



ऑयल इंडिया लिमिटेड

(भारत सरकार का उद्यम)

**Oil India Limited**

(A Government of India Enterprise)



Conquering Newer Horizons

**2016-17** ANNUAL  
REPORT



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



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## GENERAL INFORMATION

<b>Functional Directors</b>	<b>Government Nominee Directors</b>
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 Sunjay Sudhir Shri Amar Nath
<b>Company Secretary</b> Shri S.K.Senapati	

<b>Registered Office</b>	<b>Corporate Office</b>	<b>Registrar and Share Transfer Agent</b>
P.O.Duliajan Distt. Dibrugarh Assam - 786 602 Ph : 0374-2804510 Fax : 0374-2800433	Plot No. 19, Sector - 16A Noida, Distt. G.B.Nagar U.P - 201301 Ph : 0120-2419000 Visit us at : <a href="http://www.oil-india.com">www.oil-india.com</a>	M/s 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: <a href="mailto:einward.ris@karvy.com">einward.ris@karvy.com</a> Telephone No. 040 67161526

<b>Bankers</b>	<b>Statutory Auditors</b>	<b>Cost Auditor</b>
State Bank of India IndusInd Bank	M/s. N.C. Banerjee & Co. Chartered Accountants Kolkata  M/s. B.N Misra & Co Chartered Accountants Bhubaneshwar	M/s Chandra Wadhwa & Co. Cost Accountants New Delhi  <b>Secretarial Auditor</b> M/s RMG & Associates Company Secretaries New Delhi

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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 58<sup>th</sup> Annual General Meeting of the Shareholders of Oil India Limited will be held on Saturday, the 23<sup>rd</sup> day of September, 2017 at 11.00 AM at Bihutoli, Duliajan, Distt. Dibrugarh, Assam-786 602, to transact the following business:-

### (A) ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements including Consolidated Financial Statements of the Company for the year ended on 31<sup>st</sup> March, 2017 together with Board's Report, 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 2016-17 on the equity shares of the Company.
3. To appoint a Director in place of Shri Biswajit Roy, Director (HR&BD) (DIN: 07109038), who retires by rotation and being eligible, offers himself for re-appointment.
4. To authorise the Board of Directors to decide remuneration / fees of the Joint Statutory Auditors of the Company appointed by the Comptroller & Auditor General of India for the financial year 2017-18.

### (B) SPECIAL BUSINESS

5. To appoint Dr. P.Chandrasekaran (DIN: 07778883), as Director (Exploration & Development) of the Company and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act 2013, Rules made thereunder, Dr. P.Chandrasekaran (DIN: 07778883), who was appointed as Director (Exploration & Development), by the President of India vide letter no. C-31014/5/2015-CA/FTS:38931 dated 21<sup>st</sup> February, 2017 and subsequently appointed as an Additional Director [designated as Director (Exploration & Development)] by the Board of Directors with effect from 01.04.2017 to hold office until the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company

has received a notice in writing under Section 160 of the Companies Act, 2013 proposing the candidature of Dr. P.Chandrasekaran for the office of Director (Exploration & Development) of the Company, be and is hereby appointed as Director of the Company on terms & conditions determined by the Govt. of India and shall be liable to retire by rotation."

6. To ratify the remuneration of the Cost Auditors for the financial year 2017-18 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s Mani & Co., Cost Accountants, Kolkata, 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 2017-18, be paid the remuneration as set out in the statement annexed to the notice convening this meeting.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to do all the acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. To approve issuance of Debentures on private placement basis.

To consider and if thought fit to pass, with or without modifications, 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, approval of the members be and is hereby accorded to the Board of Directors to issue secured / unsecured redeemable non-convertible bonds / debentures ("Bonds") of face value aggregating upto ₹7,000 crore (from domestic as well as overseas market) on private placement basis during a period of one year from the date of approval by members within the overall borrowing limits of the Company."

"FURTHER RESOLVED THAT for the purpose of giving effect to the above resolution, the Board / Committee of the Board or officers authorized by them in this regard be and are 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 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 as they may, in their absolute discretion, deem necessary."

By Order of the Board  
For Oil India Limited

Sd/-  
(S.K. Senapati)  
General Manager (CS&Legal)

Place : Noida  
Date : 21.08.2017

#### 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 16<sup>th</sup> September, 2017 to 23<sup>rd</sup> September, 2017 (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 15<sup>th</sup> September, 2017.
- j) 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.
- k) Pursuant to Section 72 of the Companies Act, 2013 shareholders holding shares in physical form may file their nomination in the prescribed Form SH-13 with the Company's RTA. In respect of shares held in demat/electronic form, the nomination form may be filed with the respective Depository Participant.
- l) Members may send their requests for Non-receipt of shares, change / updation of address, bank a/c details, ECS mandate, email address, nominations, etc.:
- (i) For shares held in dematerialised form - to their respective Depository Participant i.e. the agency where the demat account has been opened.
- (ii) For shares held in physical form - to the RTA, M/s Karvy Computershare Private Limited, Hyderabad.
- m) Pursuant to the provisions of the Companies Act, the Company has transferred all unpaid dividends declared upto the financial year 2009-10 (Interim) to Investor Education & Protection Fund (IEPF) established by the Central Government. The dividend for the financial year 2009-10 (Final) and thereafter, which remains unpaid or unclaimed for a period of 7 years would be transferred to the IEPF on respective due dates.

Hence the members, who have not en-cashed their dividend warrant so far for the financial years 2009-10 (Final) to 2016-17 (Interim) are requested to write to the RTA, M/s. Karvy Computershare Private Limited, Hyderabad or to the Company for claiming the unpaid dividend.



- n) Pursuant to Section 101 and 136 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, Annual Report of the Company has been sent through email to those members whose email id is registered with the Company / Depository. Those members who have not registered their email id are requested to write to the RTA / their Depository Participant for registering the same.
- o) In terms of Section 108 of the 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 16<sup>th</sup> September, 2017.

### 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy Computershare Private Limited (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, RMG & Associates, Company Secretaries 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)]:
- Launch internet browser by typing the URL: <https://evoting.karvy.com>.
  - 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.
  - After entering these details appropriately, click on "LOGIN".
  - 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.
- You need to login again with the new credentials.
  - On successful login, the system will prompt you to select the "EVENT" i.e., 'Name of the Company'
  - 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.
  - Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
  - 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.
  - You may then cast your vote by selecting an appropriate option and click on "Submit".
  - 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).
  - 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)]:
- E-Voting Event Number – XXXX (EVEN), User ID and Password is provided in the Attendance Slip.
  - 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 cast 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 cast 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. 1-800-34-54-001 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 20<sup>th</sup> September, 2017 (9:00 AM IST) and ends on 22<sup>nd</sup> September, 2017 (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 16<sup>th</sup> September, 2017, may cast their votes electronically. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast 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. 16<sup>th</sup> September, 2017.
- 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

Dr. P.Chandrasekaran (DIN: 07778883) was appointed as Director (Exploration & Development) of the Company by the President of India vide Letter No. C-31014/5/2015-CA/ FTS:38931 dated 21<sup>st</sup> February, 2017 issued by Ministry of Petroleum and Natural Gas and was accordingly appointed as an Additional Director [designated as Director (E&D)] w.e.f 01.04.2017 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. P.Chandrasekaran for the office of Director (E&D). Dr. P.Chandrasekaran, if appointed, will be liable to retire by rotation. The terms and conditions regulating the appointment are determined by the Government of India. Dr. P.Chandrasekaran is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director.

None of the Directors / Key Managerial Personnel of the Company except Dr. P.Chandrasekaran is interested or concerned in the resolution.

The Board recommends the resolution for your approval.



**ITEM NO. 6**

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s Mani & Co., Cost Accountants, Kolkata 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, 2018. 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 Auditor for the financial year ending March 31, 2018.

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

The Board recommends the resolution for your ratification.

**ITEM NO. 7**

Section 42 of the Companies Act, 2013 and Rule 14 (2) of the

Companies (Prospectus and Allotment of Securities) Rules 2014 provide 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 invitation for such debentures during the year. The Company has been raising money by issue of Bonds in the nature of Debentures to meet its capital expenditure as well as working capital requirements. 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 ₹7,000 crore (from domestic as well as overseas market) in aggregate, through private placement of bonds 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 Directors / Key Managerial Personnel of the Company are interested or concerned in the resolution.

The Board recommends the resolution for your approval.

**BRIEF PROFILE AND INFORMATION OF DIRECTORS BEING APPOINTED / REAPPOINTED**

Name of the Director	Shri Biswajit Roy, Director (HR&BD)	Dr. P. Chandrasekaran, Director (E&D)
Date of Birth	01.07.1961	29.06.1961
Date of Appointment	08.05.2015	01.04.2017
Qualification	B.E (Chemical Engineering) from University of Roorkee (now IIT Roorkee), National Management Programme (NMP) from Management Development Institute (MDI), Gurgaon	Post-graduation in Geology from Madras Presidency College and Ph.D from IIT Roorkee on the subject "Petroleum Prospect and Risk Evaluation"
No of Shares held	NIL	NIL
Experience in Specific Functional Areas	Over 33 years of rich experience in the Oil Industry, spanning across a spectrum of diverse functions such as Marketing, Operations, Business Development, Human Resources, besides a stint at the Overseas Office of Indian Oil at Dubai.	Over 33 years of experience in various facets of petroleum exploration like Operations, Geology, G & G data interpretation, reserve estimation, petroleum risk and economic analysis, exploration management including drawing short, medium and long term plans, monitoring of exploration activities & Exploration Portfolio Management.
Directorship held in other Companies including Companies incorporated outside India	i. Oil India (USA) Inc. ii. JSC Vankorneft iii. Taas-Yuryakh Neftegazodobycha LLC iv. Beas Rovuma Energy Mozambique Ltd v. Oil India International Limited	Oil India International Limited
Membership / Chairmanship of Board Committees of all Companies in which they are Directors	1	3

## DIRECTORS' REPORT

### Dear Members,

On behalf of the Board of Directors, I hereby present the 58th Annual Report on the operations of the Company containing Audited Statements of Accounts together with the Auditors' Report and Comments of the Comptroller and Auditor General of India for the year ended March 31, 2017.

### 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 ₹ 11,191.07 crore as against ₹ 11,158.63 crore in FY16. The Profit before Tax (PBT) in FY17 was ₹ 2,146.32 crore against PBT of ₹ 3,440.57 crore in FY16. Profit after Tax (PAT) was ₹ 1,548.68 crore in FY17 against PAT of ₹ 2,301.67 crore in FY16.

Profitability of the Company during FY 17 was affected 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.

The average crude oil price realisation of the company for FY17 was USD 47.36/bbl as against USD 45.31/bbl in FY16. The average natural gas price for FY17 was USD 2.78/mmbtu as against USD 4.24/mmbtu in FY16. The INR/USD exchange rate for FY17 was ₹ 67.07 as against ₹ 65.47 in FY16.

(₹ in crore)

Particulars	Financial Year 2017	Financial Year 2016
Income from Operations	9,510.39	9,764.87
Other income	1,680.68	1,393.76
EBDITA	4,785.49	4,982.00
Finance Cost	396.71	384.00
Depreciation, Depletion and Amortization	1,090.73	942.30
Exceptional Items	1,151.73	215.13
Profit before Tax (PBT)	2,146.32	3,440.57
Profit after Tax (PAT)	1,548.68	2,301.67
Appropriations		
Interim Dividend	761.44	480.91
Tax on Interim Dividend	155.01	97.90
Final Dividend of previous year	480.91	601.14
Tax on Final Dividend of previous year	97.90	122.38
Transfer to Debenture Redemption Reserve	53.42	264.79
Transfer to General Reserve	-	734.55

##### (ii) Plan Expenditure

During the year 2016-17, Plan Expenditure was ₹4,336.65 crore, which is about 108% of the plan outlay of ₹4,019.71 crore.

### B. Operational Highlights

#### (i) Crude Oil Production

During the year 2016-17, crude oil production was 3.277 MMT (inclusive of 0.019 MMT of crude oil production as OIL's share from Kharsang JVC) which is about 0.92% higher than previous year's production (3.247 MMT). Most of our production is from matured fields where decline rate encountered was more than expected, whereas the contribution from work-over and new well drilling could not commensurate with fall in production. Bandhs, blockades, miscreant activities also contributed to some direct & consequential loss of production. Hence, although the increment in crude oil production is marginal, the significant fact to be noted is that a reversal of decline in crude oil production prevailed for past few years could be achieved. Crude oil sales were 3.221 MMT as compared to 3.237 MMT during FY16.

#### (ii) Natural Gas Production

The natural gas production was 2937 MMSCM (2705 MMSCM from Assam & AP + 232 MMSCM from Rajasthan Project) in FY17 against 2838 MMSCM in FY16 which is higher by about 3.48%. The sale of natural gas was 2412 MMSCM against 2314 MMSCM in FY16. This is the highest ever production and sale of natural gas in the history of OIL.

#### (iii) LPG Production

During FY17, LPG production was 34580 MT against 41030 MT in FY16. The sale of LPG was 34632 MT against 41172 MT in FY16.

#### (iv) Pipeline Operations

During the year, OIL's crude oil pipeline transported a total of 6.56 MMT of crude oil out of which Naharkatia-Bongaigaon sector transported 3.21 MMT of OIL's crude oil and 0.94 MMT of ONGC's crude oil. Barauni-Bongaigaon sector transported 2.41 MMT of imported crude oil. OIL has also transported 1.78 MMT of products through Numaligarh-Siliguri Product Pipeline.

#### (v) Renewable Energy

In FY 2016-17, OIL undertook 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 Unchwas, Madhya Pradesh), Commissioning of the project has started and as of 31<sup>st</sup> March 2017, a 8.4 MW sub part was commissioned at Kotiya, Gujarat and a 6.3 MW sub part was commissioned at Unchwas, Madhya Pradesh.



The balance sub parts of 18.9 MW each at Kotiya, Gujarat and Unchwas, Madhya Pradesh are ready for commissioning and awaiting signing of PPA as per new guidelines proposed by the states.

With this OIL's Total Installed Capacity in Renewable Energy Projects (Commercial) stands at 150.3 MW, comprising of 136.3 MW of Wind Energy Projects and 14 MW of Solar Energy Projects.

During the year OIL generated revenue of approximately ₹ 117.2 crore from the Commercial Renewable Energy Projects, which includes revenues accrued from the Wind as well as Solar Plants.

**The Production for FY 2017 from the operational wind farms and solar plants are as summarised below:**

S. No.	Particulars	Million/Units
1.	5 MW Solar Power Plant (Jaisalmer, Rajasthan)	9.13
2.	9 MW Solar Power Plant (Jaisalmer, Rajasthan)	16.46
3.	13.6 MW Wind Farm (Jaisalmer, Rajasthan)	19.98
4.	54 MW Wind Farm (Jaisalmer, Rajasthan)	75.96
5.	38 MW Wind Farm (Chandgarh, Madhya Pradesh)	72.78
6.	16 MW Wind Farm (Patan, Gujarat)	32.88

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

Further work on the second phase of the Wind Resource Assessment (WRA) exercise in Assam, being sponsored by OIL, has also progressed by Installation and Commissioning of nine nos. (09 nos.) Wind Monitoring Stations (WMS) and other ancillary infrastructure at the designated sites spread across eight districts of Assam. Since being commissioned, wind and other associated data are being recorded in each of the WMS, the process is scheduled to continue for two wind cycles.

**C. Exploration Highlights**

Your Company has drilled 23 (Twenty three) Exploratory Wells and carried out 2D & 3D Seismic Survey to identify New Prospects in the Petroleum Mining Lease areas and NELP Blocks, including spreading exploratory efforts by drilling 04 (Four) wells in the NELP Blocks viz. MZ-ONN-2004/1, KG-ONN-2004/1, CY-OSN-2009/2. With the drilling of the first High Pressure – High Temperature (HPHT) well in the block KG-ONN-2004/1, Your Company has stepped into a new frontier which is likely to add value to the already discovered gas in the Block. The successful completion of the first deepwater

offshore well in the NELP Block CY-OSN-2009/2, after a gap of nearly 25 years in offshore drilling, your Company has acquired experience & exposure in offshore exploration & drilling practices.

During the year, your Company has made 10 (Ten) oil & gas discoveries in the Upper Assam Basin and steps have been initiated for quick appraisal and production.

**2. ACREAGE**

Your Company's In-Country operations are spread over the onshore Petroleum Exploration License (PEL) and Petroleum Mining Lease (PML) areas in the states of Assam, Arunachal Pradesh, Mizoram, Andhra Pradesh & Puduchery and Rajasthan. Besides, your Company has ventured into shallow and deep water areas in Cauvery, Andaman, Mumbai and Gujarat-Kutch offshore in partnership with other consortium partners.

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. In addition, as on 31.03.2017, your Company holds Participating Interest (PI) in total of 09 (Nine) NELP Blocks with the right of Operatorship in 06 (Six) Blocks and the remaining 03 (Three) Blocks as a Non-operator. In addition, your Company holds 40% PI in the JV Block of Kharsang PSC and 44.086% PI in Pre-NELP block AAP-ON-94/1. Your Company has also been recently awarded one block AA/ONDSF/Kherem/2016 with 40% PI under Discovered Small Field bidding Round-2016.

Your Company also holds 50% PI in the Onshore Block Shakthi-II in Gabon covering an area of 3761.25 Sq. Km. and 60% PI share in the Offshore Blocks M-4 & YEB in Myanmar covering an area of 31678 Sq. Km. along with the right of operatorship in all these Blocks.

**3. OIL AND GAS RESERVES**

**Domestic**

Your Company has strong oil and gas reserves base for the domestic assets including JVs as on 01.04.2017 as furnished below:

Particulars	1P	2P	3P
Oil + Condensate (MMT)	29.3449	78.8494	106.1580
Balance Recoverable Gas (BCM) *	76.5950	125.3272	161.2374
O+OEG (MMTOE)	96.4014	187.7105	244.6585

\* Based on projected volume of gas under various sales contracts, 1P, 2P and 3P Gas Reserves are 20.283, 38.484 and 58.263 BCM respectively.

**Overseas**

The oil & gas reserves position as on 01.04.2017 of 05 (Five) overseas producing assets (OIL's share) namely Carrizo (USA), License-61 (Russia), Vankorneft (Russia), Taas Yuryakh (Russia) and Carabobo (Venezuela) are as furnished below:

Particulars	1P	2P	3P
Oil + Condensate (MMT)	17.4045	40.1461	61.7632
Gas reserves (BCM)	5.3749	7.8348	9.9743
O+OEG (MMTOE)	22.0530	46.9341	70.3997

**4. CAPITAL STRUCTURE**

During January, 2017, 20,03,78,652 bonus shares were allotted to the shareholders in the ratio 1:3 i.e one bonus share for three shares held. Accordingly, the paid-up capital of the Company as on 31.03.2017 was ₹ 801.51 crores divided into 80,15,14,607 shares of ₹10/- each.

Subsequently, as per the approval of the Board and the applicable provisions of the Companies Act, 2013 and SEBI Buyback Regulations, 4,49,12,000 equity shares were bought back by the Company in the month of June, 2017 resulting in decrease in paid up share capital of the Company to the tune of 4,49,12,000 shares. Post buy-back, the paid-up capital of the Company is ₹ 756.60 crore divided into 75,66,02,607 shares of ₹.10/- each out of which the Government of India (Promoter) holds 66.13%. The Earning per Share (EPS) of the Company as on March 31, 2017 is ₹ 19.32 as compared to ₹ 28.72 at the end of previous financial year.

**5. DIVIDEND**

Based on the provisional financial trend, your Company paid Interim Dividend @ 95% amounting to ₹ 761.44 crore for the FY 2016-17. The Board of Directors are now pleased to recommend a final dividend @47.50% on the post buy back paid up capital for the FY 2016-17, subject to the approval of the shareholders at the 58th 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 Credit Ratings</b>			
Long Term Rating	Moody's Investor Service	Baa2 (Stable)	One notch above India's Sovereign rating
Long Term Rating	Fitch Ratings	'BBB-' (Stable)	At par with India's Sovereign rating

Category	Rating Agency	Rating	Remark
<b>Domestic Credit Ratings</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**

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. (Please refer to Note No 6, 7, 15 & 40.15 to the standalone financial statements}.

**8. RELATED PARTY TRANSACTIONS**

All contracts / arrangements / transactions entered by the Company during FY17 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](http://www.oil-india.com). Attention is also invited to Note 40.4 to the financial statements and Form AOC-2 attached here with.

**9. HUMAN ASSETS**

Human Resource Management at OIL is an integrated approach focusing on Organization's faith to work with people and work through them to manage change and strive for continued excellence. OIL works towards building positive employee-organization relationship through nurturing initiatives, innovations and aspirations with best HR practices and commitment and provide professional working environment. HR policies and practices are always sensitive to employee needs. As on 31<sup>st</sup> March 2017, Company has 7228 employees consisting of 1506 Executives and 5722 Unionized Employees in the Company. During the year, OIL has taken a number of impactful 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 included enhancing transparency, fairness and objectivity of HR Processes, career opportunity based on performance and objective set of criteria, gradual integration of competency based tools to enhance efficacy of HR Processes, introduction of Reward and Recognition Scheme for reinforcing high performance behavior, improving speed and efficacy of recruitment process by introducing online receipt of applications and adoption of computer based online selection test etc. The interventions taken by the Company has reflected in enhanced scores in motivation level in survey undertaken by the Company.



## 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. As a result of above encouragement, Oil India participated in National and International Sports Events in Football, Volleyball, Table Tennis, Cricket, Chess etc. and brought laurels to the Company. Oil India Limited actively supports and promotes sports under the umbrella of Petroleum Sports Promotion Board (PSPB) and also under various Government of India recognized bodies. Our football team has won number of laurels for the Company by winning XXXVII PSPB Inter-Unit Football tournament held in Assam from 20<sup>th</sup>-24<sup>th</sup> November, 2016 and also winner of other Prestigious Tournament like 68<sup>th</sup> Independence Day Cup Football Tournament, ATPA Shield Football Tournament, 15<sup>th</sup> J.S.B. Gold Trophy Football Tournament. OIL Golf Team also won the XXXVII PSPB Inter-Unit Golf Tournament held at Noida from 21<sup>st</sup>-24<sup>th</sup> March, 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 representations of various priority sections in Executive and Unionized Employees categories in the Company as on March 31, 2017 is as under:

(Figures in nos.)

Category	SC	ST	OBC	MINORITY	PWD	WOMEN
EXECUTIVES	205	133	344	119	22	154
UNIONISED EMPLOYEES	484	739	1784	352	92	225
TOTAL	689	872	2128	471	114	379

As on 31st March, 2017, out of total employees strength, 1.57% (114 nos) are PWDs.

## 12. IMPLEMENTATION OF SEXUAL HARASSMENT PREVENTION, PROHIBITION AND REDRESSAL ACT, 2013

In accordance with the Government guidelines and norms, OIL has constituted the Internal Complaints Committee (ICC) at its different spheres to look into offences related to sexual harassment of women at the workplace. These Complaints Committees are headed by women and not less than half of its members are women. Further, to prevent the possibility of any undue pressure or influence from senior levels, such Complaints Committee involves a third party (woman), who is either principal of an educational institute or social worker or person of

repute. The Committee is deemed to be Inquiring Authority for the purpose of such misconduct and the report of the ICC shall be considered as Inquiry Report under the Rules. During the year under review, no case was referred to the committees. There was one case filed under Section 22 of Sexual Harassment of Women Act, 2013 during the period 2016-17.

## 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

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

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

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

OIL adheres to the Public Procurement Policy for MSEs. The Annual Plan for the year 2017-18 and achievement for the FY

2016-17 for procurement of goods and services from MSEs are as under :

1	OIL'S Annual Plan for procurement of goods and services from MSEs during the year 2017-18	₹ 250.00 Crore
2	Achievement in the FY 2016-17	
	a) Total value of goods and services procured from MSEs (including MSEs owned by SC/ST entrepreneurs).	₹ 245.11 Crore
	b) % age of procurement of goods and services from MSE(including MSEs owned by SC/ST entrepreneurs) out of total procurement	₹ 5.41 %

## 17. VIGILANCE

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

**Preventive Vigilance:** This calls for constant review of roles, procedures and practices for refining and improving the system. Some of the steps taken in this direction during the year 2016-17 include suggesting for various system improvement measures on the basis of scrutiny of various contracts & Purchases, inspections of installations both regular and surprise, intensive examinations by Chief Technical Examiner(CTE) of CVC. To create awareness and to sensitize employees about the Organisation rules and regulations, twelve programs were conducted in various spheres of the Organization. The programs included "Keep in Touch" (KIT), Catch Them Young (CTY) and "Vigilance Sensitisation Programs".

**Punitive Vigilance:** Based on complaints received by the Department from various sources including the CVC and the Ministry, investigations were done and taken to their logical conclusion. During the year 2016-17, disciplinary actions were dealt against 12 OIL officials and the case against 04 of these officials were disposed.

**Participative Vigilance:** To inculcate values of transparency, equity and fairness online "Integrity Pledge" was launched by the Commission which received good response and participations from Oil Indians. Continuous efforts are on to elicit wider participation by encouraging the OIL employees to take the online "Integrity Pledge". 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.

One major event in the direction of Participative Vigilance is "Vigilance Awareness Week" (VAW). As per CVC's directive, VAW was observed from 31<sup>st</sup> Oct- 5<sup>th</sup> Nov'2016 in all the OIL spheres. This year the theme was "Public participation in promoting Integrity and eradicating Corruption". In line with the theme, "Vigilance Pledge" was administered on 31<sup>st</sup> Oct'2016 at all spheres. Various awareness programs, amongst OIL family were conducted such as Training, Seminar, Workshops, Quiz, Debate, various Competitions, including Cycle Rally, padayatra (procession) with chanting of anti-corruption slogans, distribution of Pamphlets and display of banners among the citizens. Outreach activities were also carried out in schools and colleges to encourage public participation. Vendors' Grievance Redressal Camp was organised at FHQ, Duliajan amongst the vendors to ventilate their problems to the concerned authorities.

Other important Vigilance activities done during the year 2016-17 include:

- Quarterly issues of in-house Vigilance Journal 'In-Touch' along with a special issue were published during the year.
- Introduction of "Vigilance Online Status System" as advised by the Department of Personnel and Training (DoPT), where special efforts are being ensured for entries as per the requirement.

## 18. RESEARCH AND DEVELOPMENT

The Company accords utmost importance to up-gradation of technologies and expertise in various areas of activities through its own Research & Development Centre. A number of studies and projects in the field of IOR/EOR, well stimulation, water shut-off, Oil field chemicals and work over & drilling fluids, produced water management, flow assurance & paraffin control, Geochemistry, Petroleum Biotechnology, Unconventional Hydrocarbon etc. carried out and benefits have been derived by the Company. An MoU has been signed with University of Houston on IOR-EOR & other oil field studies and work on this line is under progress.

## 19. SUBSIDIARIES/ COMPANIES IN WHICH OIL HAS SHAREHOLDING

### Subsidiaries

#### (i) Oil India Sweden AB

Oil India Sweden AB is a Wholly Owned Subsidiary (WOS) of Oil India Limited. The company was incorporated on the 20th November 2009 as a private limited company (AB). Objective of the Company is to channelize investments into overseas E&P Projects.



### **(ii) Oil India Cyprus Ltd.**

Oil India Cyprus Limited was incorporated in Cyprus on 21st October 2011 as a private limited liability Company under the Cyprus Companies Law. Oil India Limited holds 76% of the Share Capital of the Company and the balance 24% is held by Oil India Sweden AB (WOS of OIL). Objective of the Company is to channelize investments into overseas E&P Projects.

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

Oil India (USA) Inc. is a WOS 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.

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

OIIL, a WOS of Oil India Limited was incorporated on 20th September, 2013 to be the overseas investment arm of OIL. The registered office of OIIL is situated in New Delhi. Since, none of the objects, associated with its formation could be carried out, steps have been initiated for winding up of the Company.

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

Oil India International B.V, a WOS of OIL was incorporated in Netherlands on 2nd May, 2014. 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 India Limited. The company was incorporated in Singapore on 6th 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.

### **Companies in which OIL has shareholding:**

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

Numaligarh Refinery Limited was incorporated in 1993. NRL is a Category -I Mini Ratna PSU having a 3 MMTPA Refinery at Numaligarh, in Golaghat District of Assam. The Company is a subsidiary of Bharat Petroleum Corporation Limited. OIL is holding 26% of the paid up equity share capital 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 and to distribute and market petrochemical products in India and abroad. The registered office of BCPL is located at Guwahati, Assam. OIL holds 10% of the paid up equity share capital of BCPL.

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

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

### **(iv) DNP Ltd.**

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

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

Oil India Sweden AB (WOS of OIL) owns 50% of the shares in Indoil Netherlands B.V which in turn holds 7 per cent equity interest in Petrocarabobo SA (joint venture company), Project Carabobo-1, Venezuela. The principal activity of Indoil Netherlands B.V. 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. The company is engaged in the business of exploration, development and production of oil and gas outside the British Virgin Islands. BREML holds 10% PI in the Rovuma Area 1 Offshore Block in Mozambique.

### **(vii) WorldAce Investments Ltd.**

OIL (through OIIBV-WOS of OIL) 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 India Limited {through Oil India International Pte. Ltd.(WOS of OIL)} holds 33.5% share in Vankor India Pte. Ltd., a company incorporated in Singapore on 20th May 2016. The activities of the Company are: to act as investment holding company for Crude 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.

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

Oil India Limited {through Oil India International Pte. Ltd.(WOS of OIL)} holds 33.5% share in Taas India Pte. Ltd., a company

incorporated in Singapore on 23rd May 2016. The activities of the Company are: to act as investment holding company for Crude Petroleum and Natural Gas Production. Taas India Pte. Ltd. holds 29.9% shares in LLC "TYNGD", Russia which holds two producing licenses in Eastern Siberia.

### **Annual Report of Subsidiaries and Consolidated Financial Statements**

In accordance with Section 134 of the Companies Act, 2013 and the applicable Accounting Standards, audited Consolidated Financial Statements for the year ended 31st March, 2017 of the Company and its subsidiaries forms part of the Annual Report.

A report of 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.

Full Annual Reports of Subsidiaries of OIL will be made available to any shareholder, if he/she desires and are also available on the Company's website.

### **20. STATUTORY REQUIREMENTS**

Your Directors have made necessary disclosures as required under various provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. Information on the conservation of energy, technology absorption, R&D, 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 forming part of this Report. In view of the exemptions to the Government Companies from applicability of the section 197 of the Act by the Government of India, 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.

### **21. STATUTORY AUDITORS, COST AUDITOR AND SECRETARIAL AUDITOR**

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 2016-17. Comments of the C&AG forms part of this Report.

The Cost Audit Report for the financial year 2015 -16 was filed within the statutory time limit. M/s Chandra Wadhwa & Co, Cost Accountants is the Cost Auditor of the Company for the financial year 2016-17. The report is being finalized and will be filed within the stipulated time frame.

Secretarial Audit Report, confirming compliance to the applicable provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015, Listing Agreement, SEBI guidelines and all other relevant rules and regulations relating to Capital Market, from M/s RMG & Associates, Practicing Company Secretaries is annexed. With respect to the qualification about the composition of the Board of Directors & Board Committees the Company has requested MOP&NG to appoint appropriate number of Independent Directors on the Board of the Company.

### **22. EXTRACTS OF ANNUAL RETURN**

The extracts of the Annual Return are attached herewith as Annexure (Form MGT-9) to this Report.

### **23. AWARDS AND RECOGNITIONS**

Oil India Limited was conferred with the following recognitions and awards/ accolades, by different agencies, during the year 2016-17:

- Credit Rating Agencies, Moody's and Fitch, reaffirmed Oil India Limited's Credit Ratings. While Moody's Investor Service rated Oil India Limited as Baa2 (Stable), Fitch rated the Company as BBB-(Stable).
- Ranking of #201 in the Platts Top 250 Global Energy Company Rankings for 2016.
- The Petrofed Exploration and Production - Company of the year Award-2015.
- Indian Chamber of Commerce (ICC) - Public Sector Enterprise Excellence Award, 2015 on CSR & Sustainability
- Standing Conference of Public Enterprises (SCOPE): Corporate Communications Excellence Awards-2016 in the "Innovative stakeholder Interface" and the "Best External Communication Programme" categories
- 15<sup>th</sup> Annual Greentech Safety Award 2016 under Gold category in Petroleum Exploration Sector
- Award for the "Best Overall Display" at the Petrotech-2016 Exhibition.
- The Jury choice Award for Strategic Investment at the 4<sup>th</sup> Governance Now Public Sector Undertaking Awards-2016
- Best CFO Award -2016 for OIL's Director (Finance) in Oil & Gas Sector by The Institute of Chartered Accountants of India (ICAI)
- Awards under various categories including Global HR Excellence Award for Development of Welfare for Women and Children, ABP News HR leadership Award for Learning





& Development Initiative Excellence etc. at the World Human Resource Development Congress in Feb, 2017.

- OIL was also ranked 20th in the listing of Best Employer Brand in India out of 470 organizations participating in the 11<sup>th</sup> Employer Branding Awards, 2017, and was also ranked 45th out of 750 participating organizations in the Dream Companies to Work for listings by TIMES ASCENT.

## 24. 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.

### CHANGES IN THE BOARD OF DIRECTORS

(i) In terms of Ministry of Petroleum & Natural Gas (MOP&NG) Letter No. C-31033/1/2016-CA/FTS:42979 dated 16<sup>th</sup> August, 2016, Shri Amar Nath (DIN: 05130108), Joint Secretary (E), MOP&NG was appointed as Government Nominee Director w.e.f 16<sup>th</sup> August, 2016 for a period of three years on co-terminus basis or until further orders, whichever is earlier.

(ii) In terms of Ministry of Petroleum & Natural Gas (MOP&NG) Letter No. C-31014/5/2015-CA/FTS:38931 dated 21<sup>st</sup> February, 2017, Dr P. Chandrasekaran (DIN: 07778883) has taken over as Director (Exploration & Development) of the Company w.e.f 1<sup>st</sup> April, 2017, vice Shri Sudhakar Mahapatra who ceased to be Director (Exploration & Development) of the Company pursuant to his superannuation from the services of the Company on 31.03.2017 (after close of working hours).

### CHANGES IN KMP(s)

Shri S.K.Senapati, GM (CS&Legal) was appointed as Company Secretary and Compliance Officer of the Company w.e.f 01.11.2016 vice Shri S.R.Krishnan who had superannuated from the services of the Company after close of working hours on 31.10.2016.

A total of 13 (thirteen) Meetings of the Board of the Directors were held during the FY 2016-17.

## 25. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 (5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is here by 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 operating effectively.

## 26. 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 Ministry of Petroleum & Natural Gas, all other Ministries and Agencies in Central and State Governments. Your Directors express their gratitude and thanks to the Shareholders, 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: 11.08.2017

Place: Noida

## PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, EXPENDITURE INCURRED ON R&D AND FOREIGN EXCHANGE EARNINGS AND OUTGO UNDER COMPANIES (ACCOUNTS) RULES 2014

### A. CONSERVATION OF ENERGY:

#### I. Steps taken by OIL for conservation of Energy

1. In the present day context of energy crisis, conservation of energy (conventional & Renewable) has become a very important issue and OIL from its very inception has been aware of this and the best efforts are being made to conserve energy in various areas of its operation. OIL has implemented Energy Audit Programmes at the vital installations and strategic equipment at regular intervals so as to monitor their consumption of various forms of energy and suggest corrective measures. Many of these suggestions / recommendations were compiled and closely followed up for implementation as planned.
2. OIL is also looking towards the new technological development in the fields of energy conservation and use of renewable sources of energy. Moreover, during the last year awareness programs like imparting training to vehicle drivers / operators / technician on fuel efficient driving technique / practice; organizing workshop on "Oil & Gas Conservation" for its own employees and among school children, ladies & housewives in and around OIL's Operational areas; auto fuel efficiency checkup camps; campaign for promoting fuel efficient stove and solar appliances for household sector, organizing technical meeting on substitution of petroleum products with alternate source of energy etc. were conducted.
3. A total quantity of 1352 KL of crude oil was saved / retrieved from different operational activities during the year under review by adopting the measures like use of Oil Soluble De-emulsifier (OSD), regular & proper maintenance of Crude Oil Transportation Trunk / Branch Pipelines to minimize pumping power requirement. Pumping power requirement was further reduced by treating the crude oil with flow improver chemical / heat treatment. Also a sizeable quantity of spill oil during various field activities was retrieved from various pits and sumps.
4. Total volume of condensate recovered from the different work spheres during the year was about 2,03,059.67 KL.
5. During the year, substantial amount of gas was conserved by the way of 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, OIL could conserve 90.52 MMSCUM of Natural Gas during the last year. Likewise by utilization of stabilizer and use of gas as housing fuel in Moran OIL Township natural gas of 2.10 MMSCUM was conserved.

6. Efforts were made for conservation of electricity by use of energy efficient devices and fittings. By replacing 200 nos. 36W Tube Light Fittings with 20W LED Tube Light fittings, amount of electricity savings achieved is 18688 kWh in Moran. By Installation of new Distilled water Plant which utilizes waste steam from the existing natural gas heating system (steam jackets) in place of electrical heater in Moran Power Station, 4500 kWh of electrical power saving is achieved. By way of replacement of existing lamps with energy efficient lamps, CFL etc. in Pipelines Head Quarters and 11 Pumps Stations spread across three states of Assam, West Bengal and Bihar, 32,543 kWh electrical power saving was achieved.
7. For conservation of HSD, OIL took various steps during the year. During night time for area illumination by use of 5 Nos. SOLAR plant in place of 30 KVA diesel Gen set at Work-over locations & by installing 7nos. new & technologically upgraded Solar Gen Set at well site resulted in saving of about 29.35 KL HSD. With the use of natural gas pressure to load Tank Trucks at FGGS Deohal resulted in saving of about 18.65 KL HSD. The non-fired NPU in Well activation jobs resulted in saving of about 6.5 KL HSD. Introduction of Energy Efficient Engines in Drilling site at Duliajan resulted in saving of about 1339 KL HSD. Average fuel consumption of Rig operations has been lowered by the use of CFL in the mast structures of AC-SCR Rigs.

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

1. 100 KWp Solar Power Plant at Joypur OCS, Duliajan produced 1594 kWh of Electricity.
2. 20 KWp Solar Power Plant at Repeater Stations at Jagiroad (Assam) and Kishanganj (Bihar) produced 16487 kWh and 17741 kWh of Electricity for industrial purpose.



3. Use of Solar Photo-Voltaic cells for MART Communication resulted in saving of about 1103.2 kWh of equivalent electrical energy. Installation of Solar LED lighting for area lighting purpose at 4MGD WTP & Pontoon has resulted in saving of 20332 kWh of non-renewable energy.
4. 30 KwP Solar Power Plant at Corporate office, NOIDA produced 32,621 kWh of Electricity which was used for official purpose resulted in saving of 9.53 KL of HSD.
5. Use of Solar Distilled water plant at Moran Power Plant & New ICE Shop in Duliajan resulted in saving of conventional energy.

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

Capital expenditure for energy conservation equipment was not done during the year.

#### (B) Technology absorption:

##### i. Efforts made towards technology absorption

- a) *Sequential Extraction of Sedimentary Rocks for Oil Charging History of Upper Assam Basin*

A technology on sequential extraction of sedimentary rocks for evaluating the charging history of Upper Assam Basin was developed in-house. Crude Oil in a reservoir is usually a mixture of multiple discrete petroleum charges. In order to collect the molecular information encoded in discrete temporal phases of residual oil adsorption, sequential removal of residual petroleum fluids from reservoir rock cores is achieved by using by collecting extract fractions as a function of polarity of the solvent system used in this technology. This sequential extraction technique generates useful information which helps in understanding filling history of the reservoirs in the basin during different times of history.

- b) *Bioremediation technology using native microbial flora of Upper Assam Basin*

In-house bioremediation technology using native microbial flora of the Upper Assam Basin have been developed and adopted which has the capability of bio-remediating and restoring oil spill contaminated sites in an environmentally sustainable way. This in-house technology has the capability of bringing down oil content to less than 10 ppm and enhanced eco-restoration of selected site by use of native plant species. During the year, pilot scale deployment of the developed technology was successfully carried out in OIL's Eastern Asset

- c) *Implementation of Radial Drilling*

After successful trial of the technology in two wells in the previous year, it was decided to extensively use Radial Drilling so that the gain in crude oil could be achieved

through testing of higher up sands from old fields like Nahorkatiya and Jorajan. Radial Drilling was carried out in six more wells (NHK#152, JRN#18, NHK#614, NHK#358, NHK#329 & NHK#529) in this financial year.

- d) *Installation of Electrical Submersible Pump (ESP)*

Installation of Electric Submersible Pumps (ESP) as a mean of Artificial Lift Pumps had been planned during the year. A total of 10 ESP will be installed in OIL's oilfield which will be carried out in phases. The first ESP was installed in 2015-16 at MKM#22 which showed highly satisfactory result. During the year 2016-17 ESP was installed in BPR#09, MKM#48, BMR#02, MKM#50, MRN#108 & SLM#16.

- e) *Implementation of Chemical Water Shut-off Technology*

In order to arrest the increasing water cut in Naharkatia fields and to obtain sustainable production from some of the depleting wells, implementation of chemical water shut off technology using organically cross-linked polymeric gel was planned in Bhogpara and a couple of wells in Khagorijan. Accordingly, 7 nos. of wells were identified by IRS, ONGCL, Ahmedabad. During the period water shut-off job has been carried out in five wells.

- f) *Matrix Acidization*

For enhancement of production from wells with formation damage, matrix acidization job had been 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. Matrix acidization were carried out in 2(two) Water Injection wells, 19(nineteen) Water Disposal Wells and 4(four) oil producing wells till 31.03.17.

- g) *Liquid Flow Improver for Flow Assurance*

Production of medium, heavy, and extra-heavy crude oils may require significant investment in lift and transport processes. Flow improvers and viscosity reducers can decrease viscosity by up to 95%, depending on the causes of the increased viscosity, type of chemistry, and production system. During the last fiscal year, a total of 10(ten) production tubular/ flow line/delivery line operations were carried out thereby preventing downtime of wells and averting production loss. It has also reduced the well servicing frequency in many of the wells. To mitigate the flow assurance problem in both horizontal & vertical regimes this technology was implemented. Supply and Injection of Liquid Flow Improver (LFI) through Chemical Dozing Pumps in Well Annulus/ Flowlines of Ten Wells (NHK-587, NHK-612, STL-2, NHK-295, NHK-339, SKT-2, HJN #66, HJN#15, SLM#02 & MKM-47 (Flowline)) within the operational area of Oil India Limited in Assam are in progress.

