares held as at:	
31 <sup>st</sup> Mar, 2018	141767000
31 <sup>st</sup> Mar, 2017	141767000
Proportion of ownership and voting power held by the group as at:	
31 <sup>st</sup> Mar, 2018	10.11%
31 <sup>st</sup> Mar, 2017	10.11%
Quoted(Y/N)	N

**(3) DNP Limited**

Principal activity	Pipeline transportation
Place of incorporation and operation	India
Face value/per share	INR 10
Number of equity shares held as at:	
31 <sup>st</sup> Mar, 2018	38460000
31 <sup>st</sup> Mar, 2017	38460000
Proportion of ownership and voting power held by the group as at:	
31 <sup>st</sup> Mar, 2018	23%
31 <sup>st</sup> Mar, 2017	23%
Quoted(Y/N)	N

**(4) Suntera Nigeria 205 Ltd.**

Principal activity	Exploration and production of oil
Place of incorporation and operation	Nigeria
Face value/per share	NAIRA 1
Number of equity shares held as at:	
31 <sup>st</sup> Mar, 2018	2500000
31 <sup>st</sup> Mar, 2017	2500000
Proportion of ownership and voting power held by the group as at:	
31 <sup>st</sup> Mar, 2018	25%
31 <sup>st</sup> Mar, 2017	25%
Quoted(Y/N)	N

**(5) Beas Rovuma Energy Mozambique Limited**

Principal activity	Exploration and production of oil
Place of incorporation and operation	British Virgin Island
Face value/per share	No par Value
Number of equity shares held as at:	
31 <sup>st</sup> Mar, 2018	5120
31 <sup>st</sup> Mar, 2017	5120
Proportion of ownership and voting power held by the group as at:	
31 <sup>st</sup> Mar, 2018	40%
31 <sup>st</sup> Mar, 2017	40%
Quoted(Y/N)	N

**(7) Indoil Netherland B.V.  
(Joint Venture of subsidiary Oil India Sweden AB)**

Principal activity	Exploration and production of oil
Place of incorporation and operation	Netherland
Face value/per share	EURO 454
Number of equity shares held as at:	
31 <sup>st</sup> Mar, 2018	93940
31 <sup>st</sup> Mar, 2017	93940
Proportion of ownership and voting power held by the group as at:	
31 <sup>st</sup> Mar, 2018	50%
31 <sup>st</sup> Mar, 2017	50%
Quoted(Y/N)	N

**(9) Vankor India Pte Limited (Joint Venture of subsidiary Oil India International Pte. Singapore)**

Principal activity	Exploration and production of oil
Place of incorporation and operation	Singapore
Face value/per share	USD 1
Number of equity shares held as at:	
31 <sup>st</sup> Mar, 2018	568969589
31 <sup>st</sup> Mar, 2017	568969589
Proportion of ownership and voting power held by the group as at:	
31 <sup>st</sup> Mar, 2018	33.50%
31 <sup>st</sup> Mar, 2017	33.50%
Quoted(Y/N)	N

**(6) WorldAce Investment Limited  
(Joint Venture of subsidiary Oil India International B.V.)**

Principal activity	Exploration and production of oil
Place of incorporation and operation	Cyprus
Face value/per share	EURO 1
Number of equity shares held as at:	
31 <sup>st</sup> Mar, 2018	20,000
31 <sup>st</sup> Mar, 2017	20,000
Proportion of ownership and voting power held by the group as at:	
31 <sup>st</sup> Mar, 2018	50%
31 <sup>st</sup> Mar, 2017	50%
Quoted(Y/N)	N

**(8) Taas India Pte. Ltd.  
(Associate of Oil India International Pte Ltd)**

Principal activity	Exploration and production of oil
Place of incorporation and operation	Singapore
Face value/per share	USD 1
Number of equity shares held as at:	
31 <sup>st</sup> Mar, 2018	407941731
31 <sup>st</sup> Mar, 2017	407941731
Proportion of ownership and voting power held by the group as at:	
31 <sup>st</sup> Mar, 2018	33.50%
31 <sup>st</sup> Mar, 2017	33.50%
Quoted(Y/N)	N

**Note 1:** Investments in associate and joint venture is accounted for using the equity method in the consolidated financial statements.

**Note 2:** The financial year end date of Suntera Nigeria 205 Ltd is 31<sup>st</sup> December. For the purposes of applying the equity method of accounting, the financial statements of Suntera Nigeria 205 Ltd for the year ended March 31, 2018 and March 31, 2017 respectively and appropriate adjustments have been made for the effects of significant transactions between December 31, (2017 & 2016) and March 31, (2018 & 2017) respectively.

**Note 3:** The financials of Taas India Pte. Limited and Vankor India Pte Limited are of 31<sup>st</sup> December, 2017 and no significant transaction occurred between 1<sup>st</sup> January, 2018 to 31<sup>st</sup> March, 2018. The financial statements for the year ended 31<sup>st</sup> December, 2017 and 31<sup>st</sup> December, 2016 respectively are used for equity method of accounting.

**B. Financial disclosure of Associates and Joint Ventures**

**(1) Numaligarh Refinery Limited**

**a. Financial Information**

(₹ in crore)

Particulars	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
Non-current assets	3,063.84	2,840.30
Current assets	4,213.98	4,323.20
Non-current liabilities	(614.90)	(690.43)
Current liabilities	(1,695.26)	(1,366.43)
Revenue	16052.72	14,317.21
Profit or loss from continuing operations	2041.95	2,049.83
Post-tax profit(loss) from discontinued operations	-	-
Profit(loss) for the year	2041.95	2,049.83
Other comprehensive income	(2.88)	(3.85)
Total comprehensive income for the year	2039.07	2,045.98
Dividends received from the associate during the year	470.51	258.21

**b. Reconciliation of the above summarized financial information to the carrying amount of the interest in Associate recognised in the consolidated financial statements:**

(₹ in crore)

Particulars	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
Net assets of the associate	4,967.66	5,106.64
Proposition of OIL's ownership interest	1,291.59	1,327.73
Goodwill	-	-
Other adjustments (Unrealised Profit)	(33.34)	(16.35)
Carrying amount of the OIL's interest	1,258.25	1,311.38

**(2) Brahmaputra Cracker and Polymer Limited**

**a. Financial Information**

(₹ in crore)

Particulars	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
Non-current assets	8,234.48	8,761.35
Current assets	1,082.11	734.58
Non-current liabilities	(6973.36)	(7,093.42)
Current liabilities	(1845.27)	(1,822.56)
Revenue	1978.77	973.08
Profit or loss from continuing operations	(80.39)	(547.40)
Post-tax profit(loss) from discontinued operations	-	-
Profit(loss) for the year	(80.39)	(547.40)
Other comprehensive income	-	(0.19)
Total comprehensive income for the year	(80.39)	(547.59)
Dividends received from the associate during the year	-	-

- b. Reconciliation of the above summarized financial information to the carrying amount of the interest in Associate recognised in the consolidated financial statements:

(₹ in crore)

Particulars	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
Net assets of the associate	497.97	579.95
Proposition of OIL's ownership interest	50.33	58.61
Goodwill	-	-
Other adjustments	(1.50)	-
Carrying amount of the OIL's interest	48.82	58.61

### (3) DNP Limited

- a. Financial Information

(₹ in crore)

Particulars	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
Non-current assets	244.91	257.19
Current assets	49.68	31.46
Non-current liabilities	(45.30)	(50.24)
Current liabilities	(19.61)	(36.01)
Revenue	81.49	68.49
Profit or loss from continuing operations	32.31	13.49
Post-tax profit(loss) from discontinued operations	-	-
Profit(loss) for the year	32.31	13.49
Other comprehensive income	-	-
Total Comprehensive Income for the year	32.31	13.49
Dividends received from the associate during the year	0.96	0.65

- b. Reconciliation of the above summarized financial information to the carrying amount of the interest in Associate recognised in the consolidated financial statements:

(₹ in crore)

Particulars	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
Net assets of the associate	229.68	202.41
Proposition of OIL's ownership interest	52.82	46.55
Goodwill	0.27	0.27
Other adjustments (Unrealised Profit)	-	-
Carrying amount of the OIL's interest	53.09	46.82

**(4) Suntera Nigeria 205 Limited**

**a. Financial Information**

(₹ in crore)

Particulars	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
Non-current assets	495.29	450.68
Current assets	53.19	26.10
Non-current liabilities	(785.28)	(716.88)
Current liabilities	(318.85)	(276.70)
Revenue	-	-
Profit or loss from continuing operations	(36.10)	(33.32)
Post-tax profit(loss) from discontinued operations	-	-
Profit(loss) for the year	(36.10)	(33.32)
Other comprehensive income	(5.52)	24.03
Total comprehensive income for the year	(41.62)	(9.29)
Dividends received from the associate during the year	-	-

**b. Reconciliation of the above summarized financial information to the carrying amount of the interest in Associate recognised in the consolidated financial statements:**

(₹ in crore)

Particulars	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
Net assets of the associate	(555.66)	(516.79)
Proposition of OIL's ownership interest	(138.91)	(129.20)
Goodwill	-	-
Other adjustments (Unrealised Profit)	-	-
Carrying amount of the OIL's interest	(138.91)	(129.20)

**(5) Beas Rovuma Energy Mozambique Limited**

**a. Financial Information**

(₹ in crore)

Particulars	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
Non-current assets	3,507.68	2,597.17
Current assets	92.59	819.71
Non-current liabilities	-	-
Current liabilities	(3.22)	(15.01)
Revenue	-	-
Profit or loss from continuing operations	(1.37)	(8.94)
Post-tax profit(loss) from discontinued operations	-	-
Profit(loss) for the year	(1.37)	(8.94)
Other comprehensive income	17.23	-
Total comprehensive income for the year	15.86	(8.94)
Dividends received from the associate during the year	-	-

- b. Reconciliation of the above summarized financial information to the carrying amount of the interest in Associate recognised in the consolidated financial statements:

(₹ in crore)

Particulars	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
Net assets of the associate	3,597.05	3,401.87
Proposition of OIL's ownership interest	1,438.82	1,360.75
Goodwill	5,727.83	5,701.66
Other adjustments (Unrealised Profit)	-	-
Carrying amount of the OIL's interest	7,166.65	7,062.41

**(6) WorldAce Investments Limited (Joint Venture of subsidiary Oil India International B.V.)**

- a. Financial Information

(₹ in crore)

Particulars	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
Non-current assets	654.90	660.54
Current assets	11.90	10.04
Non-current liabilities	(829.61)	(759.97)
Current liabilities	(41.10)	(47.41)
Revenue	189.25	167.74
Profit or loss from continuing operations	(53.41)	(72.59)
Post-tax profit(loss) from discontinued operations	-	-
Profit(loss) for the year	(53.41)	(72.59)
Other comprehensive income	(12.36)	121.01
Total Comprehensive Income for the year	(65.77)	48.41
Dividends received from the associate during the year	-	-

- b. Reconciliation of the above summarized financial information to the carrying amount of the interest in Associate recognised in the consolidated financial statements:

(₹ in crore)

Particulars	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
Net assets of the associate	(203.91)	(136.80)
Proposition of OIL's ownership interest	(101.95)	(68.40)
Goodwill	-	-
Other adjustments (Unrealised Profit)	-	-
Carrying amount of the OIL's interest	(101.95)	(68.40)

**(7) Indoil Netherland B.V. (Joint Venture of subsidiary Oil India Sweden AB)**

**a. Financial Information**

(₹ in crore)

Particulars	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
Non-current assets	752.62	754.16
Current assets	18.96	16.08
Non-current liabilities	-	-
Current liabilities	(18.86)	(16.25)
Revenue	2.57	5.37
Profit or loss from continuing operations	(0.85)	(0.65)
Post-tax profit(loss) from discontinued operations	-	-
Profit(loss) for the year	(0.85)	(0.65)
Other comprehensive income	(139.13)	(16.92)
Total Comprehensive Income for the year	(139.98)	(17.57)
Dividends received from the associate during the year	-	-

**b. Reconciliation of the above summarized financial information to the carrying amount of the interest in Associate recognised in the consolidated financial statements:**

(₹ in crore)

Particulars	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
Net assets of the associate	757.72	753.99
Proposition of OIL's ownership interest	378.86	377.00
Goodwill	-	-
Other adjustments (Unrealised Profit)	-	-
Carrying amount of the OIL's interest	378.86	377.00

**(8) Taas India Pte. Ltd. (Associate of Oil India International Pte Ltd)**

**a. Financial Information**

(₹ in crore)

Particulars	31 <sup>st</sup> December, 2017	31 <sup>st</sup> December, 2016
Non-current assets	9,259.63	8,101.26
Current assets	4.29	9.69
Non-current liabilities	(535.31)	-
Current liabilities	(1.52)	(0.50)
Revenue	0.01	-
Share in (loss)/profit of joint venture	(137.03)	(63.39)
Profit or loss from continuing operations	(148.54)	(64.08)
Post-tax profit(loss) from discontinued operations	-	-
Profit(loss) for the year ended	(148.54)	(64.08)
Other comprehensive income	670.76	211.89
Total comprehensive income for the year	522.21	147.81
Dividends received from the associate during the year	-	-

- b. Reconciliation of the above summarized financial information to the carrying amount of the interest in Associate recognised in the consolidated financial statements:

(₹ in crore)

Particulars	31 <sup>st</sup> December, 2017	31 <sup>st</sup> December, 2016
Net assets of the associate	8,727.07	8,110.45
Proposition of OIL's share in Net assets	2,923.57	2,717.00
Goodwill	-	-
Other adjustments (Unrealised Profit)	-	-
Carrying amount of the OIL's interest	2,923.57	2,717.00

**(9) Vankor India Pte. Ltd. (Associate of Oil India International Pte Ltd)**

- a. Financial Information

(₹ in crore)

Particulars	31 <sup>st</sup> December, 2017	31 <sup>st</sup> December, 2016
Non-current assets	13,182.05	12,511.55
Current assets	817.96	2.96
Non-current liabilities	-	-
Current liabilities	(573.95)	(0.59)
Revenue	13.50	-
Share in (loss)/profit of joint venture	1212.91	370.87
Profit or loss from continuing operations	1141.89	369.62
Post-tax profit(loss) from discontinued operations	-	-
Profit(loss) for the year	1141.89	369.62
Other comprehensive income	801.23	493.09
Total comprehensive income for the year	1943.12	862.71
Dividends received from the associate during the year	-	-

- b. Reconciliation of the above summarized financial information to the carrying amount of the interest in Associate recognised in the consolidated financial statements:

(₹ in crore)

Particulars	31 <sup>st</sup> December, 2017	31 <sup>st</sup> December, 2016
Net assets of the associate	13,426.06	12,513.92
Proposition of OIL's share in Net assets	4,497.73	4,192.16
Goodwill	-	-
Other adjustments (Unrealised Profit)	-	-
Carrying amount of the OIL's interest	4,497.73	4,192.16

C. Interest & financial disclosure of unincorporated Joint Venture Refer Note no 41.6 of separate financial statement for details.

42.2. Information as per Indian Accounting Standard (Ind AS) 108 - Segment Reporting

42.2.1. Consolidated Segment Revenue and Results for year ended 31<sup>st</sup> March, 2018

(₹ in crore)

Particulars	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
<b>Revenue</b>		
<b>External Sales</b>		
Crude Oil	8538.98	7,327.40
Natural Gas	1533.49	1,644.88
LPG	120.88	103.34
Pipeline Transportation	365.58	356.18
Renewable Energy	120.82	116.92
Others	18.00	17.64
<b>Total Revenue</b>	<b>10697.75</b>	<b>9,566.36</b>
<b>Results</b>		
Crude Oil	2,861.27	887.04
Natural Gas	449.76	444.69
LPG	63.93	51.09
Pipeline Transportation	(46.87)	72.56
Renewable Energy	18.60	27.78
Others	12.30	11.95
<b>Segment Results</b>	<b>3,358.98</b>	<b>1,495.11</b>
Less: Unallocated expenses	761.21	706.73
Add: Unallocated income	861.17	619.79
<b>Operating profit</b>	<b>3458.94</b>	<b>1,408.17</b>
Add : Interest / Dividend income	950.69	1,324.52
Less: Interest expense	550.55	440.60
<b>Profit before tax</b>	<b>3,859.08</b>	<b>2,292.09</b>
Tax expenses	1124.46	695.53
<b>Profit after tax</b>	<b>2734.62</b>	<b>1,596.56</b>
<b>Capital Expenditure during the period</b>		
Crude Oil	1233.99	1,771.28
Natural Gas	640.73	643.02
LPG	18.76	14.00
Pipeline Transportation	938.22	179.02
Renewable Energy	265.14	102.46
Others	-	-
Unallocated	31.27	21.86
<b>Total Capital Expenditure during the period</b>	<b>3128.11</b>	<b>2,731.64</b>
<b>Depreciation, Depletion and Amortisation</b>		
Crude Oil	791.52	748.50
Natural Gas	282.38	280.26

LPG	14.64	14.37
Pipeline Transportation	125.32	34.58
Renewable Energy	82.21	78.21
Others	1.34	1.38
Unallocated	29.23	23.08
<b>Total Depreciation, Depletion and Amortisation</b>	<b>1,326.64</b>	<b>1,180.38</b>
<b>Non-cash expenses other than depreciation, depletion and amortization</b>		
Crude Oil	542.85	670.15
Natural Gas	82.79	183.43
LPG	-	-
Pipeline Transportation	-	-
Renewable Energy	-	-
Others	-	-
Unallocated	12.19	2.91
<b>Total Non-cash expenses other than depreciation, depletion and amortization</b>	<b>637.83</b>	<b>856.49</b>
<b>Reconciliation of Revenue</b>		
Total Segment Revenue	10697.75	9,566.36
Add: Unallocated income	59.35	95.23
Add : Interest / Dividend income	950.69	1,324.52
<b>Total Revenue for the period</b>	<b>11,707.81</b>	<b>10,986.11</b>

#### 42.2.2 Segment Assets and Liabilities as on 31<sup>st</sup> March, 2018

(₹ in crore)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>Segment Assets</b>		
Crude Oil	8,982.22	8,379.42
Natural Gas	4,943.48	4,198.46
LPG	73.86	76.25
Pipeline Transportation	1,345.09	1,399.66
Renewable Energy	863.88	669.28
Others	9.01	3.72
Unallocated assets	32,416.93	36,507.50
<b>Total Assets</b>	<b>48,634.47</b>	<b>51,234.29</b>
<b>Segment Liabilities</b>		
Crude Oil	2,200.27	2,525.12
Natural Gas	715.35	832.84
LPG	24.26	28.95
Pipeline Transportation	175.68	232.51
Renewable Energy	3.63	4.97
Others	-	-
Unallocated liabilities	16,485.29	1,8090.54
<b>Liabilities</b>	<b>19,604.49</b>	<b>21,714.93</b>
Shareholders' funds	29,029.99	29,519.36
<b>Total Equity and Liabilities</b>	<b>48,634.47</b>	<b>51,234.29</b>

**Note:**

1. Revenue and expenses directly identifiable to the segments have been allocated to the relative primary reportable segments.
2. Segment revenue and expenses which are not directly identifiable to the primary reportable segments have been disclosed under others which primarily includes business development services, leasing of OFC.
3. Assets and liabilities which are directly identifiable to the segments have been allocated to relative segments.
4. Assets and liabilities which are not directly identifiable to the segments have been disclosed under unallocated.
5. There are no reportable geographical segments.