*h) Introduction of new, state of the art Drilling Rig*

For the first time, two numbers 2000 HP VFD Drilling Rigs were purchased from M/s CPTDC, China and same were installed and commissioned in the year.

*i) Non-Luminous Enclosed Ground Flare System*

The Non-Luminous Enclosed Ground Flare System with combined gas burning capacity of 2,81,0000 SCUMD and liquid knock-out capacity of 90 KLPD had been installed and successfully commissioned on 31.01.2017 at Makum OCS. This technology has been inducted for the first time in Oil India Limited for burning of flare gases in an Oil Collecting Station.

*j) New Technology Logging Tools*

Following "New Technology" Logging tools were inducted in Well Logging Department in the year (2016-17):

- Array Compensated Resistivity Tool (ACRT)
- Circumferential Acoustic Scanning Tool (CAST-I)

*k) Induction of new technology in Pipeline operations & maintenance*

After prolonged study and trial through field use, Butyl rubber Polyethylene cold applied tape has been inducted as the coating material for pipeline and Coal Tar Enamel has been phased out. Coating refurbishment with Cold applied tape and visco-elastic material carried out at different locations.

New methodology for strengthening of the live pipeline by application of cold applied composite material has been inducted.

New state-of-the art insulating flange joint kit has been inducted and effectively applied in repairing shorted insulating flanges.

*l) Establishment of GIS based Pipeline Assets Management system:*

With an objective for better management of OIL's Pipeline asset from Duliajan to Barauni, it was decided to develop a Geographic Information System (GIS) based asset management by preparation of a Pipeline base map encompassing the entire RoW of OIL with Geo-referencing and overlaying the pipeline asset details over the map so that the entire network could be viewed and managed efficiently on one platform.

*m) Introduction of Telescopic Conveyor system at LPG Filling Plant*

One Telescopic Conveyor system for Cylinder Unloading and one Telescopic Conveyor System for Cylinder Loading were commissioned in LPG Filling Plant.

*n) Induction of Processes & Work-Flows in Geophysics Department*

**Stochastic Inversion** is now carried out through in-house effort to derive elastic parameters viz. acoustic-impedance, shear-impedance, VP/VS & density volumes for Oligocene formation in one of the OIL's field in Upper Assam basin.

**Litho-facies classification** using supervised-Bayesian-classification and reservoir properties viz. clay-volume, effective-porosity & hydrocarbon-saturation are estimated using multi-attribute-analysis approach.

**ii. The benefits derived from the above**

- a) The Sequential Extraction of Sedimentary Rocks technology will help in identifying the presence one or more active source area for a basin. The results generated using this technology will also help in petroleum system modelling.
- b) The success of the biological interventions using in-house developed bacterial strains capable of enhanced biodegradation of crude oil in field conditions prevailing in operational area of Oil India Limited indicates to the potential of extending this technology to bio-remediate similar sites in the near future.
- c) Radial drilling will improve the recovery from old wells having undrained oil /formation damages on account of different reasons. In the year 2016-17, total gain in production on account of Radial Drilling is around 4731 MT of Crude Oil.
- d) Installation of ESP will lead to improve production from depleted reservoirs. During the year 2016-17, total gain in crude oil production on account of installation of ESP is around 21445 MT.
- e) Implementation of chemical water shut off technology will help to arrest the increasing water cut in Naharkatia field as well as to obtain sustainable production from some of the depleting wells.
- f) As a result of Matrix Acidization, the injectivity of the water injection & disposal wells has improved along with a gain in Oil Production from BPR#14.
- g) Liquid Flow Improver technology reduces the viscosity of oil for lifting, processing and transport, thereby reducing operational costs and improving production performance.
- h) The VFD rigs with state of art technology and enhanced features will help in enhancing drilling efficiency as well as safety.



- i) The design of the Non-Luminous Enclosed Ground Flare system is such that it ensures proper burning of the gases which leads to reduction in emission of CO and NOx (major contributor to green house gases), thereby reducing carbon footprint. It also reduces noise and heat radiation level to acceptable environmental norms. It also has features of separating entrained oil from flare gas and thereby prevents burning of crude oil during liquid carry-over.
- j) With ACRT tool, real-time log data processed via 2D software, with radial resistivity curves computed in real time at focal depths of 10,20, 30, 60, and 90 inches. Due to shorter tool length of ACRT, combining different logging tools in a single run has resulted considerable savings in valuable rig-time in addition to reduction in downhole problems normally encountered due to long hours of operations.
- The CAST-I tool delivers high quality cement evaluation and casing inspection information in “SINGLE” run with faster logging speed and programmable parameters. In open hole, the CAST-I provides complete 360° profile of the borehole image.
- k) Use of Butyl rubber Polyethylene cold applied tape has led to phasing out of the Coal Tar Enamel method which is no longer used nowadays.
- l) With the implementation of the GIS system, the entire network of Pipeline ROW could be viewed and managed efficiently on one platform. The system would also enable to track the line walkers with the help of Global Positioning System (GPS).
- m) With the introduction of Telescopic Cylinder Loading & Unloading system, time requirement of the unloading and loading jobs have reduced compared to earlier. The system also enhances safety of man & material in the cylinder loading and unloading process.
- n) It is envisaged that the deliverables will help in providing a better insight not only in terms of understanding the reservoir extension & distribution but also during reservoir quality assessment and updation of the existing static & dynamic model.

**(iii) 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>Ignition system of Waukesha Gas Engines</b> The ignition system of Waukesha Gas Engine was upgraded from Altronic System to CPU system.	2014	Yes.	Not Applicable
2	<b>Inflow Control Device (ICD)</b> Inflow control devices are frequently used with sand screens on openhole completions. The technology has been implemented in 7 locations (HWT-H/MKM#52, HVF-H/MKM#53, HWQ-H/MKM#54, HWP-H/MKM#56, HWP-H/MKM#56, HXH-H/MKM#57, HXI-H/MKM#54, HWE-H/NHK#611)	2014	Yes	Not Applicable
3	02 nos. MIT (Multi finger Imaging Tools, one 24 Finger and the other 40 Finger) and 01 MTT (Magnetic Thickness Tool) along with WIVA & WIPER processing software.	2014	Yes	Not applicable
4	<b>High Performance Computing Centre (HPCC)</b> HPC Centre offers the latest suites of Geophysical application software under one roof to address diverse imaging & compute 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. The centre is also equipped with some first of its kind technologies in OIL.	2015	Yes	Not Applicable

<b>5</b>	<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 under a contract with M/s AI-Haitam.	2015	Yes	Not Applicable
<b>6</b>	<b>Hydraulic Fracturing</b> In the initial phase of the hydrofrac campaign, 5 wells across the fields were taken up. In this campaign the immediate gains of crude oil and natural gas production after hydraulic fracturing were 61 KLPD and 49500 SCUMD respectively. In view of the encouraging results obtained from the earlier campaign, the said contract had been extended for another 5 more wells	2014	Yes	Not Applicable
<b>7</b>	<b>Matrix Acidization</b> For enhancement of production from wells with formation damage, matrix acidization job had been 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
<b>8</b>	<b>Radial Drilling</b> For enhancement of crude oil production from old fields like Nahorkatiya 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
<b>9</b>	<b>Chemical Water Shut-off Technology</b> In order to arrest the increasing water cut in Naharkatia fields and to obtain sustainable production from some of the depleting wells, chemical water shut off technology is being introduced.	2016	No	Contract execution is under progress
<b>10</b>	<b>Dozing of Liquid Flow Improver</b> Flow improvers and viscosity reducers can decrease viscosity by 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. Supply and injection of LFI through Chemical dosing in well annulus/Flowlines of 10 wells is in progress.	2016	No	Contract execution is under progress
<b>11</b>	<b>New Technology Logging Tools</b> Array Compensated Resistivity Tool (ACRT) and Circumferential Acoustic Scanning Tool (CAST-I) were introduced.	2016-17	Yes	Not Applicable

**iv. Expenditure incurred on Research and Development**

Rs. in Crores

	<b>2016-17</b>	<b>2015-16</b>
Capital	7.61	4.26
Revenue	55.81	42.50
Total	63.42	46.76



### C. FOREIGN EXCHANGE EARNINGS & OUTGO

Rs. in Crores

	2016-17	2015-16
(i) Foreign Exchange Earnings	47.14	23.75
(ii) Foreign Exchange Outgo	965.06	935.31

#### 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.

Particular	Details
Name (s) of the related party & nature of relationship	NIL

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

Particulars	Details
Name (s) of the related party & nature of relationship	Numaligarh Refinery Limited : Associate
Nature of contracts/arrangements/transactions	Sale of Crude Oil / Natural Gas, Transport of Crude Oil / Refined Oil, Lease of OFC Fibre and Purchase of HSD
Duration of the contracts/ arrangements/transactions	Ongoing
Salient terms of the contracts or arrangements or transactions including the value, if any	₹ 5286.75 crore
Date of approval by the board, if any	Not Applicable
Amount paid as advances, if any	NIL

**FORM NO. MGT.9**  
**EXTRACT OF ANNUAL RETURN**  
**for the financial year ended on 31.03.2017**

[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-500032 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	76.27
2	Natural Gas	062		17.26

**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 Address: C/o TMF Sweden AB Sergels Torg12, SE-11157 Stockholm, Sweden	556794-0530 (CIN/TIC)	Subsidiary	100	2(87)
2.	Oil India Cyprus Ltd. Address: Florinis 23, Stadyl Building, 4th floor 1065, Nicosia, Cyprus	HE295721 (CIN) 12295721Q (TIC)	Subsidiary	76	2(87)
3.	Oil India (USA) Inc. Address : Three Allen Center, 333 Clay Street Suite 3300, Houston, TX, 77002	80166115 (CIN) 90-0891818 (TIN)	Subsidiary	100	2(87)
4.	Oil India International Limited Address : Unit No. 603, 6th Floor, NBCC Centre Okhla Phase - I, New Delhi-110020	U11100DL2013GOI258215	Subsidiary	100	2(87)





5.	Oil India International BV Address : Luna Arena, Herikerbergweg 238, 1101 CM Amsterdam Zuidoost, the Netherlands	60605731 (CIN)	Subsidiary	100	2(87)
6.	Oil India International Pte. Limited Address : 8 Cross Street, #24-3/4, PWC Building, Singapore, 048424	201612281W (CIN/TIC)	Subsidiary	100	2(87)
7.	Numaligarh Refinery Ltd. Address : 122A, G. S. Road, Christianbasti, Guwahati, Assam-781005	U11202AS1993GOI003893	Associate	26	2(6)
8.	DNP Ltd. Address : Adams Plaza, 1st Floor, G. S. Road, Christianbasti, Guwahati, Assam-781005	U51410AS2007SGC008410	Associate	23	2(6)
9.	Beas Rovuma Energy Mozambique Ltd. Address : C/O Maples Corporate Services (BVI) Ltd. Kingston Chambers, PO Box No 173, Road Town, Tortola, British Virgin Island	1460466	Associate	40	2(6)
10.	Suntera Nigeria 205 Ltd. 2 Siji Soetan Street, off Onikepo Akanda Street, off Admiralty Way, Lekki Peninsula, Lagos, Nigeria	TIN : 10894772-0001 CIN : RC652709	Associate	25	2(6)

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

(i)	Category-wise Share Holding	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

	Secured Loan	Unsecured Loan	(Rs crore) Total Loan
<b>Indebtedness at the beginning of the financial year</b>			
(i) Principal Amount	0.00	9132.84	9132.84
(ii) Interest due but not paid	0.00	0.00	0.00
(iii) Interest accrued but not due	0.00	142.26	142.26
<b>Total</b>	0.00	<b>9275.10</b>	<b>9275.10</b>
<b>Change in Indebtedness during the financial year</b>			
Addition	0.00	14.48	14.48
Reduction	0.00	202.91	202.91
<b>Indebtedness at the end of the financial year</b>			
(i) Principal Amount	0.00	8947.53	8947.53
(ii) Interest due but not paid	0.00	0.00	0.00
(iii) Interest accrued but not due	0.00	139.15	139.15
<b>Total</b>	0.00	<b>9086.68</b>	<b>9086.68</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 S. Mahapatra	Shri Biswajit Roy	Shri P.K. Sharma
	Designation	CMD & CEO	Director (Finance) & CFO	Director (E&D)	Director (HR&BD)	Director (Operations)
	Period	18.07.2016 - 31.03.2017	01.04.2016 - 31.03.2017	01.04.2016 - 31.03.2017	01.04.2016 - 31.03.2017	01.04.2016 - 31.03.2017
1.	Gross Salary					
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	2008089	3006633	2855355	2945593	3030567
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	235914	857915	470298	677881	908149
	(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	329920	561105	525237	568229	542478
6.	Other benefits	30331	72597	56175	54662	52053
	Total (A)	2604254	4498250	3907065	4246365	4533247
	Ceiling as per the Act*					

\*Not applicable to Government Companies



**B. REMUNERATION TO OTHER DIRECTORS : NIL**

**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 (w.e.f 01.11.2016)	Shri S.R.Krishnan (upto 31.10.2016)
1.	Gross Salary		
	(d) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	962169	1118922
	(e) Value of perquisites u/s 17(2) of Income-tax Act, 1961	130222	367147
	(f) 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	205384	275953
6.	Other benefits	13870	220107
	Total (A)	1311645	1982129

**ANNEXURE-A**  
**Category wise Shareholding Between 01-04-2016 and 31-03-2017**

CATEGORY CODE	CATEGORY OF SHAREHOLDER	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR 01-04-2016				NO. OF SHARES HELD AT THE END OF THE YEAR 31-03-2017				% CHANGE DURING THE YEAR (XI)
		DEMAT (III)	PHYSICAL (IV)	TOTAL (V)	% OF TOTAL SHARES (VI)	DEMAT (VII)	PHYSICAL (VIII)	TOTAL (IX)	% OF TOTAL SHARES (X)	
(I)	(II)									
(A)	PROMOTER AND PROMOTER GROUP									
(1)	INDIAN									
(a)	Individual /HUF	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Central Government/State Government(s)	406620507	0	406620507	67.64	533793769	0	533793769	66.60	1.04
(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>406620507</b>	<b>0</b>	<b>406620507</b>	<b>67.64</b>	<b>533793769</b>	<b>0</b>	<b>533793769</b>	<b>66.60</b>	<b>1.04</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>406620507</b>	<b>0</b>	<b>406620507</b>	<b>67.64</b>	<b>533793769</b>	<b>0</b>	<b>533793769</b>	<b>66.60</b>	<b>1.04</b>
(B)	PUBLIC SHAREHOLDING									
(1)	INSTITUTIONS									
(a)	Mutual Funds /UTI	26583642	0	26583642	4.42	14053971	0	14053971	1.75	2.67
(b)	Financial Institutions /Banks	51019156	0	51019156	8.49	92864856	0	92864856	11.59	3.10
(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	25395130	0	25395130	4.22	35608608	0	35608608	4.44	0.22
(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>102997928</b>	<b>0</b>	<b>102997928</b>	<b>17.13</b>	<b>142527435</b>	<b>0</b>	<b>142527435</b>	<b>17.78</b>	<b>0.65</b>



ANNEXURE-C

SHAREHOLDING PATTERN OF TOP 10 SHAREHOLDERS BETWEEN 01-04-2016 AND 31-03-2017

Sl. No.	Category	Type	Name of the Share Holder	Shareholding at the beginning of the Year		Date	Increase/Decrease in shareholding	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	32831865	5.46	31/03/2016			32831865	5.46
		Purchase				08/04/2016	1607336	Transfer	34439201	5.73
		Purchase				15/04/2016	167394	Transfer	34606595	5.76
		Purchase				06/05/2016	443599	Transfer	35050194	5.83
		Purchase				13/05/2016	954998	Transfer	36005192	5.99
		Purchase				20/05/2016	1481726	Transfer	37486918	6.24
		Purchase				27/05/2016	499886	Transfer	37986804	6.32
		Purchase				03/06/2016	277363	Transfer	38264167	6.37
		Purchase				10/06/2016	11685	Transfer	38275852	6.37
		Purchase				17/06/2016	154609	Transfer	38430461	6.39
		Purchase				24/06/2016	334498	Transfer	38764959	6.45
		Purchase				30/06/2016	70000	Transfer	38834959	6.46
		Purchase				22/07/2016	346376	Transfer	39181335	6.52
		Purchase				29/07/2016	2652756	Transfer	41834091	6.96
		Purchase				05/08/2016	868	Transfer	41834959	6.96
		Purchase				09/09/2016	527015	Transfer	42361974	7.05
		Purchase				16/09/2016	617281	Transfer	42979255	7.15
		Purchase				23/09/2016	387508	Transfer	43366763	7.21
		Purchase				30/09/2016	791096	Transfer	44157859	7.35
		Purchase				07/10/2016	240000	Transfer	44397859	7.39
		Purchase				28/10/2016	19087	Transfer	44416946	7.39
		Purchase				04/11/2016	998243	Transfer	45415189	7.55
		Purchase				11/11/2016	725957	Transfer	46141146	7.68
		Purchase				18/11/2016	600416	Transfer	46741562	7.78
		Purchase				25/11/2016	1270849	Transfer	48012411	7.99
		Bonus				27/01/2017	16004137		64016548	7.99
		Closing Balance				31/03/2017			64016548	7.99
2	LTD	Opening Balance	INDIAN OIL CORPORATION LIMITED	26750550	4.45	31/03/2016			26750550	4.45
		Bonus				27/01/2017	8916850		35667400	4.45
		Closing Balance				31/03/2017			35667400	4.45



3	LTD	Opening Balance	HINDUSTAN PETROLEUM CORPORATION LIMITED	13375275	2.23	31/03/2016			13375275	2.23
		Bonus				27/01/2017	4458425		17833700	2.22
		Closing Balance				31/03/2017			17833700	2.22
4	LTD	Opening Balance	BHARAT PETROLEUM CORPORATION LTD	13375275	2.23	31/03/2016			13375275	2.23
		Bonus				27/01/2017	4458425		17833700	2.22
		Closing Balance				31/03/2017			17833700	2.22
5	LTD	Opening Balance	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LTD	10674514	1.78	31/03/2016			10674514	1.78
		Purchase				08/04/2016	83125	Transfer	10757639	1.79
		Sale				15/04/2016	-4284	Transfer	10753355	1.79
		Sale				22/04/2016	-142938	Transfer	10610417	1.77
		Purchase				29/04/2016	145181	Transfer	10755598	1.79
		Purchase				06/05/2016	95360	Transfer	10850958	1.81
		Sale				13/05/2016	-3050	Transfer	10847908	1.80
		Purchase				20/05/2016	34368	Transfer	10882276	1.81
		Purchase				27/05/2016	429	Transfer	10882705	1.81
		Purchase				03/06/2016	127702	Transfer	11010407	1.83
		Purchase				10/06/2016	44350	Transfer	11054757	1.84
		Purchase				17/06/2016	5996	Transfer	11060753	1.84
		Purchase				24/06/2016	81732	Transfer	11142485	1.85
		Purchase				30/06/2016	86638	Transfer	11229123	1.87
		Purchase				08/07/2016	70765	Transfer	11299888	1.88
		Purchase				15/07/2016	4935	Transfer	11304823	1.88
		Purchase				22/07/2016	161771	Transfer	11466594	1.91
		Purchase				29/07/2016	40129	Transfer	11506723	1.91
		Purchase				05/08/2016	150143	Transfer	11656866	1.94
		Purchase				12/08/2016	4590	Transfer	11661456	1.94
		Purchase				19/08/2016	42479	Transfer	11703935	1.95
		Purchase				26/08/2016	52934	Transfer	11756869	1.96
		Purchase				02/09/2016	34410	Transfer	11791279	1.96
		Purchase				09/09/2016	128158	Transfer	11919437	1.98
		Purchase				16/09/2016	7798	Transfer	11927235	1.98
		Sale				23/09/2016	-2021	Transfer	11925214	1.98
		Purchase				30/09/2016	48348	Transfer	11973562	1.99
		Purchase				07/10/2016	27100	Transfer	12000662	2.00
		Purchase				14/10/2016	14	Transfer	12000676	2.00
		Purchase				21/10/2016	27176	Transfer	12027852	2.00
		Purchase				28/10/2016	19	Transfer	12027871	2.00

		Purchase				04/11/2016	5705	Transfer	12033576	2.00
		Purchase				11/11/2016	13686	Transfer	12047262	2.00
		Purchase				18/11/2016	34066	Transfer	12081328	2.01
		Purchase				25/11/2016	11401	Transfer	12092729	2.01
		Purchase				02/12/2016	80624	Transfer	12173353	2.03
		Purchase				09/12/2016	120	Transfer	12173473	2.03
		Purchase				30/12/2016	290	Transfer	12173763	2.03
		Sale				20/01/2017	-110006	Transfer	12063757	2.01
		Bonus				27/01/2017	4132022		16195779	2.02
		Purchase				03/02/2017	109865	Transfer	16305644	2.03
		Purchase				10/02/2017	44443	Transfer	16350087	2.04
		Sale				17/02/2017	-16350087	Transfer	0	0.00
		Purchase				17/02/2017	16442330	Transfer	16442330	2.05
		Purchase				24/02/2017	98027	Transfer	16540357	2.06
		Purchase				03/03/2017	178782	Transfer	16719139	2.09
		Purchase				10/03/2017	51105	Transfer	16770244	2.09
		Purchase				17/03/2017	9158	Transfer	16779402	2.09
		Purchase				24/03/2017	73826	Transfer	16853228	2.10
		Purchase				31/03/2017	5290	Transfer	16858518	2.10
		Closing Balance				31/03/2017			16858518	2.10
6	IFI	Opening Balance	LIFE INSURANCE CORPORATION OF INDIA P & GS FUND	8184855	1.36	31/03/2016			8184855	1.36
		Purchase				09/09/2016	175702	Transfer	8360557	1.39
		Purchase				16/09/2016	357083	Transfer	8717640	1.45
		Purchase				23/09/2016	508509	Transfer	9226149	1.53
		Purchase				30/09/2016	470984	Transfer	9697133	1.61
		Purchase				07/10/2016	348245	Transfer	10045378	1.67
		Bonus				27/01/2017	3348459		13393837	1.67
		Closing Balance				31/03/2017			13393837	1.67
7	MUT	Opening Balance	CPSE ETF	0	0.00	31/03/2016			0	0.00
		Purchase				11/11/2016	1505970	Transfer	1505970	0.25
		Sale				18/11/2016	-728	Transfer	1505242	0.25
		Sale				25/11/2016	-3308	Transfer	1501934	0.25
		Purchase				02/12/2016	30274	Transfer	1532208	0.25
		Sale				09/12/2016	-9300	Transfer	1522908	0.25
		Sale				16/12/2016	-5022	Transfer	1517886	0.25
		Sale				23/12/2016	-1674	Transfer	1516212	0.25
		Sale				30/12/2016	-4512	Transfer	1511700	0.25
		Purchase				06/01/2017	24484	Transfer	1536184	0.26
		Sale				13/01/2017	-3717	Transfer	1532467	0.25
		Sale				20/01/2017	-17316	Transfer	1515151	0.25





		Bonus				27/01/2017	6517315		8032466	1.00
		Sale				03/02/2017	-1181124	Transfer	6851342	0.85
		Sale				10/02/2017	-332892	Transfer	6518450	0.81
		Purchase				17/02/2017	34576	Transfer	6553026	0.82
		Sale				24/02/2017	-52992	Transfer	6500034	0.81
		Sale				03/03/2017	-546900	Transfer	5953134	0.74
		Sale				10/03/2017	-391529	Transfer	5561605	0.69
		Sale				17/03/2017	-253026	Transfer	5308579	0.66
		Purchase				24/03/2017	2354436	Transfer	7663015	0.96
		Sale				31/03/2017	-765556	Transfer	6897459	0.86
		Closing Balance				31/03/2017			6897459	0.86
8	IFI	Opening Balance	UNITED INDIA INSURANCE COMPANY LIMITED	3328738	0.55	31/03/2016			3328738	0.55
		Purchase				29/04/2016	77132	Transfer	3405870	0.57
		Purchase				06/05/2016	100000	Transfer	3505870	0.58
		Purchase				13/05/2016	81125	Transfer	3586995	0.60
		Purchase				20/05/2016	70000	Transfer	3656995	0.61
		Purchase				27/05/2016	45000	Transfer	3701995	0.62
		Purchase				03/06/2016	20000	Transfer	3721995	0.62
		Purchase				10/06/2016	10000	Transfer	3731995	0.62
		Purchase				17/06/2016	20000	Transfer	3751995	0.62
		Purchase				24/06/2016	40000	Transfer	3791995	0.63
		Purchase				08/07/2016	20000	Transfer	3811995	0.63
		Purchase				15/07/2016	50000	Transfer	3861995	0.64
		Purchase				22/07/2016	40004	Transfer	3901999	0.65
		Purchase				29/07/2016	100000	Transfer	4001999	0.67
		Purchase				05/08/2016	88773	Transfer	4090772	0.68
		Purchase				12/08/2016	95360	Transfer	4186132	0.70
		Purchase				19/08/2016	80000	Transfer	4266132	0.71
		Purchase				26/08/2016	84946	Transfer	4351078	0.72
		Purchase				02/09/2016	40000	Transfer	4391078	0.73
		Purchase				09/09/2016	27500	Transfer	4418578	0.74
		Purchase				16/09/2016	37025	Transfer	4455603	0.74
		Purchase				23/09/2016	48688	Transfer	4504291	0.75
		Purchase				30/09/2016	47916	Transfer	4552207	0.76
		Purchase				07/10/2016	15000	Transfer	4567207	0.76
		Purchase				14/10/2016	10000	Transfer	4577207	0.76
		Purchase				21/10/2016	25000	Transfer	4602207	0.77
		Purchase				28/10/2016	28853	Transfer	4631060	0.77
		Purchase				04/11/2016	42500	Transfer	4673560	0.78
		Purchase				11/11/2016	40000	Transfer	4713560	0.78
		Purchase				18/11/2016	20000	Transfer	4733560	0.79
		Bonus				27/01/2017	1577853		6311413	0.79
		Closing Balance				31/03/2017			6311413	0.79

9	MUT	Opening Balance	HDFC TRUSTEE COMPANY LTD - A/C HDFC MID - CAOPPOR	2468800	0.41	31/03/2016			2468800	0.41
		Bonus				27/01/2017	822933		3291733	0.41
		Closing Balance				31/03/2017			3291733	0.41
10	IFI	Opening Balance	NATIONAL INSURANCE COMPANY LTD	2165802	0.36	31/03/2016			2165802	0.36
		Purchase				06/05/2016	200000	Transfer	2365802	0.39
		Bonus				27/01/2017	788600		3154402	0.39
		Closing Balance				31/03/2017			3154402	0.39

**ANNEXURE-D**

**SHAREHOLDING OF DIRECTORS / KMPs BETWEEN 01-04-2016 AND 31-03-2017**

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	5000	0.00	5000	0.00
		Bonus Issue (1:3)			1666	0.00
		Closing Balance			6666	0.00
2.	Shri P.K. Sharma, Director (Operations)	Opening Balance	2250	0.00	2250	0.00
		Bonus Issue (1:3)			750	0.00
		Closing Balance			3000	0.00



**FORM NO. MR - 3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2017**

[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**  
**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, 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, 2017**, 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, 2017 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 complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above subject to the following observations:

1. **During the period under review, there were no Independent Directors on the Board of the Company. 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 Gases only and appointment of Independent Directors is yet to be made.**
2. **The Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee were not constituted in line with the provisions of Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as there were no Independent Directors on the Board of the Company.**

**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 suggest that stricter applicability of the Secretarial Standards is to be observed by the Company.

**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 Company has incorporated its wholly owned subsidiary in Singapore, with the name 'Oil India International Pte. Ltd.' on 6<sup>th</sup> May, 2016 for the purpose of production of Natural Gas and Crude Petroleum.
2. The Board of Directors of the Company at its meeting held on 27<sup>th</sup> May, 2016 approved to increase the borrowing limit from ₹18,000 crores to ₹20,000 crores in pursuance to Section 180(1)(c) of the Companies Act, 2013.
3. The members in Annual General Meeting held on 24<sup>th</sup> September, 2016 approved the offer or invitation for subscription of Debentures on private placement basis (if any) aggregating to ₹ 6,000 crore.
4. The members by the way of Postal Ballot approved the issue of Bonus Shares in the proportion of 1:3 by the way of Capitalisation of Reserves. Consequently, the Allotment of 20,03,78,652 Bonus Shares was approved on January 16<sup>th</sup>, 2017.
5. The Board of Directors of the Company at its meeting held on 31<sup>st</sup> January, 2017 declared interim dividend of ₹ 9.50 per share (i.e 95%) for the year 2016-17.
6. The Board of Directors of the Company at its meeting held on 20<sup>th</sup> March, 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 method. The buyback was completed on 15<sup>th</sup> June, 2017 and consequent to that, the share capital of the Company stands at 75,66,02,607 fully paid equity shares of ₹ 10 each.

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

**Place : New Delhi  
Date : 02-08-2017**

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



## Annexure - I

### The Members Oil India Limited

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : New Delhi  
Date : 02-08-2017

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

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 1. ECONOMIC SCENARIO & INDUSTRY ANALYSIS

The salient feature of 2016-17 was the continuous glut in crude oil prices. Low oil prices continued throughout the year despite oil production cut by OPEC countries. During the year, as far as Oil India Limited is concerned, the gross realisation from crude oil was USD 47.36 per barrel. During the year, there was no discount towards crude oil or other petroleum products. The oil and gas production of the country was 36 MMT and 31897 MMSCM respectively during the fiscal year.

About 82 percent of the crude oil requirement of the country is imported in 2016-17. In order to bridge the increasing gap between crude oil demand and supply in the country, Government of India has already completed the process Auctioning of Small Discovered Fields. It has also initiated actions like Hydrocarbons Exploration Licensing Policy, exploration of Shale resources etc. The Government of India had developed a Hydrocarbon Vision 2030 for North East India. It had also allowed 100 percent FDI in exploration. In this process, the Government of India had initiated measures to address the concerns of E&P operators. The Government of India also encouraged exploration and acquisition of discovered and producing properties abroad. Further Government has also allowed exploration for shale resources to ONGCL and OIL in their existing nominated PEL areas. Although, a number of initiatives have been taken, there are a few of areas of concern like subsidy, infrastructure development particularly in north east etc.

### 2. SWOT ANALYSIS OF OIL

OIL is an integrated oil and gas company which has extensive in-house capabilities and expertise in wide range of domains of oil and gas exploration and production. This has enabled the Company to be cost efficient in its operations towards production of oil and gas. The Company has managed its assets very well. It has vast experience in management of its ageing and depleting oil and gas fields. It is practicing EOR / IOR techniques for a long time and these initiatives have helped in extending the life and enhancement of production from its ageing and depleting fields.

The Company's major oil and gas production is from its operational areas of Upper Assam and Arunachal Pradesh. A small part of its gas production is from Rajasthan. In 2016, OIL acquired two major producing assets from Rosneft – the National Oil company of Russia. OIL led consortium with IOCL and BPRL successfully acquired 29.9% and 23.9% stakes in LLC Taas – Yuriakh and Vankorneft respectively – this is adding to its crude oil production now. Additionally, a part of oil production comes from its equity investments in USA, Russia and Venezuela.

The senior management team has extensive experience in oil and gas industry. OIL has efficient manpower covering the entire gamut of its activities. OIL has deployed its personnel

towards management of its oil and gas exploration and production projects both in India and abroad.

OIL is presently working on expanding its operational base through balanced growth portfolio of exploration acreages, both in India and abroad, and producing & discovered oil & gas fields mainly from overseas. The exploration acreages are in the form of different NELP blocks in India and exploration acreages abroad.

During the last few years, the Company has started diversification in non-conventional energy sector in the form of wind and solar power generation. During the financial year 2016-17, 52.5 MW of wind plant in Gujarat (27.3 MW) and Madhya Pradesh (25.2 MW) was pursued by OIL. OIL proposes to install more solar and wind power plants in the coming years.

OIL, availing the services of M/s McKinsey & Co., prepared its long-term Perspective Plan (upto 2030) and brought about necessary organizational restructuring to achieve the objectives laid down in the perspective plan. During the year 2016-17, the re-structuring of the organization was carried out keeping in mind the competitiveness of the industry and future expansion plan of the Company.

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

#### Crude Oil Production

During the year 2016-17, crude oil production was 3.277 MMT (inclusive of 0.019 MMT of crude oil production as OIL's share from Kharsang JVC) which is almost 0.92% higher than previous year's production of 3.247 MMT. The reversal of continuing decline in crude oil production was possible by taking all concerted effort.

The achievement is 93.63% of MoU Excellent target of 3.50 MMT. Most of OIL's production is from matured fields where decline rate encountered was more than expected mainly due to rise in water cut. Contribution from work-over and new well drilling could not commensurate to overcome the decline. Environmental problems like bandhs, blockades by various group lead to stoppage of work, closing/opening of wells, thereby leading to consequential losses, apart from direct losses as well as damage to the reservoir. During the year, bandhs, blockades, miscreant activities contributed to direct loss of about 12470 MT of crude oil.

The commissioning & hooking up of the crude oil delivery line from Loc. HWDH to the Baghjan-Duliajan Crude oil Pipeline is of significance as it facilitated uninterrupted transportation of crude oil to the tune of 340 KLPD, eliminating transportation of crude by bowzers, thus reducing environmental as well as safety hazards.

OIL's Crude Oil Production for its proportionate share of stakes in the overseas producing assets stood at 0.9069 MMT during 2016-17.



### Natural Gas Production

The natural gas production was 2937 MMSCM in FY17(2705 MMSCM from Assam & AP + 232 MMSCM from Rajasthan Project) against 2838 MMSCM in FY16 which is higher by about 3.48%. The sale of natural gas was 2412 MMSCM against 2314 MMSCM in FY16. This is the highest ever production and sale of natural gas in the history of OIL.

In the overseas segment, OIL's Natural Gas Production for its proportionate share of stakes in overseas assets stood at 352.99 MMSCM during 2016-17.

The Company had taken steps to augment its natural gas production potential in North East to meet gas supply commitment to all the customers. BCPL, which came into stream in 2016, started taking full quantum of gas from OIL. In 2016-17, gas drawal by BCPL was 405 MMSCM as against 214 MMSCM in the previous year.

During the year about 52 KM of gas lines of various sizes were laid in order to replace the rich gas used at process installations by lean gas returned from BCPL, thereby increasing the availability of rich gas.

### LPG Operations

The availability of the LPG Recovery Plant was of the order of 99.05% and the plant efficiency in terms of butane recovery was 99.5% compared to the design figure of 98%. The Plant processed an average of 1.79 MMSCMD (64.53 MMSCFD) gas with an average Butane of 1.15% (v/v) in the feed gas in FY17 as against 2.07 MMSCMD (72.95 MMSCFD) average gas and 1.17%(v/v) of average butane in feed gas processed in FY16. The Recovery Plant was in operation for 346 days and a total of 34580 tonnes of LPG were produced during the year. The Plant has been running at 75-80% of its total capacity since beginning of the year 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, which resulted in less LPG production. Alongwith LPG, a total of 18650 tonnes of condensate was also recovered as by-product. Out of this, 5657 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. Combined in packed (in cylinders) and bulk (in road tankers), a total of 34632 tonnes of LPG were delivered to the marketing agency, IOCL. The dispatch of LPG in the form of packed cylinders (20518 MT) in 2016-17 is a record highest figure.

### Pipeline Operations

OIL operates an 1157 KM long fully automated crude oil trunk pipeline between Naharkatia-Barauni. Along with this, an additional network of 63 KM makes the total crude oil network at 1220 KM. 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 MMTA capacity, 557 KM 401 KM {406 mm dia. (16") +

156 KM, 356 mm dia. (14")} 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 MMTA 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 MMTA of crude oil is transported from Duliajan to Digboi Refinery through 30 kms pipeline. OIL also operates a 660 KM long pipeline for evacuation of total 1.72 MMTA of products from Numaligarh Refinery to Siliguri.

During the year, OIL's crude oil pipeline transported a total of 6.56 MMT of crude oil out of which Naharkatia-Bongaigaon sector transported 3.21 MMT of OIL's crude oil and 0.94 MMT of ONGC's crude oil. Barauni-Bongaigaon sector transported 2.41 MMT of imported crude oil. OIL has also transported 1.78 MMT of products through Numaligarh-Siliguri Product Pipeline (NSPL) with pipeline utilization of 103.42%.

The pumping stations of the Naharkatia-Barauni cross country pipelines have been operating for over five decades and a project is being undertaken since 2012 to revamp these pump stations at a cost of ₹ 1200 Crores (Upgradation of Pump Stations/ Terminals, UGPS, Phase-I). As on March, 2017, the overall progress of the project is 99.2% and commissioning of various stations are under progress. Phase-II of the UGPS was initiated in 2016-17 to enhance the pumping capacity of the Barauni-Bongaigaon sector as well as to bring imported crude upto Guwahati Refinery, at a project cost of ₹ 571.66 Crores. Also a "Pipeline Rehabilitation project" is undertaken in 2016-17 for rehabilitation of 575 km of trunk pipeline under Phase-I with the objective of ensuring continued safe and reliable operation and enhancing life of the pipeline system by about 30 years at a total cost of ₹ 406 crores.

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

During the year, OIL has earned total revenue of ₹ 11,191.07 crore as against ₹ 11,158.63 crore in FY16. The Profit before Tax (PBT) in FY17 was ₹ 2,146.32 crore against PBT of ₹ 3,440.57 crore in the FY16. Profit after Tax (PAT) was ₹ 1,548.68 crore in FY17 against PAT of ₹ 2,301.67 crore in FY16. Profitability of the Company during the year FY17 was affected 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.

During the year 2016-17, Plan Expenditure was ₹4,336.65 crore, which is about 108% of the plan outlay of ₹4,019.71 crore. During the year, Company has not shared any under recovery of Oil Marketing Companies (OMCs) on petroleum products as compared to ₹ 155.06 crores in the previous year.

### 5. INTERNAL CONTROL SYSTEM

Internal Audit in OIL is a corporate and advisory function having independent status within the Organization. The purpose of Internal Audit 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 business and operational activities of the Company based on the risk and control based approach.

Audit process is digitized in OIL and it is an online Audit System to ensure better control and friendly reporting of issues for early compliance by maintaining transparency.

## 6. HEALTH, SAFETY AND ENVIRONMENT

As a Company engaged in E&P activities, OIL pays utmost importance to Health, Safety & Environment (HSE) and the same is reflected in its vision statements that "OIL is fully committed to Health, Safety & Environment". OIL can achieve the goal of sustainable development through proper management of HSE risks. OIL continuously reviews & improves HSE initiatives to prevent accidents, minimize environmental impact, prevent environmental pollution and reduce health and safety risks. To this effect, HSE Policy and Occupational Health Policy has been put in place by the Company. Also, to provide the framework and structure to meet the highest level of HSE expectations, a HSE—MS manual along with a guide has been prepared and adopted for all the operational areas. Company has also committed to reduce carbon footprint in line with India's commitment at COP-21.

## 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 415 executives shall be assessed through Assessment Development Centers in the current cycle and individual development plans would be 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, 2355 employees were trained through courses organized in-house, 917 employees were trained through in-country programs and 31 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 days loss due to industrial relations problem.

## 9. CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABLE DEVELOPMENT

OIL since inception 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 the 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 ₹ 108.37 crores against ₹ 92.21 crores 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 as Annexure to this Report.

## 10. ACREAGE

### 10.1 Domestic

#### 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 5004 sq.km. Process has been initiated for part PML extensions. These nomination blocks are in the state of Assam, Arunachal Pradesh and Rajasthan.

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

OIL has 02 (Two) Pre-NELP/ JV blocks covering an area of 121 Sq. Km in Assam & Arunachal Pradesh as non-operator.

#### Areas under NELP, with OIL as Operator/Joint Operator

As on 01.04.2017, your Company has 06 (Six) NELP blocks covering an area of 5960.2 Sq. Km. in the states of Assam, Mizoram, Andhra Pradesh, Puducherry, Rajasthan and Cauvery offshore. Relinquishment process has been initiated for 01 (one) block. Your Company has relinquished 04 (Four) nos. of NELP blocks as an Operator during the FY 2016-17 due to various reasons.

#### Areas under NELP, with OIL as Non-Operator

As on 01.04.2017, your Company holds 03 (Three) blocks covering an area of 6136 Sq. Km. in Krishna Godavari (Shallow Offshore), Gujarat-Kutch (Shallow Offshore) and West Bengal





(Onshore) as non-operator. Your Company has relinquished 05 (Five) NELP blocks as Non-Operator during the FY 2016-17 due to various reasons.

#### **Areas under DSF JV, with OIL as Non-Operator**

Your Company has been awarded one block viz. AA/ONDSF/Kherem/2016 covering an area of 16.45 Sq Km with 40% PI under Discovered Small Field Round-2016. The Revenue Sharing Contract for the block has been signed on 27<sup>th</sup> March, 2017.

#### **10.2 Overseas**

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

OIL's overseas E & P portfolio comprises of 17 blocks spread over 10 countries covering Libya, Gabon, Nigeria, Yemen, Venezuela, USA, Mozambique, Myanmar, Bangladesh and Russia. The portfolio includes 5 (Five) producing assets spread across Russia, USA & Venezuela. In addition to the above, OIL has 10% PI in a Multi-product pipeline in Sudan. The status of the major developments in the blocks is as under:-

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

Your Company has completed the committed Minimum Work Program (MWP); however there were no commercial hydrocarbon discoveries. JV consortium has relinquished these blocks during FY 2016-17.

##### **Libya: Area 95/96 -4 Blocks [SIPEX(Operator)- 50%, IOCL- 25%, OIL-25%]**

The consortium has completed drilling of five wells against MWP of commitment of drilling 08 (Eight) wells. All the drilled wells struck oil and gas. Drilling of sixth well was in progress when the unrest began and all operations in Area-95/96 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.

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

An oil discovery was made in the third well (Lassa-1). 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 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.