**6. Information about major customers:**

Company's significant revenue comes from sales to Public Sector Undertakings (PSUs). The total sales to such PSUs during the year ended 31.03.2018 amounted to ₹ 10,273 crore (corresponding year ended ₹ 9,103 crore). Sales to such PSUs during the year ended contributed around 96.03% of the total sales (corresponding year ended 95.16 %). The Company has received ₹ 279.57 crore from Ministry of Petroleum & Natural Gas against claim recovery of Natural Gas during the year ended 31.03.2018 (corresponding year ended ₹ 310.07 crore). The contribution of claim recovery of Natural Gas towards sales revenue during the year ended 31.03.2018 is 2.61% (corresponding year ended 3.24%). No other single customer contributed 10% or more to the Company's revenue for the year ended 31.03.2018

**42.3. Income Taxes relating to continuing operations**

**42.3.1. Income Tax Recognised in Profit & Loss**

(₹ in crore)

Particulars	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
<b>Current tax</b>		
In respect of the current year	746.66	411.78
In respect of the Previous year	-	118.47
<b>Total</b>	<b>746.66</b>	<b>530.25</b>
<b>Deferred tax</b>		
In respect of the current year	377.80	165.28
<b>Total</b>	<b>377.80</b>	<b>165.28</b>
<b>Total income tax expense recognised in the current year</b>	<b>1,124.46</b>	<b>695.53</b>

**42.3.2. The income tax expense for the year can be reconciled to the accounting profit as follows:**

(₹ in crore)

Particulars	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
<b>Profit before tax</b>	<b>3,859.08</b>	<b>2292.09</b>
Income tax expense calculated at 34.608% (2016-2017: 30*112%*103%=34.608%)	1,335.55	793.25
Add:		
Tax effect of expenses that are not deductible in determining taxable profit	102.38	181.74
Prior Period Income Tax Adjustment	-	118.47
Deferred Tax Assets not recognized on share of losses of subsidiaries	-	40.12
Reversal of Deferred tax on payment of dividend by Associates	95.98	94.24
Re-Assessment of Deferred Tax Assets	87.11	-
Deferred tax on permanent difference of subsidiary	0.19	-
Reversal of Deferred tax Assets by subsidiary	-	434.57
<b>Sub -Total</b>	<b>1,621.21</b>	<b>1227.82</b>

Less:				
Tax effect of ICDS transition Adjustment	-		26.58	
Tax effect of Weighted Deductions, Superannuation & Investment allowances etc.	5.89		59.92	
Tax effect of income that is exempt from taxation	380.02		327.19	
Tax effect of equity accounted entities	22.37		86.79	
Additional tax effect due to differential tax rates and tax losses	-		31.68	
Prior Period Income Tax Adjustment	45.60		-	
Deferred Tax Assets not recognized on share of losses of subsidiaries	42.87		-	
Deferred tax on permanent difference of subsidiary	-	496.75	0.13	532.29
<b>Total</b>		<b>1,124.46</b>		<b>695.53</b>
<b>Income tax expense recognised in profit &amp; loss</b>		<b>1,124.46</b>		<b>695.53</b>

**Note :** The tax rate used for the 2017-2018 and 2016-2017 reconciliations above is the effective corporate tax rate of 34.608% payable by corporate entities in India on taxable profits under the Indian tax law.

#### 42.3.3. Income tax recognised in Other Comprehensive Income:

##### Current & Deferred tax

(₹ in crore)

Particulars	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
Arising on income and expenses recognised in Other Comprehensive Income:		
Fair value re-measurement of hedging instruments entered into for a hedge of a net investment in a foreign operation	-	-
Deferred Tax on Net fair value gain on investments in equity Fund of PII at FVTOCI	(34.05)	776.01
Net fair value gain on investments in debt instruments at FVTOCI	-	-
Net gain on designated portion of hedging instruments in cash flow hedges	-	-
Net gain/(loss) on time value of options and forward elements of forward Contracts in hedging relationship	-	-
Current Tax on Re-measurement of defined benefit obligation	32.25	(19.43)
<b>Total</b>	<b>(1.80)</b>	<b>756.58</b>
<b>Total income tax recognised in Other Comprehensive Income</b>	<b>(1.80)</b>	<b>756.58</b>
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will not be reclassified to profit or loss	(1.80)	756.58
Items that may be reclassified to profit or loss	-	-
<b>Total</b>	<b>(1.80)</b>	<b>756.58</b>

**42.3.4. Deferred tax liabilities (net)**

The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

(₹ in crore)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Deferred tax assets	452.54	672.39
Deferred tax liabilities	(4,096.18)	(3,972.28)
<b>Total</b>	<b>(3,643.64)</b>	<b>(3,299.89)</b>
<b>Components of Deferred Tax Asset and Liability:</b>		
<b>Deferred Tax Liability</b>		
Depreciation and Amortization expenses	(2963.37)	(2,779.97)
Fair Value gain on Investment	(741.95)	(775.99)
Employee Deferred Benefit Expenses	(26.08)	(26.17)
Others	(148.56)	(163.99)
Related to Subsidiaries and associates	-	-
Deferred tax on undistributed profit	(216.22)	(226.17)
<b>Total</b>	<b>(4,096.18)</b>	<b>(3,972.28)</b>
<b>Deferred Tax Asset:</b>		
Expenditure covered by section 43B of I.T. Act, 1961	83.14	80.14
Provision for doubtful advances/debts/stores	217.24	164.25
Government Grant	38.15	40.79
MAT Credit	-	336.87
Others	102.47	44.70
Deferred tax on stock reserve (asset)	11.54	5.65
<b>Total</b>	<b>452.54</b>	<b>672.39</b>
<b>Net Deferred Tax Liability</b>	<b>(3,643.64)</b>	<b>(3,299.89)</b>

**Notes:**

- For Assessment Years (AY) 2003-04 to 2014-15 appeals are pending for disposal before the Hon'ble Income Tax Appellate Tribunal (ITAT), Guwahati with respect to the Company's claims/disallowances u/s 14A, 37, 42, 80-IB & 80-IC of the Income Tax Act, 1961, hereinafter called the Act.
- The benefit u/s 80-IA, 80-IB and 80-IC of the Act has not been considered to make provisions of tax in the books.
- The resulting interest, whether receivable or payable, shall be accounted for on finalization of the matter by an appellate authority.
- Income tax assessment up to the Assessment Year 2014-15 has been completed and a demand of ₹ 205.05 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 are likely to be deleted or may be reduced substantially on the grounds taken by the Company before the appellate authority. However, wherever demand is raised, the amount has been paid.
- The Current Tax figure of the year includes ₹ (45.60) crore due to brought forward losses of FY 2016-17 of ₹ 131.76 crore.
- The tax liability of the company for the Assessment year 2017-18 was calculated based on book profit determined u/s 115JB of the income Tax Act, 1961. As per the provisions of section 115JAA, the income tax paid u/s 115JB (i.e. Minimum Alternate Tax) can be carried forward up to next ten Assessment years for being utilized against tax payable under normal provisions of the Act subject to limits specified u/s 115JAA. The Company has utilized the entire MAT credit amounting to ₹337.39 crore in determining its current tax liability for the financial year ended 2017-18 (AY 2018-19).
- 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 year for capital and revenue expenditure on scientific research on in-house approved research and development facilities: (₹ in crore)

Particulars	Financial Year	
	2017-18	2016-17
Capital Expenditure	7.87	7.61
Revenue Expenditure	56.45	55.81
<b>Total Expenditure</b>	<b>64.32</b>	<b>63.42</b>

#### 42.3.5. Deferred Tax Assets / (Liabilities) movement:

(₹ in crore)

Particulars	For the year ended March 31, 2018				For the year ended March 31, 2017			
	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
<b>Deferred tax (liabilities)/ assets in relation to:</b>								
Provision for doubtful advances/debts/stores	164.25	52.99	-	217.24	170.31	(6.06)	-	164.25
Expenditure covered under section 43B	80.14	3.01	-	83.15	69.90	10.24	-	80.14
MAT Credit	336.87	(336.87)	-	-	-	336.87	-	336.87
Other Item	(104.82)	70.79	0.01	(34.02)	(200.56)	95.76	(0.03)	(104.82)
Depreciation on property, plant and equipment	(2,779.97)	(183.40)	-	(2,963.37)	(2,220.28)	(559.69)	-	(2,779.97)
Fair Value gain on Equity Investment	(775.99)	-	34.03	(741.95)	-	-	(775.99)	(775.99)
Subsidiaries, Joint Ventures Associates	(220.37)	15.68	-	(204.69)	(177.97)	(42.40)	-	(220.37)
<b>Total</b>	<b>(3,299.89)</b>	<b>(377.80)</b>	<b>34.04</b>	<b>(3,643.64)</b>	<b>(2,358.59)</b>	<b>(165.28)</b>	<b>(776.02)</b>	<b>(3,299.89)</b>

#### 42.4. Disclosures as per Guidance Note on Oil & Gas Producing Activities (Ind AS):

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

(i) Net quantities of interest in Proved Reserves of oil (including condensates & Heavy Oil) and natural gas as on 31.03.2018:

Area of Operation	Crude Oil				Natural Gas			
	Position as at 1 <sup>st</sup> Apr 2017	Addition/ Revision	Production Quantity	Position as at 31 <sup>st</sup> Mar 2018	Position as at 1 <sup>st</sup> Apr 2017	Addition/ Revision	Adjusted Sales Quantity	Position as at 31 <sup>st</sup> Mar 2018
	(MM KL)	(MM KL)	(MM KL)	(MM KL)	(MM Cub Meter)	(MM Cub Meter)	(MM Cub Meter)	(MM Cub Meter)
Assam	32.8969	1.2856	3.7769	30.4056	18604	3798	2539	19863
Arunachal Pradesh	0.1018	0.0212	0.0085	0.1145	-	-	-	-
Rajasthan	0.0009	(0.0004)	0.0001	0.0004	1679	(112)	211	1356
Kharsang-JV*	0.2169	(0.1000)	0.0193	0.0976	-	-	-	-
Dirok Joint Venture *	-	-	-	-	-	2092	13	2079
Overseas Joint Ventures (Non-operated)	20.0928	1.1339	1.8715	19.3552	5375	19	530	4864
<b>Total</b>	<b>53.3093</b>	<b>2.3403</b>	<b>5.6763</b>	<b>49.9733</b>	<b>25658</b>	<b>5797</b>	<b>3293</b>	<b>28162</b>

\* Shown to the extent of participating interest of the Company

#### Note:

- Above figures are shown to the extent of participating interest of the Company.
- Overseas figures estimated for the assets-Russia: Taas Yuryak, Vankomeft, License-61: USA: Niobrara and Vanezuela: Carabobo only.

(ii) Net quantities of interest in Proved Reserves of Crude Oil (including condensate & Heavy Oil) and Natural Gas as on 31.03.2017:

Area of Operation	Crude Oil				Natural Gas			
	Position as at 1 <sup>st</sup> Apr 2016	Addition/Revision	Production Quantity	Position as at 31 <sup>st</sup> Mar 2017	Position as at 1 <sup>st</sup> Apr 2016	Addition/Revision	Adjusted Sales Quantity	Position as at 31 <sup>st</sup> Mar 2017
	(MM KL)	(MM KL)	(MM KL)	(MM KL)	(MM Cub Meter)	(MM Cub Meter)	(MM Cub Meter)	(MM Cub Meter)
Assam	31.8111	4.7303	3.6445	32.8969	20560	617	2573	18604
Arunachal Pradesh	0.1292	(0.0188)	0.0086	0.1018	-	-	-	-
Rajasthan	0.0025	(0.0012)	0.0004	0.0009	1803	108	232	1679
Kharsang-JV*	0.2384	-	0.0215	0.2169	-	-	-	-
Overseas Joint Ventures (Non-operated)	-	22.2479	2.1551	20.0928	-	5857	482	5375
<b>Total</b>	<b>32.1812</b>	<b>26.9582</b>	<b>5.8301</b>	<b>53.3093</b>	<b>22363</b>	<b>6582</b>	<b>3287</b>	<b>25658</b>

\* Shown to the extent of participating interest of the Company

(iii) Net quantities of interest in Proved Developed Reserves of oil (including condensates) and natural gas as on 31.03.2018:

Area of Operation	Crude Oil				Natural Gas			
	Position as at 1 <sup>st</sup> Apr 2017	Addition/Revision	Production Quantity	Position as at 31 <sup>st</sup> Mar 2018	Position as at 1 <sup>st</sup> Apr 2017	Addition/Revision	Adjusted Sales Quantity	Position as at 31 <sup>st</sup> Mar 2018
	(MM KL)	(MM KL)	(MM KL)	(MM KL)	(MM Cub Meter)	(MM Cub Meter)	(MM Cub Meter)	(MM Cub Meter)
Assam	30.0906	1.8201	3.7769	28.1338	18604	3798	2539	19863
Arunachal Pradesh	0.1018	0.0212	0.0085	0.1145	-	-	-	-
Rajasthan	0.0009	(0.0004)	0.0001	0.0004	1679	(112)	211	1356
Kharsang-JV*	0.0759	-	0.0193	0.0566	-	-	-	-
Dirok Joint Venture *	-	-	-	-	-	2092	13	2079
Overseas Joint Ventures (Non-operated)	11.5251	0.1734	1.8715	9.8270	4961	(197)	530	4234
<b>Total</b>	<b>41.7943</b>	<b>2.0143</b>	<b>5.6763</b>	<b>38.1323</b>	<b>25244</b>	<b>5581</b>	<b>3293</b>	<b>27532</b>

\* Shown to the extent of participating interest of the Company  
Reserves are calculated in terms of Million kilo litres.