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

The Consortium has completed Geoscientific Studies in both Blocks M-4 & YEB. Based on the findings of the G&G Studies, notification has been given to Myanmar Oil & Gas Enterprise (MOGE) to exit from M-4 due to poor prospectivity and

conditionally enter into YEB Block with revised MWP & Investment in view of presence of environmentally sensitive areas in the Block.

#### **Vankorneft, Russia**

##### **[Rosneft (Operator) : 50.1%, OIL / IOCL/ BPRL: 23.9%, ONGC Videsh Ltd: 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 OIL's Wholly Owned Subsidiary (WOS) Oil India International Pte. Ltd. and for which an SPV Vankor India Pte. Ltd. was incorporated jointly with IOCL and BPRL in Singapore and is being managed by a Trust Company.

Vankorneft has two licences Vankor and North Vankor. It is a giant oil & gas producing field located in Eastern Siberia, and contributes to about 10% of Rosneft's entire oil production. The commercial agreements for sale of oil and gas are in place for the asset. Minimum 80% of crude is sold through Eastern Siberia- Pacific Ocean (ESPO) pipeline to China, and remaining 20% is sold to European countries/ domestic market. Vankorneft started commercial production from 2009 and all infrastructures is in place.

As on 01.04.2017, the 2P reserve position corresponding to OIL's participating interest in Vankorneft has been estimated at 19.1360 MMT of oil and 7.7479 BCM of gas. Currently, the license is producing @ 3,66,926 bopd.

#### **Taas-Yuryakh: Russia**

##### **[Rosneft (Operator) : 50.1%, OIL / IOCL/ BPRL: 29.9%, BP: 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 OIL's WOS Oil India International Pte. Ltd. and an SPV Taas India Pte. Ltd. incorporated jointly with IOCL and BPRL in Singapore and is being managed by a Trust Company.

TYNGD is a producing asset with current production of 1.13 MMT and expected peak production of 5 MMT 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 from 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.

As on 01.04.2017, the 2P reserve position corresponding to OIL's participating interest in this asset has been estimated at 13.5187 MMT of oil. Currently, the license is producing @ 22,739 bopd.

#### **Russia: License 61**

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

OIL has acquired stake in the project on 03.07.2014. The 4,991 sq. Km. license contains 7 oil fields and over 25 identified

prospects and leads. The block started production in 2010. Current production from the license is around 2,200 barrels of oil per day. During 2016-17, OIL's share of production in asset stood at 0.0632 MMTOE. OIL's share of 2P hydrocarbon reserve position in the asset is 6.4028 MMT as on 01.04.2017.

#### **USA: Liquid rich Shale Asset:**

**[Carrizo Oil & Gas Inc (Operator)-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 1st October, 2012. OIL has formed 100% wholly owned subsidiary in Texas, USA in the name of Oil India (USA) Inc.

As on 01.04.2017, the 2P reserve position corresponding to OIL's participating interest in this asset has been estimated at 0.5865 MMT of oil and 0.0869 BCM of gas. During 2016-17, OIL's share of production in asset stood at 0.021 MMTOE.

#### **Venezuela: Project Carabobo**

**[Corporation Venezuelan del Petroleo (CVP) (Operator)-71%, INDOIL Netherlands 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 marketing 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 was incorporated as M/s Petrocarabobo SA on 29<sup>th</sup> July 2010 to manage the operational activities of the asset.

As on 01.04.2017, the 2P reserve position corresponding to OIL's participating interest in Project Carabobo has been estimated at 0.5021 MMT of oil. Currently, Production has reached to 25000 bopd from 70 wells. During 2016-17, OIL's share of production in asset stood at 0.0450 MMT.

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

OIL together with OVL, has 10 per cent participating interest in the Mozambique block in the Area 1 Rovuma Field by acquiring the shares of Videocon Mozambique Rovuma 1 Limited. The first production and revenue from the field is expected to be generated and recognized in fiscal year 2019/2020.

The project has Recoverable Resources ranging between 50-75 TCF with certified reserves (2P) of 31.9 TCF in Golfino-Atum and Prosperidade. Area 1 Joint venture is undertaking, the development of Integrated Golfino-Atum (GA) Project, involving monetization of gas through 14-TCF development to support 2 LNG trains of 6.0 MMTA each (total 12 MMTA). The project is to be developed through limited recourse project financing.

#### **Nigeria: Block OML 142 (Formerly OPL 205)**

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

OIL alongwith IOCL has acquired 50% participating interest in M/s Suntera Nigeria 205 Ltd., which holds 70% interest in the onland block OML 142. 124.4 sq km (Full Fold) of 3D seismic data had been acquired in August 2013, covering the Otien structure. The Geological objective of the survey is precise structural and stratigraphic mapping of pay zones/reservoir units (Zones 1 to 8), occurring between 1500 to 2500 msec TWT (2000 to 3500 mts. depth) and to look for Direct Hydrocarbon Indicators (DHI). The main sand targets are within Agbada Formation of the Oligocene-Miocene age between 2800 - 3000 mts. Pre-STM processing & Interpretation has been completed. Based on the results of Geological interpretation, Partners have agreed to undertake Otien #1 re-entry activities and start monetizing the Condensate & Gas in 2017-18. Currently, re-entry activities (plan for extended production testing jobs) are under progress.

#### **Bangladesh: Blocks SS-04 and SS-09**

**[OIL-50% PI and OVL (Operator)-50% PI]**

The OIL-OVL consortium were awarded the shallow offshore Blocks SS-04 and SS-09 in the Bangladesh Bid Round-2012. The total area of the two blocks is 14,295 sq. km with Block SS-04 spread over 7,269 Sq km. and Block SS-09 spread over 7,026 sq. km. The Production Sharing Contracts for both Blocks were signed on 17<sup>th</sup> February, 2014 in Dhaka, Bangladesh. Around 92% of planned 2D Seismic acquisition in both blocks has already been acquired. Processing of the acquired seismic data is underway. The consortium intends to drill one well in Block SS-04 in 2017-18. Activities are underway to facilitate the same.

#### **Yemen [Block 82]**

**[Medco Energi (Operator)-38.25%, Kuwait Energy-21.25%, OIL- 12.75%, IOCL-12.75% and Yemen Oil & Gas Company-15%]**

OIL as a part of an international consortium led by M/s Medco Energi, Indonesia was awarded exploration block 82 in 2006 Bid round of Yemen. Subsequently, PSC was signed on 13<sup>th</sup> May 2008 and Presidential decree was received on 17<sup>th</sup> March 2009.

In Block 82, physical activities have been delayed due to geopolitical situation in the Country. Acquisition and processing of 236.5 Km<sup>2</sup> of 3D seismic and 133.6 LKM of 2D seismic has been completed. However, completion of work programme was delayed due to frequent disturbances at the site. All the works are under suspension, at present, due to deteriorating political and security situation in Yemen. The block validity has expired in November 2015. The operator has applied to the Govt of Yemen Authorities for declaration of Force Majeure in Block 82.

All the partners have decided to relinquish the block. Currently, the relinquishment of the block is underway. The operator has initiated necessary steps to exit from the block.



## **Sudan: Product Pipeline**

### **[OIL-10% PI and OVL-90% PI]**

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

### **11. DISCOVERY OF OIL AND GAS**

Your Company has made 10 (Ten) oil and gas discoveries during the year. Details of the discoveries are as follows:

#### **i) Kharjan-1 (Loc. TAT)**

The well Kharjan-1 is located in Kharjan structure under Tinsukia PML and has been drilled down to 4158 m 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 Paleocene-Eocene Formations. The discovery of oil in this well has opened up new avenue for exploration and exploitation of hydrocarbon within the Paleocene-Eocene Formations in Kharjan and adjoining area.

#### **ii) Borbhuibil-1 (Loc. MFJ)**

The well Borbhuibil-1 is located in Borbhuibil Structure under Moran PML and has been drilled down to 4409 m to probe the hydrocarbon prospects within Barail and Paleocene-Eocene Formations. The well encountered few prospective sand ranges within Barail and Paleocene-Eocene Formations and produced oil from one sand tested within Barail Formations. The discovery of oil in this well has opened up new avenue for exploration and exploitation of hydrocarbon within the Barail Formations in Borbhuibil and adjoining areas. Presently, the well is kept shut-in.

#### **iii) Hapjan-67 (Loc. DHF)**

The well Hapjan-67 is located in the North Hapjan Extension Structure under Dumduma PML and has been drilled down to 3027 m to probe the hydrocarbon prospects within Barail Formation. The well encountered one prospective sand ranges within Barail Formation and gas has been discovered during testing of the sand. The discovery of gas in this well has opened up new avenue for exploration and exploitation of hydrocarbon within the Paleocene-Eocene Formations in North Hapjan and adjoining area.

#### **iv) Hapjan-62 (Loc. HYK)**

The well Hapjan-62 is located in South Hapjan Structure under Hugrijan PML. Gas has been discovered in one new/unappraised sand within upper part of Tipam Formation. The

discovery of gas in this well has opened up new reservoir for exploration and exploitation of hydrocarbon within the Tipam Formations in South Hapjan and adjoining areas.

#### **v) NHK-637 (Loc. HYT)**

The well NHK-637 is located in Jutlibari Structure under Hugrijan PML. Gas has been discovered in new/unappraised sand within Barail Formations. The discovery of gas in this well has opened up new reservoir for exploration and exploitation of hydrocarbon within the Barail Formations in Jutlibari and adjoining areas.

#### **vi) Makum-60 (Loc. HYD)**

The well Makum-60 is located in West Makum Structure under Hugrijan PML.

Oil has been discovered in new/unappraised sand within Barail Formations. The discovery of oil in this well has opened up new reservoir for exploration and exploitation of hydrocarbon within the Barail Formations in West Makum and adjoining areas.

#### **vii) NHK-606 (Loc. HTD)**

The well NHK-606 is located in the East Bhadoi Structure under Hugrijan PML, and was drilled and completed during year 2012. During 2016-17, oil has been discovered in new/unappraised Barail sand through work-over operations. The discovery of oil in the Barail sand has opened up a new reservoir for exploration and exploitation of hydrocarbon in East Bhadoi area.

#### **viii)MKM-43 (Loc. HVL)**

The well MKM-43 is located in the Makum-North Hapjan Structure under Hugrijan PML, and was drilled and completed during year 2012. During 2016-17, gas has been discovered in new/unappraised Tipam sand through work-over operations. The discovery of gas in the Tipam sand has opened up a new reservoir for exploration and exploitation of hydrocarbon in Makum-North Hapjan area.

#### **ix) HJN-55 (Loc. HRU)**

The well HJN-55 is located in the Hapjan Structure under Hugrijan PML, and was drilled and completed during year 2009. During 2016-17, oil has been discovered in new/unappraised Barail sand through work-over operations. The discovery of oil in the Barail sand has opened up a new reservoir for exploration and exploitation of hydrocarbon in Hapjan area.

#### **x) NHK-595 (Loc. NLC)**

The well NHK-595 is located in the Amgurigaon Structure under Nahorkatiya Extension PML, and was drilled and completed during year 2011. During 2016-17, oil has been discovered in new/unappraised Barail sand through work-over operations. The discovery of oil in the Barail sand has opened up a new reservoir for exploration and exploitation of hydrocarbon in Amgurigaon area.

## 12. STATUS OF RESERVES

### Domestic

The Hydrocarbon In-Place and Reserves Position of the Company for its domestic assets sector including JVs (as per OIL's PI) as on 01.04.2017 is as follows:

IN-PLACE VOLUME	Low Estimate	Best Estimate	High Estimate
STOIIP (MMT)	770.8835	814.6103	851.1485
GIIP (BCM)	353.8454	379.1515	413.7254
O+OEG(MMTOE)	1080.7336	1145.3206	1210.8816

CUMULATIVE PRODUCTION TILL 31.03.2017	
Oil+Condensate (MMSKL)	193.5355 MMSKL (171.3454 MMT) *
Gas (BCM)	88.8647

\* Includes OIL's share of cumulative production of oil of Kharsang field.

Particulars	1P	2P	3P
Oil + Condensate (MMT)	29.3449	78.8494	106.1580
Balance Recoverable Gas (BCM) *	76.5950	125.3272	161.2374
O+OEG (MMTOE)	96.4014	187.7105	244.6585

\* Based on projected volume of gas under various sales contracts, 1P, 2P and 3P Gas Reserves are 20.283, 38.484 and 58.263 BCM respectively.

### Overseas

The oil & gas reserves position as on 01.04.2017 of 5 (five) overseas Producing Assets (OIL's Share) namely Carrizo (USA), License-61 (Russia), Vankorneft (Russia), Taas Yuryakh (Russia) and Carabobo (Venezuela) are as furnished below:

Particulars	1P	2P	3P
Oil + Condensate (MMT)	17.4045	40.1461	61.7632
Gas reserves (BCM)	5.3749	7.8348	9.9743
O+OEG (MMTOE)	22.0530	46.9341	70.3997

**Accretion:** The accretion to oil and gas volume during 2016-17 in OIL's domestic sector is given in table below:

IN-PLACE VOLUME	Low Estimate	Best Estimate	High Estimate
STOIIP (MMT)	13.0167	7.4707	2.1974
GIIP (BCM)	11.0247	7.7376	4.8125
O+OEG(MMTOE)	22.7929	14.3320	6.4649

RESERVES/RECOVERABLE VOLUME	1P / Low Estimate	2P / Best Estimate	3P / High Estimate
Oil +Condensate (MMT)	4.1770	1.2356	-0.5685
GAS (BCM)	9.1669	7.1360	6.6597
O+OEG (MMTOE)	12.2837	7.5489	5.3370



### 13. NEW INITIATIVES

During the year, the Company has undertaken a wind energy project of 52.5 MW (27.3 MW in Gujarat and 25.2 MW in Madhya Pradesh). With this, the total installed capacity of renewable energy of OIL stands at 188.1 MW.

OIL also initiated steps to undertake another 500 KW Solar power project in Pump Station #3, Jorhat, Assam.

In 2016-17, OIL acquired two major producing assets from ROSNEFT, the national oil company of Russia. OIL led consortium, with IOCL and BPRL, successfully acquired 29.9 percent and 23.9 percent stakes in TYNGD and Vankorneft respectively.

### 14. FUTURE OUTLOOK

- i. 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.
- ii. 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 oil over the next 12 to 15 year period.
- iii. OIL will continue to pursue acquisition of prospective overseas E&P opportunities to ensure energy security for the country, to grow by enhancing own E&P portfolio and decrease risks in existing E & P portfolio.
- iv. In addition to 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.
- v. 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. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.

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. The Companies Act, 2013, your Company's Social Vision and its CSR Policy, have been the strong guiding force behind its CSR initiatives, all with the larger purpose of making a difference to the lives of the people and local communities in meaningful ways.

### OIL'S CSR 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 which was revised and approved by the board in the financial year 2016-17 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 & drinking water, Education, Sustainable Livelihood Generation, Capacity Building, Empowerment of Women, Skill development, Augmentation of Rural Infrastructure and Environmental Sustainability etc.**

### CSR INITIATIVES

Some of OIL's major CSR projects in operational areas, in line with schedule VII of the Companies Act, 2013 under different thrust areas are given below:

**Healthcare/Sanitation:** Point (i) under schedule VII of the Companies Act, 2013

**Project Sparsha:** OIL Hospital, in association with St. Luke's Hospital, Tinsukia & Chabua, Assam and Piramal Swasthya (a not for profit registered society with pan India presence, providing health care services) implements the mobile health care CSR Project Sparsha, catering to the primary health Care needs of the people of OIL's operational areas in Assam and Arunachal Pradesh. During 2016-17, a total no. of 1725 health camps were conducted under Project Sparsha, screening around 2,53,064 patients in remote villages and providing primary healthcare to the poor and needy, free of cost. Since 2014-15 to 2016-17 fiscal, the project has conducted around 3860 camps screening 5,59,992 patients.

**Project 'Arogya',** is an initiative with an umbrella focus on reduction of Maternal and Infant Mortality Rate (MMR/IMR) in and around OIL's operational areas of Tinsukia & Dibrugarh districts in the state of 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 and community health awareness generation; including pregnant mothers, adolescent girls, 0-5 year's children. Training is also provided to Health workers in all the villages covered under the programme. Since 2014-15 to 2016-17 fiscal, in Assam and Rajasthan, a total of 28 health camps were conducted wherein 5,262 pregnant women and others were screened and tested for HIV/AIDS, tuberculosis and malaria.

**Swachha Bharat Abhiyan:** OIL has rendered full 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 being the development & maintenance of Kamakhya temple, Guwahati under Swachh Iconic Place initiative. Also, during 2016-17, continuing with the "Swachh Bharat Abhiyan" initiatives, the Company constructed and renovated bio-toilet, school and public toilet facilities at Dibrugarh and Tinsukia districts in Assam. Various events such as Walkathon, Cleanliness 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.'

**Education:** Point (ii) under schedule VII of the Companies Act, 2013

**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 5 (five) OIL Super 30



centres at Guwahati, Jorhat and Dibrugarh in Assam, Jodhpur in Rajasthan and Itanagar in Arunachal Pradesh, with annual intake of 30 students per centre. The overall success rate of the project is 92% with OIL Super 30 students getting admission to IITs as well as in many other prestigious institutions/universities in the country. During the FY 2016-17, 99 out of 147 students qualified in IIT-Advance entrance examination, which is one of the best results so far by OIL Super 30.

**Project 'Dikhya':** OIL has taken up the projects for promoting computer literacy and adult literacy in the selected areas of OIL's operational districts under the aegis of Project 'Dikhya' since 2012. During 2016-17, computer education was imparted to 7132 students of Classes VI to VIII in 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 2016-17, 1500 nos. of elderly persons have benefitted from the program.

The program has so far benefitted 19,466 students via custom designed and fabricated mobile education buses/ vans equipped with laptops and colourful furniture making them children friendly and delightful teaching spaces. Value added sessions on creative studies, environmental science, cleanliness and behavioural science too are taught along with computer classes. Facility of mobile library is also provided to the students.

Other programmes under Project Dikhya include Knowledge –Yan with K-class against which since 2014-15 to 2016-17, OIL has distributed 350 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, in OIL operational areas of upper Assam and Arunachal Pradesh. Similarly, under primary school teacher Training Programme, 600 primary school teachers of rural schools have been trained on innovating teaching methodologies. Additionally, under the Adult Literacy Programme around 4300 adults were imparted education since 2012-13.

**OIL Shikshya Ratna Puraskar:** Oil India Limited 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 to each awardee is presented on the occasion. During the FY 2016-17, 06 Teachers were awarded the OIL Shikshya Ratna Puraskar.

**OIL Awards and Merit Scholarships:** Every year OIL rewards meritorious students of operational areas passing class X & XII with OIL Awards and OIL Merit Scholarships which go a long

way in encouraging the students to perform better. Till date around 12,000 students have been benefited through merit scholarships.

**Sustainable Livelihood Generation:** Point (ii) under schedule VII of the Companies Act, 2013

**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 creation and training of Self Help Groups (SHG's) of youth and women, on various economic activities in the agro-based industry, providing opportunities for self-employment and rural entrepreneurship. During 2016-17, 300 SHGs were formed and trained on handloom, poultry, farm mechanization etc. assisting 2225 families

**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 2016-17, 12 nos. of new villages (total cultivable land of 3505 acres) were adopted under the project, for Sali/Rabi paddy cultivation from OIL's operational areas in Dibrugarh and Tinsukia districts, Assam

**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 benefitting 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.

**Skill Building:** Point (iii) under schedule VII of the Companies Act, 2013

**Project 'Swabalamban':** 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 2016-17, the project has imparted placement linked skills training to 2618 Nos. unemployed youth of OIL's areas of operation in Assam and Rajasthan on various trades, out of which 2199 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.

Since 2013-14 till 2016-17 fiscal, a total of 8,560 candidates were successfully trained and 6,669 have been placed in various industries across the country

**Environment:** Point (iv) under schedule VII of the Companies Act, 2013

**Conservation of Hoolock Gibbon:** This project is OIL's seminal project on biodiversity conservation, especially conservation of endangered faunal species.

**Project OIL Urja:** The project was 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. Under the project, fuel efficient cook stoves will be constructed and installed in 3000 rural households of OIL's operational areas of upper Assam in a span of 1 year. Also, 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 2 years.

**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.

**Sasoni Merbeel Eco Tourism Project:** Since inception of the project, OIL has been supporting the initiative which has the potential of creating rural entrepreneurs apart from protecting the flora and fauna of the region. OIL has provided financial assistance for solar lighting, pedal boats and battery driver eco-friendly vehicles.

**Free LPG connection to rural households under Pradhan Mantri Ujjwala Yojana (PMUY)** OIL has been providing financial support towards PMUY launched by Hon'ble Prime Minister, Shri Narendra Modi, on free LPG connections to BPL households, which aim to safeguard the health of women and children, by providing them with a clean cooking fuel-LPG, so that they don't have to compromise their health in smoky kitchens or wander in unsafe areas for collecting of firewood. During 2016-17, OIL contributed ₹ 15.80 crore to Indian Oil Corporation Limited (IOCL) who is the coordinatoing organisation for the above scheme.

**Smokeless Village Campaign:** Oil India Limited distributed free of cost LPG connections to 131 households through rural distributorship of IOCL at Innao village under Diyun Circle, Changlang District, Arunachal Pradesh and 117 households in Amdanga and Telguri villages of Nagaon district of Assam. The other 2 (two) villages which will be converted to Smokeless Villages within shortest possible time from the offices of Pipe Line Head Quarters and Rajasthan Project, OIL are Beldanga village near Jaldapara Wildlife Sanctuary, Madarihata, Alipurduar, West Bengal and Tanot village in Thar Desert, Jaisalmer, Rajasthan.

**Promotion of Rural Sports:** Point (vii) under schedule VII of the Companies Act, 2013

Promotion of Sports as a CSR initiative apart from providing a platform and motivating the budding talent from the rural parts 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. Apart from organizing rural sports events in FY 2016-17 OIL has provided financial assistance to several schools and sports organizations for development of playground facilities benefitting larger number of youth and young sportspersons.

**Rural development Projects:** Point (x) under schedule VII of the Companies Act, 2013

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 addition to this OIL as also taken up various developmental projects in Rajasthan and Andhra Pradesh. In FY 2016-17, OIL has constructed over 105.78 kms of rural roads, 9 nos. of rural culverts, development of around 05 nos. of playgrounds and around 11 nos. of waiting sheds in various villages of OIL operational areas of Tinsukia, Dibrugarh, parts of newly formed Charaideo districts in Upper Assam and Arunachal Pradesh.

**2.Table 1:** Composition of the CSR & SD Committee as on 01.04.2017

S.No.	Name	Category	Chairman/Member
1.	Shri Utpal Bora	Chairman and Managing Director	Chairman
2.	Mrs. R.S. Borah	Director (Finance)	Member
3.	Shri Biswajit Roy	Director (HR&BD)	Member
4.	Shri P.K. Sharma	Director (Operations)	Member
5.	Shri Sunjay Sudhir	Government Nominee Director	Member





3. Average net profit of the company for last three financial years - ₹ 3,790.30 crore
4. Prescribed CSR Expenditure - ₹ 75.81 crore
5. Details of CSR spent during the financial year.
  - a. Total amount spent for the financial year - ₹ 108.37 crores
  - b. Amount unspent, if any - No.
  - c. Manner in which the amount spent during the financial year is detailed 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)	0.89
2	Project Sparsha on mobile healthcare services through village health camps	2.80
3	Health Camps by NGOs	0.04
4	Swachh Bharat Abhiyan	3.22
5	Supply of clean drinking water to rural operational areas under KG Basin project	0.25
<b>Education</b>		
6	Project OIL Super 30	2.90
7	Project Dikhya on promoting Computer literacy	9.73
8	Project Dikhya on promoting Adult Literacy	3.14
9	Career Counselling & Guidance through Edufair	0.40
10	OIL Award & Merit Scholarship	4.03
11	Assistance towards augmentation of educational infrastructure	4.29
12	Project Sakshyam on rehabilitation for persons with disabilities	0.78
<b>Sustainable Livelihood Generation</b>		
13	Project Rupantar on sustainable livelihood opportunities	6.09
14	Agriculture Project under OIRDS (Oil India Rural Development Society)	1.79
15	Project Jeevika on Cluster based livelihood project	0.51
<b>Skill Development</b>		
16	Project Swabalamban on Capacity Building & Skill Development	12.07
<b>Capacity Building and empowerment of women</b>		
17	Capacity building for empowerment of women including OIL Nursing School And HTPC.	1.48
<b>Environment</b>		
18	Project OIL Urja on providing renewable, cost effective and clean energy solutions	2.00
19	Bio-diversity Conservation Project	0.03
<b>Promotion of Art, Culture and Heritage</b>		
20	Statue of Unity	25.00
21	Support to socio-cultural event	0.71
<b>Promotion of Sports</b>		
22	Rural Sports in villages of OIL operational areas	1.57
<b>Augmentation of Rural Infrastructure</b>		
23	Construction of Roads & Bridges	5.76
24	Construction of community halls, waiting sheds etc.	3.09
25	LPG Scheme on free LPG connection to BPL families under Prime Minister Ujjwala Yojna (PMUY)	15.80
	<b>Total</b>	<b>108.37</b>

Percentage expenditure on Average net profit of the company in the last 3 years is: 2.86%

(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 (Rs Crs)	Amount spent (1) Direct expenditure on projects (2) Overheads ( Rs crs )	Cumulative expenditure w.e.f 01.04.2014 upto the reporting period (Rs crs)	Amount spent: Direct or through implementing agency
1	Project Arogya						
	Reduction of IMR & MMR	Health: (Reduction of Infant Mortality Rate & Maternal Mortality Rate)	Assam and Arunachal Pradesh.	0.89	0.89	2.80	IL&FS Education & Technology Services (IETS), New Delhi
2	Project Sparsha	Health: Mobile Healthcare Project)	Tinsukia and Dibrugarh districts of Assam.	2.80	2.80	6.80	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 & parts of Sivasagar districts of Assam, Arunachal Pradesh & Mizoram.	0.04	0.04	0.23	NGOs like 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	Sanitation	Adoption of Kamakhya Temple, Guwahati under Swachh Iconic Place Initiative and other activities include seminars, walkathons and shramdaans by OIL employees across OIL spheres	3.22	3.22	45.31	Oil India Limited / District Administration
5	Supply of Clean drinking water	Sanitation	OIL operational areas under KG Basin Project	0.25	0.25	0.25	District Administration
6	OIL Super 30	Education	Assam, Arunachal Pradesh & Rajasthan	2.90	2.90	8.27	Centre for Social Responsibility & Learning, New Delhi
7	Project Dikhya						
(a)	Computer Education to schools	Education	OIL operational areas of Tinsukia, Dibrugarh & parts of Sivasagar districts of Assam.	9.73	9.73	26.05	State Institute of Rural Development, Assam,
(b)	Distribution of K-Yan						IL&FS Education and Technology Services Limited, New Delhi



(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 (Rs Crs)	Amount spent (1) Direct expenditure on projects (2) Overheads ( Rs crs )	Cumulative expenditure w.e.f 01.04.2014 upto the reporting period (Rs crs)	Amount spent: Direct or through implementing agency
(c) (d)	Life Skills to Girls Teachers' Training	Education	OIL operational areas of Tinsukia, Dibrugarh & parts of Sivasagar districts of Assam.				State Institute of Rural Development, Assam, IL&FS Education and Technology Services Limited, New Delhi
8	Project on Adult Education	Education	OIL operational areas of Tinsukia, Dibrugarh & parts of Sivasagar districts of Assam.	3.14	3.14	7.31	State Institute of Rural Development, Assam (SIRD)
9	Assistance towards augmentation of Educational Infrastructure	Education: Development of educational infrastructure	OIL operational areas of Tinsukia, Dibrugarh & parts of Sivasagar districts of Assam	4.29	4.29	14.78	District Administration
10	Career Counselling & Guidance	Education	OIL operational areas of Tinsukia, Dibrugarh & parts of Sivasagar districts of Assam	0.40	0.40	1.00	Professional agencies working in the field of career counselling & guidance/NGOs working in the same area of expertise
11	Meritorious Awards						
a	OIL Awards & Merit Scholarships	Education	OIL operational areas of Tinsukia, Dibrugarh & Sivasagar districts of Assam and Lohit & Changlang districts of Arunachal Pradesh.	4.03	4.03	9.02	Oil India Limited
b	OIL Shikshya Ratna Puraskar	Education	Implemented across the State of Assam.				IL&FS Education & Technology Services, New Delhi
12	Project Sakshyam on rehabilitation of persons with disabilities	Education: Empowerment of Differently abled	Dibrugarh District of Assam	0.78	0.78	1.68	Mrinaljyoti Rehabilitation Centre, Duliajan and Moran Blind School, Moran

(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 (Rs Crs)	Amount spent (1) Direct expenditure on projects (2) Overheads ( Rs crs )	Cumulative expenditure w.e.f 01.04.2014 upto the reporting period (Rs crs)	Amount spent: Direct or through implementing agency
13	Project Rupantar						
(a)	Assistance to SHGs /JLGs	Sustainable Livelihood	OIL operational areas of Tinsukia, Dibrugarh & parts of Sivasagar districts of Assam	6.09	6.09	13.99	State Institute of Rural Development, Assam
(b)	Computer Centre	Skill Building	OIL operational areas of Tinsukia, Dibrugarh & parts of Sivasagar districts of Assam.				
(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, Gujrat ( FY 2014-15)
14	OIL India Rural Development Society (OIRDS)						
a	Handicraft Training & Production Centre	Sustainable Livelihood: 9 month stipendiary training on handloom & handicraft	OIL operational areas of Tinsukia, Dibrugarh & parts of Sivasagar districts of Assam.	1.79	1.79	3.98	Under the aegis of Oil India Rural Development Society (OIRDS) and Rural development scheme (FY 2014-15)
b	Agriculture Project	Sustainable Livelihood	OIL operational areas of Tinsukia, Dibrugarh & parts of Sivasagar districts of Assam.				
15	Project OIL Jeevika on cluster based livelihood Project	Sustainable Livelihood	OIL operational areas of Arunachal Pradesh	0.51	0.51	0.51	Indian Institute of Entrepreneurship, Assam
16	Project Swabalamban	Skill Building: placement linked skill training & entrepreneurship education	OIL operational areas of Tinsukia, Dibrugarh & Sivasagar districts of Assam.	12.07	12.07	39.50	CIDC, New Delhi, IL&FS Education & Technology Services, New Delhi and Indian Institute of Entrepreneurship, Guwahati



(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 (Rs Crs)	Amount spent (1) Direct expenditure on projects (2) Overheads ( Rs crs )	Cumulative expenditure w.e.f 01.04.2014 upto the reporting period (Rs crs)	Amount spent: Direct or through implementing agency
17	Capacity building for Empowerment and women	Activities related to women empowerment	OIL operational areas of Tinsukia, Dibrugarh & parts of Sivasagar districts of Assam, Arunachal Pradesh & Mizoram.	1.48	1.48	2.62	Women organizations/ associations/samitis
18	Project Urja	Environment : renewable and clean energy solution	OIL operational areas of Tinsukia, Dibrugarh & parts of Sivasagar districts of Assam.	2.00	2.00	2.00	Indian Institute of Entrepreneurship, IICO and North East Agency Pvt Ltd.
19	Environment Conservation - Project on Solar Energy & Bio-diversity	Environment	OIL operational areas of Tinsukia, Dibrugarh & parts of Sivasagar districts of Assam.	0.03	0.03	1.81	NGOs working in the field of protection of environment & biodiversity/ Assam Tourism, etc.
(a)	Kaziranga Amphitheatre	Environment: Eco Tourism	Kaziranga	--	--	2.00	Assam Tourism Development Corporation Ltd, Govt. of Assam (FY 2014-15)
(b)	Hoolock Gibbon Awareness	Environment: Protection of Environment and Bio-diversity	OIL operational areas of Tinsukia, Dibrugarh & parts of Sivasagar 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 Sivasagar 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 (Reserch and Development Institute under Ministry of New & Renewable Energy (FY 2014-15)
20	Statue of Unity	Promotion of Art, Culture and Heritage	Gujarat	25.00	25.00	25.00	Sardar Vallabhbai Patel Rashtriya Ekta Trust (SVPRET)
21	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 Sivasagar districts of Assam	0.71	0.71	1.90	Literary associations / cultural groups/ organizations etc.

(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 (Rs Crs)	Amount spent (1) Direct expenditure on projects (2) Overheads ( Rs crs )	Cumulative expenditure w.e.f 01.04.2014 upto the reporting period (Rs crs)	Amount spent: Direct or through implementing agency
	Development of Naharkatiya Well No.1	Promotion of Art, Culture and Heritage	Naharkatiya, Assam	--	--	2.00	Oil India Limited (Project of FY 2014-15)
22	Rural Sports	Rural sports in villagers of OIL operational areas	OIL operational areas of Tinsukia, Dibrugarh & parts of Sivasagar districts of Assam.	1.57	1.57	4.38	Sports Associations/ Federations / Clubs, etc.
23	Construction of Roads and Bridges	Development of rural infrastructure	OIL operational areas of Tinsukia, Dibrugarh & parts of Sivasagar districts of Assam, Arunachal Pradesh & Mizoram.	5.76	5.76	17.36	District Administration
	Greater Duliajan Township Development	Development of infrastructure and other amenities	Duliajan, Assam	--	--	7.00	Oil India Limited (Project of FY 2014-15)
24	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 Sivasagar districts of Assam, Arunachal Pradesh & Mizoram.	3.09	3.09	8.88	District Administration
25	LPG Scheme	Free LPG Connections to BPL Families		15.80	15.80	61.65	Indian Oil Corporation Ltd. which is the nodal company for the scheme.
26	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)
27	Fund for Industry-academia interface, Sponsorship / Advertisement for Goodwill.	Sponsorship / Industry academia interface	OIL operational areas across its spheres	--	--	6.21	Various nodal agencies for different Projects
	<b>TOTAL</b>			<b>108.37</b>	<b>108.37</b>	<b>333.89</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 &  
Chairman-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 : 2016-17
7. Sector(s) that the Company is engaged in (industrial activity code-wise)

	<b>Code</b>
(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. 24 of the Report on Corporate Governance
  - ii). Number of National Locations  
Refer Point No. 24 of the Report on Corporate Governance
10. Markets served by the Company - Local/State/National/International}
 

OIL's customers 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) : 801.51 crore
2. Total Turnover (INR) : 9510.39 crore
3. Total Profit after Taxes (INR) : 1548.68 crore
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of net profit (%) is 2.86%.

Manner in which the amount spent during the financial year is detailed 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)	0.89
2	Project Sparsha on mobile healthcare services through village health camps	2.80
3	Health Camps by NGOs	0.04
4	Swachh Bharat Abhiyan	3.22
5	Supply of clean drinking water to rural operational areas under KG Basin project	0.25
<b>Education</b>		
6	Project OIL Super 30	2.90
7	Project Dikhya on promoting Computer literacy	9.73
8	Project Dikhya on promoting Adult Literacy	3.14
9	Career Counselling & Guidance through Edufair	0.40
10	OIL Award & Merit Scholarship	4.03
11	Assistance towards augmentation of educational infrastructure	4.29
12	Project Sakshyam on rehabilitation for persons with disabilities	0.78





<b>Sustainable Livelihood Generation</b>		
13	Project Rupantar on sustainable livelihood opportunities	6.09
14	Agriculture Project under OIRDS (Oil India Rural Development Society)	1.79
15	Project Jeevika on Cluster based livelihood project	0.51
<b>Skill Development</b>		
16	Project Swabalamban on Capacity Building & Skill Development	12.07
<b>Capacity Building and empowerment of women</b>		
17	Capacity building for empowerment of women including OIL Nursing School And HTPC.	1.48
<b>Environment</b>		
18	Project OIL Urja on providing renewable, cost effective and clean energy solutions	2.00
19	Bio-diversity Conservation Project	0.03
<b>Promotion of Art, Culture and Heritage</b>		
20	Statue of Unity	25.00
21	Support to socio-cultural event	0.71
<b>Promotion of Sports</b>		
22	Rural Sports in villages of OIL operational areas	1.57
<b>Augmentation of Rural Infrastructure</b>		
23	Construction of Roads & Bridges	5.76
24	Construction of community halls, waiting sheds etc.	3.09
25	LPG Scheme on free LPG connection to BPL families under Prime Minister Ujjwala Yojna (PMUY)	15.80
	<b>Total</b>	<b>108.37</b>

5. List of activities in which expenditure in 4 above has been incurred:-

The key thrust areas in which the above expenditure has been incurred includes Healthcare & Sanitation, Swachh Bharat Abhiyan, Education, Sustainable Livelihood Generation, Skill Development, Capacity Building & Empowerment of Women, Environmental Sustainability, Rural Sports, Rural Development/ Augmentation of Rural Infrastructure etc. as per the provisions under Section 135 and Schedule VII of the Companies Act, 2013.

#### SECTION C : OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?

Yes. Details provided in the Directors Report. (Point No. 19)

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

The Subsidiaries of OIL are SPVs / Investment Arms for acquisition of overseas E&P Assets, therefore BR initiatives are undertaken through OIL only.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

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

OIL signed an MOU with Transparency International India (TII) in 2007 for adopting Integrity Pact 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	:	07567357
Name	:	Shri Utpal Bora
Designation	:	Chairman & Managing Director

b) Details of the BR head

S. No.	Particulars	Details
1.	DIN (if applicable)	NA
2.	Name	Shri B.P.Sarma
3.	Designation	Resident Chief Executive
4.	Telephone number	0374-2804510
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 ongoing process to cover all internal and external stakeholders. More over every citizen of India has free access to these policies under RTI Act, 2005. 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								
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.								
10.	Has the company carried out independent audit /evaluation of the working of this policy by an internal or external gency?	At regular intervals, Audits are conducted by the Internal Audit Team combined with audit conducted by Statutory Auditors.								

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

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

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 companyhasnot 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 otherreason(please specify)									



### 3. 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 to assess the business and financial performance. Besides the above, the BR initiatives are also discussed by the Committees of the Board. (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?

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 investor complaints received during the year was '159'. All complaints received during the year 2016-17 have been duly attended to by the Company / RTA and as on 31.03.2017 there was no outstanding complaint.

Further, 96 pollution complaints received in the financial year 2016-17 were duly resolved.

#### 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.

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).

Associated natural gas produced during E&P operation is utilized for captive power generation for OIL's internal consumption and the balance quantity is distributed to external consumers. Very low pressure gas which otherwise been flared is compressed through BOO (Build-Own-Operate) project for monetization. Pipeline transportation of crude oil to refineries and evacuation of petroleum products of NRL through product pipeline substantially reduce the use of energy and water at consumers' end. These efforts have also helped in reducing CO2 emission.

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

In Northeastern field, total water draft is about 30,374 KLPD out of which about 8,853 KLPD (i.e. 29%) is re-injected during the year.

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

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

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

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

**Yes.**

**Process Waste**

OIL has established an Oily sludge treatment plant in its operation area. The oil is recovered from Oily sludge which is categorized as Hazardous waste under Environment Protection Act, 1986 in four stages.

Stage 1: Sludge lifting, Mechanical screening, feeding and preparation.

Stage 2: Sludge heating and homogenization

Stage 3: Solid-liquid Separation

Stage 4: Oil & water recovery

Till now Oil has been able recover 2096 KL by processing 10000 KL of oily sludge having 75%-85% water, 15-25% oil and <1-2 % solids & Debris.

**E-waste:**

In line with the requirements of the E-Waste (Management and Handling) Rules 2010, Oil India has implemented the project where E-waste across different spheres viz, FHQ, Pipelines, Kolkata Office, Corporate Office Noida, Rajasthan Project and BEP will be collected and disposed/ recycled as per norms. M/s Attero Recycling has been awarded contract for the same and till date more than 42 tonnes of E-waste has been 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: 7228

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

Total number of employees hired on temporary/ contractual/ casual basis: 99

3. Please indicate the Number of permanent women employees.

Number of permanent women employees: 379

4. Please indicate the Number of permanent employees with disabilities

Number of permanent employees with disabilities: 114

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 – 80.27%

ii) Oil and Gas Employees Union – 79.74%

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	Nil
2.	Sexual harassment	1	1
3.	Discriminatory employment	Nil	Nil

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

A) Safety Upgradation Training

i. Permanent Employees: 16.32%

ii. Permanent Women Employees: 6.07%

iii. Contractual/ Temporary/ Casual Employees: 22.67%

iv. Employees with disabilities: 10.08

B) Skill Upgradation Training

i) Permanent Employees: 19.55%

ii) Permanent Women Employees: 21.63%

iii) Contractual/ Temporary/ Casual Employees: Nil(\*)

iv) Employees with disabilities: 33.39%

\*Contractual and other casual workers deployed by different contractors receive mandatory onsite 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 CSR initiatives taken up at Oil India Limited are governed by need assessment studies (e.g. by Dibrugarh University, Enterprises Group, New Delhi), baseline surveys (e.g. Webcon, Kolkata) and feasibility studies (e.g. FAITH, New Delhi) of the targeted areas. As such all CSR activities are need based and realistic. OIL conducts formative researches & social audits of the ongoing CSR activities at regular intervals so as to ensure their proper implementation & further improvements, if any.

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

Yes, the details are as given below:

a) Empowering women & youth through initiatives on sustainable livelihood generation:

In order to provide livelihood opportunities to large number of unemployed youth of the society irrespective of gender perspective and strengthen the rural economy, OIL had started ambitious CSR projects such as Oil India Rural Development Society (OIRDS), Project Rupantar and Project Jeevika. OIRDS, through its Agriculture Project, has helped the youth in self-employment through commercialization of agriculture. OIL's flagship CSR Project Rupantar has been generating livelihood opportunities by assisting through creation and training of Self Help Groups (SHG's) on various economic activities in the agro based industry thereby providing scope for rural entrepreneurship and helping the unemployed youth of its operational areas to find alternate employment. OIL also has a Computer Centre under Project Rupantar, providing short-term computer training courses to young men and women thus enabling them to gain access to decent work and employment. Project OIL Jeevika is a community cluster based sustainable livelihood promotion project aiming 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.

b) Empowering women through capacity building:

The OIL Nursing School set up in 1991, at OIL's Fields Headquarters, Duliajan, Assam, conducts 3yr Certificate Course on General Nursing & Midwifery (GNM), recognized by the Directorate of Medical Education, Assam, to young women, to charter a career path and gain employment in the healthcare sector. On the other hand, the Handicraft Training and Production Centre (HTPC) under OIRDS, set up in 1984, at Duliajan, has been training women from OIL's operational areas, on handloom, knitting, cutting, tailoring and embroidery, many of whom have been gainfully employed or have set up their own production units.

c) Enhancing employability through skill development:

OIL's CSR Project Swabalamban on capacity building and skill development was launched in 2013 under which, placement linked skills training is imparted to youth of OIL operational areas in Assam and Rajasthan Project, on various trades like Housekeeping & Hospitality, Electrician, Plumbing, Welding, Lab Technician, Sewing Machine Operator, Fire & Safety, Retail Management, etc. in order to empower them with the right kind of skills and enhance their employability in the job market.

d) Developmental Projects for SC and ST:

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

e) Healing through Sparsha:

Mobile health care services, under CSR Project Sparsha, extends primary health care to the needy and poor, free of cost, in remote villages of OIL's operational areas, through over 750 health camps conducted annually.

f) Empowering through education:

Under CSR Project Dikhya, OIL has been imparting Adult Education to adults of underprivileged section of society and Computer Education to the students of remote rural schools in its operational areas. Project OIL Super 30 which provides free residential coaching on IIT/Engineering entrance examination, to students from underprivileged section of society, has placed many talented students from marginalized families in reputed engineering institutes of the country. OIL has been extending merit scholarships and awards to meritorious students passing Class Xth & XIIth from rural areas. Under CSR Project Sakshyam, OIL has been extending support to the cause of

persons with disabilities. OIL has adopted and extended support to the two schools for differently abled 'Divyang children towards infrastructure development, running costs 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.

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

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

Yes, Oil India Limited is Asia's oldest E&P Company. 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.

- As a first step OIL has calculated its carbon inventory and framed a low carbon strategy.
- OIL has carried out exercise to calculate its overall carbon footprint of the organization in its and operational boundary which was 1.09 million CO2 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.

- OIL has identified GHG emission abatement opportunities through technology and process improvement levers and strategized the implementation plan.
  - OIL has set up solar power stations, wind mills to produce non-conventional energy thereby reducing GHG emission and climate change.
  - 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.
3. Does the company identify and assess potential environmental risks? Y/N

Yes, Environmental Impact Assessment 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?
5. Yes. While a no. of CDM projects have been lined up by the company, one pipeline project has already got the approval UNFCC and the implementation process is in progress. Hence no environmental compliance report has been filed.

**Details of the project:** Moreover, a project has been conceived to utilize the gas, which is presently flared from Kumchai oil field to fuel 5 MW power plant. OIL is awaiting for required statutory clearances.

This project will fulfil the following objectives:

- Reduction in GHG emissions due to reduced flaring of the gas from oil well.



- Utilization of the high calorific value gas, which is presently flared to substitute higher carbon intensive fuels.
- Conservation of depleting non- renewable natural resources.
- Promotion of sustainable economic growth through environment-friendly technology.

6. 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 as follows :

### REDUCTION OF GAS FLARE

Reduction of flaring of about 117.256 MMSCM of natural gas is achieved by various measures like BOO (Build-Own-Operate) compression services at Bhogpara, Dikom, Makum, Chabua and Hatiali, feeding the gas to OIL's gas distribution network.

### UTILISATION OF RENEWABLE SOURCE OF ENERGY:

Use of Solar Energy

- Use of Solar Photo-Voltaic cells for MART Communication system has resulted in saving equivalent electrical energy generation with conventional fuel. The 9 MW Solar Power Plant at Ramgarh, Jaisalmer, Rajasthan produced 16.46 Million Units of Electricity which was sold to Jodhpur Vidyut Vitaran Nigam Limited, Government of Rajasthan
- The 5 MW Solar Power Plant at Ramgarh, Jaisalmer, Rajasthan produced 9.13 Million Units of Electricity which was sold to Jodhpur Vidyut Vitaran Nigam Limited, Government of Rajasthan.
- Use of 2 nos. Solar Gen Sets in place of 30 KVA Gen set during night for illumination purpose at Work-over locations resulted in saving of HSD.
- OIL's Repeater stations at Jagiroad and Kishanganj has been powered with solar energy with 20 KW plant each which was previously run with Diesel Generators.
- Another Repeater station at Dharampur with 20 KW plant is under commissioning.
- OIL is successfully utilizing the Solar Lanterns as emergency lights for control room and field application in Pump Station 5, Noonmati, 100 KWp Solar PV (Photo Voltaic) energy plant is utilized at Joypur Oil Collecting Station at its Field in Assam and 100KWp Solar Energy Power plant commissioned at Tanot (RP).
- Using Solar Lanterns as emergency lights for control room and field application in Pump Station 5, Noonmati.

- One no. 100 KWp Solar PV (Photo Voltaic) energy plant is utilized at Joypur Oil Collecting Station at its Field in Assam for providing lighting & other required load at the installation.
- 100 KWp Solar Energy Power plant commissioned at Tanot (RP) on 15.03.2013 for providing lighting & other required load at the installation.

Use of Wind Energy:

- Wind Energy Power Projects comprising of 136.3 MW are spread over the states of Rajasthan, Madhya Pradesh & Gujarat, the operational Solar Energy Power Projects are installed in Rajasthan. The wind farm is connected to the Power grid of Rajasthan Rajya Vidyut Prasaran Nigam Ltd (RRVPL) at Amar Sagar, GUVNL in Gujarat and MPPMCL in Madhya Pradesh.

### CONSERVATION OF DIESEL

- Apart from the above mentioned measures saving of approximately 8 KL of HSD achieved by using electric motor driven hydraulic unit instead of engine driven unit for torque up casings. Approximately 20 KL of HSD saved yearly by commissioning of three nos. 50 KVA Gas Engine Driven Generating set in FGGS-336, Deohal and Kusijan. Similarly, approximately 90 KL of HSD is saved by replacing 2 nos. of diesel engine driven Gen-sets with Gas engine driven gen-sets at EPS-HJC.
  - About 91.25 KL of HSD saved by replacing 2 nos. of diesel engine driven Gen-sets with Gas engine driven gen-sets at EPS-HJC.
  - Moreover, approximately 10 KL of HSD is saved per year by generation of electricity with 30 KW plant at OIL Corporate office, Noida.
6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

The emissions/waste generated by the company were with the permissible limit given by CPCB/SPCB :

### Emissions:

Regular monitoring of ambient air quality with the help of Mobile Air Quality Monitoring van which is equipped with online monitors for priority pollutants CO, H<sub>2</sub>S, SO<sub>2</sub>, oxides of N<sub>2</sub>, SPM and Total Hydrocarbons (National Ambient Air Quality parameters) are carried out.

The concentrations of the priority pollutants in the monitored areas were found to be below CPCB's prescribed limits.

**Waste:**

Waste Generated in OIL are within permissible limits as prescribed by CPCB/SPCB. The disposal methods adopted are also as per prescribed norms.

The various wastes such as drill cuttings, oily sludge, spent oil, formation water, biomedical waste, municipal waste etc are disposed off as per prescribed norms and confirming to prescribe limits.

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

**Principle 8: 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.

Keeping in perspective the larger good of the society, Oil India Limited, since inception, has engaged itself directly with local communities through its Corporate Social Responsibility initiatives, identifying their basic needs, and integrating them with business goals and strategic intent. CSR of Oil India Limited is governed by OIL's CSR Vision, its policies on CSR and Sustainable Development, the DPE Guidelines, 2013, on CSR & Sustainability for the CPSEs, and, the Companies Act, 2013. In line with the provisions of Section 135 and Schedule VII of the Companies Act, 2013 OIL implements various CSR programmes and projects in key thrust areas such as Healthcare, Sanitation, Education, Sustainable Livelihood Generation, Skill Development, Capacity Building & Empowerment of Women, Environment, Rural Sports, Rural Development/ Augmentation of Rural Infrastructure etc. Some major CSR projects and other activities are as under:

**Swachh Bharat Abhiyan:** OIL has rendered full 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 being the development & maintenance of Kamakhya temple, Guwahati under Swachh Iconic Place initiative. Also, during 2016-17, continuing with the "Swachh Bharat Abhiyan" initiatives, the Company constructed and renovated bio-toilet, school and public toilet facilities at Dibrugarh and Tinsukia districts in Assam. Various events such as Walkathon, Cleanliness 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'.

**Free LPG connection to rural households under Pradhan Mantri Ujjwala Yojana (PMUY)** OIL has been providing financial support towards PMUY launched by Hon'ble Prime Minister, Shri Narendra Modi, on free LPG connections to BPL households, which aim to safeguard the health of women and children, by providing them with a clean cooking fuel-LPG, so that they don't have to compromise their health in smoky kitchens or wander in unsafe areas for collecting of firewood. During 2016-17, OIL contributed ₹ 15.80 crore to Indian Oil Corporation Limited (IOCL) who is the coordinating organization for the above scheme.

**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 creation and training of Self Help Groups (SHG) of youth and women, on various economic activities in the agro-based industry, providing opportunities for self- employment and rural entrepreneurship. During 2016-17, 300 SHGs were formed and trained on handloom, poultry, farm mechanization etc. assisting 2225 families.





**Agriculture Project:** 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, so as 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 2016-17, 12 villages (total cultivable land of 3505 acres) were adopted under the project, for Sali/Rabi paddy cultivation from OIL's operational areas in Dibrugarh and Tinsukia districts, Assam.

**Project Sparsha:** OIL Hospital, in association with St. Luke's Hospital, Tinsukia & Chabua, Assam and Piramal Swasthya (a not for profit registered society with pan India presence, providing health care services) have implemented the mobile health care CSR Project Sparsha, catering to the primary health care needs of the people of OIL's operational areas in Assam and Arunachal Pradesh. During 2016-17, a total no. of 1725 health camps were conducted under Project Sparsha, screening around 2,53,064 patients in remote villages and providing primary healthcare to the poor and needy, free of cost.

**Other Healthcare initiatives:** Project Arogya on reduction of Infant Mortality Rate (IMR) and Maternal Mortality Rate (MMR) under which pre-natal and post-natal health check-up camps are conducted along with several other activities like training on community health, tracking and follow up of pregnant women, immunization of babies, in identified villages of operational areas. Further, OIL assists Govt. Agencies / NGOs (like Lions Club, Rotary Club) in specialized camp like eye camps, cancer detection camps etc.

**Project OIL Super 30:** A CSR project under the thrust area of education, under which students from marginalized section of society, in Assam, Arunachal Pradesh and Rajasthan are provided 11 month free residential coaching on IIT entrance examination for admission to IITs and other engineering colleges. The Company has 5(five) OIL Super 30 centres at Guwahati, Jorhat and Dibrugarh in Assam, Jodhpur in Rajasthan and Itanagar in Arunachal Pradesh, with annual intake of 30 students per centre. During the FY 2016-17, 99 out of 147 students qualified in IIT-Advance entrance examination, which is one of the best results so far by OIL Super 30.

**Project Dikhya:** OIL has taken up the projects for promoting computer literacy and adult literacy in the selected areas of OIL's operational districts under the aegis of Project 'Dikhya' since 2012. During 2016-17, computer education was imparted to

7132 students of Classes VI to VIII in rural schools through mobile computer lab(bus). Value added sessions on creative studies, environmental science, cleanliness, 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 and tea gardens. The course module is designed based on Government of Assam approved text books of Sarva Shikshya Abhiyan. During 2016-17, 1500 nos. of elderly persons have benefitted from the program.

**Project Swabalamban:** Launched in 2013, CSR Project Swabalamban is on capacity building and placement linked skill training of youth from OIL's operational areas in Assam and Rajasthan, on various trades such as Electrician, Plumbing, Welding, Lab Technician, Sewing Machine Operator, Fire & Safety, Housekeeping & Hospitality services, Retail Management, etc. in order to empower them with the right kind of skills and enhance their employability in the job market. During 2016-17, 2618 nos. of youth have been trained and 2199 of them have been placed in various private sector organizations across the country.

**Educational fairs & exhibitions:** OIL has been associated with the Assam Tribune Group, Guwahati, since 2009, organizing Career Counselling & Educational Fair at Guwahati, Dibrugarh and Shillong, for providing opportunities on professional guidance on career to students of the Northeast region.

**Need assessment study and social audit of OIL's CSR initiatives:** OIL had engaged Dibrugarh University for carrying out the same in order to assess the socio-economic needs of the people and communities of OIL's operational areas for initiating need based CSR projects & programs along with an audit of the ongoing CSR activities of OIL.

**Other studies:** OIL has been continually engaging several organizations like the Enterprises Group (New Delhi), FAITH (New Delhi), Webcon (Kolkata), CAAG (New Delhi) etc. for conducting social surveys, base line surveys, audits, feasibility studies, etc. for initiating CSR projects.

OIL's Social Vision is "Oil India is a Responsible Corporate Citizen deeply committed to socio-economic development in its areas of operations," and true to its vision, CSR at OIL has been characterized by all round development of the people and communities of OIL operational areas.

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?

✓ Company's monitoring and evaluation mechanism involve 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.

✓ 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.

✓ OIL had carried out a utilization assessment survey of toilets constructed under Swachh Bharat Abhiyan in FY 2016-17.

✓ 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.

✓ 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 ongoing and completed projects.

✓ 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 ongoing activities under the projects. External agencies like Enterprises Group (New Delhi) had carried out a study of OIL's ongoing CSR activities.

✓ 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 ongoing 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.

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 2016-17

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

OIL is regulated by the Ministry of Petroleum and Natural Gas. The productivity, quality and safety of Company's performance / products is of prime concern to the Company.

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



## REPORT ON CORPORATE GOVERNANCE

### 1. PHILOSOPHY ON CORPORATE GOVERNANCE

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

- Transparency
- Accountability

Transparency means explaining the Company'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 structure of Board strength consists of 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). However, Present Board of OIL consists of five functional Directors and two Government Nominee Directors.

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, 13 (thirteen) meetings of the Board of Directors were held on May 27, 2016, June 10, 2016, July 04, 2016, August 03, 2016, September 06, 2016, September 30, 2016, October 28, 2016, November 28, 2016, December 27, 2016, January 12, 2017, January 31, 2017, February 16, 2017 and March 20, 2017. Composition of the Board and the details of the attendance at the meetings held during the financial year are given in Table 1 :

**Table 1 : Composition of the Board and the details of the attendance of Directors at the Board meetings during 2016-17**

S. No	Name, Designation and DIN	Attendance at Board Meeting	Attendance at AGM	Tenure	Directorship in Public Cos	Membership*/ Chairmanship of Committees	No. of shares held in the Co.	
<b>Whole-time Directors / Functional Directors</b>								
1.	Shri. Utpal Bora Chairman & Managing Director (07567357)	10/10	Yes	18.07.2016 to 30.09.2019	3	-	-	-
2.	Smt. Rupshikha Saikia Borah Director (Finance) (06700534)	12/13	Yes	01.10.2013 to 30.09.2018	3	3	-	6666
3.	Shri. Sudhakar Mahapatra Director(E&D) (06941346)	12/13	Yes	04.08.2014 to 31.03.2017	2	2	1	-
4.	Shri. Biswajit Roy Director (HR&BD)(07109038)	12/13	Yes	08.05.2015 to 07.05.2020	2	1	-	-
5.	Shri. Pramod Kumar Sharma Director (Operations)(07194463)	11/13	Yes	01.06.2015 to 31.05.2020	1	2	-	3000
<b>Government Nominee Directors</b>								
6.	Shri. Sunjay Sudhir Joint Secretary (IC), MOP&NG (07396936)	10/13	No	From 07.01.2016	3	1	3	-
7.	Shri. Amar Nath Joint Secretary (Expl), MOP&NG (05130108)	8/9	No	From 16.08.2016	2	-	-	-

Particulars of Directors whose period ended during the year				
8.	Shri. U.P.Singh Chairman & Managing Director (00354985)	1/1	NA	01.07.2015 to 31.05.2016
9.	Shri. A. P. Sawhney Chairman & Managing Director (03359323)	2/2	NA	01.06.2016 to 17.07.2016

\*Chairmanship / Membership of Stakeholders Relationship Committee and Audit Committee including those of OIL

The Board has constituted various committees which deal with specific issues. 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 role of the Audit & Ethics Committee is as defined in the Act and SEBI (LODR) Regulations 2015.

During the year, Audit & Ethics Committee met 5 times on May 27, 2016, August 03, 2016, September 06, 2016, November 28, 2016, and January 31, 2017. Director (Finance) is permanent invitee to the Committee. The detailed composition of the Audit & Ethics Committee and attendance of its members is given in Table 2.

**Table 2: Composition of the Audit & Ethics Committee and Attendance of the members during the year 2016-17**

S.No	Name and Designation	Chairman/ Member	Date of Appointment	Attended/ Held
1.	Shri. Sunjay Sudhir, JS(IC), MOP&NG-Govt. Nominee Director	Chairman	07.01.2016	5/5
2.	Shri. S. Mahapatra, Director (E&D)	Member	25.09.2015	5/5
3.	Shri. P.K. Sharma, Director (Operations)	Member	25.09.2015	5/5

#### 3.2 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 Balance Sheet, 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 investor services. The composition of the Committee during the year is presented in Table 3.

**Table 3: Composition of the Committee during the year 2016-17**

S.No.	Name and Designation	Chairman/ Member	Date of Appointment
1.	Shri. Sunjay Sudhir, JS(IC), MOP&NG-Govt. Nominee Director	Chairman	07.01.2016
2.	Smt. R.S. Borah, Director (Finance)	Member	01.10.2013
3.	Shri. S Mahapatra, Director (E&D)	Member	12.08.2014
4.	Shri. P.K. Sharma, Director (Operations)	Member	01.06.2015

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 Investor Grievance Campaigns. Helpdesk facility is in place at Duliajan Office Complex to redress the queries/complaints of Investors in the area.

During the year, Company received 159 complaints. All complaints received during the year 2016-17 have been duly redressed by the Company / RTA and there was no outstanding complaint as on 31.03.2017.



### 3.3 NOMINATION & REMUNERATION COMMITTEE

Nomination & Remuneration Committee reviews and recommends Perks and Allowances and Performance Related Payment (PRP) etc. payable to Board level and below Board Level executives within the framework of the DPE Guidelines.

The Perquisites/PRP being paid to the employees of the Company are extendable to the Functional Directors as per DPE Guidelines.

Independent directors are paid sitting fees of ₹ 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.

The remuneration of Senior Management & other employees are decided by Board based on the formula/guidelines issued by DPE from time to time.

One meeting of the Nomination & Remuneration Committee was held on September 06, 2016. The Composition of the Committee and attendance of the members is presented in Table 4.

**Table 4: Composition of the Committee and Attendance of the members during the year 2016-17**

S.No	Name and Designation	Chairman/Member	Date of Appointment	Attended/Held
1.	Shri. Sunjay Sudhir, JS(IC), MOP&NG-Govt. Nominee Director	Chairman	07.01.2016	1/1
2.	Smt. R.S. Borah, Director (Finance)	Member	25.09.2015	1/1
3.	Shri. Biswajit Roy, Director (HR&BD)	Member	25.09.2015	1/1

Details of remuneration paid to the Functional Directors for the year 2016-17 are furnished in Table 5 :

**Table 5: Details of remuneration paid to Functional Directors for the year 2016-17**

(Amount in ₹)

S.No	Name and Designation	Salary & Allowance	Contribution to PF and Other Funds	Other benefits	Total
1.	Shri. Utpal Bora Chairman and Managing Director	20,08,089	3,29,920	2,66,245	26,04,254
2.	Smt. R.S. Borah Director (Finance)	30,06,633	5,61,105	9,30,512	44,98,250
3.	Shri. S. Mahapatra Director (E&D)	28,55,355	5,25,237	5,26,473	39,07,065
4.	Shri. Biswajit Roy Director (HR&BD)	29,45,593	5,68,229	7,32,543	42,46,365
5.	Shri. P.K. Sharma Director (Operations)	30,30,567	5,42,478	9,60,202	45,33,247
	<b>Total</b>	<b>1,38,46,237</b>	<b>25,26,969</b>	<b>34,15,975</b>	<b>1,97,89,181</b>

### 3.4 HUMAN RESOURCE MANAGEMENT (HRM) COMMITTEE

The Human Resource Management Committee considers all issues / areas concerning the Human Resource Planning & Management, HR Policies & Initiatives and Promotions to the level of E-9 (Executive Directors).

During the year, there were three meetings of Human Resource Management Committee on September 25, 2016, November 28, 2016, and December 27, 2016. The composition of the Committee and attendance of the members are presented in Table 6:

**Table 6: Composition of the Committee and Attendance of the members during the year 2016-17**

S.No	Name and Designation	Chairman/Member	Date of Appointment	Attended/Held
1.	Shri. Utpal Bora Chairman and Managing Director	Chairman	18.07.2016	3/3
2.	Smt. R.S.Borah, Director (Finance)	Member	27.05.2014	3/3
3.	Shri. S. Mahapatra, Director (E&D)	Member	12.08.2014	2/3
4.	Shri. Biswajit Roy, Director (HR&BD)	Member	29.05.2015	3/3
5.	Shri. P.K. Sharma, Director (Operations)	Member	01.06.2015	3/3

### 3.5 BUSINESS DEVELOPMENT COMMITTEE (BDC)

The Business Development Committee oversees and explores new areas of business, and recommends/approves the proposals for collaborations, joint ventures, acquisitions etc. The composition of the Committee is given in Table 7:

**Table 7: Composition of the Committee as on 31.03.2017**

S.No.	Name and Designation	Chairman/Member	Date of Appointment
1.	Shri. Utpal Bora, Chairman and Managing Director	Chairman	18.07.2016
2.	Smt. R.S.Borah, Director (Finance)	Member	01.10.2013
3.	Shri. S. Mahapatra, Director (E&D)	Member	12.08.2014
4.	Shri. Biswajit Roy, Director (HR&BD)	Member	29.05.2015
5.	Shri. P.K. Sharma, Director (Operations)	Member	01.06.2015
6.	Shri. Amar Nath, JS(E), MOP&NG-Govt. Nominee Director	Member	16.08.2016

### 3.6 HEALTH, SAFETY & ENVIRONMENT COMMITTEE (HSE)

HSE Committee is constituted to assist the Board for evolving, monitoring and reviewing appropriate systems to deal with Health, Safety and Environmental issues and ensuring compliance to the Statutory/Regulatory provisions. The composition of the Committee is given in Table 8:

**Table 8: Composition of the Committee as on 31.03.2017**

S.No.	Name and Designation	Chairman/Member	Date of Appointment
1.	Shri. Utpal Bora, Chairman and Managing Director	Chairman	18.07.2016
2.	Smt. R.S.Borah, Director (Finance)	Member	27.05.2014
3.	Shri. S. Mahapatra, Director (E&D)	Member	12.08.2014
4.	Shri. Biswajit Roy, Director (HR&BD)	Member	29.05.2015
5.	Shri. P.K. Sharma, Director (Operations)	Member	01.06.2015
6.	Shri. Amar Nath, JS(E), MOP&NG-Govt. Nominee Director	Member	16.08.2016



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

CSR & SD Committee formulates Policies, Reviews and Recommends budget/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, three meetings of CSR & SD Committee were held on May 27, 2016, September 25, 2016, and March 20, 2017. The Composition of the Committee and attendance of the members during the year is given in Table 9:

**Table 9: Composition of the Committee and attendance of the Members during the year 2016-17**

S.No	Name and Designation	Chairman/Member	Date of Appointment	Attended/Held
1.	Shri. Utpal Bora Chairman and Managing Director	Chairman	18.07.2016	3/3
2.	Smt. R.S.Borah, Director (Finance)	Member	01.10.2013	3/3
3.	Shri. Biswajit Roy, Director (HR&BD)	Member	29.05.2015	3/3
4.	Shri. P.K. Sharma, Director (Operations)	Member	01.06.2015	3/3
5.	Shri. Sunjay Sudhir, JS(IC), MOP&NG-Govt. Nominee Director	Member	07.01.2016	2/3

### 3.8 RISK MANAGEMENT COMMITTEE (RMC)

Pursuant to SEBI (LODR) Regulations, 2015, the Board is primarily responsible for risk management of the Company. To assist the Board, a Risk Management Committee has been constituted and responsibilities of the Committee inter-alia includes to monitor and review Risk Management Plan, review and recommend Risk Assessment & Management Report, ensure that appropriate system of Risk Management is in place etc.

During the year, one meeting of the Committee was held on February 17, 2017. The composition of the Committee is given in Table 10:

**Table 10: Composition of the Committee and attendance of the members during the year ended on 31.03.2017**

S.No	Name and Designation	Chairperson/Member	Date of Appointment	Attendance
1.	Smt. R.S.Borah, Director (Finance)	Chairperson	25.09.2015	0/1
2.	Shri. S. Mahapatra, Director (E&D)	Member	12.11.2014	1/1
3.	Shri. Biswajit Roy, Director (HR&BD)	Member	29.05.2015	0/1
4.	Shri. P.K. Sharma, Director (Operations)	Member	01.06.2015	1/1
5.	Shri. Amar Nath, JS(E), MOP&NG-Govt. Nominee Director	Member	16.08.2016	0/1
<b>Senior Executives</b>				
6.	Resident Chief Executive	Member		1/1
7.	GGM (RM) / Executive Director (RM), Corporate Office Noida	Member		1/1
8.	DGM (RM) / GM (RM), Field Headquarters	Member		1/1

#### 4. CODE OF CONDUCT FOR MEMBERS OF THE BOARD AND SENIOR MANAGEMENT

The Code of Conduct for the Board members and senior management includes necessary changes of the Companies Act 2013 and SEBI (LODR) Regulations, 2015 and 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 2016-17."

Sd/-

**(Utpal Bora)**

Chairman and Managing Director

#### 5. 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 2016-17 was submitted to the Board.

#### 6. ANNUAL GENERAL MEETINGS/EXTRA-ORDINARY GENERAL MEETINGS

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

**Table 11: Details of the last three AGMs of the Company**

AGM	Date	Time	Venue	Special Resolution
55 <sup>th</sup>	27 <sup>th</sup> Sept, 2014	11.00 AM	Bihutoli, Duliajan, Assam	None
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

#### 7. DISCLOSURES

##### a) Related Party Transactions

The Company does not have any material/significant related party transactions, which may have potential conflict with its interests. Disclosures regarding transactions with related parties are given in the Note to Accounts of the Financial Statements. Pursuant to SEBI (LODR) Regulations, 2015, the Policy on dealing with Related Party Transactions (RPTs) of the company is available at website of the Company. (Website link: <http://www.oil-india.com/Document/Financial/RPT%20POLICY.pdf>)

##### b) Compliances

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

##### c) Whistle Blower Policy

No personnel have been denied access to the Audit & Ethics Committee. OIL endeavors to work against corruption in all its forms through well-defined Whistle Blower Policy. The policy provides all the employees with free access to the Management

in case they observe unethical or improper practices or any other wrongful conduct in the Company and to prohibit managerial personnel from taking any adverse personal action against those employees.

##### d) Material Subsidiaries Policy

The Material Subsidiaries Policy of the Company is disclosed on Company website (Website link: <http://www.oilindia.com/Document/Financial/Material%20Subsidiary%20Policy%20final.pdf>). As per the said policy, a subsidiary shall be considered material, if the investment of the Company in the subsidiary exceeds 20% of the consolidated net worth as per the audited balance sheet of the previous financial year or if the subsidiary has generated 20% of the consolidated income of the Company during the previous financial year.

#### 8. MEANS OF COMMUNICATION

The Company's website 'www.oil-india.com' has information for institutional and retail shareholders alike. The website contains separate dedicated section 'Investors' where the shareholders' information is available. Annual Report, Shareholding Pattern, Notice of Board Meetings/AGM, window closures, unclaimed dividend details, Dividend Transferred to IEPF Authority, formats for investors, Corporate Governance Report, Investors Relation Handbook etc. are also available on the web-site in a user-friendly manner.





The Company's website also displays official news releases. The website contains presentations made to institutional investors or to the analysts. The Quarterly Results/Annual Results are communicated by means of newspapers/magazines and website to all concerned. These financial results are normally published in leading English Newspapers and vernacular dailies having wide circulation across the country.

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

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

## 9. SHAREHOLDERS' INFORMATION

### 9.1 Annual General Meeting

Day, Date, and Time	Saturday, 23 <sup>rd</sup> September, 2017 at 11:00 AM.
Venue	Bihutoli, Duliajan, Assam
Book Closure Dates	16 <sup>th</sup> September, 2017 to 23 <sup>rd</sup> September, 2017

### 9.2 Dividend Policy and Dividend Payment Date

Interim dividend @ ₹ 9.50 per share was declared on 31.01.17 for the year 2016-17 and was paid within 30 days. Further Board has recommended a final dividend @ ₹ 4.75/- per share for the year 2016-17, subject to the approval of the shareholders. Guidelines issued by Department of Investment and Public Asset Management (DIPAM), Ministry of Finance 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.

### 9.3 Investors' Education & Protection Fund (IEPF)

During the year, Company has transferred the following amounts 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	Amount (in ₹)
Final Dividend 2008-09	2,22,580.00
Interim Dividend 2009-10	10,61,784.00

All Shareholders are requested to visit the website and verify the payment status of their dividend. In case dividend is unpaid, claim may be lodged with M/s 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 2017-18.

**Table 12:** Details of the Unpaid Dividends which are to be transferred in 2017-18 to IEPF

Financial year	Type of Dividend	Date of declaration	Due for transfer to IEPF (Tentative dates)
2009-10	Final	25.09.2010	30.11.2017
2010-11	Interim	22.12.2010	27.02.2018

### 9.4 Table 13: Tentative Financial Calendar

Financial Results (2017-18)	Last date for submission to Stock Exchanges
Quarter 1	14 <sup>th</sup> August, 2017
Quarter 2	14 <sup>th</sup> November, 2017
Quarter 3	14 <sup>th</sup> February, 2018
Annual/ Quarter 4	30 <sup>th</sup> May, 2018

### 9.5 Table 14 : Status of Dematerialization (As on March 31, 2017)

S No.	Category	No of Shares	%
1.	NSDL	736444428	91.88
2.	CDSL	61472308	7.67
3.	Physical	3597871	0.45
	<b>Total</b>	<b>801514607</b>	<b>100.00</b>

## 10. OUTSTANDING GDRs/ADRs/WARRANTS OR CONVERTIBLE INSTRUMENT

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

## 11. DEBT INSTRUMENTS

In April 2014, OIL issued Regulation S Bonds in two tranches - US\$ 500 million for 5 year tenor and US\$ 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.

## 12. INVESTORS SERVICES

The Company serves its investors through M/s. Karvy Computershare Pvt. Ltd., RTA. Facilities, such as remittance of

dividend electronically, incorporation of Bank details on dividend warrants, direct deposit of dividends, reminders for unclaimed dividends, nomination facility, issue of public notice for lost share certificates, issue of duplicate share certificates etc. are also provided to the investors.

**Physical Shares:**

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

**Demat Shares:**

OIL share is traded electronically in dematerialized form. Beneficiary gives purchase / sale instructions to their Depository 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 sent to the Stock Exchanges.

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

**13. ADDRESS FOR SHAREHOLDERS CORRESPONDENCE**

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

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

**14. LISTING**

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

Name & Address	Telephone/Fax/E-mail ID/Website ID	Stock Code	Listing Fees (2017-18)
National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai - 400 051	Tel No: 022-26598100-8114 Fax No: 022- 26598120 Website:www.nseindia.com	OIL	PAID
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001	Phones : 022-22721233/4, 66545695 Fax : 022-22721919 Website:www.bseindia.com	533106	

**15. NAME, DESIGNATION AND ADDRESS OF COMPLIANCE OFFICER**

- (i) Shri. S.K.Senapati, Company Secretary (from 01.11.2016)
- (ii) Shri. S.R.Krishnan, Company Secretary (upto 31.10.2016)

**Official Address**

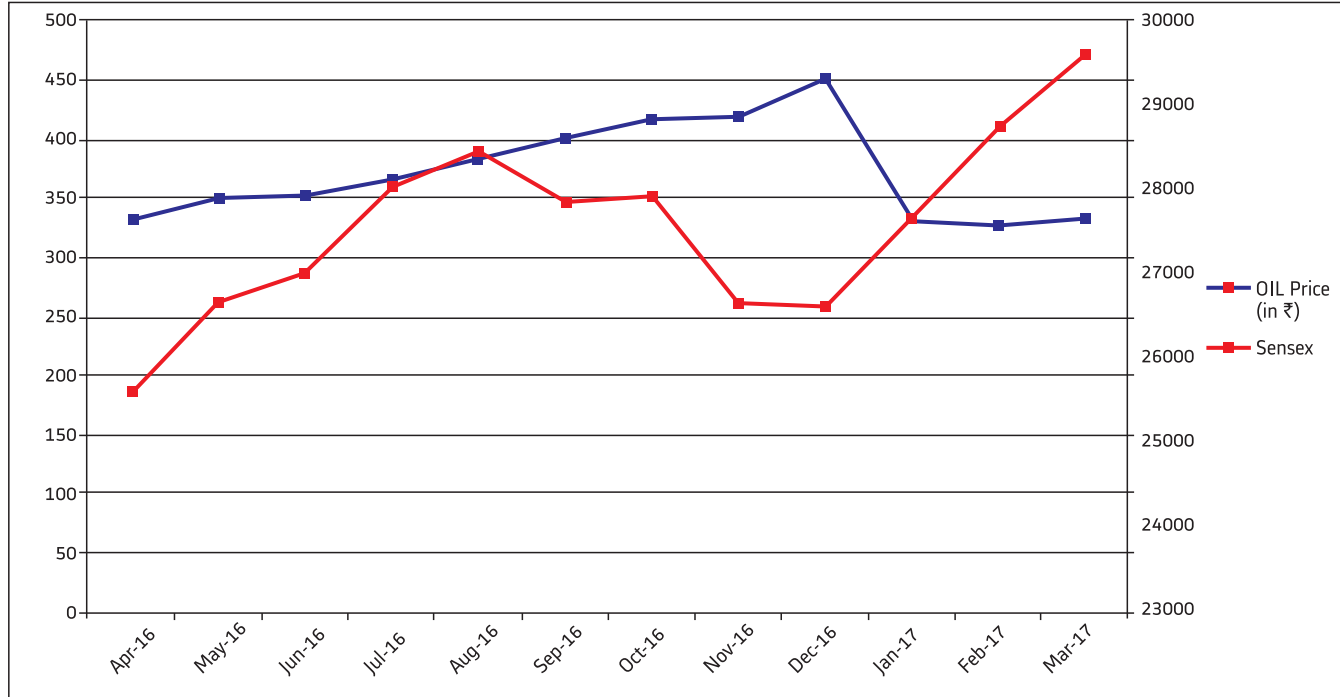
Corporate Office : Oil India Limited, Plot No. 19, Sector 16 A, Film City, Noida - 201301, U.P.



## 16. STOCK MARKET INFORMATION

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

**OIL SHARE PERFORMANCE: OIL VS. SENSEX (2016-17)**



### MARKET PRICE DATA:

Table 16: HIGH LOW AND VOLUME DURING EACH MONTH IN LAST FINANCIAL YEAR (2016-17)

MONTH	BSE			NATIONAL STOCK EXCHANGE		
	HIGH (Rs.)	LOW (Rs.)	VOLUME (No. of shares)	HIGH (Rs.)	LOW (Rs.)	VOLUME (No. of shares)
Apr 16	337	312	1328754	337	311	7595714
May 16	356	320	879897	357	320	9643019
Jun 16	363	345	475589	363	344	5976376
Jul 16	381	350	2358569	380	351	9033671
Aug 16	392	360	859754	392	360	8024652
Sep 16	411	382	2120339	411	382	12456725
Oct 16	421	402	873826	422	402	7115090
Nov 16	446	379	1472659	446	379	11538040
Dec 16	454	424	921228	454	423	9781163
Jan 17	490	326	1405414	495	326	19815095
Feb 17	351	320	1136410	352	320	14098259
Mar 17	340	322	800562	341	322	14374126

OIL Share Price has been adjusted for Bonus Issue - 2017

**17. SHAREHOLDING PATTERN AS ON 31.03.2017**

S.NO.	Category of Shareholder	Folios	No of Shares	Holding %
1.	PROMOTERS	1	533793769	66.60%
2.	BODIES CORPORATES	1055	92774202	11.58%
3.	INDIAN FINANCIAL INSTITUTIONS	20	92096158	11.49%
4.	FOREIGN PORTFOLIO INVESTORS	150	30853325	3.85%
5.	RESIDENT INDIVIDUALS	122561	27439963	3.42%
6.	MUTUAL FUNDS	28	14053971	1.75%
7.	FOREIGN INSTITUTIONAL INVESTORS	25	4755283	0.59%
8.	CLEARING MEMBERS	115	1262624	0.16%
9.	TRUSTS	20	1153473	0.14%
10.	H U F	3278	872087	0.11%
11.	BANKS	7	768698	0.09%
12.	NON RESIDENT INDIANS NON REPATRIABLE	661	745156	0.09%
13.	NON RESIDENT INDIANS	1597	626858	0.08%
14.	NBFC	8	309374	0.04%
15.	DIRECTORS	2	9666	0.01%
	<b>Total</b>	<b>1,29,528</b>	<b>80,15,14,607</b>	<b>100%</b>

**18. DISTRIBUTION SCHEDULE (31.03.2017)**

Category	Folios	%	Total shares	Amount	%
1-5000	119583	92.32%	11190027	111900270	1.4
5001- 10000	4688	3.62%	3472324	34723240	0.43
10001- 20000	2362	1.83%	3631113	36311130	0.45
20001- 30000	1648	1.27%	4620224	46202240	0.58
30001- 40000	478	0.37%	1697064	16970640	0.21
40001- 50000	142	0.11%	642568	6425680	0.08
50001-100000	263	0.20%	1851077	18510770	0.23
100001& Above	364	0.28%	774410210	7744102100	96.62
<b>Total</b>	<b>1,29,528</b>	<b>100%</b>	<b>80,15,14,607</b>	<b>801,51,46,070</b>	<b>100%</b>



## 19. UNCLAIMED / UNDELIVERED SHARES

The status of unclaimed/undelivered shares is as under :

Balance as on 01.04.16		Received during the year (01.04.16 to 31.03.17)		Dispatched during the year (01.04.16 to 31.03.17)		Balance as on 31.03.17	
Cases	No. of Shares	Cases	No. of Shares	Cases	No. of Shares	Cases	No. of Shares
118	58863	214	71847	19	10758	313	119952

## 20. AUDIT QUALIFICATIONS

As far as Audit Qualifications are concerned, 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 15<sup>th</sup> year in succession.

## 21. RISK MANAGEMENT

The framework for risk assessment and minimization thereto is in place. Risk management Committee has also been constituted taking all the spheres of risk management into consideration.

## 22. 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.

## 23. 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 expenses, which are personal in nature, have been incurred for the Board of Directors and top management.

The administrative and office expenses were 3.90% (Previous Year 5.55%) of total expenses during 2016-17.

## 24. PROJECT LOCATIONS & OFFICES

Field Headquarters, Duliajan, Assam - 786602	Rajasthan Project, 2-A, District Shopping Centre, Saraswati Nagar, Basni, Jodhpur-342005, Rajasthan
Pipeline Headquarters P.O. Udayan Vihar, Narengi, Guwahati-Assam	Eastern Producing Area Digboi Oil Fields, Digboi - 786171
KG Basin Project 11-4-7, 3rd Floor, Nookamma Temple Street, Ramaraopet, Kakinada-533004, Andhra Pradesh	Moran Oil Fields Moran, Distt Sivasagar, Assam-785669
Kolkata Branch ICC building, 4th floor, 4, India Exchange Place, Kolkata-700001	Gabon Project La Sabliere, Immeuble FIDJI, Pres de la Cour Constituionelle, BP :21334, Libreville, Gabon
Centre for Excellence for Energy Studies INTEGRA, Opposite PIBCO, Rukminigaon, G.S.Road, Guwahati, Assam	Project Carizzo, 101 Southwestern Blvd, Suite 136, Sugar Land, Texas, 77478, USA
Project Carabobo Oficina 5G, Piso 5, Torre BVC, Av. Jorge Rodríguez, Sector Las Garzas, Lechería, Estado Anzoátegui, Zona Postal 6016, Venezuela	Bay Exploration Project IDCO Towers, Janpath, Bhubaneswar Odisha - 751022

## 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 31st March, 2017, as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and DPE Guidelines on Corporate Governance.

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 Listing Regulations and DPE Guidelines, as applicable subject to the following observations:

- **There were no Independent Directors on the Board of the Company during the year under review.**
- **The Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee were not constituted in line with the provisions of Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as there were no Independent Directors on the Board of the Company.**

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.

Place : New Delhi  
Date : 02-08-2017

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



## 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, 2017, 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, 2014. 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 and the Rules made thereunder.

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, 2017, and its financial performance including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

#### OTHER MATTERS

The comparative financial information of the company for the year ended 31<sup>st</sup> March 2016 and the transition date opening balance sheet as at 1<sup>st</sup> April 2015 prepared in accordance with Ind AS included in these standalone Ind AS financial statements have been audited by the predecessor auditor who had audited the financial statement for the relevant periods. The report of the predecessor auditor on the comparative financial information and the opening balance sheet dated 6th September, 2016 express an unmodified opinion.

The attached standalone Ind AS financial statements include Company's share of total assets, total liabilities, expenses and incomes aggregating to ₹ 1132.33 crore, ₹ 777.88 crore, ₹ 163.10 crore and ₹ 0.87 crore respectively as at 31<sup>st</sup> March, 2017 for the year ended 31<sup>st</sup> March 2017 in respect of eight of its unincorporated Joint Ventures, the accounts of which have been audited by the auditors of the respective Joint Ventures.

The attached standalone Ind AS financial statements include Company's share of total assets, total liabilities, expenses and incomes aggregating to ₹ 3158.69 crore, ₹ 2268.25 crore, ₹ 456.66 crore and ₹ 47.05 crore respectively as at 31<sup>st</sup> March, 2017 for the year ended 31<sup>st</sup> March 2017 in respect of thirteen of its unincorporated Joint Ventures, the accounts of which have not been audited and have been incorporated based on financial statements prepared and certified by the Management.