**Note:**

1. Above figures are shown to the extent of participating interest of the Company.
2. Overseas figures estimated for the assets-Russia: Taas Yuryak, Vankomeft, License-61: USA: Niobrara and Vanezuela: Carabobo only.

**(iv) Net quantities of interest in Proved Developed Reserves of oil (including condensates) and natural gas as on 31.03.2017:**

Area of Operation	Crude Oil				Natural Gas			
	Position as at 1 <sup>st</sup> Apr 2016	Addition/ Revision	Production Quantity	Position as at 31 <sup>st</sup> Mar 2017	Position as at 1 <sup>st</sup> Apr 2016	Addition/ Revision	Adjusted Sales Quantity	Position as at 31 <sup>st</sup> Mar 2017
	(MM KL)	(MM KL)	(MM KL)	(MM KL)	(MM Cub Meter)	(MM Cub Meter)	(MM Cub Meter)	(MM Cub Meter)
Assam	29.1974	4.5377	3.6445	30.0906	20560	617	2573	18604
Arunachal Pradesh	0.1292	(0.0188)	0.0086	0.1018	-	-	-	-
Rajasthan	0.0025	(0.0012)	0.0004	0.0009	1803	108	232	1679
Kharsang-JV*	0.0974	-	0.0215	0.0759	-	-	-	-
Overseas Joint Ventures (Non-operated)	-	13.6802	2.1551	11.5251	-	5443	482	4961
<b>Total</b>	<b>29.4265</b>	<b>18.1979</b>	<b>5.8301</b>	<b>41.7943</b>	<b>22363</b>	<b>6168</b>	<b>3287</b>	<b>25244</b>

\* Shown to the extent of participating interest of the Company

Reserves are calculated in terms of Million kilo litres.

(v) 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, numbers of additional wells to be completed, application of enhanced recovery techniques, validity of mining lease agreements, agreements/MOU for sales are taken into consideration for determining reserves quantity

**42.5. Other disclosure under Schedule III to the Companies Act, 2013**

**42.5.1. Contingent Liabilities:**

**(a) Claims against the Company not acknowledged as debts:**

(₹ in crore)

Sl. No.	Particulars	As at March 31, 2018	As at March 31, 2017
i.	Under the Assam VAT Act, 2003	1327.73	1,327.73
ii.	Under the Central Sales Tax Act, 1956	0.67	0.67
iii.	Under Central Excise Act, Service Tax and GST	563.43	230.25
iv.	Under Income Tax Act	215.05	200.48
v.	Under Other Acts	74.19	55.42
vi.	By Contractor pending in Arbitration / Courts	27.55	44.68
vii.	Claim on JVC/PSC account	11.66	10.93
viii.	Demand raised under Assam Taxation (on specified lands) Amendment Act, 2004 for the period from 2010 to 2015	755.31	755.21
ix.	Additional demand of 2% NPV by CCF (Assam) against afforestation	82.77	76.23
x.	LD for unfinished MWP of Phase I Shale Gas for five Blocks @ US \$ 0.25 Million per Block	8.22	8.18
xi.	Claims by contractor pending in arbitration/court - Numaligarh Refinery Limited	16.58	18.59
xii.	On taxation matters - Numaligarh Refinery Limited	66.59	78.78
xiii.	Land Acquisition - BCP Limited	1.30	3.43
xiv.	Claim by contractors - BCP Limited	48.38	49.35

xv.	Taxation Matters - BCP Limited	0.68	0.68
xvi.	Others - BCP Limited	0.64	0.66
xvii.	Taxation Matters - DNP Limited	0.05	0.05
xviii.	Against economic interest assignment and operating agreements - Suntera Nigeria 205 Ltd.	78.05	77.70
xix.	Signature Bonus - Oil India Sweden AB	373.84	373.47
	<b>Total</b>	<b>3652.69</b>	<b>3,312.49</b>

**(b) In respect of Guarantees :**

(₹ in crore)

Sl. No.	Particulars	As at March 31, 2018	As at March 31, 2017
i.	Bank Guarantee issued to Superintendent of Taxes, Naharkatia, Assam, in relation to demand raised by the Department under Assam Taxation (on specified lands) Amendment Act, 2004 for the period from 2005 to 2009.	702.02	702.02
ii.	Bank Guarantee for Domestic Minimum Work Program (MWP) commitment	797.90	257.26
iii.	Bank Guarantee for Overseas Minimum Work Program (MWP) commitment	343.27	337.75
iv.	Bank Guarantee in respect of NLD, Solar & City gas Distribution	978.73	-
v.	Bank Guarantee against OAPL 2017	34.32	-
vi.	Against Letter of Credit	184.51	114.96
vii.	Others	0.05	-
viii.	Guarantee to OADB against Loan to M/s BCPL from OADB - Numaligarh Refinery Limited	16.82	18.90
ix.	Bank Guarantee - Numaligarh Refinery Limited	3.81	3.93
x.	Against Letter of Credit - Numaligarh Refinery Limited	10.38	9.00
xi.	Bank Guarantees in favour of Suppliers - BCP Limited	2.78	0.92
xii.	Against Letter of Credit - BCP Limited	4.29	1.64
	<b>Total</b>	<b>3,078.88</b>	<b>1,446.38</b>

**(c) Other matters for which the Company is contingently liable:**

**a. Capital Commitments:**

- (i) The estimated amount of contracts remaining to be executed on Capital Account and not provided for in the accounts: ₹ 507.00 crore (corresponding period ₹ 366.59 crore).
- (ii) Company's share in the amount of contracts remaining to be executed on Capital Accounts and not provided for in the account in respect of the un-incorporated Joint Ventures is ₹ 0.07 crore (Corresponding period ₹ 9.91 crore).
- (iii) Company's share of Capital Commitment of in Non Operated Joint Venture Block AAP-ON-94/1 is ₹ 0.82 crore (corresponding period ₹ 29.92 crore).
- (iv) Capital Commitment of Numaligarh Refinery Limited is ₹ 67.35 crore (corresponding period ₹ 54.54 crore).
- (v) Capital Commitment of DNP Limited is ₹ 0.91 crore (corresponding period ₹ 0.10 crore).
- (vi) Capital Commitment of BCP Limited is ₹ 5.20 crore (corresponding period ₹ 0.04 crore).