The audited and unaudited standalone Ind AS financial statements of the above unincorporated joint ventures are prepared to meet requirements of production sharing contracts and are special purpose statements and none of the statements, audited as well as unaudited, are drawn up in the same format as presented by the Company and we did not audit the financial statements/financial information of thirteen unaudited Joint Ventures included as above.

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.
  - (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, 2014.





- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (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 40.15 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.
- iv. The Company has provided requisite disclosures in its standalone Ind AS financial statement as to the holding as well as dealing in Specified Bank Notes during the period from 8th November, 2016 to 30<sup>th</sup> December 2016 and these are in accordance with the books of accounts maintained by the company. Refer note 40.14.1 to the standalone Ind AS financial statements.

**For N.C. BANERJEE & CO.**

Chartered Accountants  
Firm Regn. No: 302081E

Sd/-  
(CA M.C. KODALI)  
Partner  
Membership No.: 056514

**Place:** Noida

**Date:** 29/05/2017

**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**

Statement on the matters specified in the 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 for the year ended 31<sup>st</sup> March 2017

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 respectively except in respect of 11971.74 bighas of freehold land. Further 5550.73 bighas of freehold land are pending for Mutation. (Refer note 2.4 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 ₹ 270.84 crore due to absence of prospect and unsuccessful drilling of the Wells. There is also a case of receivables written off of amounting to ₹ 0.89 crores due to non recovery of CST in sale of LPG.
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 recorded an amount of ₹ 215 crores as grant by way of reimbursable from Brahmaputra Cracker and Polymers Limited as per the approval of the cabinet committee of Economic Affairs. Out of which ₹ 69.65 crores has already been received and the balance of ₹ 145.35 crores is shown as receivable .

**For N.C. BANERJEE & CO.**

Chartered Accountants  
Firm Regn. No: 302081E

Sd/-

**(CA M.C. KODALI)**

Partner

Membership No.: 056514

**For B.N. MISRA & CO.**

Chartered Accountants  
Firm Regn. No: 321095E

Sd/-

**(CA B.N. MISRA)**

Partner

Membership No.: 083927

**Place:** Noida

**Date:** 29/05/2017



## 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 31st March 2017

No.	Additional 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)
2	It may be verified that the Company is having a clear title and maintaining proper records in respect of land along with full disclosures with respect to cost computation (historical or revalued cost) and ownership (freehold or leasehold land)	Read with Note no. 2.4 of Standalone Ind AS Financial Statements, we have verified and found that the Company is having a clear title except in respect of 11971.74 bighas of freehold land. Further 5550.73 bighas of freehold land are pending for Mutation. The Company is maintaining proper records in respect of land along with full disclosures with respect to cost computation (historical or revalued cost) and ownership (freehold or leasehold land).

**For N.C. BANERJEE & CO.**

Chartered Accountants  
Firm Regn. No: 302081E

Sd/-

**(CA M.C. KODALI)**

Partner

Membership No.: 056514

**For B.N. MISRA & CO.**

Chartered Accountants  
Firm Regn. No: 321095E

Sd/-

**(CA B.N. MISRA)**

Partner

Membership No.: 083927

**Place:** Noida

**Date:** 29/05/2017

## 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 31st March, 2017.**

- (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 certain fixed assets were verified during the year and 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 in respect of 11971.74 bighas of freehold land pending transfer of title deeds. Further 5550.73 bighas of freehold land are pending for Mutation.
- (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; 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 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, 2017 for a period of more than six months from the date they became payable except the following :

Nature of tax	Period	Amount (₹ in Crores)
Service tax	Upto September, 2016	0.77



(b) 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 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
Central Excise Act, 1944	Demand for non-payment of duty as oil cess, NCCD and education cess	2011-12 to 2014-15	18.50	CESTAT, New Delhi
Central Excise Act, 1944	Excise Duty	December'2008 to December'2009	14.27	CESTAT, Kolkata
		January'2010 to December'2010	11.84	
		January'2011 to December'2011	17.35	
		January'2012 to June'2012	20.83	
		July'2012 to December'2012	10.35	
		January'2013 to June'2013	9.56	
		July'2013 to December'2015	45.85	
Finance Act, 1994	Service Tax	April'2011 to December'2011	36.89	CESTAT, Kolkata
		January'2012 to September'2012	12.91	
		October'2012 to March'2013	6.82	
		July'2008 to March'2009	0.29	
		April'2009 to March'2010	0.38	
		April 2013 to March 2014	13.59	
		April 2014 to March 2015	10.82	
Central Sales Tax Act, 1956	CST	2009-10 to 2010-11	0.67	Commissioner of Taxes, Assam
Assam VAT Act, 2005	Assam VAT	2009-10 to 2012-13	1327.73	Commissioner of Taxes, Assam

(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 them. 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 M.C. KODALI)**

Partner

Membership No.: 056514

**For B.N. MISRA & CO.**

Chartered Accountants  
Firm Regn. No: 321095E

Sd/-

**(CA B.N. MISRA)**

Partner

Membership No.: 083927

**Place:** Noida

**Date:** 29/05/2017



## **Annexure D 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 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, 2017.

We have audited the internal financial controls over financial reporting of Oil India Limited ("the Company") as of 31<sup>st</sup> March 2017 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.

#### **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 31st March 2017, 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

#### **For N.C. BANERJEE & CO.**

Chartered Accountants  
Firm Regn. No: 302081E

Sd/-

**(CA M.C. KODALI)**

Partner

Membership No.: 056514

**Place:** Noida

**Date:** 29/05/2017

Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **OTHER MATTERS**

Attention is invited regarding no independent directors having been appointed till date after 2nd Sep 2015 by the Central Government resulting in non-compliance of certain provisions of the Act as well as SEBI (Listing Obligation & Disclosure Requirements) Regulations 2015 as to composition of Board of Directors, Audit Committee, CSR Committee and Nomination & Remuneration Committee as part of proper corporate governance.

Our opinion is not modified in respect of this matter.

#### **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) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF OIL INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2017

The preparation of financial statements of Oil India Limited for the year ended 31 March 2017 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 29 May 2017.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(b) of the Act of the financial statements of Oil India Limited for the year ended 31 March 2017. 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 : The 4<sup>th</sup> of July, 2017

**OIL INDIA LIMITED**  
**Balance Sheet as at 31<sup>st</sup> March, 2017**

(₹ in crore)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>I. ASSETS</b>				
<b>1. Non-current assets</b>				
(a) Property, Plant and Equipment	2	8586.60	7066.39	6271.40
(b) Capital work-in-progress	3	1893.64	1804.87	1666.01
(c) Exploration and Evaluation assets	4	1492.55	1053.82	1040.96
(d) Other Intangible assets	5	51.68	57.79	25.36
(e) Financial Assets				
(i) Investments	6	20801.13	14099.07	13391.73
(ii) Loans	7	664.94	696.04	925.35
(iii) Others	8	67.31	68.43	66.68
(f) Other non-current assets	9	22.96	18.32	8.78
<b>Total non-current assets</b>		<b>33580.81</b>	<b>24864.73</b>	<b>23396.27</b>
<b>2. Current assets</b>				
(a) Inventories	10	1096.47	1001.58	1024.24
(b) Financial Assets				
(i) Investments	11	1149.26	353.97	376.25
(ii) Trade receivables	12	1005.55	1325.20	2377.49
(iii) Cash and cash equivalents	13	177.71	182.58	131.44
(iv) Other Bank Balances	14	6364.61	9725.58	9086.20
(v) Loans	15	35.94	66.60	90.37
(vi) Others	16	359.16	151.59	166.68
(c) Current Tax Assets (Net)	17	1465.54	1319.07	1180.73
(d) Other current assets	18	104.50	158.30	103.14
<b>Total current assets</b>		<b>11758.74</b>	<b>14284.47</b>	<b>14536.54</b>
<b>Total Assets</b>		<b>45339.55</b>	<b>39149.20</b>	<b>37932.81</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>1. Equity</b>				
(a) Equity Share capital	19	801.51	601.14	601.14
(b) Other Equity	20	28288.98	24318.31	23365.57
<b>Total equity</b>		<b>29090.49</b>	<b>24919.45</b>	<b>23966.71</b>
<b>2. Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	21	8947.53	9132.84	8264.64
(ii) Trade payables	22	3.27	2.15	1.65
(iii) Other financial liabilities	23	110.32	0.49	0.30
(b) Provisions	24	803.27	653.52	672.24
(c) Deferred tax liabilities (Net)	25	3079.52	2180.63	1758.94
<b>Total non-current liabilities</b>		<b>12943.91</b>	<b>11969.63</b>	<b>10697.77</b>



<b>3. Current liabilities</b>				
(a) Financial Liabilities				
(i) Trade payables	26	585.93	528.96	500.51
(ii) Other financial liabilities	27	1605.32	1118.18	1845.74
(b) Other current liabilities	28	743.59	381.60	687.86
(c) Provisions	29	370.31	231.38	234.22
<b>Total current liabilities</b>		<b>3305.15</b>	<b>2260.12</b>	<b>3268.33</b>
<b>Total Equity &amp; Liabilities</b>		<b>45339.55</b>	<b>39149.20</b>	<b>37932.81</b>
Accompanying notes to the Financial Statements		1-40		

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 M.C. KODALI)**

Partner

Membership No.: 056514

Sd/-

**(CA B.N. MISRA)**

Partner

Membership No.: 083927

Sd/-

**(S.K. Senapati)**

Company Secretary

Sd/-

**(Mrs. Rupshikha S. Borah)**

Director (Finance)

DIN 6700534

Sd/-

**(Utpal Bora)**

Chairman & Managing  
Director

DIN 07567357

**Place:** Noida

**Date:** 29th May, 2017

## OIL INDIA LIMITED

Statement of Profit and Loss for the the year ended 31<sup>st</sup> March, 2017

(₹ in crore)

Particulars	Note No.	Year ended 31 <sup>st</sup> March, 2017	Year ended 31 <sup>st</sup> March, 2016
<b>I. Revenue From Operations</b>	30	9510.39	9764.87
<b>II. Other Income</b>	31	1680.68	1393.76
<b>III. Total Income (I +II)</b>		<b>11191.07</b>	<b>11158.63</b>
<b>IV. Expenses:</b>			
Changes in inventories of finished goods	32	(49.19)	25.83
Employee benefits expense	33	1613.87	1401.80
Finance costs	34	396.71	384.00
Depreciation, Depletion and Amortization expense	35	1090.73	942.30
Other expenses	36	4840.90	4749.00
<b>Total expenses (IV)</b>		<b>7893.02</b>	<b>7502.93</b>
<b>V. Profit before exceptional items and tax (III - IV)</b>		<b>3298.05</b>	<b>3655.70</b>
<b>VI. Exceptional Items</b>	37	1151.73	215.13
<b>VII. Profit before tax (V - VI)</b>		<b>2146.32</b>	<b>3440.57</b>
<b>VIII. Tax expense:</b>			
(1) Current tax		474.76	717.21
(2) Deferred tax		122.88	421.69
<b>IX. Profit for the year from continuing operations (VII - VIII)</b>		<b>1548.68</b>	<b>2301.67</b>
X. Profit / (Loss) for the year from discontinued operations		-	-
XI. Tax expense of discontinued operations		-	-
XII. Profit from discontinued operations after tax (X-XI)		-	-
<b>XIII. Profit for the year (IX+XII)</b>		<b>1548.68</b>	<b>2301.67</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		(91.12)	10.32
(b) Equity Instruments through Other Comprehensive Income		4619.25	303.13
(ii) Income tax relating to Items that will not be reclassified to profit or loss		756.58	1.84
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 {A(i-ii)+B(i-ii)}</b>		<b>3771.55</b>	<b>311.61</b>



<b>XV. Total Comprehensive Income for the year (XIII + XIV)</b>		<b>5320.23</b>	<b>2613.28</b>
<b>XVI. Earnings per equity share (for continuing operation) (₹):</b>	38		
(1) Basic		<b>19.32</b>	<b>28.72</b>
(2) Diluted		<b>19.32</b>	<b>28.72</b>
<b>XVII. Earnings per equity share (for discontinued operation) (₹):</b>	38		
(1) Basic		-	-
(2) Diluted		-	-
<b>XVIII. Earnings per equity share (for discontinued &amp; continuing operation) (₹):</b>			
(1) Basic		<b>19.32</b>	<b>28.72</b>
(2) Diluted		<b>19.32</b>	<b>28.72</b>
Accompanying notes to the Financial Statements	1-40		

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 M.C. KODALI)**

Partner

Membership No.: 056514

Sd/-

**(CA B.N. MISRA)**

Partner

Membership No.: 083927

Sd/-

**(S.K. Senapati)**

Company Secretary

Sd/-

**(Mrs. Rupshikha S. Borah)**

Director (Finance)

DIN 6700534

Sd/-

**(Utpal Bora)**

Chairman & Managing  
Director

DIN 07567357

**Place:** Noida

**Date:** 29th May, 2017

**OIL INDIA LIMITED**  
**CASH FLOW STATEMENT FOR THE THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

(₹ in crore)

	Year ended 31 <sup>st</sup> March, 2017	Year ended 31 <sup>st</sup> March, 2016
<b>Cash flows from operating activities</b>		
<b>Profit before tax</b>	2146.32	3440.57
Adjustments for:		
Depreciation, Depletion & Amortisations	1090.73	942.30
Exploration Cost written off	270.84	448.90
Dividend Income	(844.49)	(334.92)
Interest Income	(728.44)	(1002.00)
Interest Expenses	371.99	357.61
Foreign Exchange Loss/(Gain)- Net	151.44	104.11
Financial Guarantee	(12.65)	(4.15)
Loss on Deletion of Assets	25.99	7.46
Loss on Derivative Contract	1.90	-
Unwinding of decommissioning liability	24.72	26.39
<b>Total</b>	<b>352.03</b>	<b>545.70</b>
<b>Operating profit before working capital changes</b>	<b>2498.35</b>	<b>3986.27</b>
<b>Changes in working capital</b>		
Inventories - (Increase)/Decrease	(112.50)	3.49
Trade & other Receivables - (Increase)/Decrease	346.27	1039.36
Prepayments, Loans and advances, Deposits - (Increase)/Decrease	(118.90)	(225.84)
Long term and short term provisions - Increase/(Decrease)	217.75	418.51
Trade payables & Other current liabilities - Increase/(Decrease)	435.22	(892.03)
<b>Total</b>	<b>767.84</b>	<b>343.49</b>
<b>Cash Generated from Operation</b>	<b>3266.19</b>	<b>4329.76</b>
Income tax payment (net of refund)	154.78	(855.49)
<b>Net cash from / (used in) Operating Activity (A)</b>	<b>3420.97</b>	<b>3474.27</b>
<b>Cash flows from Investing Activities</b>		
Acquisition, Exploration & Development Cost	(2211.77)	(1828.22)
Other Capital Expenditure	(638.35)	(707.82)
Investment in equity	(1718.30)	(371.81)
Other Investment	1366.36	(816.70)
Loan to Subsidiary / Associate / JV Companies	64.67	216.54
Interest Income	727.42	998.42
Dividend Income	844.49	334.92
<b>Net cash from / (used in) Investing Activities (B)</b>	<b>(1565.48)</b>	<b>(2174.67)</b>
<b>Cash flows from Financing Activities</b>		
Proceeds from Borrowings	(185.31)	868.20
Payment of Dividend	(1494.58)	(1305.33)
Interest Expenses	(375.10)	(349.01)
Foreign Exchange (Loss)/Gain- Net	194.63	(462.32)



<b>Net cash from / (used in) Financing Activities (C)</b>	<b>(1860.36)</b>	<b>(1248.46)</b>
<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>(4.87)</b>	<b>51.14</b>
Cash and cash equivalents at the beginning of the year	<b>182.58</b>	<b>131.44</b>
Cash and cash equivalents at the end of the year	<b>177.71</b>	<b>182.58</b>
<b>Notes:</b>		
a. Cash and cash equivalents ( Refer to Note 13 ) represents:		
i) Cash in hand	0.17	0.82
ii) Current accounts & Term Deposits (3 months maturity)	177.54	181.76
	<b>177.71</b>	<b>182.58</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 ₹ 7.57 crore (Corresponding previous year ₹8.07 crore)
- d. Figures in parentheses represent cash outflows.
- e. 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 M.C. KODALI)**

Partner

Membership No.: 056514

Sd/-

**(CA B.N. MISRA)**

Partner

Membership No.: 083927

Sd/-

**(S.K. Senapati)**

Company Secretary

Sd/-

**(Mrs. Rupshikha S. Borah)**

Director (Finance)

DIN 6700534

Sd/-

**(Utpal Bora)**

Chairman & Managing  
Director

DIN 07567357

**Place:** Noida

**Date:** 29th May, 2017

**OIL INDIA LIMITED**  
**Statement of Changes in Equity (SOCIE) For the year ended 31<sup>st</sup> March, 2017**

(₹ in crore)

A. Equity Share Capital	Balance as on 01.04.2015	Changes in Equity Share Capital during the year 2015-16	Balance as on 31.03.2016	Changes in Equity Share Capital during the year 2016-17	Balance as on 31.03.2017
Equity Share Capital	601.14	-	601.14	200.37	801.51

**B. Other Equity**

Particulars	Reserves and Surplus						Items of Other Comprehensive Income			Total
	General Reserve	Retained Earnings	Securities premium Reserve	Debt Redemption Reserve	Foreign Currency Translation Reserve	Foreign Currency Monetary Item Translation Account Difference (FCMITDA)	Reassessment of the net defined benefit plans	Equity Instruments through Other Comprehensive Income		
<b>Balance at April 1, 2015</b>	<b>19,163.51</b>	-	<b>2,390.12</b>	<b>236.96</b>	-	<b>(230.60)</b>	-	<b>1,805.58</b>	<b>23,365.57</b>	
Profit for the year	-	2,301.67	-	-	-	-	-	-	2,301.67	
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	8.48	303.13	311.61	
<b>Total comprehensive income for the year</b>	-	<b>2,301.67</b>	-	-	-	-	<b>8.48</b>	<b>303.13</b>	<b>2,613.28</b>	
Addition /Adjustment in FCMITDA	-	-	-	-	-	(358.21)	-	-	(358.21)	
Payment of final dividends (including corporate dividend tax)	-	(723.52)	-	-	-	-	-	-	(723.52)	
Payment of interim dividends (including corporate dividend tax)	-	(578.81)	-	-	-	-	-	-	(578.81)	
Amount transferred to general reserve	734.55	(734.55)	-	-	-	-	-	-	-	
Amount transferred to debenture redemption reserve	-	(264.79)	-	264.79	-	-	-	-	-	
<b>Balance at March 31, 2016</b>	<b>19,898.06</b>	-	<b>2,390.12</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)	-	53.42	-	-	-	-	-	
Amount transferred to debenture redemption reserve	-	-	(200.37)	-	-	-	-	-	(200.37)	
Issue of Bonus Shares	-	-	-	-	-	-	-	-	-	
<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>	

For and on behalf of the Board of Directors

In terms of our report of even date

**For N.C. BANERJEE & CO**  
 Chartered Accountants  
 Firm Reg No.-302081E

**For B.N. MISRA & CO**  
 Chartered Accountants  
 Firm Reg No.-321095E

Sd/-  
**(CA M.C. KODALI)**  
 Partner  
 Membership No.: 056514

Sd/-  
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 Membership No.: 083927

Sd/-  
**(S.K. Senapati)**  
 Company Secretary

Sd/-  
**(Mrs. Rupshikha S. Borah)**  
 Director (Finance)  
 DIN 6700534

Sd/-  
**(Utpal Bora)**  
 Chairman & Managing Director  
 DIN 07567357





## NOTES TO THE 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) effective for the year ending 31<sup>st</sup> March, 2017 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.

The Company has adopted all the Ind AS and the adoption was carried out in accordance with Ind AS 101, First Time adoption of Indian accounting standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under section 133 of the Act, read with Rule 7 of the Companies (accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliation and descriptions of the effect of the transition has been summarized in Note 40.13.

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 quarter and year figures are taken from the sources and rounded to the nearest two decimals, the figures already reported for all the quarters during the year might not always add up to the year figures reported in the statement.

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 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 estimated 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<sup>st</sup> 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, post retirement 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 individual 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 consist 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 Profit and Loss statement. In case of development wells, the entire cost of abandoned portion and side- tracking is capitalized. In case of existing producing wells, the cost of side – tracking is capitalized if it increases the proved developed reserves, otherwise is charged off to 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 proved developed reserves. Acquisition cost is depleted over total proved 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 sidings	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 to 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 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 a 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 a 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.

#### **1.21.0 APPLICATION OF NEW OR REVISED IND AS**

At the date of preparation of these financial statements, there were some amendments issued to the existing Ind ASs, after the initial notification issued by the Ministry of Corporate Affairs. MCA has notified Companies (Indian Accounting Standards) (Amendments) Rules, 2017, which are effective from April 1, 2017. These rules bring in amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment'.

The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

NOTE-2  
(₹ in crore)

**Property, Plant and Equipment (PPE)**

Particulars	Cost or deemed cost				Depreciation/Depletion/Amortisation				Carrying amount					
	As at 1 <sup>st</sup> April, 2015	Additions during 2015-16	Deletions/ Adjustments during 2015-16	As at 31 <sup>st</sup> March, 2016	Up to 1 <sup>st</sup> April, 2015	For the year 2015-16	Deletions/ Adjustments during the year 2015-16	Upto 31 <sup>st</sup> March, 2016	For the year 2016-17	Deletions/ Adjustments during the year 2016-17	Upto 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Land -Freehold (Refer Note 2.4)	110.25	3.59	4.15	109.69	-	-	-	-	-	-	-	116.79	109.69	110.25
Buildings	197.24	111.23	6.79	301.68	-	16.83	0.42	16.41	21.33	-	37.74	350.83	285.27	197.24
Roads & Bridges	8.03	-	-	8.03	-	1.11	-	1.11	2.14	-	3.25	13.74	6.92	8.03
Oil & Gas Assets														
-Acquisition Cost	95.22	2.77	-	97.99	-	12.13	-	12.13	16.32	-	28.45	153.34	85.86	95.22
-Producing Wells	4,106.78	1,116.02	-	5,222.80	-	621.80	-	621.80	757.15	1.36	1,377.59	5,379.82	4,601.00	4,106.78
-Production Facilities	408.73	295.36	(100.98)	805.07	-	78.07	(0.37)	78.44	90.34	(1.16)	169.94	814.25	726.63	408.73
Plant & Machinery	1,243.20	213.34	97.20	1,359.34	-	192.85	8.34	184.51	211.40	2.56	393.35	1,676.15	1,174.83	1,243.20
Furniture & Fixtures	8.05	4.14	(0.02)	12.21	-	3.33	-	3.33	3.14	0.18	6.29	8.64	8.88	8.05
Vehicles	6.13	15.01	0.10	21.04	-	4.47	0.02	4.45	6.05	-	10.50	15.47	16.59	6.13
Office equipment	87.26	55.81	71.18	71.89	-	39.76	18.06	21.70	31.41	0.11	53.00	61.82	50.19	87.26
Railway Siding	0.51	-	(0.13)	0.64	-	0.11	-	0.11	0.04	-	0.15	0.49	0.53	0.51
<b>Total</b>	<b>6,271.40</b>	<b>1,817.27</b>	<b>78.29</b>	<b>8,010.38</b>	<b>-</b>	<b>970.46</b>	<b>26.47</b>	<b>943.99</b>	<b>1,139.32</b>	<b>3.05</b>	<b>2,080.26</b>	<b>8,591.34</b>	<b>7,066.39</b>	<b>6,271.40</b>
Less: Prov for Impairment against Acquisition Cost	-	-	-	-	-	-	-	-	-	-	-	4.74	-	-
<b>PPE (Net)</b>	<b>6,271.40</b>	<b>1,817.27</b>	<b>78.29</b>	<b>8,010.38</b>	<b>-</b>	<b>970.46</b>	<b>26.47</b>	<b>943.99</b>	<b>1,139.32</b>	<b>3.05</b>	<b>2,080.26</b>	<b>8,586.60</b>	<b>7,066.39</b>	<b>6,271.40</b>

**2.1** The Company has elected to continue with the carrying value of its Property Plant & Equipment (PPE) – Tangible Assets, recognised as of April 1, 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 ₹ 182.31 crore as on March 31, 2017, ₹ 53.93 crores as on March 31, 2016 and ₹ 100.82 crore as on April 1, 2015

**2.3** Depreciation for the period includes ₹ 64.32 crore (Previous year ₹ 44.43 crore) capitalised under Exploration and Development Cost.

**2.4** Lands for projects and drillings operations are acquired primarily through bipartite negotiation with the occupiers/pattadars. In case, however, bipartite negotiation fails, lands are acquired with the intervention of government officials under the relevant land laws. Upon successful negotiation or government order, as the case may be, consent letters are obtained from the occupiers/pattadars and surface compensation for the standing crops on the lands are settled and the same are capitalized either as Land under Possession or as Pre Producing / Producing Properties. At the same time occupiers/pattadars are advised to submit documentary evidences in support of their legal possession of the lands. Pending submission of these documents and upon settlement of surface compensation, liability for land value is determined and capitalised under respective heads. Land cost forming part of Pre-Producing/Producing Properties is either amortized or charged off depending on discovery in the well. Land cost forming part of the Land under Possession is not amortized. Out of the total lands measuring 26524.54 Bighas under the possession of the Company, mutation completed for lands measuring 6755.98 Bighas, total lands applied for mutation 5550.73 Bighas, total Government lands including forest land & annual patta land taken over 7615.21 Bighas, leasehold land 181.61 Bighas and for the balance 6421.01 Bighas, the Company is in the process of execution of title deed/mutation. The Company is in the process of strengthening the acquisition process and the mutation of those lands including maintenance of systematic records thereof.



**NOTE-3**  
(₹ in crore)

**Capital work-in-progress**

Particulars	As at 1 <sup>st</sup> April, 2015	Additions during 2015-16	Deletions/ Adjustments during 2015-16	Capitalised during 2015-16	Transfer to Profit and Loss during 2015-16	As at 31 <sup>st</sup> March, 2016	Additions during 2016-17	Deletions/ Adjustments during 2016-17	Capitalised during 2016-17	Transfer to Profit and Loss during 2016-17	As at 31 <sup>st</sup> March, 2017
<u>Tangible Assets</u>											
Buildings (Including Roads & Bridges)	206.29	243.01	-	114.82	-	334.48	235.34	-	102.98	-	466.84
Plant & Machinery (Including Office Equipment)	573.88	532.47	-	288.30	-	818.05	964.74	-	796.90	-	985.89
Acquisition Cost-Land	21.83	11.09	0.02	2.77	1.70	28.43	25.39	-	6.82	1.70	45.30
Development Cost - Wells*	479.49	644.67	0.82	817.24	-	306.10	943.86	-	1,045.73	-	204.23
Development Cost - * Production Facilities	372.49	239.04	-	295.35	-	316.18	63.73	-	188.28	1.23	190.40
<u>Intangible Assets</u>											
Software	12.03	37.60	-	48.00	-	1.63	9.22	-	9.87	-	0.98
<b>Capital work in progress</b>	<b>1,666.01</b>	<b>1,707.88</b>	<b>0.84</b>	<b>1,566.48</b>	<b>1.70</b>	<b>1,804.87</b>	<b>2,242.28</b>	<b>-</b>	<b>2,150.58</b>	<b>2.93</b>	<b>1,893.64</b>

**3.1** \*Capital work in progress include decommissioning liabilities amounting to ₹ 9.68 crore as on March 31, 2017, ₹ 4.89 crore as on March 31, 2016 and ₹ 6.75 crore as on April 1, 2015.

**NOTE-4**  
(₹ in crore)

**Exploration and Evaluation assets**

Particulars	Cost or deemed cost										
	As at 1 <sup>st</sup> April, 2015	Additions during 2015-16	Deletions/ Adjustments during 2015-16	Capitalised during 2015-16	Transfer to Profit and Loss during 2015-16	As at 31 <sup>st</sup> March, 2016	Additions during 2016-17	Deletions/ Adjustments during 2016-17	Capitalised during 2016-17	Transfer to Profit and Loss during 2016-17	As at 31 <sup>st</sup> March, 2017
<u>Exploratory well in progress (Intangible Assets)</u>											
-Acquisition Cost-Others*	41.77	-	-	-	-	41.77	76.98	-	76.98	-	41.77
-Exploration Costs*	999.19	871.89	(0.82)	298.79	527.42	1,045.69	1,551.74	-	504.08	331.13	1,762.22
<b>Total</b>	1,040.96	871.89	(0.82)	298.79	527.42	1,087.46	1,628.72	-	581.06	331.13	1,803.99
Less: Provisions for Impairment	-	113.86	-	-	80.22	33.64	342.37	3.82	-	60.75	311.44
<b>Exploration and Evaluation assets (Net)</b>	<b>1,040.96</b>	<b>758.03</b>	<b>(0.82)</b>	<b>298.79</b>	<b>447.20</b>	<b>1,053.82</b>	<b>1,286.35</b>	<b>(3.82)</b>	<b>581.06</b>	<b>270.38</b>	<b>1,492.55</b>

**4.1** \*Exploration and Evaluation assets include decommissioning liabilities amounting to ₹ 17.37 crore as on March 31, 2017, ₹ 7.70 crore as on March 31, 2016 and ₹ 4.79 crore as on April 1, 2015.

**NOTE-5**  
(₹ in crore)

**Other Intangible assets**

Particulars	Cost or deemed cost					Amortisation					Carrying amount				
	As at 1 <sup>st</sup> April, 2015	Additions during 2015-16	Deletions/ Adjustments during 2015-16	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2017	Up to 1 <sup>st</sup> April, 2015	For the year 2015-16	Deletions/ Adjustments during the year 2015-16	Upto 31 <sup>st</sup> March, 2016	For the year 2016-17	Deletions/ Adjustments during the year 2016-17	Upto 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Right of Use	11.53	-	-	11.53	11.53	-	2.76	-	2.76	0.49	-	3.25	8.28	8.77	11.53
Computer Software	13.83	48.00	(0.70)	62.53	65.67	-	13.51	-	13.51	15.24	6.48	22.27	43.40	49.02	13.83
<b>Total</b>	<b>25.36</b>	<b>48.00</b>	<b>(0.70)</b>	<b>74.06</b>	<b>77.20</b>	<b>-</b>	<b>16.27</b>	<b>6.73</b>	<b>16.27</b>	<b>15.73</b>	<b>6.48</b>	<b>25.52</b>	<b>51.68</b>	<b>57.79</b>	<b>25.36</b>

**5.1** Right of use (ROU) to lay pipelines does not bestow ownership of land upon the company hence ROU treated as Intangible Assets.



**NOTE-6**

**Non-current Financial Assets: Investments**

(₹ in crore)

		As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>A. Equity Instruments</b>				
1) Unquoted - at cost				
- Oil India Sweden AB	Subsidiary	293.57	293.57	287.30
- Oil India Cyprus Limited	Subsidiary	0.23	0.23	0.01
- Oil India (USA) Inc.	Subsidiary	122.41	122.41	52.77
- Oil India International Limited	Subsidiary	100.00	100.00	100.00
- Oil India International B.V.	Subsidiary	0.06	0.06	0.06
- Oil India International Pte. Ltd	Subsidiary	1,195.57	-	-
- Beas Rovuma Energy Mozambique Ltd	Joint Venture	6787.04	6300.79	6337.39
Less: Provision for diminution in value of investment		<u>174.00</u>	<u>174.00</u>	<u>0.00</u>
		6,613.04	6,126.79	6,337.39
- Suntera Nigeria 205 Limited	Joint Venture	0.05	0.01	0.01
Less: Provision for diminution in value of investment		<u>-</u>	<u>-</u>	<u>0.01</u>
		0.05	0.01	-
- Numaligarh Refinery Limited	Associate	483.65	483.65	483.65
- Duliajan Numaligarh Pipeline Limited	Joint Venture	38.46	38.46	38.46
- Brahmaputra Cracker & Polymer Limited	Associate	141.77	126.90	126.90
2) Quoted - Designated at fair value through other comprehensive income				
- Indian Oil Corporation Limited-At initial cost		2,670.75	2670.75	2670.75
Add: Cumulative fair value gains		<u>6,726.64</u>	<u>2107.46</u>	<u>1804.57</u>
		9,397.39	4,778.21	4,475.32
<b>B. Tax Free Bonds</b>				
1) Quoted - at amortised cost				
a) National Highway Authority of India		123.62	123.62	123.62
b) Power Finance Corporation Limited		35.67	35.67	28.48
c) Indian Railway Finance Corporation Limited		147.40	147.40	87.00
d) Rural Electrification Corporation Limited		334.35	334.35	300.00
e) National Thermal Power Corporation Limited		19.99	19.99	-
2) Unquoted - at amortised cost				
a) Power Finance Corporation Limited		100.00	100.01	100.01
b) Indian Railway Finance Corporation Limited		60.00	60.01	60.01
c) Rural Electrification Corporation Limited		200.00	200.02	200.02
d) India Infrastructure Finance Corp Ltd.		300.00	300.03	300.03
<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	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	5.00
Add: Cumulative fair value gains		<u>0.51</u>	<u>1.15</u>	<u>1.01</u>
		0.56	1.20	6.01
<b>E. Investments - at amortised cost</b>				
- Advance against acquisition of Equity Shares		1,066.99	696.78	279.85
<b>F. Financial Guarantee</b>				
- Fair Value of Financial Guarantee - Subsidiaries		25.09	8.44	4.01
- Fair Value of Financial Guarantee - Associates		1.26	1.26	0.83
		<u>20,801.13</u>	<u>14,099.07</u>	<u>13,391.73</u>

- 6.1** The aggregate carrying value of unquoted investments is ₹ 10742.71 crore (as at 31.03.2016 ₹ 8659.83 crore and as at 01.04.2015 ₹ 8377.31 crore).
- 6.2** The aggregate amount of quoted investments is ₹ 10058.42 crore (as at 31.03.2016 ₹ 5439.24 crore and as at 01.04.2015 ₹ 5014.42 crore).
- 6.3** The aggregate market value of quoted investments is ₹ 10150.44 crore (as at 31.03.2016 ₹ 5497.98 crore and as at 01.04.2015 ₹ 5192.14 crore).
- 6.4** The aggregate amount of impairment in value of investment is ₹ 174.00 crore (as at 31.03.2016 ₹ 174.00 crore and as at 01.04.2015 Nil).
- 6.5** The Fair Value of Financial Guarantee - Subsidiaries represents investment in M/s Oil India (USA) Inc. & Oil India International Pte. Ltd and Fair Value of Financial Guarantee - Associates represents investment in M/s Brahmaputra Cracker & Polymer Limited.

**6.6 The details of investment are as under: -**

Name of Body Corporate	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016		As at 1 <sup>st</sup> April, 2015	
	No of Shares	Face Value Per Share	No of Shares	Face Value Per Share	No of Shares	Face Value Per Share
M/s Oil India Sweden AB	4189048	EURO 11.1945	4189048	EURO 11.1945	4111272	EURO 11.1945
M/s Oil India Cyprus Limited	32501	EURO 1	32501	EURO 1	760	EURO 1
M/s Oil India (USA) Inc.	2110000000	\$0.01	2110000000	\$0.01	1000000000	\$0.01
M/s Oil India International Limited	100000000	₹10	100000000	₹10	100000000	₹10
M/s Oil India International B.V.	7328	EURO 1	7328	EURO 1	7328	EURO 1
M/s Oil India International Pte. Ltd	179375975	USD 1	-	-	-	-
M/s Beas Rovuma Energy Mozambique Ltd	5120	No par value	5120	No par value	5120	No par value
M/s Numaligarh Refinery Limited (NRL)	191264202	₹10	191264202	₹10	191264202	₹10
M/s Brahmaputra Cracker & Polymer Limited (BCPL)	141767000	₹10	126900010	₹10	126900010	₹10
M/s Duliajan Numaligarh Pipeline Limited (DNPL)	38460000	₹10	38460000	₹10	38460000	₹10
M/s Indian Oil Corporation Limited (IOCL)*	242795248	₹10	121397624	₹10	121397624	₹10
M/s Suntera Nigeria 205 Ltd	2500000	Naira 1	62502	Naira 1	62502	Naira 1

(\*) the increase in shares was due to issue of bonus shares.

- 6.7** Mode of valuation of investments is given in Note no 1.14 & 1.15.
- 6.8** Advance against acquisition of equity shares includes advances amounting to ₹ 0.06 crore (as at 31.03.2016 Nil and as at 01.04.2015 ₹ 0.16 crore), ₹ 590.04 crore (as at 31.03.2016 Nil and as at 01.04.2015 ₹ 69.64 crore), ₹ 51.56 crore (as at 31.03.2016 ₹ 486.25 crore and as at 01.04.2015 Nil), ₹ 211.22 crore (as at 31.03.2016 ₹ 210.53 crore and as at 01.04.2015 ₹ 210.05 crore), ₹ 0.51 crore (as at 31.03.2016 Nil and as at 01.04.2015 Nil) and ₹ 213.60 crore (as at 31.03.2016 Nil and as at 01.04.2015 Nil) paid to Oil India Cyprus Limited, Oil India (USA) Inc., Beas Rovuma Energy Mozambique Ltd, Oil India International B.V., Oil India Sweden AB and Oil India International Pte. Ltd. respectively pending allotment.





**NOTE-7**

(₹ in crore)

**Non-current Financial Assets: Loans**

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>At amortised cost</b>			
Secured, considered good			
Loans to related parties			
Loans to M/s Brahmaputra Cracker & Polymer Limited (Secured by hypothecation of current assets)	-	93.75	218.75
Loans to employees	124.72	124.01	122.40
Unsecured, considered good			
Loans to related parties			
-M/s Beas Rovuma Energy Mozambique Ltd	-	-	338.45
-M/s Oil India International B.V.	404.37	355.24	180.51
-M/s Suntera Nigeria 205 Limited	131.80	120.42	-
-M/s Duliajan Numaligarh Pipeline Limited	-	-	64.80
Loans to employees	4.05	2.62	0.44
Unsecured, Considered doubtful			
Loans to M/s Suntera Nigeria 205 Limited	41.13	41.13	-
Less: Allowances for bad and doubtful loans	41.13	41.13	-
	<u>664.94</u>	<u>696.04</u>	<u>925.35</u>

**7.1** Loans to employees include amount due from Whole time directors and Other Officers of the Company as under:

(₹ in crore)

Particulars	Balance as at		
	31.03.2017	31.03.2016	01.04.2015
<b>Secured, considered good</b>			
Directors	1.68	1.19	0.12
Other Officers	0.00	0.23	0.24
<b>Total</b>	<b>1.68</b>	<b>1.42</b>	<b>0.36</b>

**7.2** In January 2014, the Company acquired 40% shares in M/s. Beas Rovuma Energy Mozambique Limited (BREML), which holds 10% participating interest in the Rovuma Area1, Mozambique. Subsequent to the acquisition, the Company has been extending advances to BREML towards its share of expenditure in the project in Mozambique. However, at end of FY 2015-16, the Company has converted such advances paid to BREML into Advance for equity to be allotted with equity shares of BREML.

**7.3 Loans represent loans given to**

(i) M/s Oil India International B.V.:

- ₹ 294.44 crore (USD 45 million) {as at 31.03.2016 ₹ 301.05 crore (USD 45 million) and as at 01.04.2015 ₹ 176.93 crore (USD 28 million)} maturing on 7<sup>th</sup> April, 2021, carries interest at 3 months LIBOR plus 5.65%.
- ₹ 65.43 crore (USD 10 million) {as at 31.03.2016 ₹ 33.45 crore (USD 5 million) and as at 01.04.2015 Nil (USD Nil)} maturing on 7<sup>th</sup> April, 2021, carries interest at 3 months LIBOR plus 8.65%.
- Balance ₹ 44.50 crore (as at 31.03.2016 ₹ 20.74 crore and as at 01.04.2015 ₹ 3.58 crore) represents accrued interest on the loan and revaluation thereof.

(ii) M/s Suntera Nigeria 205 Ltd.:

- ₹ 110.29 crore (USD 16.86 million) {as at 31.03.2016 ₹ 107.02 crore (USD 16 million) and as at 01.04.2015 Nil (USD Nil)}-(before impairment) maturing on 31<sup>st</sup> January, 2022, carries interest at 8.75%.
- Balance ₹ 62.64 crore (as at 31.03.2016 ₹ 54.53 crore and as at 01.04.2015 Nil) represents accrued interest on the loan and revaluation thereof.
- No further allowances for doubtful loans during the year 2016-17 have been made beyond what was previously assessed as there being no indicators of further loss of future cash flows.

(iii) M/s Duliajan Numaligarh Pipeline Limited has prepaid the outstanding loan during the FY 2015-16.

(iv) M/s Brahmaputra Cracker & Polymer Limited has prepaid the outstanding loan during the FY 2016-17.

**Non-current Financial Assets: Others** **NOTE-8**  
(₹ in crore)

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>At amortised cost</b>			
Unsecured, considered good			
Deposit under Site Restoration Scheme	3.39	2.91	3.21
Deferred Employee benefit expenses	<u>63.92</u>	<u>65.52</u>	<u>63.47</u>
	<b><u>67.31</u></b>	<b><u>68.43</u></b>	<b><u>66.68</u></b>

**Other non-current assets** **NOTE-9**  
(₹ in crore)

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Unsecured, considered good			
Capital advances	0.62	0.33	0.83
<b>Advances other than capital advance</b>			
Prepayment - Leasehold Land	10.61	9.81	6.29
Security Deposit	3.90	3.77	1.20
Prepaid expenses-Others	<u>7.83</u>	<u>4.41</u>	<u>0.46</u>
Unsecured, considered doubtful			
Decreed amount paid under appeal	-	99.05	99.05
Less: Impairment	<u>-</u>	<u>(99.05)</u>	<u>(99.05)</u>
	<b><u>22.96</u></b>	<b><u>18.32</u></b>	<b><u>8.78</u></b>

9.1 Security deposit includes deposit with appellate authorities, other Government entities and deposit made for office facilities.

**Inventories** **NOTE-10**  
(₹ in crore)

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>Finished goods</b>			
Crude Oil	121.29	72.25	97.91
Liquefied Petroleum Gas	0.49	0.40	0.54
Condensate	<u>0.23</u>	<u>0.17</u>	<u>0.20</u>
	122.01	72.82	98.65
Stores and spares	806.57	882.73	859.24
Stores and spares in transit	235.67	96.32	97.55
Less: Allowances for slow / non-moving inventory and other stores	<u>69.02</u>	<u>51.41</u>	<u>32.24</u>
Scrap and unservicable items	1.24	1.12	1.04
	<b><u>1096.47</u></b>	<b><u>1001.58</u></b>	<b><u>1024.24</u></b>

10.1 The cost of inventories recognised as an expense during the year in respect of continuing operations was ₹198.55 crores (March 31, 2016: ₹ 174.88 crores).

10.2 Mode of valuation of inventories is given in Note no 1.12.0.



**Current Financial Assets: Investments**

**NOTE-11**  
(₹ in crore)

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>At FVTPL</b>			
Unquoted :			
Leave Encashment Fund Investment			
i) With Life Insurance Corporation of India	122.01	113.85	108.78
ii) With SBI Life Insurance Company Limited	67.10	59.13	57.47
Mutual Funds			
i) Units of UTI Mutual Fund under Liquid Cash Plan	384.07	72.48	84.00
ii) Units of SBI Mutual Fund under Liquid Cash Plan	384.08	72.42	84.00
iii) Units of IDBI Mutual Fund under Liquid Cash Plan	96.00	18.02	21.00
iv) Units of Canara Robeco Mutual Fund under Liquid Cash Plan	96.00	18.07	21.00
	<b><u>1149.26</u></b>	<b><u>353.97</u></b>	<b><u>376.25</u></b>

**11.1** The aggregate amount of unquoted investments is ₹ 1149.26 crore (as at 31.03.2016 ₹ 353.97 crore and as at 01.04.2015 ₹ 376.25 crore)

**11.2** Mode of valuation of investments is given in Note no 1.15.1.1.

**Current Financial Assets: Trade Receivable**

**NOTE-12**  
(₹ in crore)

	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016		As at 1 <sup>st</sup> April, 2015	
<b>At amortised cost</b>						
(a) Unsecured, considered good	1005.55		1325.20		2377.49	
(b) Unsecured, considered doubtful	<u>35.86</u>		<u>19.92</u>		<u>14.18</u>	
	1041.41		1345.12		2391.67	
Less: Allowances for doubtful receivables	<u>35.86</u>	<u>1005.55</u>	<u>19.92</u>	<u>1325.20</u>	<u>14.18</u>	<u>2377.49</u>
		<b><u>1005.55</u></b>		<b><u>1325.20</u></b>		<b><u>2377.49</u></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 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 11.83% as at 31.03.2017 (as at 31.03.2016 10.60% and as at 01.04.2015 7.55%).

**12.3** The details of Allowances for doubtful receivables is as follows: -

Particulars	31.03.2017		31.03.2016	
Opening Balance		19.92		14.18
Add: Addition		16.83		6.65
Less: Write off		0.89		0.91
Closing Balance		35.86		19.92

**Cash and cash equivalents**

**NOTE-13**  
(₹ in crore)

	<b>As at 31<sup>st</sup> March, 2017</b>	<b>As at 31<sup>st</sup> March, 2016</b>	<b>As at 1<sup>st</sup> April, 2015</b>
Balances with Banks			
Current Accounts	90.03	119.77	49.24
Term Deposits (Original maturity of 3 months or less)	87.00	61.38	79.79
Cash Credit Accounts with State bank of India	0.51	0.61	1.65
Cash on Hand	0.17	0.82	0.76
	<b><u>177.71</u></b>	<b><u>182.58</u></b>	<b><u>131.44</u></b>

**Other Bank Balances**

**NOTE-14**  
(₹ in crore)

	<b>As at 31<sup>st</sup> March, 2017</b>	<b>As at 31<sup>st</sup> March, 2016</b>	<b>As at 1<sup>st</sup> April, 2015</b>
Unpaid Dividend Bank Account	5.14	4.46	7.46
Earmarked Balance REC Purchase Obligation	0.02	-	-
Term Deposits (Original maturity of more than 3 months and upto 12 months)	6359.45	9721.12	9078.74
	<b><u>6364.61</u></b>	<b><u>9725.58</u></b>	<b><u>9086.20</u></b>

**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 means remain unpaid or unclaimed, to a special account to be opened by the Company in a scheduled bank to be called "Unpaid Dividend Account" the unclaimed dividend lying with companies 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**

(₹ in crore)

**Current Financial Assets: Loans**

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>At amortised cost</b>			
Secured, considered good			
Loans to related parties			
Current maturity of Long term Loans to M/s Brahmaputra Cracker & Polymer Limited (Secured by hypothecation of current assets)	-	31.93	31.25
Loans to employees	32.15	32.27	31.64
Unsecured, considered good			
Loans to related parties			
M/s Oil India International Limited	-	-	0.05
M/s Oil India (USA) Inc.	1.13	0.63	1.83
M/s Suntera Nigeria 205 Limited	-	-	-
M/s Duliajan Numaligarh Pipeline Limited	-	-	24.00
Loans to employees	2.66	1.77	1.60
Unsecured, Considered doubtful			
Inter Corporate Deposits to			
M/s Indian Drugs Pharmaceuticals Ltd.	28.33	28.33	28.33
Less: Allowances for doubtful loans	<u>28.33</u>	<u>-</u>	<u>28.33</u>
Loans to M/s Suntera Nigeria 205 Limited	-	-	108.21
Less: Allowances for doubtful loans	<u>-</u>	<u>-</u>	<u>108.21</u>
	<b><u>35.94</u></b>	<b><u>66.60</u></b>	<b><u>90.37</u></b>

**15.1** Loans to employees includes amount due from whole time directors and other officers of the Company as under:

(₹ in crore)

Particulars	Balance as at		
	31.03.2017	31.03.2016	01.04.2015
Secured, considered good			
Directors	0.11	0.04	0.01
Other Officers	0.00	0.02	0.02
<b>Total</b>	<b>0.11</b>	<b>0.06</b>	<b>0.03</b>

**NOTE-16**

(₹ in crore)

**Current Financial Assets: Others**

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>At amortised cost</b>			
Unsecured, considered good			
Cash call receivable from JV Partners	36.27	23.31	40.37
Accrued interest on Term Deposits	40.27	39.25	35.67
Claim receivable against insurance and leave encashment	5.22	22.44	34.57
Deferred Employee benefit expenses	11.69	12.63	12.63
Advances to Employees	17.24	20.28	19.84
Government Grant Receivable	145.35	-	-
Other Receivables	103.12	33.68	23.60
<b>Unsecured, Considered doubtful</b>			
Cash call receivable from JV Partners	241.11	190.85	135.17
Less: Allowances for doubtful Receivable	<u>241.11</u>	- <u>190.85</u>	- <u>135.17</u>
Claim receivable against insurance and leave encashment	8.80	11.97	1.54
Less: Allowances for doubtful others	<u>8.80</u>	- <u>11.97</u>	- <u>1.54</u>
	<u><b>359.16</b></u>	<u><b>151.59</b></u>	<u><b>166.68</b></u>

**16.1** Other receivables include

Particulars	31.03.2017	31.03.2016	01.04.2015
Amount Receivable from DGH	65.64	-	-
Amount receivable from M/s IOCL against reimbursement of expense	10.74	-	-
Amount receivable from M/s BPRL against reimbursement of expense	10.74	-	-
Amount receivable from M/s Ind OIL Netherland B.V. towards manpower recovery	9.67	28.38	20.40
Amount receivables from others towards other miscellaneous services	6.33	5.30	3.20
<b>Total</b>	<b>103.12</b>	<b>33.68</b>	<b>23.60</b>

**NOTE-17**

(₹ in crore)

**Current Tax Assets (Net)**

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Income Tax paid			
(Including demand tax under appeal)	2434.96	2122.74	2038.78
Less: Provision for Taxation	(969.42)	(803.67)	(858.05)
	<u><b>1465.54</b></u>	<u><b>1319.07</b></u>	<u><b>1180.73</b></u>

**NOTE-18**

(₹ in crore)

**Other current assets**

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>Unsecured, considered good</b>			
Prepayment - Leasehold land	0.34	0.32	0.34
Advance to Suppliers	6.21	86.52	47.39
Cenvat Credit and Other Receivable	45.95	33.79	18.44
Prepaid Insurance and Others	48.05	33.75	31.35
Security Deposit	3.95	3.92	5.62
<b>Unsecured, Considered doubtful</b>			
Advances to Suppliers	7.38	9.59	11.88
Less: Allowances for doubtful Receivable	<u>7.38</u>	<u>9.59</u>	<u>11.88</u>
Cenvat Credit and Other Receivable	585.47	451.80	335.66
Less: Allowances for doubtful Receivable	<u>585.47</u>	<u>451.80</u>	<u>335.66</u>
	<b><u>104.50</u></b>	<b><u>158.30</u></b>	<b><u>103.14</u></b>

18.1 Security deposit includes deposit with appellate authorities, other Government entities and deposit made for office facilities.

**NOTE-19**

(₹ in crore)

**Equity Share capital**

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>Authorised:</b>			
200,00,00,000 (March 31, 2016 : 200,00,00,000; April 1, 2015 : 200,00,00,000) Equity Shares of ₹ 10/- each	2000.00	2000.00	2000.00
<b>Issued, Subscribed and Fully Paid up:</b>			
80,15,14,607 (March 31, 2016 : 60,11,35,955; April 1, 2015 : 60,11,35,955) Equity Shares of ₹ 10/- each fully paid up	<b>801.51</b>	<b>601.14</b>	<b>601.14</b>

**19.1 Details of shareholders holding more than 5% shares in the Company is set out below:**

Category	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016		As at 1 <sup>st</sup> April, 2015	
	No of Shares	% to Equity	No of Shares	% to Equity	No of Shares	% to Equity
President of India	53,37,93,769	66.60%	40,66,20,507	67.64%	40,66,31,998	67.64%
Life Insurance Corporation of India	6,40,16,548	7.99%	3,28,31,865	5.46%	1,52,43,121	2.54%

**19.2 The reconciliation of the shares outstanding as at 31<sup>st</sup> March, 2017 and 31<sup>st</sup> March, 2016 is set out below:**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	No of Shares	No of Shares
Outstanding at the beginning of the year	60,11,35,955	60,11,35,955
Addition during the year	20,03,78,652	-
Outstanding at the end of the year	80,15,14,607	60,11,35,955

19.3.1 36,06,81,573 Equity shares of ₹ 10 each allotted as fully paid up bonus shares in the FY 2012-13.

19.3.2 20,03,78,652 Equity shares of ₹ 10 each allotted as fully paid up bonus shares in the FY 2016-17.

19.4 The Board of Directors in its meeting dated March 20, 2017 approved the buy back of 4,49,12,000 equity shares of ₹ 10 each at a price of ₹ 340 per equity share and the same is in process.

19.5 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.

19.6 The Board of directors has recommended a final dividend of ₹ 4.75 per share which is subject to the approval of the shareholders in the ensuing Annual General Meeting over and above the interim dividend of ₹ 9.50 per share paid as interim dividend.

**NOTE-20**  
(₹ in crore)

**Other Equity**

	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016		As at 1 <sup>st</sup> April, 2015
<b>Reserves and Surplus</b>					
(a) Securities Premium Reserve					
Opening Balance	2390.12		2390.12		
Utilised for Bonus Issue	(200.37)	2189.75	-	2390.12	2390.12
(b) Foreign Currency Monetary Item Translation Difference Account					
Opening Balance	(588.81)		(230.60)		
Addition during the period	184.44		(478.81)		
Adjusted/Amortised during the period	161.63	(242.74)	120.60	(588.81)	(230.60)
(c) Debenture Redemption Reserve					
Opening Balance	501.75		236.96		
Add: Amount transferred from surplus balance	53.42	555.17	264.79	501.75	236.96
(d) General Reserve					
Opening Balance	19898.06		19163.51		
Add: Amount transferred from surplus balance	-	19898.06	734.55	19898.06	19163.51
(e) Retained Earning					
Balance as per Statement of Profit & Loss	1548.68		2301.67		
Less: Appropriations					
Interim Dividend	761.44		480.91		
Tax on Interim Dividend	155.01		97.90		
Final Dividend of previous year	480.91		601.14		
Tax on Final Dividend of previous year	97.90		122.38		
Debenture Redemption Reserve	53.42		264.79		
General Reserve	-	-	734.55	-	-
(f) Items of Other Comprehensive Income (OCI)					
Opening Balance	2117.19		1805.58		
Equity Instrument designated as FVTOCI	3843.24		303.13		
Other Items	(71.69)	5888.74	8.48	2117.19	1805.58
		<b>28288.98</b>		<b>24318.31</b>	<b>23365.57</b>

**20.1 Nature and purpose of reserves:**

- General Reserve: The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.
- 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.
- 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.
- 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.
- Items of OCI: This reserve represents the cumulative gains and losses arising on measurement of equity instruments designated at fair value through other comprehensive income net of amounts transferred to retained earnings on disposal of such instruments. This also includes remeasurement of defined benefit plans due to change in actuarial assumptions.

**20.2 The Debenture Redemption Reserve position for above is as under**

(₹ in crore)

Particulars	As at 01.04.2015	Addition during 2015-16	As at 31.03.2016	Addition during 2016-17	As at 31.03.2017
Unsecured 3.875% 5 years Reg S Bonds- USD 500 million	157.97	176.53	334.50	35.61	370.11
Unsecured 5.375% 10 years Reg S Bonds- USD 500 million	78.99	88.26	167.25	17.81	185.06
Total	236.96	264.79	501.75	53.42*	555.17

(\*) Based on availability of profit during 2016-17.





**NOTE-21**

(₹ in crore)

**Non-current Financial Liabilities: Borrowings**

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>At amortised cost</b>			
Unsecured Loan-Foreign Currency			
Bonds	6514.44	6654.78	6280.30
External Commercial Borrowings from Banks	2433.09	2478.06	1984.34
	<u><b>8947.53</b></u>	<u><b>9132.84</b></u>	<u><b>8264.64</b></u>
<b>21.1 Bonds represent</b>			
(i) 5.375% Notes ₹ 3250.42 crore (USD 500 million) {March 31, 2016 : ₹ 3320.98 crore (USD 500 million); April 1, 2015 : ₹ 3134.62 crore (USD 500 million)} Reg S Bonds issued on 17.04.2014, payable on the date falling 10 years from the date of issue.			
(ii) 3.875% Notes ₹ 3264.02 crore (USD 500 million) {March 31, 2016 : ₹ 3333.80 crore (USD 500 million); April 1, 2015 : ₹ 3145.68 crore (USD 500 million)} Reg S Bonds issued on 17.04.2014, payable on the date falling 5 years from the date of issue.			
<b>21.2 External Commercial Borrowings represent</b>			
(i) Syndication loan of ₹ 808.01 crore (USD 125 million) {March 31, 2016 : ₹ 822.79 crore (USD 125 million); April 1, 2015 : ₹ 426.70 crore (USD 70 million)} availed from banks drawl commencing from 06.01.2015 repayable on the date falling five years from the average date of drawl i.e. 22.03.2015 at an interest rate of 1 month LIBOR + 1.04%.			
(ii) Syndication loan of ₹ 1625.08 crore (USD 250 million) {March 31, 2016 : ₹ 1655.27 crore (USD 250 million); April 1, 2015 : ₹ 1557.64 crore (USD 250 million)} drawn from banks on 26.12.2013 repayable on the date falling five years from the date of drawl at an interest rate of 3 month LIBOR + 1.18%.			
<b>21.3</b> The figure in USD in Note 21.1 and Note 21.2 represents the original borrowings availed from the respective lenders.			

**NOTE-22**

(₹ in crore)

**Non-current Financial Liabilities: Trade payables**

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>At amortised cost</b>			
Dues to Micro, Small and Medium Enterprises (Refer Note 40.7)	-	-	-
Dues to Others	3.27	2.15	1.65
	<u><b>3.27</b></u>	<u><b>2.15</b></u>	<u><b>1.65</b></u>

**NOTE-23**

(₹ in crore)

**Non-current: Others financial liabilities**

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Financial guarantee contract liability	0.41	0.49	0.30
Deferred Govt. Grant	109.91	-	-
	<u><b>110.32</b></u>	<u><b>0.49</b></u>	<u><b>0.30</b></u>

**Non-current Liabilities: Provisions**

**NOTE-24**  
(₹ in crore)

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Provision for employee benefits	307.02	334.20	330.25
Provisions for well abandonment			
Opening Balance	319.32	341.99	
Addition during the year	179.88	(22.67)	
Adjusted/reversal during the year	<u>(2.95)</u>	<u>-</u>	
	496.25	319.32	341.99
	<u><b>803.27</b></u>	<u><b>653.52</b></u>	<u><b>672.24</b></u>

**24.1** Provision for employee benefits represents defined benefit plans. The figure represents Leave encashment ₹ 149.77 crore (March 31, 2016 : ₹ 180.91 crores; April 1, 2015 : ₹ 183.58 crores), Post retirement medical benefit ₹ 125.26 crore (March 31, 2016 : ₹ 123.19 crores; April 1, 2015 : ₹ 115.90 crores) and Long service award ₹ 31.99 crore (March 31, 2016 : ₹ 30.10 crores; April 1, 2015 : ₹ 30.77 crores).

**Deferred tax liabilities (net)**

**NOTE-25**  
(₹ in crore)

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
A. Deferred tax liability	3746.11	2448.25	2025.09
Timing differences in "Depreciation/Depletion"			
B. Deferred tax assets	666.59	267.62	266.15
Timing differences in "Disallowance"			
C. Deferred tax liability (Net) (A-B)	<u><b>3079.52</b></u>	<u><b>2180.63</b></u>	<u><b>1758.94</b></u>

**Current Financial Liabilities: Trade payables**

**NOTE-26**  
(₹ in crore)

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>At amortised cost</b>			
Dues to Micro, Small and Medium Enterprises	1.61	1.64	1.72
Dues to Others	584.32	527.32	498.79
	<u><b>585.93</b></u>	<u><b>528.96</b></u>	<u><b>500.51</b></u>

**26.1** Refer to note no. 40.7 for dues to Micro, Small and Medium Enterprises.

**NOTE-27**

(₹ in crore)

**Current: Other financial liabilities**

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Interest accrued	139.15	142.26	133.66
Unpaid dividends	5.14	4.46	7.46
Financial guarantee contract liability	8.60	4.51	3.99
Deferred Government Grant	7.95	-	-
Other payables			
- Liabilities- For Capital Expenditure & others	1091.08	671.25	783.02
- Cash call payable to Joint Venture	181.72	166.69	194.54
- Employees benefits	171.68	129.01	723.07
	<u>1605.32</u>	<u>1118.18</u>	<u>1845.74</u>

**NOTE-28**

(₹ in crore)

**Other current liabilities**

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Statutory Liabilities	694.91	375.48	674.55
Advance received from Customers/Vendors	48.68	6.12	13.31
	<u>743.59</u>	<u>381.60</u>	<u>687.86</u>

**28.1** Statutory Liabilities includes liability on account of Gratuity for ₹ 304.59 crore (March 31, 2016 : ₹ 15.27 crores; April 1, 2015 : ₹ 7.94 crores).

**28.2** VAT & CST are paid on provisional basis pending assessment. Such provisional payment of VAT & CST of ₹ 22.77 crore in respect of earlier years is adjusted with Statutory Liability.

**NOTE-29**

(₹ in crore)

**Current Liabilities: Provisions**

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Provision for employee benefits	229.85	83.44	75.16
Provision for -			
1. Well Abandonment Cost			
Opening Balance	15.18	12.59	
Addition during the year	11.79	2.59	
Adjusted/reversal during the year	-	-	12.59
	26.97	15.18	
2. Unfinished Minimum Work Programme			
Opening Balance	126.27	141.88	
Addition during the year	9.81	-	
Adjustment/Reversal during the year	(32.18)	(15.61)	141.88
	103.90	126.27	
3. Others			
Opening Balance	6.49	4.59	
Addition during the year	3.10	-	
Adjustment/Reversal during the year	-	1.90	4.59
	9.59	6.49	159.06
	<u>370.31</u>	<u>231.38</u>	<u>234.22</u>

**29.1** The figure of Provision for employee benefits represents Leave encashment ₹ 87.78 crore (March 31, 2016 : ₹ 34.76 crores; April 1, 2015 : ₹ 33.71 crores), Post retirement medical benefit ₹ 38.87 crore (March 31, 2016 : ₹ 23.46 crores; April 1, 2015 : ₹ 22.08 crores), Long service award ₹ 24.66 crore (March 31, 2016 : ₹ 17.54 crores; April 1, 2015 : ₹ 14.78 crores) & provision against ex-gratia bonus ₹ 10.79 crore (March 31, 2016 : ₹ 7.68 crores; April 1, 2015 : ₹ 4.59 crores).

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

**NOTE-30**  
(₹ in crore)

**Revenue From Operations**

	Year ended 31 <sup>st</sup> March, 2017	Year ended 31 <sup>st</sup> March, 2016
<b>Sale of Products</b>		
Crude Oil	7253.22	6794.74
Natural Gas	1331.33	1813.24
Liquefied Petroleum Gas	103.34	129.00
Condensate	21.69	54.15
Renewable Energy	110.68	101.93
<b>Sale of Services</b>		
Income from Pipeline Transportation		
Crude Oil	188.01	198.42
Refined Product	167.38	163.83
Natural Gas	0.79	0.74
Income from OFC Fibre Leasing	11.49	9.40
<b>Other Operating Revenues</b>		
Claims towards under-recovery of Natural Gas Price	310.07	491.22
Income from Business Development Services	6.15	4.68
Renewable Energy-Others	6.24	3.52
	<b>9510.39</b>	<b>9764.87</b>

- 30.1** As per directive of MOP&NG, Crude Oil price calculation is based on the monthly average price of benchmarked International Basket of Crude Oil which is further adjusted for quality differential. As per directive of MOP&NG, discount is allowed on the sale of crude oil and LPG.
- 30.2** LPG price are governed as per the PAHAL (DBTL) scheme, 2014 issued by MoP&NG vide letter no. P-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** In terms of decision of Government of India (GOI), the Company has shared under-recoveries of Oil Marketing Companies (OMCs) on price sensitive products for the period ended by extending discount in the prices of Crude Oil based on the rates of discount communicated by Petroleum Planning and Analysis Cell (PPAC), Ministry of Petroleum and Natural Gas (MoP&NG). Sale values of Crude Oil are shown net of such discount of Nil (Previous year ₹ 155.06 crore).
- 30.5** Company is holding 61,042 (as on 31.03.2016 44,881) numbers of Renewable Energy Certificates (REC) as on 31.03.2017. The Floor Price of REC in the Energy Exchange on 31.03.2017 was ₹ 3500 per REC. The Floor Price of REC in the Energy Exchange on 01.04.2017 was ₹ 1000 per REC.

**NOTE-31**  
(₹ in crore)

**Other Income**

	Year ended 31 <sup>st</sup> March, 2017	Year ended 31 <sup>st</sup> March, 2016
<b>At amortised Cost</b>		
Interest Income from financial assets	728.44	1002.00
Dividend from Equity Instruments	258.86	143.87
<b>At Fair value through other comprehensive income</b>		
Dividend from Equity Instruments designated	540.22	146.89
<b>At Fair value through profit or loss</b>		
Dividend from Mutual Funds	45.41	44.16
<b>Others</b>		
Income from financial guarantee	12.65	4.15
Income from Amortization of Deferred Grant	27.49	-
Miscellaneous Income	67.61	52.69
	<b>1680.68</b>	<b>1393.76</b>

- 31.1** All dividends from equity instruments designated at FVTOCI relate to investment held at the end of the financial year. There was no dividend income relating to investments derecognised during the financial year.
- 31.2** Interest Income from financial assets measured at amortised cost includes an amount of ₹ 42.75 crore (Corresponding previous year ₹91.27 crore) interest income from the loan given to related parties.



**Changes in inventories of finished goods**

**NOTE-32**  
(₹ in crore)

	Year ended 31 <sup>st</sup> March, 2017		Year ended 31 <sup>st</sup> March, 2016	
Opening Stock				
Crude Oil	72.25		97.91	
Liquefied Petroleum Gas	0.40		0.54	
Condensate	<u>0.17</u>	72.82	<u>0.20</u>	98.65
Closing Stock				
Crude oil	121.29		72.25	
Liquefied Petroleum Gas	0.49		0.40	
Condensate	<u>0.23</u>	122.01	<u>0.17</u>	72.82
<b>(Increase) / Decrease</b>		<b><u>(49.19)</u></b>		<b><u>25.83</u></b>

**Employee benefits expense**

**NOTE-33**  
(₹ in crore)

	Year ended 31 <sup>st</sup> March, 2017		Year ended 31 <sup>st</sup> March, 2016	
Salaries & Wages	1401.59		1473.13	
Contribution to provident and other funds	599.18		381.03	
Staff Welfare Expenses	<u>86.49</u>		<u>73.32</u>	
	2087.26		1927.48	
Less: Capitalised during the year	<u>473.39</u>		<u>525.68</u>	
	<b><u>1613.87</u></b>		<b><u>1401.80</u></b>	

**Finance costs**

**NOTE-34**  
(₹ in crore)

	Year ended 31 <sup>st</sup> March, 2017		Year ended 31 <sup>st</sup> March, 2016	
Interest expenses on borrowings at amortised cost				
-Secured loan	0.18		-	
-Unsecured loan	371.81		357.61	
Unwinding of decommissioning liability	<u>24.72</u>		<u>26.39</u>	
	<b><u>396.71</u></b>		<b><u>384.00</u></b>	

**34.1** 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 the competent authority with regard to repayment and servicing of such overseas borrowings from domestic resources of the Company. Interest servicing of ₹322.07 crore (Previous year ₹316.20 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 to financing of above transaction is being done from domestic resources as the Company does not have any earnings abroad at present. Approval of MOP&NG is awaited.

**Depreciation, Depletion and Amortization expense**

**NOTE-35**  
(₹ in crore)

	Year ended 31 <sup>st</sup> March, 2017		Year ended 31 <sup>st</sup> March, 2016	
Depreciation	211.19		213.87	
Depletion	863.81		712.16	
Amortization	<u>15.73</u>		<u>16.27</u>	
	<b><u>1090.73</u></b>		<b><u>942.30</u></b>	

**NOTE-36**  
(₹ in crore)

**Other expenses**

	Year ended 31 <sup>st</sup> March, 2017	Year ended 31 <sup>st</sup> March, 2016
Statutory Levies	2528.67	2683.34
Consumption of Stores & spares parts	198.55	174.88
Consumption of Fuel	29.74	32.43
Contract cost	887.62	840.19
Insurance, rent, rates & taxes	33.68	38.85
Exchange Loss-Net	151.44	104.11
Exploratory Wells written off	270.84	448.90
Provisions/Write off:		
Impairment of Exploratory Wells	343.33	114.71
Cost of unfinished Minimum Work Programme	(1.00)	66.00
Loans & advances	179.43	73.75
Inventories	19.10	18.58
Trade receivables	16.83	6.65
Loss on deletion of assets	25.99	7.46
Others	1.97	2.22
CSR (Corporate social responsibility) expenditure	108.37	92.21
Fair Value Loss/(Gain) on Derivative	1.90	-
Miscellaneous Expenses	44.44	44.72
	<b>4840.90</b>	<b>4749.00</b>

**36.1** Statutory levies represent Royalty ₹1297.14 crore (Previous year ₹1269.59 crore) and Cess ₹1231.53 crore (Previous year ₹1413.75 crore).

**36.2** Corporate social responsibility (CSR) expenditure :

₹ in crore

Particulars	for the year ended 31 <sup>st</sup> March, 2017		for the year ended 31 <sup>st</sup> March, 2016	
	In cash	yet to be paid in cash	In cash	yet to be paid in cash
(a) Gross amount required to be spent	74.37		88.31	
(b) Amount spent during the year				
(i) Construction/Acquisition of asset	9.10	-	1.98	-
(ii) On purpose other than (i) above	85.92	13.35	83.84	6.39
<b>Total</b>	95.02	13.35	85.82	6.39
	<b>108.37</b>		<b>92.21</b>	

**36.3** The details of fees to statutory auditors (included under Miscellaneous Expenses):

₹ in crore

Particulars	for the year ended 31 <sup>st</sup> March, 2017	for the year ended 31 <sup>st</sup> March, 2016
<b>Fees to Statutory Auditors (including service tax):</b>		
(a) As Auditor	0.57	0.55
(b) For Taxation matters (Tax Audit)	-	-
(c) For company law matters	-	-
(d) For Other Services-Certification	0.12	0.04
(e) For reimbursement of expenses	0.02	0.04
<b>Total</b>	<b>0.71</b>	<b>0.63</b>



**NOTE-37**

(₹ in crore)

**Exceptional Items**

	Year ended 31 <sup>st</sup> March, 2017	Year ended 31 <sup>st</sup> March, 2016
Royalty on Crude Oil	1,151.73	-
Diminution in value of investment	-	174.00
Diminution in value of loans	-	41.13
	<b><u>1151.73</u></b>	<b><u>215.13</u></b>

**37.1.** Government of Assam based on a claim from Director of Geology and Mining, had filed a writ petition in the Hon'ble Gauhati High Court for payment of differential royalty of ₹7,224.20 crore on post and pre-discounted sale price of crude oil for the period from 2008-09 to 2013-14 which was pending for adjudication. The Company was paying royalty on post discounted price based on instructions issued by MOP&NG and in line with Oil Fields (Regulation and Development) Act, 1948 and subsequent notifications thereof and hence did not consider the claim as liability. The matter of payment of onshore royalty at pre-discounted prices was examined by MOP&NG based on the interim decision of the Hon'ble Supreme Court dated 13th February 2014 and accordingly MOP&NG intimated vide letter dated 15th July, 2016 to pay royalty at pre-discount prices effective from 1st February 2014, pending outcome of Special Leave to Appeal (Civil) No 1596/2014 filed by ONGC Ltd. before the Hon'ble Supreme Court against Gujarat High Court's order. The amount of demand for differential royalty up to 31.12.2016 including interest thereon aggregating to ₹10405.60 Crore was considered as contingent liability by the Company. Following the order of the MOP&NG dated 15th July, 2016, the Company has paid to the respective State Govt an amount of ₹1151.73 crore being the differential amount of royalty which was shown as deposit. During the year a settlement between GOI, Government of Assam and Government of Arunachal Pradesh was made in which GOI has agreed to absorb the differential royalty for the period from 2008-09 to 2013-14. Accordingly, the differential royalty for period from February 2014 to December, 2016 amounting to ₹ 1151.73 crore has been charged to Statement of Profit & Loss in the quarter and year ended 31.03.2017 and is shown under "Exceptional Items".

**NOTE-38**

(₹ in crore)

**Earnings per equity share**

	Year ended 31 <sup>st</sup> March, 2017	Year ended 31 <sup>st</sup> March, 2016
Basic & Diluted		
Weighted average number of Equity Shares outstanding during the year	801514607	801514607
Face value of each Equity Share (₹)	10.00	10.00
Profit for the year from continuing operations (₹ in crore)	1548.68	2301.67
Earning Per Equity Share (for continuing operation) (₹) - Basic	<b>19.32</b>	<b>28.72</b>
Earning Per Equity Share (for continuing operation) (₹) - Diluted	<b>19.32</b>	<b>28.72</b>
Profit for the year from discontinued operations (₹ in crore)	-	-
Earning Per Equity Share (for discontinued operation) (₹) - Basic	-	-
Earning Per Equity Share (for discontinued operation) (₹) - Diluted	-	-
Profit for the year (for discontinued operations & continuing operation) (₹ in crore)	1548.68	2301.67
Earning Per Equity Share (for discontinued operations & continuing operation) (₹) - Basic	<b>19.32</b>	<b>28.72</b>
Earning Per Equity Share (for discontinued operations & continuing operation) (₹) - Diluted	<b>19.32</b>	<b>28.72</b>

**38.1** The Board of Directors in its meeting held on 28.11.2016 had recommended issue of Bonus Shares in the ratio of one equity share of ₹10/- each for three existing equity shares of ₹10/- each held. The issue of bonus shares was approved by the shareholders on 6<sup>th</sup> January, 2017 and accordingly the Company has issued 200378652 number of equity shares, allotment of which was completed on 24.01.2017. Pursuant to the above, Earnings Per Share (both basic and diluted) for the year ended 31.03.2017 and comparative year have been calculated after adjustment of the number of bonus shares issued.

(in Indian Rupees crores, unless otherwise stated)

### 39. Financial Instruments

#### 39.1 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, (Refer note 19,20 and 21). 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, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Debt (Refer note 21)	8,947.53	9,132.84	8,264.64
Equity*	22,646.58	22,300.51	21,924.17
Total capital employed	31,594.11	31,433.35	30,188.81
Gearing ratio	28%	29%	27%

\*Equity taken above excludes Debenture Redemption Reserve(DRR) & Items of Other Comprehensive Income(OCI).

#### 39.2 Categorisation of financial instruments

##### 39.2.1 Categorisation of financial assets

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<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	384.07	72.48	84.00
-Units of SBI Mutual Fund under Liquid cash plan	384.08	72.42	84.00
-Units of Canara Robeco Mutual Fund under Liquid Cash plan	96.00	18.07	21.00
-Units of IDBI Mutual Funds under Liquid Cash plan	96.00	18.02	21.00
-Leave Encashment Fund Investment	189.11	172.98	166.25
<b>Total assets measured at FVTPL</b>	<b>1,149.26</b>	<b>353.97</b>	<b>376.25</b>
<b>(ii) Assets measured at amortised cost</b>			
(a) Cash and cash equivalent	177.71	182.58	131.44
(b) Bank balances other than (a) above	6,364.61	9,725.58	9086.20
(c) Trade receivables	1,005.55	1,325.20	2,377.49
(d) Investment in tax free bonds			
-National Highway Authority of India	123.62	123.62	123.62
-Power Finance Corporation Limited	135.67	135.68	128.49
-Indian Railway Finance Corporation Limited	207.40	207.41	147.01
-Rural Electrification Corporation Limited	534.35	534.37	500.02
-India Infrastructure Finance Corp Ltd.	300.00	300.03	300.03
-National Thermal Power Corporation Limited	19.99	19.99	-
(e) Loans (Long term)			
Loan to related parties (Secured)			
Loans to M/s Brahmaputra Cracker & Polymer Limited	-	93.75	218.75





(f) Loan to related parties (Unsecured)			
Advances to M/s Beas Rovuma Energy Mozambique Ltd	-	-	338.45
Loans to M/s Oil India International B.V.	404.37	355.24	180.51
Loans to M/s Suntera Nigeria 205 Limited	131.80	120.42	-
Loans to M/s DNP Limited	-	-	64.80
(g) Loan to employees (Secured)	124.72	124.01	122.40
(h) Loan to employees (Unsecured)	4.05	2.62	0.44
(i) Loans (Short term)			
-Loan to related parties (Secured)			
Loans to M/s Brahmaputra Cracker & Polymer Limited	-	31.93	31.25
-Loan to related parties (Unsecured)			
Loans to M/s DNP Limited	-	-	24.00
Advance to M/s Oil India International Limited	-	-	0.05
Advance to M/s Oil India (USA) Inc.	1.13	0.63	1.83
(j) Loan to employees (Secured)	32.15	32.27	31.64
(k) Loan to employees (Unsecured)	2.66	1.77	1.60
(l) Restricted assets			
-Deposit under Site Restoration Scheme	3.39	2.91	3.21
(m) Other financial assets			
-Insurance claims recoverable	5.22	22.44	34.57
-Other receivable	103.12	33.68	23.60
-Advances to Employee	17.24	20.28	19.84
-Cash Call receivables from JV Partners	36.27	23.31	40.37
-Interest Receivable	40.27	39.25	35.67
<b>Total assets measured at amortised cost</b>	<b><u>9,775.29</u></b>	<b><u>12,963.53</u></b>	<b><u>13,456.95</u></b>
<b>(iii) Assets designated at FVTOCI</b>			
(a) Investment in equity instruments			
-Indian Oil Corporation Limited	9,397.39	4,778.21	4,475.32
(b) Other Investments			
-Contribution to Capital Fund of Petroleum India International	0.56	1.20	6.01
<b>Total assets measured at FVTOCI</b>	<b><u>9,397.95</u></b>	<b><u>4,779.41</u></b>	<b><u>4,481.32</u></b>
<b>Total financial assets</b>	<b><u>20,322.49</u></b>	<b><u>18,096.92</u></b>	<b><u>18,314.52</u></b>

### 39.2.2 Categorisation of financial liabilities

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>(i) Liabilities measured at amortised cost</b>			
(a) Trade payables	589.20	531.11	502.16
(b) Borrowings			
-External Commercial Borrowings from banks	2,433.09	2,478.06	1,984.34
-Bonds	6,514.44	6,654.78	6,280.30
(c) Other financial liabilities			
-Unpaid dividend	5.14	4.46	7.46
-Interest accrued but not due on borrowings	139.15	142.26	133.66
-Liabilities for Capital Expenditure and others	1,091.08	671.25	783.02
-Cash call payable to Joint Venture	181.72	166.69	194.54
-Unpaid liability-Employees	171.68	129.01	723.07
<b>Total liabilities measured at amortised cost</b>	<b><u>11,125.50</u></b>	<b><u>10,777.62</u></b>	<b><u>10,608.55</u></b>
Financial guarantee contract	9.01	5.00	4.29
<b>Total financial liabilities</b>	<b><u>11,134.51</u></b>	<b><u>10,782.62</u></b>	<b><u>10,612.84</u></b>

### 39.3 Financial Risk Management

#### 39.3.1 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.

#### 39.3.2 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.

#### 39.3.3 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.

### 39.4 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, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
USD	9308.26	9709.83	8604.04
Others	36.28	4.08	3.10
<b>Total</b>	<b>9344.54</b>	<b>9713.91</b>	<b>8607.14</b>

Assets	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
USD	2117.99	1687.85	980.91
Others	2.10	0.81	0.77
Total	2120.09	1688.66	981.68

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.

#### 39.4.1 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	2016-17	2015-16	2014-15
i) Impact on Profit and Equity	235.09	264.77	251.60

#### 39.4.2 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.



### 39.5 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 makes 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 39.8).

#### 39.5.1 Interest Rate Sensitivity Analysis

The sensitivity analysis 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, 2017 would increase / decrease by ₹1.18 crores (for the year ended March 31, 2016: increase / decrease by ₹1.10 crores).

##### Loan Taken

- Profit and Equity for the year ended March 31, 2017 would decrease/increase by ₹8.02 crores (for the year ended March 31, 2016: decrease/increase by ₹8.28 crores).

### 39.6 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 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, 2017 would increase/decrease by ₹4.27 crores (for the year ended March 31, 2016: increase/decrease by ₹4.97 crores).

#### 39.6.1 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, 2017 would increase/decrease by ₹422.88 crores (for the year ended March 31, 2016 would increase/decrease by ₹215.02 crores).

### 39.7 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 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, 2017 is ₹5,488.66 crores (As at March 31, 2016 is ₹699.33 crores). The increase in financial guarantee from previous year is due to corporate guarantee given by the company to its subsidiary Oil India International Pte Ltd. Singapore against short term loan raised by the subsidiary company.

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.

### 39.8 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.

**39.8.1.1** 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
-Liabilities 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
	<u>2,038.82</u>		<u>2,035.55</u>	<u>2.81</u>	<u>0.36</u>	<u>0.06</u>	<u>0.04</u>	<u>2,038.82</u>
<b>(ii) Interest Bearing</b>								
-External Commercial Borrowings( including interest)	2,433.54	1.86	54.65	1680.77	834.23	-	-	2569.65
-Bonds (including interest)	6,653.14	4.63	302.61	302.61	3452.63	351.69	3630.51	8040.05
	<u>9,086.68</u>		<u>357.26</u>	<u>1983.38</u>	<u>4286.86</u>	<u>351.69</u>	<u>3630.51</u>	<u>10609.70</u>
-Financial Guarantee Contracts	9.01	-	-	-	-	-	-	9.01



**39.8.1.2** The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2016:

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	531.11	-	528.96	1.67	0.43	-	0.05	531.11
-Unpaid dividend	4.46	-	4.46	-	-	-	-	4.46
-Unpaid liability-Employees	129.01	-	129.01	-	-	-	-	129.01
-Liabilities for Capital Expenditure and others	671.25	-	671.25	-	-	-	-	671.25
-Cash call payable to Joint Venture	166.69	-	166.69	-	-	-	-	166.69
	<u>1,502.51</u>		<u>1,500.36</u>	<u>1.67</u>	<u>0.43</u>		<u>0.05</u>	<u>1,502.51</u>
<b>(ii) Interest Bearing</b>								
-External Commercial Borrowings (including interest)	2,478.82	1.48	48.66	54.65	1680.77	834.23	-	2,618.31
-Bonds (including interest)	6,796.35	4.63	308.39	302.61	302.61	3628.47	3806.36	8,348.44
	<u>9,275.17</u>		<u>357.05</u>	<u>357.26</u>	<u>1983.38</u>	<u>4462.70</u>	<u>3806.36</u>	<u>10,966.75</u>
-Financial Guarantee Contracts	5.00	-	-	-	-	-	-	5.00

**39.8.1.3** The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at April 1, 2015:

Particulars	Carrying amount	Weighted average effective interest rate	Upto 1 Year	2nd year	3rd Year	4-5 Years	After 5 Year	Total contracted cash flows
<b>Financial Liabilities</b>								
<b>(i) Non Interest Bearing</b>								
-Trade payables	502.16	-	500.51	1.31	0.17	0.12	0.05	502.16
-Unpaid dividend	7.46	-	7.46	-	-	-	-	7.46
-Unpaid liability-Employees	723.07	-	723.07	-	-	-	-	723.07
-Liabilities for Capital Expenditure and others	783.02	-	783.02	-	-	-	-	783.02
-Cash call payable to Joint Venture	194.54	-	194.54	-	-	-	-	194.54
	<u>2,210.26</u>		<u>2,208.60</u>	<u>1.31</u>	<u>0.17</u>	<u>0.12</u>	<u>0.05</u>	<u>2,210.25</u>
<b>(ii) Interest Bearing</b>								
-External Commercial Borrowings (including interest)	1,985.10	1.40	37.57	48.66	54.65	2515.00	-	2,655.88
-Bonds (including interest)	6,413.20	4.63	306.03	308.39	302.61	3755.24	3982.20	8,654.47
	<u>8,398.30</u>		<u>343.60</u>	<u>357.05</u>	<u>357.26</u>	<u>6270.24</u>	<u>3982.20</u>	<u>11,310.35</u>
-Financial Guarantee Contract	4.29	-	-	-	-	-	-	4.29

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets.