**b. Other Commitments:**

- (i) The estimated amount of contracts remaining to be executed on Revenue Account and not provided for in the accounts: ₹ 575.80 crore (corresponding period ₹ 35.40 crore).
- (ii) Balance of Minimum Work Program Commitment (MWP) by OIL under Production Sharing Contracts (PSCs) entered for NELP Blocks with Govt. of India is ₹ 835.21 crore (corresponding period ₹ 861.88 crore). The commitment is covered by Bank Guarantee as referred in point no 42.5.1 (b) (ii).
- (iii) Balance of Minimum Work Program Commitment (MWP) by OIL under Production Sharing Contracts (PSCs) entered for overseas Blocks is ₹ 475.95 crore (corresponding period ₹ 378.03 crore). The commitment is covered by Bank Guarantee as referred in point no 42.5.1 (b) (iii).
- (iv) Oil India (USA) Inc. leases office space under a non-cancellable operating lease agreement that expires in May 2020. Rental payment for non-cancellable operating leases are ₹ 0.24 crore (corresponding period Nil).
- (v) OIL India International B.V leases office space under a non-cancellable operating lease agreement. Rental payment for non-cancellable operating leases are ₹ 2.40 crore (corresponding period ₹ 2.27 crore).

**42.6 Other Disclosure**

Refer relevant para of note no 41 of separate financial statement for other details.

**42.7** Figures of Previous year have been regrouped/reclassified, wherever necessary, to conform to current years classification.

In terms of our report of even date

**For and on behalf of the Board of Directors**

**For N.C. BANERJEE & CO**  
Chartered Accountants  
Firm Reg No.-302081E

**For B.N. MISRA & CO**  
Chartered Accountants  
Firm Reg No.-321095E

Sd/-  
**(CA B K Biswas)**  
Partner  
Membership No.: 055623

Sd/-  
**(CA B.N. MISRA)**  
Partner  
Membership No.: 083927

Sd/-  
**(S.K. Senapati)**  
Company Secretary

Sd/-  
**(Mrs. Rupshikha S. Borah)**  
Director (Finance)  
DIN 06700534

Sd/-  
**(Utpal Bora)**  
Chairman & Managing  
Director  
DIN 07567357

**Place:** Noida

**Date:** 28th May, 2018

## Glossary of Selected Energy & Financial Terms

### A. ENERGY TERMS

**Appraisal Well:** A well drilled as part of an appraisal drilling programme, which is carried out to determine the physical extent of oil and gas reserves & characteristics thereof and the likely production rate of a field.

**BS&W:** Abbreviation for basic sediment and water. It includes free water, sediment and emulsion and is measured as a volume percentage of the production stream.

**Condensate:** Liquid hydrocarbons produced with natural gas, separated by cooling and other means.

**Development:** Drilling, construction and related activities following discoveries that is necessary to begin production and transportation of crude oil and natural gas.

**Development Well:** A well drilled within the proved area of an Oil and Gas reservoir to the depth of horizon known to be productive.

**Exploration:** Searching for oil and / or natural gas by utilizing topographical surveys, geologic studies, geophysical surveys, seismic surveys and drilling wells.

**Exploratory Well:** Wells drilled in an unproved area for the purpose of finding and producing Oil or Gas. It is a well that is not a development well, a service well, or a stratigraphic test well.

**Heavy crude oil:** Crude oil with a high specific gravity and a low API gravity due to the presence of a high proportion of heavy hydrocarbon fractions and metallic content.

**Improved Recovery:** Improved Recovery is the extraction of additional petroleum, beyond Primary Recovery, from naturally occurring reservoirs by supplementing the natural forces in the reservoir. It includes water-flooding, secondary processes, tertiary processes and any other means of supplementing natural reservoir recovery processes. (also called Enhanced Recovery)

**Liquefied Natural Gas (LNG):** Gas that is liquefied under extremely cold temperatures and high pressure.

**Liquefied Petroleum Gas (LPG):** A mixture of butane, propane and other light hydrocarbons derived from refining crude oil. At normal temperature it is a gas but it can be cooled or subjected to pressure to facilitate storage and transportation.

**Mining Lease:** The license issued for onshore properties for conducting development and production activity.

**MMBTU:** This is used to measure heat energy. This represents one million British Thermal Units, 252,000 kilo calories or 293 kilo watt hours.

**Oil Equivalent Gas (OEG):** The volume of natural gas that can be burnt to give the same amount of heat as barrel of oil (6,000 cubic feet of gas equals one barrel of oil).

**Petroleum Exploration License:** The license issued for onshore properties for conducting exploration activity.

**Producing Property:** These may be defined as the value assigned to crude oil or gas reserves which can be produced from existing facilities. This property is subject to depletion.

**Reserves:** Oil and Natural Gas contained in underground rock formations called reservoirs. Proved reserves are the estimated quantities that geologic and engineering data demonstrate can be produced with reasonable certainty from known reservoirs under existing economic and operating conditions. Reserve estimates change as additional information becomes available. Recoverable reserves are those that can be produced using all known primary and enhanced recovery methods.

**Shale Gas:** Natural Gas produced from shale formations where the gas sourced from within the shale itself and is trapped in rocks with low porosity and extremely low permeability. Production of shale gas requires hydraulic fracturing to help produce the gas.

**Sour Crude Oil:** Crude oil with high sulphur content.

**Sweet Crude Oil:** Crude oil with a low sulphur content.

**Unit of Production Method:** The method of depreciation (depletion) under which depreciation (depletion) is calculated on the basis of the number of production or similar units expected to be obtained from the asset by the enterprise.

**Work-Over:** Remedial work to the equipment within a well, the well pipe work or relating to attempts to increase the rate of flow.

### B. FINANCIAL TERMS

**Abandonment Cost:** Abandonment costs are the costs incurred on discontinuation of all operations and surrendering the property back to the owner. These costs relate to plugging and abandoning of wells, dismantling of wellheads, production and transport facilities and to restoration of producing areas.

**Book Value:** The amount at which an item appears in the books of account or financial statements. It does not refer to any particular basis on which the amount is determined, e.g., cost, replacement value etc.

**Capital Employed:** The finances deployed by an enterprise in its net fixed assets, investments and working capital. Capital employed in an operation may, however, exclude investments made outside that operation.

**Cess:** It is a levy imposed under The Oil Industry (Development) Act, 1974 on the Crude Oil quantity acknowledged & received in the refinery and payable to the Central Government.

**Contingent Liability:** An obligation relating to an existing condition or situation which may arise in future depending on the occurrence or non-occurrence of one or more uncertain future events.

**Depreciation:** A measure of the wearing out, consumption or other loss of value of depreciable asset arising from use, efflux of time or obsolescence through technology and market changes.

**Depletion:** A measure of exhaustion of a wasting asset (Producing Properties) represented by periodic write-off of cost.

**Deferred Expenditure:** Expenditure for which payment has been made or a liability incurred but which is carried forward on the presumption that it will be of benefit over a subsequent period or periods. This is also referred to as deferred revenue expenditure.

**Dividend:** A distribution of shareholders out of profits or reserves available for this purpose.

**Development Costs:** Costs incurred in preparing proved reserves for production i.e. costs incurred to obtain access to proved reserves and to provide facilities for extracting, treating gathering and storing oil and gas.

**Earning Per Share:** The earning in monetary terms attributable to each equity

**Extraordinary Item:** Gain or loss which arises from events or transactions that are distinct from ordinary activities of the enterprise and which are both material and expected not to recur frequently or regularly. This would also include material adjustments necessitated by circumstances, which, though related to previous periods, are determined in the current period.

**Exploration Costs:** Costs incurred in exploring property. Exploration involves identifying areas that may warrant examination and examining specific areas, including drilling exploratory wells.

**Gross Margin:** Gross Margin represent the excess of Income over expenditure before providing for depreciation, deferred revenue expenditure, interest on loan, prior period adjustment taxes and appropriation to reserve

**Impairment:** An impairment loss is the amount by which the carrying amount of an asset exceeds its recoverable amount.

**Net Present Value:** NPV is the present (discounted) value of future cash inflows minus the present value of the cash outflows

**Net Worth:** This represent shareholders fund after deducting misc expenditure.

**Obsolescence:** Diminution in the value of an asset by reason of its becoming out-of-date or less useful due to technological changes, improvement in production methods, change in market demand for the product or service output of the asset, or legal or other restrictions.

**Participating Interest:** The share expressed as percentage in the rights and obligations of each party to a Production Sharing Contract (PSC).

**Prior Period Item:** A material charge of credit which arises in the current period as a result of errors or omissions in the preparation of the financial statements of one or more prior periods.

**Production sharing contract:** An agreement between government and contractors (generally an oil and gas company) whereby production is shared between the parties in a prearranged manner. The contractor typically incurs all exploration development and production costs that are subsequently recoverable out of an agreed-upon share of any future PSC production, referred to as cost recovery oil and/or gas.

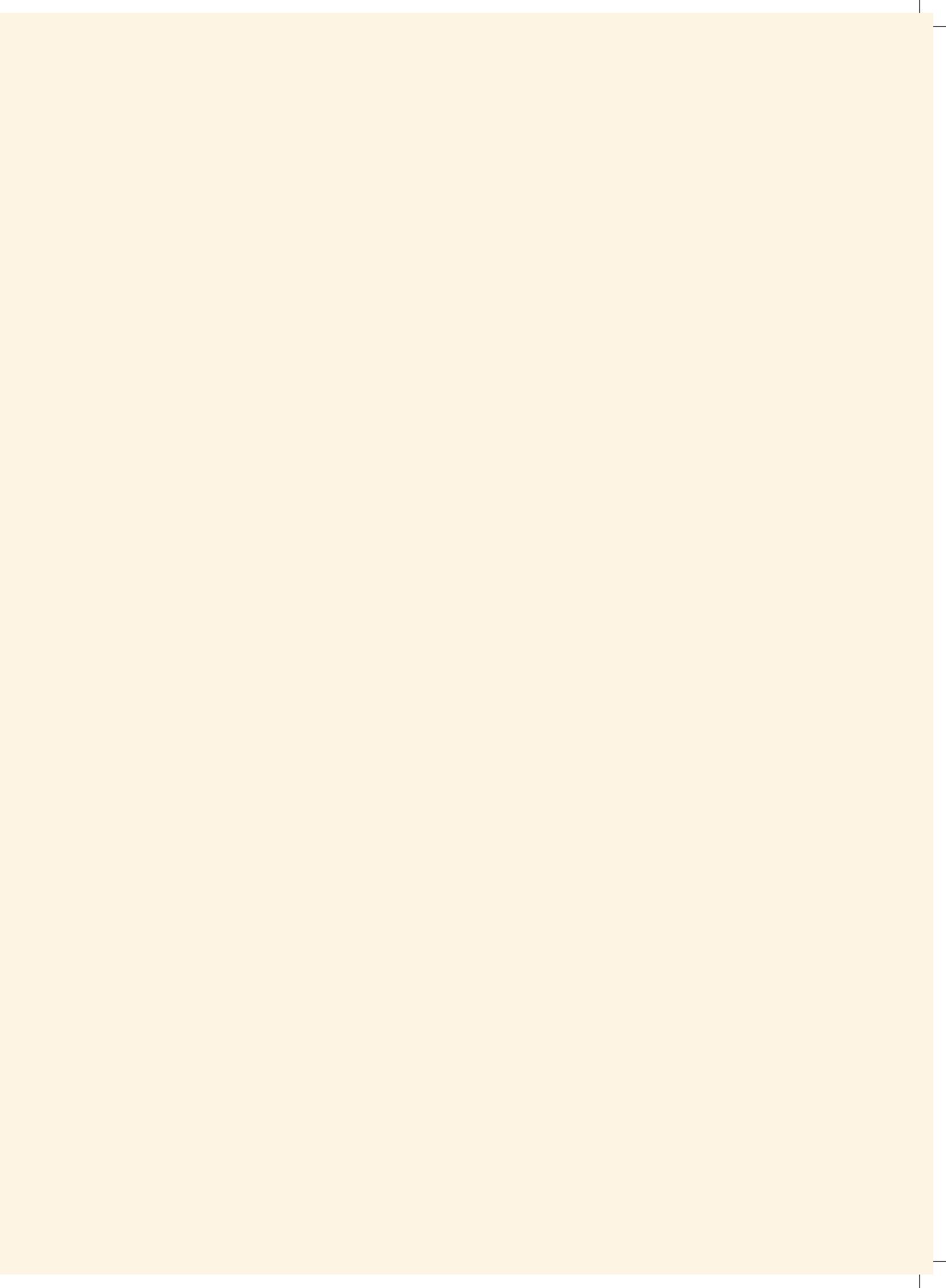
**Production Costs:** Costs incurred in lifting the oil and gas to the surface and gathering, treating and storing the oil and gas

**Provision:** An amount written off or retained by way of providing for depreciation of diminution in value of assets or retained by way of providing for any known liability the amount of which cannot be determined with substantial accuracy.

**Royalty:** It is a levy imposed under The Petroleum and Natural Gas Rules, 1959 payable to the respective State of Central Government granting the lease (Central Government in case of offshore) on crude oil and natural gas.

**Work in progress:** Work in progress includes all materials which have undergone manufacturing or processing operations, but upon which further operations are necessary before the product is ready for sale.

**Working Capital:** The funds available for conducting day-to-day operations of an enterprise. Also represented by the excess of current assets over current liabilities including short-term loans.





ऑयल इंडिया लिमिटेड

( भारत सरकार का उद्यम )

**Oil India Limited**

(A Government of India Enterprise)

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**Corporate Office:**

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UP, India, Phone : +91-120-2419000