**39.8.1.4** 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)	9,397.39	-	-	-	-	-	9,397.39	9,397.39
Other financial assets								
-Insurance claims recoverable	5.22	-	5.22	-	-	-	-	5.22
-Other receivable	103.12	-	103.12	-	-	-	-	103.12
-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
	<u>10,606.19</u>		<u>1,208.80</u>				<u>9,397.39</u>	<u>10,606.19</u>
<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	4.57%	960.15	-	-	-	-	960.15
Leave encashment fund investment	189.11	4.00%	196.67	-	-	-	-	196.67
Loans to related parties	536.17	7.50%	18.35	25.00	46.63	404.11	356.58	850.67
Loans to employees (including interest)	163.58	7.45%	34.81	29.44	27.81	32.72	38.80	163.58
	<u>3,173.42</u>		<u>1,209.98</u>	<u>54.44</u>	<u>74.44</u>	<u>436.83</u>	<u>2,114.65</u>	<u>4,633.55</u>

39.8.1.5 The table below provides details regarding the contractual maturities of financial assets including estimated interest receipts as at March 31, 2016:

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	1,325.20	-	1,325.20	-	-	-	-	1,325.20
Investment in equity instruments(quoted)	4,778.21	-	-	-	-	-	4,778.21	4,778.21
Other financial assets								
-Insurance claims recoverable	22.44	-	22.44	-	-	-	-	22.44
-Other receivable	33.68	-	33.68	-	-	-	-	33.68
-Advances to Employee	20.28	-	20.28	-	-	-	-	20.28
-Cash Call receivables from JV Partners	23.31	-	23.31	-	-	-	-	23.31
-Accrued interest on term deposit	39.25	-	39.25	-	-	-	-	39.25
Loans to related parties	0.63	-	0.63	-	-	-	-	0.63
	<u>6,243.00</u>		<u>1,464.79</u>				<u>4,778.21</u>	<u>6,243.00</u>
<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	20.27	131.92	182.61
-Power Finance Corporation Limited	135.68	7.55%	10.24	10.24	10.24	20.49	193.92	245.13
-Indian Railway Finance Corporation Limited	207.41	7.61%	15.79	15.79	15.79	31.58	286.07	365.02
-Rural Electrification Corporation Limited	534.37	7.77%	41.53	41.53	41.53	83.05	841.84	1,049.48
-India Infrastructure Finance Corp Ltd.	300.03	7.41%	22.23	22.23	22.23	44.46	558.42	669.57
-National Thermal Power Corporation Limited	19.99	7.37%	1.47	1.47	1.47	2.95	39.89	47.25
-Deposit under Site Restoration Scheme	2.91	7.00%	-	-	-	-	4.13	4.13
Investment in Mutual funds	180.99	5.08%	180.99	-	-	-	-	180.99
Leave encashment fund investment	172.98	4.20%	180.25	-	-	-	-	180.25
Loans to related parties	601.35	9.77%	31.93	110.43	23.58	213.87	572.55	952.36
Loans to employees (including interest)	160.67	7.80%	34.04	28.92	27.31	32.13	38.26	160.66
	<u>2,439.99</u>		<u>528.61</u>	<u>240.75</u>	<u>152.29</u>	<u>448.80</u>	<u>2,667.00</u>	<u>4,037.45</u>



**39.8.1.6** The table below provides details regarding the contractual maturities of financial assets including estimated interest receipts as at April 1, 2015:

Particulars	Carrying amount	Weighted average effective interest rate	Upto 1 Year	2nd year	3rd Year	4-5 Years	After 5 Year	Total contracted cash flows
<b>Financial Assets</b>								
<b>(i) Non Interest Bearing</b>								
Trade receivables	2,377.49	-	2,377.49	-	-	-	-	2,377.49
Investment in equity instruments(quoted)	4,475.32	-	-	-	-	-	4,475.32	4,475.32
Other financial assets								
-Insurance claims recoverable	34.57	-	34.57	-	-	-	-	34.57
-Other receivable	23.60	-	23.60	-	-	-	-	23.60
-Advances to Employee	19.84	-	19.84	-	-	-	-	19.84
-Cash Call receivables from JV Partners	40.37	-	40.37	-	-	-	-	40.37
-Accrued interest on term deposit	35.67	-	35.67	-	-	-	-	35.67
Loans to related parties	1.88	-	1.88	-	-	-	-	1.88
	<u>7,006.86</u>		<u>2,531.54</u>				<u>4,475.32</u>	<u>7,006.86</u>
<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	20.27	142.06	192.75
-Power Finance Corporation Limited	128.49	7.55%	9.72	9.72	9.72	19.44	189.29	237.89
-Indian Railway Finance Corporation Limited	147.01	7.61%	11.39	11.39	11.39	22.78	194.31	251.26
-Rural Electrification Corporation Limited	500.02	7.77%	39.06	39.06	39.06	78.12	813.02	1,008.32
-India Infrastructure Finance Corp Ltd.	300.03	7.41%	22.23	22.23	22.23	44.46	580.65	691.80
-Deposit under Site Restoration Scheme	3.21	7.00%	-	-	-	-	4.55	4.55
Investment in Mutual funds	210.00	6.42%	210.00	-	-	-	-	210.00
Leave encashment fund investment	166.25	4.35%	173.48	-	-	-	-	173.48
Loans to related parties	857.77	8.50%	393.70	149.00	127.09	41.71	577.71	1289.21
Loans to employees (including interest)	156.08	8.00%	33.24	28.09	26.53	31.22	37.00	156.08
	<u>2,592.47</u>		<u>902.96</u>	<u>269.63</u>	<u>246.16</u>	<u>258.00</u>	<u>2,538.59</u>	<u>4,215.34</u>

The amount 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 estimate of interest rates determined at the end of reporting period.



### 39.8.2 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. Refer note number 21. 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)	One notch above 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

#### 39.8.2.1 Financing Facility

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
External Commercial Borrowings			
- amount used	2453.63	2,508.75	2,022.08
- amount unused	-	-	347.55
<b>Bonds</b>			
- amount used	6543.00	6,690.00	6,319.00
- amount unused	-	-	

### 39.9 Fair Value Measurement

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

#### 39.9.1 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, 2017	March 31, 2016	April 1, 2015		
<b>Financial Assets</b>					
<b>(a) Investments in Mutual Funds</b>					
-Units of UTI Mutual Fund under Liquid cash plan	384.07	72.48	84.00	Level 2	Refer note 1 below
-Units of SBI Mutual Fund under Liquid cash plan	384.08	72.42	84.00	Level 2	Refer note 1 below
-Units of Canara Robeco Mutual Fund under Liquid Cash plan	96.00	18.07	21.00	Level 2	Refer note 1 below
-Units of IDBI Mutual Funds under Liquid Cash plan	96.00	18.02	21.00	Level 2	Refer note 1 below
-Leave Encashment Fund Investment	189.11	172.98	166.25	Level 2	Refer note 2 below
<b>b) Investment in equity instruments</b>					
-Indian Oil Corporation Limited	9,397.39	4,778.21	4,475.32	Level 1	Refer note 3 below
<b>(c) Other Investments</b>					
-Contribution to Capital Fund of Petroleum India International	0.56	1.20	6.01	Level 2	Refer note 4 below
	<b>10,547.21</b>	<b>5,133.38</b>	<b>4,857.57</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



### 39.9.2 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 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, 2017		As at March 31, 2016		As at April 1, 2015		Fair value hierarchy
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value	
<b>Financial assets</b>							
<b>Trade receivables</b>	1,005.55	1,005.55	1,325.20	1,325.20	2,377.49	2,377.49	Level 2
<b>Investment in tax free bonds(quoted)</b>							
-National Highway Authority of India	123.62	138.95	123.62	137.22	123.62	134.50	Level 1
-Power Finance Corporation Limited	35.67	39.66	35.67	38.70	28.48	30.81	Level 1
-Indian Railway Finance Corporation Limited	147.40	160.39	147.40	156.56	87.00	92.92	Level 1
-Rural Electrification Corporation Limited	334.35	391.06	334.35	366.12	300.00	327.11	Level 1
-National Thermal Power Corporation Limited	19.99	22.98	19.99	21.18	-	-	Level 1
<b>Investment in tax free bonds(unquoted)</b>							
-Power Finance Corporation Limited	100.00	91.87	100.01	90.82	100.01	90.39	Level 2
-Indian Railway Finance Corporation Limited	60.00	55.22	60.01	54.70	60.01	54.46	Level 2
-Rural Electrification Corporation Limited	200.00	192.84	200.02	191.06	200.02	190.86	Level 2
-India Infrastructure Finance Corp Ltd.	300.00	268.19	300.03	263.70	300.03	264.48	Level 2
<b>Other financial assets</b>							
-Deposit under Site Restoration Scheme	3.39	3.39	2.91	2.91	3.21	3.21	Level 2
-Insurance claims recoverable	5.22	5.22	22.44	22.44	34.57	34.57	Level 2
-Other receivable	103.12	103.12	33.68	33.68	23.60	23.60	Level 2
-Advances to Employee	17.24	17.24	20.28	20.28	19.84	19.84	Level 2
-Cash Call receivables from JV Partners	36.27	36.27	23.31	23.31	40.37	40.37	Level 2
-Interest Receivable	40.27	40.27	39.25	39.25	35.67	35.67	Level 2
<b>Loans</b>							
Loans to employees	163.58	157.63	160.67	156.04	156.08	148.50	Level 2
Loans to related parties	537.30	537.30	601.98	601.98	857.76	857.76	Level 2
<b>Financial Liabilities</b>							
<b>Trade payables</b>	589.20	589.20	531.11	531.11	502.16	502.16	Level 2
<b>Borrowings</b>							
-External Commercial Borrowings from banks	2,433.09	2,433.09	2,478.06	2,478.06	1,984.34	1,984.34	Level 2
-Bonds	6,514.44	6,930.84	6,654.78	7,099.76	6,280.30	6,777.82	Level 1
<b>Other financial liabilities</b>							
-Financial Guarantee Contract	9.01	9.01	5.00	5.00	4.29	4.29	Level 2
-Unpaid dividend	5.14	5.14	4.46	4.46	7.46	7.46	Level 2
-Interest accrued but not due on borrowings	139.15	139.15	142.26	142.26	133.66	133.66	Level 2
-Liabilities for Capital Expenditure and others	1,091.08	1,091.08	671.25	671.25	783.02	783.02	Level 2
-Cash call payable to Joint Venture	181.72	181.72	166.69	166.69	194.54	194.54	Level 2
-Unpaid liability-Employees	171.68	171.68	129.01	129.01	723.07	723.07	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-40: Additional Notes****40.1 Disclosure pursuant to Indian Accounting Standard (Ind AS) 19 - Employee Benefits:-****40.1.1 Defined Contribution Plans**

The Company's contribution to Provident Funds and Oil India Superannuation Benefit Scheme Fund (OISBSF) for employees and executives are ₹88.26 crore (previous year ₹86.59 crore) and ₹ 81.95 crore (previous year ₹ 104.83 crore) respectively.

**40.1.2 Defined Benefit Plans**

The various Benefit Plans which are in operation are Gratuity Fund, Oil India Employee's Pension Fund (OIEPF), Oil India Pension Fund (OIPF), Leave Encashment Fund, Post-Retirement Medical Benefit and Long Service Award. The present value of the obligation is determined based on actuarial valuation made at the end of the financial year using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefits entitlement and measures each unit separately to build up the final obligation.

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 plan 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, 2017 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, were measured using the projected unit credit method.



**40.1.3** The principal assumptions used for the purposes of the actuarial valuations were as follows:

**As at 31.03.2017**

Particulars	Gratuity Fund	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	
-age between 30 and 45	3	3	3	3	
-age below 30	1	1	1	1	
Discount Rate	7.50%	7.14%	6.26%	7.14%	7.14%
Return on capital	7.50%	7.14%	6.26%	7.14%	-
Expected rate of salary increase	6%	6%	6%	6%	-
Attrition Rate	1%	1%	1%	1%	1%
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

**As at 31.03.2016**

Particulars	Gratuity Fund	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	
-age between 30 and 45	3	3	3	3	
-age below 30	1	1	1	1	
Discount Rate	8%	8%	8%	8%	8%
Return on capital	8%	8%	8%	8.75%	-
Expected rate of salary increase	6%	6%	6%	6%	-
Attrition Rate	1%	1%	1%	1%	1%
Number of employees	7560	7497	457	7560	7560
Basic Salary ( ₹ in crore)	61.48	630.29	5.29	61.48	61.48
Remaining working life (Years)	10	10	10	10	11
Rationale	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method

As at April 1, 2015

Particulars	Gratuity Fund	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	
-age between 30 and 45	3	3	3	3	
-age below 30	1	1	1	1	
Discount Rate	8%	8%	8%	8%	8%
Return on capital	8%	8%	8%	8%	-
Expected rate of salary increase	6%	6%	6%	6%	-
Attrition Rate	1%	1%	1%	1%	1%
Number of employees	7899	7899	611	7899	7899
Basic Salary( ₹ in crore)	59.95	30.17	6.52	59.95	59.95
Remaining working life (Years)	10	10	10	10	11
Rationale	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method	Projected Unit Credit Method

#### 40.1.4 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		Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post-Retirement Medical Benefits
Present Value of obligation at the end of the year	CY	624.71	249.59	1656.41	237.55	164.13
	PY	352.60	280.92	1374.18	215.67	146.65
Fair Value of Plan Asset at the end of the year	CY	320.12	246.38	1462.56	189.11	-
	PY	337.33	254.06	1264.18	172.98	-
Fund Status at the end of the year (Net Assets)/ Net liability	CY	304.59	3.21	193.85	48.44	164.13
	PY	15.27	26.86	110.00	42.69	146.65



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

(₹ in crore)

Particulars		Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post-Retirement Medical Benefits
Present Value of obligation at the beginning of the year	CY	352.60	280.92	1374.18	215.67	146.65
	PY	342.89	332.85	1252.37	217.29	137.98
Current Service Cost	CY	35.69	8.22	104.31	30.96	17.34
	PY	30.32	9.78	127.18	34.36	14.50
Interest Cost	CY	23.49	15.06	93.14	13.88	9.58
	PY	25.63	22.98	95.62	15.07	10.15
Actuarial gain(-)/loss on obligations due to Change in Financial Assumption	CY	0.00	12.88	121.19	4.81	11.32
	PY	-	-	-	-	-
Plan Amendments: Vested portion at end of period(Past Service)	CY	266.69	-	-	-	-
	PY	-	-	-	-	-
Actuarial gain(-)/loss on obligations due to Unexpected Experience	CY	(6.57)	13.21	103.13	14.81	4.19
	PY	(1.26)	6.63	13.21	6.84	6.19
Benefits Paid	CY	(47.19)	(80.70)	(139.54)	(42.58)	(24.95)
	PY	(44.98)	(91.32)	(114.20)	(57.89)	(22.17)
Present Value of obligation at the end of the year	CY	624.71	249.59	1656.41	237.55	164.13
	PY	352.60	280.92	1374.18	215.67	146.65

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

(₹ in crore)

Particulars		Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post-Retirement Medical Benefits
Fair Value of Plan Asset at Beginning of the year	CY	337.33	254.06	1264.18	172.98	NA*
	PY	334.95	318.54	996.02	166.25	
Interest Income	CY	24.09	15.90	90.26	12.35	NA*
	PY	26.80	25.48	79.68	14.55	
Contributions	CY	15.26	26.86	110.00	42.69	NA*
	PY	7.93	14.31	256.35	51.04	
Benefits Paid	CY	(47.19)	(80.70)	(139.54)	(42.58)	NA*
	PY	(44.98)	(91.32)	(114.20)	(57.89)	
Return on Plan Assets excluding Interest Income	CY	(9.37)	30.25	137.65	3.66	NA*
	PY	12.63	(12.95)	46.33	(0.97)	
Fair Value of Plan Asset at the end of the year	CY	320.12	246.37	1462.55	189.10	NA*
	PY	337.33	254.06	1264.18	172.98	

**D. Expenses Recognised in Statement of Profit / Loss:**

(₹ in crore)

Particulars		Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post-Retirement Medical Benefits
Current Service Cost	CY	35.69	8.22	104.31	30.96	17.34
	PY	30.32	9.78	127.18	34.36	14.50
Net Interest Cost	CY	(0.59)	(0.84)	2.88	1.53	9.58
	PY	(1.16)	(2.51)	15.94	0.52	10.15
Actuarial Gain/loss Applicable only for last year	CY	266.69	-	-	15.95	-
	PY	-	-	-	-	-
Expense Recognized in Statement of Profit/Loss Account	CY	301.79	7.38	107.19	48.44	26.92
	PY	29.16	7.27	143.12	34.88	24.65

**E. Other Comprehensive Income**

(₹ in crore)

Particulars		Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post-Retirement Medical Benefits
Actuarial gain/loss on obligations due to Change in Financial Assumption	CY	(6.57)	12.88	121.19	-	11.32
	PY	-	-	-	-	-
Actuarial gain/loss on obligations due to Unexpected Experience	CY	-	13.21	103.13	-	4.19
	PY	(1.26)	6.64	13.21	6.84	6.18
Return on Plan Asset, Excluding Interest Income	CY	9.37	(30.26)	(137.66)	-	-
	PY	(12.63)	12.95	(46.33)	0.97	-
Net(Income)/Expense for the Period Recognized in OCI	CY	2.80	(4.17)	86.66	-	15.50
	PY	(13.89)	19.59	(33.12)	7.81	6.18

**F. Investment of Superannuation Fund**

Particulars	Percentage of Investment								
	Gratuity Fund			Pension Fund (OIPF)			Pension Fund (OIEPF)		
	31.03.2017	31.03.2016	01.04.2015	31.03.2017	31.03.2016	01.04.2015	31.03.2017	31.03.2016	01.04.2015
Central Govt.	36.20	34.91	32.99	25.71	39.27	38.37	46.61	45.64	39.75
State Govt.	17.40	12.37	12.87	31.61	24.43	25.20	12.43	13.58	17.30
PSU & Corporate Bond	37.40	34.09	37.31	42.68	31.40	32.02	38.75	40.52	42.64
Others	9.00	18.63	16.83	-	4.90	4.41	2.21	0.26	0.31
<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>	<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		Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post-Retirement Medical Benefits
Current Liability	CY	304.59	3.21	193.85	87.78	38.87
	PY	15.27	26.86	110.00	34.76	23.46
Non-current Liability	CY	-	-	-	149.77	125.26
	PY	-	-	-	180.91	123.19
Total	CY	304.59	3.21	193.85	237.55	164.13
	PY	15.27	26.86	110.00	215.67	146.65

**CY - Current Year, PY- Previous Year**





## H. Sensitivity Analysis

Particulars	Gratuity Fund		Pension Fund (OIPF)		Pension Fund (OIEPF)		Leave Encashment		Post-Retirement Medical Benefits	
	31 <sup>st</sup> Mar 2017	31 <sup>st</sup> Mar 2016	31 <sup>st</sup> Mar 2017	31 <sup>st</sup> Mar 2016	31 <sup>st</sup> Mar 2017	31 <sup>st</sup> Mar 2016	31 <sup>st</sup> Mar 2017	31 <sup>st</sup> Mar 2016	31 <sup>st</sup> Mar 2017	31 <sup>st</sup> Mar 2016
a) Discount Rate (-/+ 0.5%)										
Increase (in ₹ Crore)	607.84	34.34	245.78	276.54	1,583.79	1,335.16	233.86	202.32	157.37	140.05
% Increase	(2.400%)	(2.610%)	(1.530%)	(1.560%)	(4.384%)	(2.840%)	(1.550%)	(6.190%)	(4.120%)	(4.500%)
Decrease (in ₹ Crore)	642.58	362.26	253.48	28.54	1,735.69	14.15	241.37	229.52	171.44	153.07
% Decrease	3.570%	2.740%	(1.56%)	1.60%	4.79%	2.97%	1.610%	6.42%	4.45%	4.38%
b) Salary Growth/ Benefit Inflation (-/+ 0.5%)										
Increase (in ₹ Crore)	618.15	353.27	25.23	284.12	1,727.99	1,401.26	240.52	235.90	171.44	153.29
% Increase	0.480%	0.190%	1.070%	1.140%	4.320%	1.970%	1.250%	9.380%	4.470%	4.530%
Decrease (in ₹ Crore)	606.60	351.72	246.94	27.78	1,590.45	1,342.30	234.66	197.94	156.79	138.55
% Decrease	(0.520%)	(0.250%)	(1.06%)	(1.12%)	(3.98%)	(2.32%)	(1.220%)	(8.22%)	(4.47%)	(5.52%)
c) Attrition Rate (-/+ 0.5%)										
Increase (in ₹ Crore)	612.47	352.57	24.95	281.21	1,656.03	1,375.56	237.55	220.31	16.89	151.36
% Increase	0.003%	(0.001%)	(0.016%)	0.100%	(0.023%)	0.100%	-	2.150%	2.910%	3.210%
Decrease (in ₹ Crore)	612.47	352.64	249.63	280.64	1,656.78	13.73	237.53	211.34	159.15	141.62
% Decrease	(0.003%)	0.001%	0.016%	(0.10%)	0.02%	(0.10%)	-	(2.01%)	(3.04%)	(3.43%)
d) Mortality Rate (-/+ 10%)										
Increase (in ₹ Crore)	612.97	353.13	24.96	280.93	1,657.06	1,374.23	237.57	217.53	16.08	143.33
% Increase	0.056%	0.150%	0.007%	0.003%	0.039%	0.003%	0.010%	0.860%	(2.030%)	(2.260%)
Decrease (in ₹ Crore)	611.97	352.07	249.57	280.92	1,655.75	13.74	237.53	214.12	167.49	149.82
% Decrease	(0.056%)	(0.150%)	(0.007%)	(0.003%)	(0.04%)	-	(0.010%)	(0.72%)	2.05%	2.16%

**40.2 Information as per Indian Accounting Standard (Ind AS) 108 - Segment Reporting**

**A) Segment Revenue and Results for the year ended 31.03.2017**

(₹ in crore)

Particulars	Year ended 31st March, 2017	Year ended 31st March, 2016
<b>Revenue</b>		
<b>External sales</b>		
Crude Oil	7,274.91	6,848.89
Natural Gas	1,641.40	2,304.46
LPG	103.34	129.00
Pipeline Transportation	356.18	362.99
Renewable Energy	116.92	105.45
Others	17.64	14.08
<b>Total Revenue</b>	<b>9,510.39</b>	<b>9,764.87</b>
<b>Results</b>		
Crude Oil	893.70	1,956.01
Natural Gas	446.79	1,168.26
LPG	51.09	75.88
Pipeline Transportation	72.56	115.50
Renewable Energy	27.78	15.31
Others	11.95	9.51
<b>Segment Results</b>	<b>1,503.87</b>	<b>3,340.47</b>
Less: Unallocated expenses	641.51	909.66
Add: Unallocated income	107.76	56.84
<b>Operating profit</b>	<b>970.12</b>	<b>2,487.65</b>
Add : Interest / Dividend income	1,572.92	1,336.92
Less: Interest expense	396.71	384.00
<b>Profit before tax</b>	<b>2,146.32</b>	<b>3,440.57</b>
Tax expenses	597.64	1,138.90
<b>Profit after tax</b>	<b>1,548.68</b>	<b>2,301.67</b>
<b>Capital Expenditure during the period</b>		
Crude Oil	1,771.28	884.16
Natural Gas	643.02	756.91
LPG	14.00	0.84
Pipeline Transportation	179.02	8.90
Renewable Energy	102.46	76.04
Others	-	-
Unallocated	21.86	138.42
Total Capital Expenditure during the period	2,731.64	1,865.27
<b>Depreciation, Depletion and Amortisation</b>		
Crude Oil	680.37	563.33
Natural Gas	258.75	245.52
LPG	14.37	10.97
Pipeline Transportation	34.58	19.09
Renewable Energy	78.21	80.01
Others	1.38	1.31
Unallocated	23.08	22.07
<b>Total Depreciation, Depletion and Amortisation</b>	<b>1,090.73</b>	<b>942.30</b>



<b>Non-cash expenses other than depreciation, depletion and amortisation</b>		
Crude Oil	670.15	568.76
Natural Gas	183.43	169.51
LPG	-	-
Pipeline Transportation	-	-
Renewable Energy	-	-
Others	-	-
Unallocated	2.91	-
<b>Total Non-cash expenses other than depreciation, depletion and amortisation</b>	<b>856.49</b>	<b>738.27</b>
<b>Reconciliation of Revenue</b>		
Total Segment Revenue	9,510.39	9,764.87
Add: Unallocated income	107.76	56.84
Add : Interest / Dividend income	1,572.92	1,336.92
<b>Total Revenue for the period</b>	<b>11,191.07</b>	<b>11,158.63</b>

**B) Segment Assets and Liabilities as on 31.03.2017**

(₹ in crore)

Particulars	As on 31.03.2017	As on 31.03.2016	As on 01.04.2015
<b>Segment Assets</b>			
Crude Oil	8,060.55	6,706.73	7,432.73
Natural Gas	4,097.77	4,039.21	3,869.70
LPG	76.25	57.86	96.73
Pipeline Transportation	1,399.66	991.43	660.97
Renewable Energy	669.28	669.66	653.12
Others	3.72	6.23	1.75
Unallocated assets	31,032.33	26,678.08	25,217.81
<b>Total Assets</b>	<b>45,339.55</b>	<b>39,149.20</b>	<b>37,932.81</b>
<b>Segment Liabilities</b>			
Crude Oil	2,525.12	1,841.44	2,684.65
Natural Gas	832.84	487.28	536.42
LPG	28.95	19.83	28.80
Pipeline Transportation	232.51	311.56	334.29
Renewable Energy	4.97	5.10	1.86
Others	-	-	-
Unallocated liabilities	12,624.67	11,564.54	10,380.08
<b>Liabilities</b>	<b>16,249.06</b>	<b>14,229.75</b>	<b>13,966.10</b>
Equity	29,090.49	24,919.45	23,966.71
<b>Total Equity and Liabilities</b>	<b>45,339.55</b>	<b>39,149.20</b>	<b>37,932.81</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.

**40.3 Information as per Indian Accounting Standard (IND AS) 23 "Borrowing Costs"**

Borrowing cost capitalized during the year is NIL (Previous year NIL).

**40.4 Information as per Indian Accounting Standard (INDAS) 24 "Related Party Disclosures"**

**40.4.1 Related party relationships**

Name of related parties and description of relationship.

**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., Singapore
7	Indoil Netherland B.V. (Step down Subsidiary)

**ii) Joint Venture:**

Sl. No	Name of Joint Venture
1	Beas Rovuma Energy Mzambique Limited
2	Suntera Nigeria 205 Limited
3	Duliajan Numaligarh Pipeline Limited

**iii) Associates**

Sl. No	Name of Associates
1	Numaligarh Refinery Limited
2	Brahmaputra Cracker & Polymer Ltd

**iv) Key Management Personnel**

**a) Whole time Functional Directors:**

- a) Mr.U.Bora Chairman and Managing Director (w.e.f.18.07.2016)
- b) Mr.A.P.Sawhney Chairman and Managing Director (from 01.06.16 to 17.07.2016)
- c) Mr. U.P.Singh Chairman and Managing Director ( up to 31.05.2016)
- d) Mrs. R.S. Borah Director (Finance)
- e) Mr. S.Mahapatra Director (Exploration & Development) (up to 31.03.2017)  
Dr. P. Chandra Sekaran Director (Exploration & Development)(From 01.04.2017)
- f) Mr. B. Roy Director (HR & BD)
- g) Mr. P. K. Sharma Director (Operations)

**b) Company Secretary:**

- a) Mr. S.R.Krishnan Company Secretary( up to 31.10.2016)
- b) Mr. S.K.Senapati Company Secretary(w.e.f. 01.11.2016)



#### 40.4.2 : Transaction with Related Parties :

##### 1. Transaction with Subsidiaries:

(₹ in crore)

Name of related party	Nature of transaction	Year ended 31 <sup>st</sup> March, 2017	Year ended 31 <sup>st</sup> March, 2016
<b>A. Services provided to:</b>			
i) Indoil Netherland B.V.	Manpower deputation	3.91	5.76
<b>B. Advances</b>			
i) Oil India International B.V.	Advances against Equity	0.69	0.48
ii) Oil India (USA) Inc.	Conversion of advance against equity in to Equity Investments	-	69.64
iii) Oil India Cyprus Limited		0.06	0.22
iv) Oil India (USA) Inc.	Other advances	0.49	1.20
v) Oil India International Pte., Singapore	Advances against Equity	213.60	-
vi) Oil India Sweden AB	Advances against Equity	0.50	-
vii) Oil India (USA) Inc.	Advances against Equity	590.04	-
<b>C. Loans</b>			
i) Oil India International B.V.	Loans given	33.70	141.85
<b>D. Other Income:</b>			
a) Oil India International B.V.	Interest income on loan	25.04	16.79
<b>E. Corporate Financial guarantee income recognized during the period:</b>			
i) Oil India (USA) Inc.		4.35	4.03
ii) Oil India International Pte. Ltd., Singapore		8.14	-

##### 2.Outstanding Balances with subsidiaries

(₹ in crore)

Name of related party	Nature of transaction	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	At at 1 <sup>st</sup> April, 2015
<b>A. Advances:</b>				
i) Oil India International B.V.	Advances against Equity	211.22	210.53	210.05
ii) Oil India (USA) Inc.	Advances against Equity	590.04	-	69.64
iii) Oil India Cyprus Limited	Advances against Equity	0.06	-	0.16
iv) Oil India International Pt., 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	404.37	355.24	180.51
ii) Oil India (USA) Inc.	Loans given	1.13	0.63	1.83
iii) Oil India International Limited	Loans given	-	-	0.05
<b>C. Amount receivable:</b>				
i) Indoil Netherland B.V.	Other receivables	9.67	28.38	-
<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	8.44	4.01
ii) Oil India International Pte. Ltd , Singapore		16.59	-	-

**3. Transaction with joint venture**

(₹ in crore)

Name of related party	Nature of transaction	Year ended 31 <sup>st</sup> March, 2017	Year ended 31 <sup>st</sup> March, 2016
<b>A. Sale of products to:</b>			
i) Duliajan Numaligarh Pipeline Limited	Sale of natural gas	5.39	6.92
<b>B. Advances :</b>			
i) Beas Rovuma Energy Mzambique Limited	Advance against equity	51.56	147.80
<b>C. Loans:</b>			
i) Duliajan Numaligarh Pipeline Limited	Repayment of loan	-	88.80
ii) Suntera Nigeria 205 Limited	Loan disbursement	5.68	2.72
<b>D. Other Income:</b>			
i) Duliajan Numaligarh Pipeline Limited	Dividend income	0.65	0.42
ii) Suntera Nigeria 205 Limited	Interest income on loan	9.60	42.97
	Manpower services	-	0.05
iii) Duliajan Numaligarh Pipeline Limited	Interest income on loan	-	8.36

**4. Outstanding balances with joint venture**

(₹ in crore)

Name of related party	Nature of transaction	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>A. Amount receivable:</b>				
i) Duliajan Numaligarh Pipeline Limited	Trade and other receivables	0.54	0.86	0.87
ii) Suntera Nigeria 205 Limited	Other receivables	-	0.76	-
<b>B. Loans:</b>				
i) Duliajan Numaligarh Pipeline Limited	Loan given	-	-	88.80
ii) Beas Rovuma Energy Mzambique Limited	Loan given	-	-	338.45
iii) Suntera Nigeria 205 Limited	Loan given	172.93	161.55	108.21
	Less: Provision	41.13	41.13	108.21
	Balance	131.80	120.42	-
<b>C. Advance against equity:</b>				
i) Beas Rovuma Energy Mozambique Limited	Advance against equity	51.56	486.25	-

**5. Transaction with Associates**

(₹ in crore)

Name of related party	Nature of transaction	Year ended 31 <sup>st</sup> March, 2017	Year ended 31 <sup>st</sup> March, 2016
<b>A. Sale of products to:</b>			
i) Numaligarh Refinery Limited	Sale of crude oil and Natural gas	4783.00	4215.97
ii) Brahmaputra Cracker and Polymer Limited	Sale of natural gas	373.34	263.19
<b>B. Services provided to:</b>			
i) Numaligarh Refinery Limited	Pipeline transportation	237.85	228.68
<b>C. Services received from:</b>			
i) Numaligarh Refinery Limited	Utility charges and rental for facilities	7.69	17.65
<b>D. Loans:</b>			
i) Brahmaputra Cracker and Polymer Limited	Repayment of loan	125.68	124.32
	Interest on loan	8.20	22.25
<b>E. Other Income:</b>			
i) Numaligarh Refinery Limited	Dividend received	258.21	143.45
<b>F. Corporate Financial guarantee income recognized during the period:</b>			
i) Brahmaputra Cracker and Polymer Limited		0.15	0.13



## 6. Outstanding balances with Associates

(₹ in crore)

Name of related party	Nature of transaction	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>A. Amount receivable:</b>				
i) Numaligarh Refinery Limited	Trade receivables	261.37	396.23	1037.83
ii) Brahmaputra Cracker and Polymer Limited	Trade receivables	357.87	144.53	11.69
<b>B. Loans:</b>				
i) Brahmaputra Cracker and Polymer Limited	Loans	-	125.68	250.00
<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	0.83

### 40.4.3 Compensation of key Management Personnel

#### 1. Whole Time Director and company Secretary

(₹ in crore)

Particulars	Year ended 31 <sup>st</sup> March, 2017	Year ended 31 <sup>st</sup> March, 2016
Short term employee benefits	1.39	1.29
Post-employment benefits (includes provision for leaves, gratuity and other post-retirement benefits)	0.25	0.49
Other long-term benefits (includes contribution to provident fund)	0.34	0.25
<b>Total</b>	<b>1.98</b>	<b>2.03</b>

#### 2. Independent Director

(₹ in crore)

Particulars	Year ended 31 <sup>st</sup> March, 2017	Year ended 31 <sup>st</sup> March, 2016
Sitting fees	-	0.06
Total	-	0.06

### 40.5 Information as per Indian Accounting Standard (INDAS) 112 "Interest in Other Entities".

**40.5.1** Company executed various JVCs/PSCs in India for oil and gas exploration, as Jointly Control Assets as on 31.03.2017, the details of which are given below:

#### 40.5.2 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%(40%){40%}	ONGCL - 30%(30%){30%}, GAIL-20%(20%){20%}, EWP-0% (10%){10%}
2.	AA-ONN-2010/3	40%(40%){40%}	ONGCL - 40%(40%){40%}, BPRL-20%(20%){20%}
3.	CY-OSN-2009/2**	50%(50%){50%}	ONGCL - 50%(50%){50%}
4.	KG-ONN-2004/1*	90%(90%){90%}	GGR - 10%(10%){10%}
5.	MB-OSN-2010/2**	50%(50%){50%}	HPCL - 30%(30%){30%}, BPRL-20%(20%){20%}
6.	MZ-ONN-2004/1 ***	85%(85%){85%}	SHIVVANI - 15%(15%){15%}
7.	RJ-ONN-2004/2*	75%(75%){75%}	GGR - 25%(25%){25%}

**Note:** Figures in parenthesis ( ) represent Participating Interest as on 31.03.2016 and parenthesis { } represent Participating Interest as on 01.04.2015.

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

\*\* Proposed for relinquishment by OC during the year 2016-17.

\*\*\* JV Block validity has been expired in oct 2016, applied for extension of 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 31.03.2017	606.64	512.63	-	146.28	2757.60	2033.02	0.25	307.54
For year ended 31.03.2016	335.38	207.77	0.42	217.55	520.13	316.36	0.24	107.60
As on 01.04.2015	366.17	39.03	N/A	N/A	851.94	55.69	N/A	N/A

**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**      2. **AN-DWN-2009/3**      3. **RJ-ONN-2005/2**

**B. Non-operated**

Sl. No.	Block No.	Company's Participating interest	Other's Participating Interest
1.	AAP-ON-94/1 *	44.086%(44.086%){44.086%}	HOEC(O) - 26.882%(26.882%) {26.882}, IOCL - 29.032% (29.032%){29.032}
2.	GK-OSN-2010/1	30%(30%){30%}	ONGC (O)- 60%(60%){60%}, GAIL - 10%(10%){10%}
3.	KG-OSN-2009/4	30%(30%){30%}	ONGC (O)- 50% (50%){50%}, NTPC - 10%(10%){10%}, APGICL - 10%(10%){10%}
4.	Kharsang PSC *	40%(40%){40%}	GEOENPRO (O)- 10%(10%){10%}, GEOPETROL- 25%(25%){25%}, JUBILANT ENERGY-25%(25%){25%}
5.	WB-ONN-2005/4	25%(25%){25%}	ONGC (O)- 75% (75%){75%}
6.	KHERAM DSF SIGNED ON 27.03.2017**	40%(0%){0%}	HOEC(O)-40%(0%){0%} Prize Petroleum 20%(0%){0%}

**Note:** Figures in parenthesis ( ) represent Participating Interest as on 31.03.2016 and parenthesis { } represent Participating Interest as on 01.04.2015.

\*Pre NELP Blocks

\*\* Under Discover Small Field Bid 2016





**The Summarised Financial position of the above blocks are as under:**

(₹ in crore)

Particulars	Audited Blocks				Unaudited Blocks			
For year ended 31.03.2017	152.84	23.38	0.48	3.76	172.59	62.41	46.78	103.51
For year ended 31.03.2016	67.63	28.11	0.07	17.94	176.66	23.83	50.14	106.11
As on 01.04.2015	45.14	5.41	N/A	N/A	165.95	13.25	N/A	N/A

**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-2009/3** 3. **AN-DWN-2009/2** 4. **AS-CBM-2008/IV** 5. **MN-OSN-2000/2**

**40.5.3 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%){45%}	OVL(O) -45%(45%){45%}, BAPEX - 10%(10%){10%}
2.	Block SS-09	Bangladesh	45%(45%){45%}	OVL(O) - 45%(45%){45%}, BAPEX - 10%(10%){10%}
3.	Shakthi	Gabon	50%(50%){50}	IOCL - 50%(50%){50%}
4.	Farsi (offshore) Block	Islamic Republic of Iran	20%(20%){20%}	OVL(O) - 40%(40%){40%}, IOCL - 40%(40%){40%}
5.	Area 95/96	Libya	25%(25%){25%}	SIPEX (O) - 50%(50%){50%}, IOCL - 25%(25%){25%}
6.	Block M-4	Myanmar	60%(60%){60%}	MPL - 25%(25%){25%}, Oilmax - 10% (10%){10%}& Oil Star - 5%(5%){5%}
7.	Block YEB	Myanmar	60%(60%){60%}	MPL - 25%(25%){25%}, Oilmax - 10%(10%){10%} & Oil Star - 5%(5%){5%}
8.	Block 82,	Yemen	12.75%(12.75%) {12.75%}	MEDCO AMED(O)- 38.25% (38.25%){38.25%}, Kuwait Energy(O), -21.25% (21.25%) {21.25%} Yemen Oil & Gas 15%(15%){15%}, IOCL - 12.75%(12.75%) {12.75}

**Note:** Figures in parenthesis ( ) represent Participating Interest as on 31.03.2016 and parenthesis { } represent Participating Interest as on 01.04.2015.

**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 31.03.2017	372.85	241.87	0.39	13.06	228.50	172.82	0.02	45.61
For year ended 31.03.2016	220.80	91.15	0.00	78.36	218.50	11.85	0.02	22.53
As on 01.04.2015	282.10	148.93	N/A	N/A	207.76	128.45	N/A	N/A

**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**

**40.5.4** Company has sent statement of Accounts for confirmation of balances to the JVC Partners which are yet to be received.

**40.6 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 31.03.2017	Maximum Amount Outstanding during the year 2016-17	Outstanding as at 31.03.2016	Maximum Amount Outstanding during the year 2015-16	Outstanding as at 01.04.2015
<b>Loans &amp; Advances in the nature of Loan to :</b>					
a) Subsidiaries*					
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.	1.13	1.13	0.63	0.63	1.83
iv) Oil India International Limited	Nil	Nil	NIL	0.05	0.05
v) Oil India International B.V.	404.37	404.37	355.24	355.24	180.51
vi) Oil India International Pte., Singapore	Nil	Nil	Nil	Nil	Nil
b) To Associates / Jointly controlled entity					
i) Beas Rovuma Energy Mozambique Ltd.	Nil	Nil	NIL	338.45	338.45
ii) Suntera Nigeria 205 Ltd	131.80	172.93	161.55	108.21	108.21
iii) DNP Ltd	Nil	Nil	Nil	88.80	88.80
c) In the nature of loans to Firms/companies in which directors are interested: BCP Ltd.	Nil	125.68	125.68	250.00	250.00
d) Investment by Loanee in Parent or other subsidiary company	Nil	Nil	Nil	Nil	Nil

\* Excludes Current account transactions

**40.7 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 31.03.2017.

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
a) Principal amount remaining unpaid but not due as at year end	1.61	1.64	1.72
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	-	-	-



#### 40.8 Income Tax :

##### 40.8.1 Income Taxes relating to continuing operations

##### Income tax recognised in profit or loss

(₹ in crore)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Current tax		
In respect of the current year	356.30	615.18
In respect of the Previous year	118.47	102.03
<b>Total</b>	<b>474.76</b>	<b>717.21</b>
Deferred tax		
In respect of the current year	122.88	421.69
<b>Total</b>	<b>122.88</b>	<b>421.69</b>
Total income tax expense recognised in the current year	597.64	1,138.90
The income tax expense for the year can be reconciled to the accounting profit as follows:		
<b>Profit before tax</b>	<b>2,146.32</b>	<b>3,440.57</b>
Income tax expense calculated at 34.608% (2015-2016:(30*112%*103%=34.608%)	742.80	1,190.71
Effect of income that is exempt from taxation	(327.19)	(149.13)
Effect of expenses that are not deductible in determining taxable profit	181.74	159.37
ICDS transition Adjustment	(26.58)	-
Prior Period Income Tax Adjustment	118.47	102.03
Weighted Deductions, Superannuation & Investment allowances etc.	(59.92)	(173.87)
Additional tax effect due to differential tax rates and tax losses	(31.68)	9.78
<b>Total</b>	<b>597.64</b>	<b>1,138.90</b>
<b>Income tax expense recognised in profit or loss</b>	<b>597.64</b>	<b>1,138.90</b>

**Note :** The tax rate used for the 2016-2017 and 2015-2016 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.

##### 40.8.2 Income tax recognised in other comprehensive income

##### Current & Deferred tax

(₹ in crore)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
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	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	(19.43)	1.84
<b>Total</b>	<b>756.58</b>	<b>1.84</b>
<b>Total income tax recognised in other comprehensive income</b>	<b>756.58</b>	<b>1.84</b>
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to profit or loss	756.58	1.84
Items that may be reclassified to profit or loss	-	-
<b>Total</b>	<b>756.58</b>	<b>1.84</b>

**40.8.3 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 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Deferred tax assets	666.59	267.62	266.15
Deferred tax liabilities	(3,746.11)	(2,448.25)	(2,025.09)
<b>Total</b>	<b>(3,079.52)</b>	<b>(2,180.63)</b>	<b>(1,758.94)</b>
Components of Deferred Tax Asset and Liability:			
Deferred Tax Liability			
Depreciation and Amortization expenses	(2,779.97)	(2,220.28)	(1,935.21)
Fair Value gain on Investment	(775.99)	-	-
Employee Deferred Benefit Expenses	(26.17)	(27.05)	(25.87)
Others	(163.99)	(200.92)	(64.01)
<b>Total</b>	<b>(3,746.11)</b>	<b>(2,448.25)</b>	<b>(2,025.09)</b>
Deferred Tax Asset:			
Expenditure covered by section 43B of I.T. Act, 1961	80.14	69.90	63.94
Provision for doubtful advances/debts/stores	164.25	170.31	173.29
Government Grant	40.79	-	-
MAT Credit	336.87	-	-
Others	44.55	27.41	28.92
<b>Total</b>	<b>666.59</b>	<b>267.62</b>	<b>266.15</b>
<b>Net Deferred Tax Liability</b>	<b>(3,079.52)</b>	<b>(2,180.63)</b>	<b>(1,758.94)</b>

a) **Deferred Tax Assets/(Liability) movement** (₹ in crore)

Particulars	For the year ended March 31, 2017				For the year ended March 31, 2016			
	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
Deferred tax (liabilities)/assets in relation to:								
Provision for doubtful advances/debts/stores	170.31	(6.06)	-	164.25	173.29	(2.98)	-	170.31
Expenditure covered under section 43B	69.90	10.24	-	80.14	63.94	5.95	-	69.90
Employee Loan Fair Valuation	17.51	0.47	-	17.98	16.90	0.61	-	17.51
Government Grant	-	40.79	-	40.79	-	-	-	-
MAT Credit	-	336.87	-	336.87	-	-	-	-
Fair valuation of guarantee	1.73	1.39	-	3.12	1.46	0.27	-	1.73
Other Provisions	8.17	15.28	-	23.45	10.56	(2.39)	-	8.17
Investment in Petroleum International	(0.40)	0.25	(0.03)	(0.18)	(0.34)	0.06	-	(0.40)
Depreciation on property, plant and equipment	(2,220.28)	(559.69)	-	(2,779.97)	(1,935.21)	(285.07)	-	(2,220.28)
Fair Value gain on Equity Investment	-	-	(775.99)	(775.99)	-	-	-	-
Forex Gain/Loss	(123.97)	39.96	-	(84.01)	-	(123.97)	-	(123.97)
Employee Deferred Benefit Expenses	(27.05)	0.88	-	(26.17)	(25.87)	(1.18)	-	(27.05)
Fair valuation of guarantee investment	(0.97)	(3.81)	-	(4.78)	(0.48)	(0.49)	-	(0.97)
Other Items	(75.59)	0.56	-	(75.03)	(63.19)	(12.40)	-	(75.59)
<b>Total</b>	<b>(2,180.63)</b>	<b>(122.88)</b>	<b>(776.01)</b>	<b>(3,079.52)</b>	<b>(1,758.94)</b>	<b>(421.69)</b>	<b>-</b>	<b>(2,180.63)</b>



**Notes:**

- a) For Assessment Years (AY) 2003-04 to 2007-08, 2009-10 and 2010-11, the appeals are pending for disposal before the Hon'ble Income Tax Appellate Tribunal (ITAT) with respect to the Company's claim of benefit u/s 80-IB / 80-IC of the Income Tax Act, 1961, hereinafter called the Act.
- b) For Assessment Years (AY) 2008-09, 2011-12, 2012-13, 2013-14 and 2014-15 the appeals are pending for disposal before the CIT(A) against disallowances / additions made in the assessment u/s 143(3).
- c) The benefit u/s 80-IA, 80-IB and 80-IC of the Act has not been considered to make the provisions of tax in the books.
- d) The resulting interest, whether receivable or payable, shall be accounted for on finalization of the matter by an appellate authority.
- e) Income tax assessment up to the Assessment Year 2014-15 has been completed and a demand of ₹200.48 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 first appellate authority. However, wherever demand is raised, the amount has been paid.
- f) The Current Tax figure of the year includes ₹118.40 crore ( previous year ₹102.03 crore) on account of adjustments pertaining to previous year.
- 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	
	2016-17	2015-16
Capital Expenditure	7.61	4.26
Revenue Expenditure	55.81	42.50
Total Expenditure	63.42	46.76

**40.9 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 31.03.2017:

Particulars	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
	(Million KL)	(Million KL)	(Million KL)	(Million KL)	(Million Cub Meter)	(Million Cub Meter)	(Million Cub Meter)	(Million 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	-	-	-	-
<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

**(ii) Net quantities of interest in Proved Reserves of Crude Oil (including condensate & Heavy Oil) and Natural Gas as on 31.03.2016:**

Particulars	Crude Oil				Natural Gas			
	Position as at 1 <sup>st</sup> Apr 2015	Addition/ Revision	Production Quantity	Position as at 31 <sup>st</sup> Mar 2016	Position as at 1 <sup>st</sup> Apr 2015	Addition/ Revision	Adjusted Sales Quantity	Position as at 31 <sup>st</sup> Mar 2016
	(Million KL)	(Million KL)	(Million KL)	(Million KL)	(Million Cub Meter)	(Million Cub Meter)	(Million Cub Meter)	(Million Cub Meter)
Assam	35.1532	0.2709	3.6130	31.8111	22,787	264	2,491	20,560
Arunachal Pradesh	0.1176	0.0182	0.0066	0.1292	-	-	-	-
Rajasthan	0.0028	-	0.0003	0.0025	1,000	1,009	206	1,803
Kharsang Joint Venture *	0.9690	(0.7249)	0.0057	0.2384	-	-	-	-
<b>Total</b>	<b>36.2426</b>	<b>(0.4358)</b>	<b>3.6256</b>	<b>32.1812</b>	<b>23,787</b>	<b>1,273</b>	<b>2,697</b>	<b>22,363</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 31.03.2017:**

Particulars	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
	(Million KL)	(Million KL)	(Million KL)	(Million KL)	(Million Cub Meter)	(Million Cub Meter)	(Million Cub Meter)	(Million 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.

**(iv) Net quantities of interest in Proved Developed Reserves of oil (including condensates) and natural gas as on 31.03.2016:**

Particulars	Crude Oil				Natural Gas			
	Position as at 1 <sup>st</sup> Apr 2015	Addition/ Revision	Production Quantity	Position as at 31 <sup>st</sup> Mar 2016	Position as at 1 <sup>st</sup> Apr 2015	Addition/ Revision	Adjusted Sales Quantity	Position as at 31 <sup>st</sup> Mar 2016
	(Million KL)	(Million KL)	(Million KL)	(Million KL)	(Million Cub Meter)	(Million Cub Meter)	(Million Cub Meter)	(Million Cub Meter)
Assam	32.1886	0.6218	3.6130	29.1974	22,787	264	2,491	20,560
Arunachal Pradesh	0.1176	0.0182	0.0066	0.1292	-	-	-	-
Rajasthan	0.0028	-	0.0003	0.0025	1,000	1,009	206	1,803
Kharsang Joint Venture *	0.1201	-	0.0227	0.0974	-	-	-	-
<b>Total</b>	<b>32.4291</b>	<b>0.6400</b>	<b>3.6426</b>	<b>29.4265</b>	<b>23,787</b>	<b>1,273</b>	<b>2,697</b>	<b>22,363</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, number 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.

#### **40.10 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, 2017 covers 80.14% of PPE in terms of value.

#### **40.11 VAT and Royalty on crude oil:**

- (a) The Company has received notice of demand for ₹ 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. Out of this an amount of ₹21.97 crore pertains to VAT on transportation of crude oil for the period from FY 2009-10 to 2012-13. The demand for the balance ₹1327.74 crore, being VAT on sharing of under-recoveries has been contested by the Company before the Commissioner of Taxes, Assam. In a similar matter, the Gujarat High Court has passed order against applicability of VAT on the amount of under recoveries shared, which has been upheld by Supreme Court of India through dismissal of Special Leave Petition filed by Gujarat Government against the High Court decision.
- (b) Government of Assam based on a claim from Director of Geology and Mining, filed a writ petition in the Hon'ble Gauhati High Court for payment of differential royalty of ₹7,224.20 crore on post and pre-discounted sale price of crude oil for the period from 2008-09 to 2013-14. The Company is paying royalty on post discount price based on instructions issued by MOP&NG and in line with Oil Fields (Regulation and Development) Act, 1948 and subsequent notifications thereof. The matter of payment of onshore royalty at pre-discount prices was examined by MOP&NG based on the interim decision of the Hon'ble Supreme Court dated 13<sup>th</sup> February 2014 and accordingly MOP&NG intimated vide letter dated 15<sup>th</sup> July, 2016 to pay royalty at pre-discount prices effective from 1<sup>st</sup> February 2014, pending outcome of Special Leave to Appeal (Civil) No 1596/2014 filed by ONGC Ltd. before the Hon'ble Supreme Court against Gujarat High Court's adverse order on a similar issue. Pending the final outcome of the Special Leave Petition (SLP) filed before Hon'ble Supreme Court, differential royalty up to 31<sup>st</sup> March, 2016 including interest

thereon aggregating ₹9749.55 crore had been considered as Contingent Liability as at 31<sup>st</sup> March, 2016. Following the order of the MOP&NG dated 15<sup>th</sup> July, 2016 the Company has paid to the Government of Assam an amount of ₹1151.73 crore being the differential amount of royalty on pre-discount price and post discount price of crude oil w.e.f. from 1<sup>st</sup> February, 2014. Differential royalty amounting to ₹1151.73 crore had been considered as deposit.

During the year, a settlement was made by Government of India (GOI) on 2<sup>nd</sup> February, 2017 amongst GOI, Government of Assam and the Company, based on which Hon'ble Supreme Court disposed the SLP. Accordingly, the Company has recognised the differential royalty of ₹1151.73 paid to State Government of Assam as expense and shown as exceptional item in the Statement of Profit & Loss.

#### **40.12 Disclosures as required by Ind AS 101 - First Time Adoption of Indian Accounting Standards**

The Company has prepared its financial statements for the year ended March 31, 2017 together with comparative date as at and year ended March 31, 2016 in compliance with the Ind AS notified till date. In preparing these financial statements, the opening balance sheet has been prepared on April 1, 2015, being the date of transition to Ind AS. Necessary guidance has been drawn from the principles for first time adoption of Ind AS as set out in Ind AS 101 'First time adoption of Indian Accounting Standards'. As per Ind AS 101 on "First time adoption of Indian Accounting Standards", the Company has applied all the Ind ASs effective at the reporting date retrospectively except in cases of exception availed by the Company as are allowed under Ind AS 101. The effects of transition from previous GAAP to Ind AS are disclosed in Note no 40.13.1 & 40.13.2.

The following optional exemptions in addition to the mandatory exceptions have been availed by the Company:

- a) Deemed cost exemption** - The Company has elected the option to carry items of property, plant and equipment at its carrying value at the date of transition (i.e. April 1, 2015) as its deemed cost in accordance with Ind AS.
- b) Leases exemption** - The Company has elected the option to assess 'whether an arrangement is or contains a lease' at the transition date based on the facts and circumstances existing at that date.
- c) Long-term foreign currency monetary item** - The Company has opted to continue with the policy adopted under previous GAAP for accounting for long term foreign currency monetary items recognized in the financial statement for the period ending immediately before the date of transition taken from policies. Hence, the Company will continue to follow the accounting policy of amortizing the exchange differences as per the previous GAAP over the balance period of such long term liability.

**d) Investments in subsidiaries, joint ventures and associates** - The Company has opted to carry its investments in subsidiaries, joint ventures and associates at deemed cost being the carrying amount for such investments in its separate Financial Statement as on the transition date in line with the previous GAAP.

**e) Designation of previously recognized financial instruments** - The Company has investments in equity instruments of listed Companies (other than subsidiaries, joint ventures and associates). The Company has elected to designate such investments on transition date to be measured at Fair Value through Other Comprehensive Income (FVTOCI). IND AS 101 allows such designation on the basis of the facts and circumstances that enlisted at the date of transition of IND AS.

**f) Fair value measurement of financial assets or liabilities at initial recognition** - The Company has opted to apply the requirements of paragraph B5.1.2A of Ind AS 109 prospectively for the transactions entered into on or after the transition date.

**g) Decommissioning obligation included in the cost of property, plant and equipment** - The Company has opted for the exemption given under para D21 of Ind AS 101. Accordingly, the Company at transition date, Company has included in the depreciated cost of the asset an amount calculated by discounting the liability at the date of transition back to when the liability was first incurred (using its best estimate of the historical risk-adjusted discount rate that would have applied for that liability over the intervening period) and depreciating this adjustment from that date.

**h) De-recognition of financial assets and liabilities exception** - The Company has opted to apply the de-recognition requirements of Ind AS 109 prospectively for transactions occurring on or after transition date as per paragraph B2. Hence past transactions of financial assets before the transition date (if any) have not been reassessed at transition date.

**i) Classification and measurement of financial assets exception-** The Company has availed the exception for classifying the financial assets identified at transition date. Further, the Company has opted to apply life time expected credit loss model for all the financial assets at transition date. However, no loss allowance is recognized at transition date.

40.13 The Financial Statements are in compliance with Indian Accounting Standards (Ind AS) subsequent to its adoption with effect from 1st April 2015 pursuant to Ministry of Corporate Affairs' Notification dated 16<sup>th</sup> February, 2015 notifying the Companies (Indian Accounting Standards) Rules, 2015. The Company has prepared a Statement of Financial Position as at 1<sup>st</sup> April, 2015 the date of transition to Ind AS. The Company applied all applicable Ind AS and availed all relevant exemptions as per Ind AS 101 "First Time Adoption of Indian Accounting Standards" and prepared Separate Ind AS Financial Statements which comprise of the Balance Sheet as at 31<sup>st</sup> March, 2016, the opening Balance Sheet as at 1<sup>st</sup> April, 2015, the Statement of Profit & Loss (including Other Comprehensive Income), Cash Flow Statement and the Statement of Changes in Equity for the year ended 31<sup>st</sup> March, 2016.

**40.13.1 Reconciliation of Equity reported previously under IGAAP and Ind AS as at respective date are given below: (₹ in crore)**

Particulars	Note	As at 31.03.2016	As at 01.04.2015
<b>Equity as reported under IGAAP</b>		<b>22316.18</b>	<b>21514.31</b>
Fair valuation of equity investment designated through OCI (Net of tax)	a	2108.62	1805.58
Proposed dividend and related distribution tax	b	578.81	723.52
Fair valuation of borrowing using Effective Interest Rate (EIR)	c	46.38	57.96
Adjustments for revision in Foreign Currency Monetary Item Translation Difference Accounts (FCMITDA) balance	d	2.07	(0.56)
Fair valuation of employee loans	e	39.26	26.37
Changes in decommissioning liability	f	(96.30)	(102.77)
Prior period adjustments	g	-	6.23
Recognition of development cost	h	10.62	10.62
Financial guarantee income	i	4.70	0.54
Depreciation on capital spares reclassified to Property, plant and equipment	j	(18.16)	(13.76)
Reversal of provision made against capital spares included in Inventory under previous GAAP	k	19.32	23.30
Tax (Current and deferred) adjustments (net)		(92.04)	(84.63)
<b>Equity as reported under Ind AS</b>		<b>24919.45</b>	<b>23966.71</b>





- a) The Company has opted to designate its equity investments (other than Investments in Subsidiaries, Associates and Joint Venture Companies) at fair value through other comprehensive income. The fair value gains and losses on such investments are recognized in Other Comprehensive Income and taken to Equity.
- b) Final dividend proposed and the related corporate dividend tax are recorded as a liability in the year in which dividend is approved by the shareholders. The same being non adjusting events as on the reporting date have been added back to Equity.
- c) Borrowings have been measured at Fair Value after adjustments of discount on issue, upfront fees paid with retrospective effect from the day when loan was drawn and amortized over the tenure of loan using effective interest rate. Impact of the difference in value of loan and finance cost as on the date of transition and reporting date have been adjusted to Equity.
- d) Adjustments for revision in Foreign Currency Monetary Item Translation Difference Accounts (FCMITDA) balance due to fair valuation of borrowings up to the date of transition and reporting date have been recognised in Equity.
- e) Fair Value of Loans to employees of the Company are measured with reference to market interest rate as a result of which any employee cost which is the difference between market rate of interest and contractual interest rate is recognized initially as deferred employee benefits and amortized over the tenure of the loan and income on such loans are recognised using market rate of interest. Impact on account of amortization of deferred employee benefits and interest income up to the date of transition and reporting date have been adjusted to Equity.
- f) Decommissioning liability in respect of Property, Plant and Equipment and Evaluation & Exploration assets was measured at the date of transition based on the fact that the same liability (adjusted for the time value of money) arose when the asset was first acquired/ constructed. Impact of change in present value of decommissioning liability adjusted to wells and production facilities and related depletion charges, unwinding of decommissioning obligation up to the date of transition and reporting date have been adjusted to Equity.
- g) Prior period items arising during the year have been adjusted against the retained earnings at the beginning of the earliest comparative period.
- h) Development cost of production facilities charged to the Statement of Profit and Loss earlier, have been recognized in Capital work in progress.
- i) Financial Guarantees issued in respect of loans raised by Oil India USA and BCPL are recognized at fair value at inception and measured at the higher of the amortized value or the obligation amount in case it is probable that the guarantee amount is payable. Amortized portion of the unearned income on guarantees issued up to the date of transition and reporting date have been recognised in Equity.
- j) Major spares having useful life more than one year, which were earlier included in Inventory have been capitalised as a part of Property, Plant and Equipment and depreciated with retrospective effect. Impact of depreciation charges on capital spares up to the date of transition and reporting date have been recognised in Equity.
- k) With reference to j) above, provision created against non-moving capital spares included in Inventory earlier have been reversed and adjusted against Equity.

## 2. The acronyms used in the financials are defined in the table:

Acronym	Definition
At amortised cost	Designated at amortized cost
At FVTPL	Designated at Fair Value through Profit and Loss
At FVTOCI	Designated at Fair Value through Other Comprehensive Income
FY	Financial Year

**40.13.2 Reconciliation of Net Profit and Total Comprehensive Income for the year ended 31<sup>st</sup> March, 2016 reported under previous IGAAP and as per Ind AS is given below:** (₹ in crore)

Particulars	Year ended 31 <sup>st</sup> March, 2016
<b>Profit as reported under previous IGAAP</b>	2330.11
<b>Other income:</b>	
Financial guarantee income	4.15
Interest on Fair value impact of loans to employees	13.71
Employee benefits expense (Re-measurement of defined employee benefits and amortization of deferred employee benefits on fair valuation of employee loans)	(20.05)
Contract cost ( Recognition of development cost by way of capitalization)	6.24
Depreciation, depletion & amortization (change in decommissioning liability and capitalisation of spares to Property, plant and equipment)	23.76
Finance cost ( Revaluation of borrowings and unwinding of decommissioning liability)	(37.90)
Exchange gain/(loss) [ Accumulated balance in Foreign Currency Translation Reserve recognised in Profit, adjustment to FCMITDA balance]	(6.74)
Prior period items	(6.23)
Others	0.19
Deferred tax adjustments	(5.57)
<b>Net profit for the period as per Ind AS</b>	2301.67
<b>Other comprehensive income (net of tax)</b>	311.61
<b>Total comprehensive income as per Ind AS</b>	2613.28

**40.13.3 Effect of Ind AS adoption on the statement of cash flows for the year ended March 31, 2016** (₹ in crore)

Particulars	Year ended 31/3/2016 (Latest period presented under previous GAAP)			
	Notes	Previous GAAP	Effect of transition to Ind AS	Ind AS
Net cash flows from operating activities	h,i	3628.49	(154.22)	3474.27
Net cash flows from investing activities	h,i	(1672.37)	(502.30)	(2174.67)
Net cash flows from financing activities	f,h,i	(1250.70)	2.24	(1248.46)
Net increase (decrease) in cash and cash equivalents		705.42	(654.28)	51.14
Cash and cash equivalents at the beginning of the period		8700.59	(8,577.22)	123.37
Effects of exchange rate changes on the balance of cash held in foreign currencies		6.71	1.36	8.07
Cash and cash equivalents at the end of the period		9412.72	(9,230.14)	182.58

**40.14 Others :**

**40.14.1 Specified Bank Notes**

During the year, the Company had specified bank notes (SBNs) and other denomination notes as defined in the MCA notification, GSR 308E, dated March 30, 2017. The details of SBNs and other denomination held and transacted during the period from November 8, 2016 to December 30, 2016 as per the notification is given below : (in ₹)

Particulars	SBNs(i)	Other Denomination Notes	Total
Closing Cash in Hand as on 08.11.2016	5,369,500	2,634,390	8,003,890
(+) Permitted Receipt	774,500	4560600	5335100
(-) Permitted Payments	200,500	3,410,670	3,611,170
(-) Amount Deposited in Bank	5,943,500	-	5,943,500
Closing Cash in Hand as on 30.12.2016	-	3,784,320	3,784,320



(i) For the purpose of this clause, the term Specified Bank Notes shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs numbers S.O. 3407E, dated November 8, 2016

**40.14.2** The company had formed a Wholly Owned Subsidiary (WoS), Oil India International Pte Ltd. in Singapore on 6th May, 2016 to acquire E&P assets overseas. Oil India International Pte Ltd. jointly with subsidiaries of IOCL and BPRL has formed two separate SPVs, Vankor India Pte. Ltd. and Taas India Pte. Ltd which has completed the acquisition of 23.90% stake in CJSC Vankorneft and 29.90% stake in Taas - Yuryakh Neftegazodobycha respectively in Russia, on 5th October, 2016. OIL's stake in each of the SPVs is 33.50%.

**40.14.3** 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 government grant receivable for the financial year ended 31.03.2017 as per the relevant (Ind AS) 20 - Accounting for Government and Disclosure of Government Assistance. The deferred government grant income corresponding to the amount of grant receivable shall be recognized over the useful life of the asset from December 2014 when the related assets were commissioned. For the year ended 31<sup>st</sup> March, 2017 the Company has recognized an amount of ₹27.49 crore as income from amortization of deferred grant and credited to the statement of Profit or Loss.

**40.14.4 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.

**40.15 Other disclosure under Schedule III to the Companies Act, 2013**

**40.15.1 Contingent Liabilities and commitments**

(i) **Contingent Liabilities:**

(a) **Claims against the Company not acknowledged as debts:**

(₹ In crore)

Sl. No.	Particulars	31.03.2017	31.03.2016	01.04.2015
i.	Under the Assam General Sales Tax Act, 1993	-	8.41	8.41
ii.	Under the Assam VAT Act, 2003	1,327.73	1,327.74	1,349.71
iii.	Under the Central Sales Tax Act, 1956	0.67	0.07	-
iv.	Under Central Excise Act and Service Tax	230.25	179.68	158.17
v.	Under Income Tax Act	200.48	190.41	204.46
vi.	Under Other Acts	55.42	47.38	46.39
vii.	By Contractor pending in Arbitration / Courts	44.68	29.02	24.52
viii.	Claim on JVC/PSC account	10.93	6.56	6.57
ix.	Claim of Royalty by Govt. of Assam on gross price of crude oil	-	9,749.55	7,224.20
x	Demand raised under Assam Taxation (on specified lands) Amendment Act, 2004 for the period from 2010 to 2015	755.21	755.21	-
xi	Additional demand of 2% NPV by CCF(Assam) against afforestation	76.23	-	-
xii	Against LC	114.96	269.66	61.54
xiii	LD for unfinished MWP of Phase I Shale Gas for five Blocks @US \$ 0.25 Million per Block	8.18	-	-
	<b>Total</b>	<b>2,824.74</b>	<b>12,563.69</b>	<b>9,083.96</b>

**(b) In respect of Guarantees :**

(₹ In crore)

Sl. No.	Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
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	702.02
ii	Bank Guarantee for Domestic Minimum Work Program (MWP) commitment	257.26	460.81	883.00
iii	Bank Guarantee for Overseas Minimum Work Program (MWP) commitment	337.75	345.34	326.19
<b>Total</b>		<b>1297.03</b>	<b>1508.17</b>	<b>1911.21</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: ₹ 366.59 crore (corresponding period ₹ 623.83 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 ₹ 9.91 crore (Corresponding period ₹ 146.76 crore).
- (iii) Company's share of Capital Commitment in Non Operated Joint Venture Block AAP-ON-94/1 is ₹29.92 crore (corresponding period ₹76.60 crore).

(b) Other Commitment:

- (i) The estimated amount of contracts remaining to be executed on Revenue Account and not provided for in the accounts: ₹ 35.40crore (corresponding period ₹ 283.07 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 ₹ 861.88 crore (corresponding period ₹ 2200.62 crore). The commitment is covered by Bank Guarantee as referred in point no 40.15.1 (b) (ii).
- (iii) Balance of Minimum Work Program Commitment (MWP) by OIL under Production Sharing Contracts (PSCs) entered for overseas Blocks is ₹ 378.03 crore (corresponding period ₹ 388.03 crore). The commitment is covered by Bank Guarantee as referred in point no 40.15.1 (b) (iii).

**For N. C. BANERJEE & CO**

Chartered Accountants  
Firm Reg No- 302081E

**For B. N. MISRA & CO**

Chartered Accountants  
Firm Reg No- 321095E

**For and on behalf of the Board of Directors**

Sd/-  
**(CA M.C. Kodali)**  
Partner  
Membership No: 056514

Sd/-  
**(CA B.N.Misra)**  
Partner  
Membership No:083927

Sd/-  
**(S.K. Senapati)**  
Company Secretary

Sd/-  
**(Mrs. Rupshikha S. Borah)**  
Director (Finance)  
DIN 6700534

Sd/-  
**(Utpal Bora)**  
Chairman & Managing  
Director  
DIN 07567357

**Place: Noida**

**Date: 29.05.2017**



## 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 31st March, 2017, 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 IND AS 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 Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 joint venture as at 31<sup>st</sup> March, 2017

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:

- a) The auditors of a subsidiary Oil India International B.V., the 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 US\$ 1 in the Balance Sheet as at 31<sup>st</sup> March 2017, the loan due from WorldAce Investments Limited is carried at US\$ 48,464,683 and Oil India International B.V.'s share of WorldAce Investments Limited's net profit of US\$ 2,319,841 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<sup>st</sup> March 2017 and Oil India International B.V.'s share of WorldAce Investments Limited's result for the year, because there were no audited financial statements of WorldAce Investments Limited as at 31<sup>st</sup> March 2017 available to us.

The information available consisted of the audited financial statements of WorldAce Investments Limited as at 31<sup>st</sup> December 2016 and unaudited management accounts of WorldAce Investments Limited as at 31<sup>st</sup> March 2017. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

- b) The auditors of a subsidiary Oil India International Pte. Ltd., have given a qualified opinion in their independent auditor's report and the basis for qualified opinion is as follows:

The Company's Investment in joint venture acquired during the period and accounted for by the equity method, is carried at US\$ 1,055,963,356 on the statement of financial position as at 31<sup>st</sup> March, 2017, and the company's share of profit of joint ventures of US\$ 15,114,209 are included in statement of comprehensive income of the company for the period from 6<sup>th</sup> May, 2016 (Date of incorporation) to 31<sup>st</sup> March, 2017. We were unable to obtain sufficient appropriate audit evidence about the carrying amount of the company's investment as at 31<sup>st</sup> March, 2017 and Taas share TYNGD LLC's net loss for the period from 5<sup>th</sup> October, 2016 to 31<sup>st</sup> December, 2016 because we were not provided access to the working papers of the auditors of TYNGD LLC. Consequently we were unable to determine whether any adjustment to these amounts are necessary. However, we were provided with the statutory financial statement prepared in accordance with Russian Accounting Principles of TYNGD LLC as at and for the

year ended 31<sup>st</sup> December, 2016 for which Ernst & Young LLC issued a unqualified audit opinion.

Our opinion is not modified in respect of these matters.

#### OTHER MATTERS

We did not audit the financial statements / financial information of six subsidiaries, three joint ventures and two associates, whose financial statements / financial information reflect net assets of ₹ 428.87 crores as at 31<sup>st</sup> March, 2017, total operating revenues of ₹ 55.97 crores and net cash flows amounting to ₹ 11.68 crores for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profits of ₹ 47.88 crore for the year ended 31<sup>st</sup> March, 2017 as considered in the consolidated Ind AS financial statements, in respect of one associate, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been 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 amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on the reports of the other auditors. In respect of one joint venture we have considered the audited accounts as of 31<sup>st</sup> December 2016 for our report duly adjusted with unaudited accounts as of 31<sup>st</sup> March 2017 and as of 31<sup>st</sup> March 2016.

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, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint ventures incorporated in India, none of the directors of the Group companies, its associate companies and joint ventures incorporated in India is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies, associated companies and joint ventures 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:
- 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 41.6 to the consolidated Ind AS financial statements.
  - 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
  - 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.
  - The Holding Company has provided requisite disclosure in its consolidated Ind AS financial statements as to the holding as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 and these are in accordance with the books of accounts maintained by the company.

For **N.C. BANERJEE & CO.**  
Chartered Accountants  
Firm Regn. No: 302081E

Sd/-  
**(CA M.C. KODALI)**  
Partner  
Membership No.: 056514

**Place :** Noida  
**Date :** 29/05/2017

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, 2017.**

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 2017, 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 joint ventures, 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 2017, 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.
- (ii) Attention is invited regarding no independent directors having been appointed in the Holding Company till date after 2<sup>nd</sup> Sep 2015 by the Central Government resulting in non-compliance of certain provisions of the Act as well as SEBI (Listing Obligation & Disclosure Requirements) Regulations 2015 as to composition of Board of Directors, Audit Committee, CSR Committee and Nomination & Remuneration Committee as part of proper corporate governance.

Our opinion is not modified in respect of these matters.

For **N.C. BANERJEE & CO.**  
Chartered Accountants  
Firm Regn. No: 302081E

Sd/-  
**(CA M.C. KODALI)**  
Partner  
Membership No.: 056514

For **B.N. MISRA & CO.**  
Chartered Accountants  
Firm Regn. No: 321095E

Sd/-  
**(CA B.N. MISRA)**  
Partner  
Membership No.: 083927

**Place :** Noida  
**Date :** 29/05/2017

**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 2017.**

The preparation of consolidated financial statements of Oil India Limited for the year ended 31 March 2017 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 29 May 2017.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(b) read with section 129(4) of the Act of the consolidated financial statements of Oil India Limited for the year ended 31 March 2017. We conducted a supplementary audit of the financial statements of Oil India Limited, but did not conduct supplementary audit of the financial statements of 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 :** The 4th of July, 2017

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 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 Limited	India	Subsidiary
5	Oil India International B.V.	Netherlands	Subsidiary
6	Oil India International Pte. Ltd.	Singapore	Subsidiary
7	Beas Rovuma Energy Mozambique Limited	British Virgin Islands	JV
8	Suntera Nigeria 205 Ltd.	Nigeria	JV
9	Numaligarh Refinery Limited	India	Associates
10	DNP Limited	India	JV
11	BCP Ltd.	India	Associate

### **Annexure-II**

Names of Subsidiaries, Associate Companies and Jointly Controlled Entities of  
Oil India Limited being entities incorporated in foreign country.

<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, 2017

(₹ in crore)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>I. ASSETS</b>				
<b>1. Non-current assets</b>				
(a) Property, Plant and Equipment	2	8967.12	7518.05	6766.11
(b) Capital work-in-progress	3	1893.64	1812.50	1699.60
(c) Exploration and Evaluation assets	4	1531.60	1102.43	1074.89
(d) Other Intangible assets	5	51.68	57.79	25.36
(e) Financial Assets				
(i) Investments	6	26311.63	14698.30	13545.14
(ii) Loans	7	495.31	517.46	925.74
(iii) Others	8	67.31	68.43	66.68
(f) Other non-current assets	9	22.96	18.32	8.78
<b>Total non-current assets</b>		<b>39341.25</b>	<b>25793.28</b>	<b>24112.30</b>
<b>2. Current assets</b>				
(a) Inventories	10	1096.47	1001.58	1024.24
(b) Financial Assets				
(i) Investments	11	1149.26	353.97	376.25
(ii) Trade receivables	12	1011.36	1327.89	2383.26
(iii) Cash and cash equivalents	13	192.10	185.29	136.76
(iv) Other Bank Balances	14	6479.61	9835.18	9189.20
(v) Loans	15	34.81	65.97	88.49
(vi) Others	16	359.27	151.54	166.69
(c) Current Tax Assets (Net)	17	1465.66	1319.20	1180.85
(d) Other current assets	18	104.50	158.30	103.14
<b>Total current assets</b>		<b>11893.04</b>	<b>14398.92</b>	<b>14648.88</b>
<b>Total Assets</b>		<b>51234.29</b>	<b>40192.20</b>	<b>38761.18</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>1. Equity</b>				
(a) Equity Share capital	19	801.51	601.14	601.14
(b) Other Equity	20	28717.85	24576.69	23505.81
<b>Total equity</b>		<b>29519.36</b>	<b>25177.83</b>	<b>24106.95</b>
<b>2. Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	21	8947.53	9132.84	8264.64
(ii) Trade payables	22	3.27	2.15	1.65
(iii) Other financial liabilities	23	110.32	4.00	51.78
(b) Provisions	24	813.75	662.98	678.41
(c) Deferred tax liabilities (Net)	25	3299.89	2358.59	1865.31
<b>Total non-current liabilities</b>		<b>13174.76</b>	<b>12160.56</b>	<b>10861.79</b>



<b>3. Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	26	5236.30	588.72	467.61
(i) Trade payables	27	590.14	536.00	559.37
(ii) Other financial liabilities	28	1599.83	1116.11	1843.38
(b) Other current liabilities	29	743.59	381.60	687.86
(c) Provisions	30	370.31	231.38	234.22
<b>Total current liabilities</b>		<b>8540.17</b>	<b>2853.81</b>	<b>3792.44</b>
<b>Total Equity &amp; Liabilities</b>		<b>51234.29</b>	<b>40192.20</b>	<b>38761.18</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 N.C. BANERJEE & CO**  
Chartered Accountants  
Firm Reg No.-302081E

**For B.N. MISRA & CO**  
Chartered Accountants  
Firm Reg No.-321095E

**For and on behalf of the Board of Directors**

Sd/-  
**(CA M.C. KODALI)**  
Partner  
Membership No.: 056514

Sd/-  
**(CA B.N. MISRA)**  
Partner  
Membership No.: 083927

Sd/-  
**(S.K. Senapati)**  
Company Secretary

Sd/-  
**(Mrs. Rupshikha S. Borah)**  
Director (Finance)  
DIN 6700534

Sd/-  
**(Utpal Bora)**  
Chairman & Managing Director  
DIN 07567357

**Place:** Noida

**Date:** 29th May, 2017

## OIL INDIA LIMITED

Consolidated Statement of Profit and Loss for the the year ended 31<sup>st</sup> March, 2017

(₹ in crore)

Particulars	Note No.	Year ended 31 <sup>st</sup> March, 2017	Year ended 31 <sup>st</sup> March, 2016
<b>I. Revenue From Operations</b>	31	9566.36	9821.13
<b>II. Other Income</b>	32	1419.75	1255.77
<b>III. Total Income (I +II)</b>		<b>10986.11</b>	<b>11076.90</b>
<b>IV. Expenses:</b>			
Changes in inventories of finished goods	33	(49.19)	25.83
Employee benefits expense	34	1613.87	1401.80
Finance costs	35	440.60	388.87
Depreciation, Depletion and Amortization expense	36	1180.38	1070.48
Other expenses	37	4881.19	4807.83
<b>Total expenses (IV)</b>		<b>8066.85</b>	<b>7694.81</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>2919.26</b>	<b>3382.09</b>
<b>VI. A Exceptional Items</b>	38	1151.73	215.13
<b>VI. B Share of Profit of Associates &amp; Joint Ventures accounted for using the equity method</b>		524.56	156.91
<b>VII. Profit before tax (V - VI. A + VI. B)</b>		<b>2292.09</b>	<b>3323.87</b>
<b>VIII. Tax expense:</b>			
(1) Current tax		530.25	749.40
(2) Deferred tax		165.28	494.91
<b>IX. Profit for the year from continuing operations (VII - VIII)</b>		<b>1596.56</b>	<b>2079.56</b>
X. Profit / (Loss) for the year from discontinued operations		-	-
XI. Tax expense of discontinued operations		-	-
XII. Profit from discontinued operations after tax (X-XI)		-	-
<b>XIII. Profit for the year (IX+XII)</b>		<b>1596.56</b>	<b>2079.56</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		(91.12)	10.32
(b) Equity Instruments through Other Comprehensive Income		4619.25	303.13
(c) Share of other comprehensive income in associates and joint ventures , to the extent not to be reclassified to profit or loss		(1.02)	0.25
(ii) Income tax relating to Items that will not be reclassified to profit or loss		756.58	1.84
B (i) Items that will be reclassified to profit or loss:			
(a) Exchange difference in translating the financial statements of foreign operations		(60.39)	38.29
(b) Share of other comprehensive income in associates and joint ventures, to the extent that may be reclassified to profit or loss		184.02	301.71
(ii) Income tax relating to Items that will be reclassified to profit or loss		-	-



<b>Total Other Comprehensive Income {A(i-ii)+B(i-ii)}</b>		<b>3894.16</b>	<b>651.86</b>
<b>XV. Total Comprehensive Income for the year (XIII + XIV)</b>		<b>5490.72</b>	<b>2731.42</b>
<b>XVI. Earnings per equity share (for continuing operation) (₹):</b>	<b>39</b>		
(1) Basic		<b>19.92</b>	<b>25.95</b>
(2) Diluted		<b>19.92</b>	<b>25.95</b>
<b>XVII. Earnings per equity share (for discontinued operation) (₹):</b>	<b>39</b>		
(1) Basic		-	-
(2) Diluted		-	-
<b>XVIII. Earnings per equity share (for discontinued &amp; continuing operation) (₹):</b>	<b>39</b>		
(1) Basic		<b>19.92</b>	<b>25.95</b>
(2) Diluted		<b>19.92</b>	<b>25.95</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 N.C. BANERJEE & CO**  
Chartered Accountants  
Firm Reg No.-302081E

**For B.N. MISRA & CO**  
Chartered Accountants  
Firm Reg No.-321095E

**For and on behalf of the Board of Directors**

Sd/-  
**(CA M.C. KODALI)**  
Partner  
Membership No.: 056514

Sd/-  
**(CA B.N. MISRA)**  
Partner  
Membership No.: 083927

Sd/-  
**(S.K. Senapati)**  
Company Secretary

Sd/-  
**(Mrs. Rupshikha S. Borah)**  
Director (Finance)  
DIN 6700534

Sd/-  
**(Utpal Bora)**  
Chairman & Managing Director  
DIN 07567357

**Place:** Noida

**Date:** 29th May, 2017

## OIL INDIA LIMITED

### Consolidated Cash Flow Statement for the year ended 31<sup>st</sup> March, 2017

(₹ in crore)

Particulars	Year ended 31 <sup>st</sup> March, 2017	Year ended 31 <sup>st</sup> March, 2016
<b>Cash flows from operating activities</b>		
<b>Profit before tax</b>	<b>2292.09</b>	<b>3323.87</b>
Adjustments for:		
Depreciation, Depletion & Amortisations	1180.38	1070.48
Exploration Cost written off	270.84	448.90
Dividend Income	(585.63)	(191.05)
Liability for Loss of Joint Ventures	3.51	47.97
Interest Income	(738.89)	(1011.95)
Interest Expenses	415.49	362.02
Foreign Exchange Loss/(Gain)- Net	152.21	106.77
Financial Gurantee	(0.16)	(0.12)
Loss on Deletion of Assets	25.99	7.46
Loss on Derivative Contract	1.90	0.00
Unwinding of decommissioning liability	25.11	26.85
<b>Total</b>	<b>750.75</b>	<b>867.33</b>
<b>Operating profit before working capital changes</b>	<b>3042.84</b>	<b>4191.20</b>
Changes in working capital		
Inventories - (Increase)/Decrease	(112.50)	3.49
Trade & other Receivables - (Increase)/Decrease	343.15	1042.44
Prepayments, Loans and advances, Deposits - (Increase)/Decrease	(119.06)	(225.78)
Long term and short term provisions - Increase/(Decrease)	217.75	418.51
Trade payables & Other current liabilities - Increase/(Decrease)	432.39	(943.85)
<b>Total</b>	<b>761.73</b>	<b>294.81</b>
<b>Cash Generated from Operation</b>	<b>3804.57</b>	<b>4486.01</b>
Income tax Payment (net of refund)	99.31	(889.38)
<b>Net cash from / (used in) Operating Activity (A)</b>	<b>3903.88</b>	<b>3596.63</b>
<b>Cash flows from Investing Activities</b>		
Acquisition, Exploration & Development Cost	(2214.87)	(1903.64)
Other Capital Expenditure	(637.58)	(707.13)
Sale/Purchase of Investment - Current	(5290.92)	(1660.01)
Loan to Subsidiary / Associate / JV Companies	56.22	394.26
Interest Income	737.87	1008.37
Dividend Income	585.63	191.05
<b>Net cash from / (used in) Investing Activities (B)</b>	<b>(6763.65)</b>	<b>(2677.10)</b>
<b>Cash flows from Financing Activities</b>		
Issue of Equity Shares	-	-
Repayment of Loan	-	-
Proceeds from Borrowings	4462.27	989.31
Deferred Issue Expenses	-	0.00
Payment of Dividend	(1494.58)	(1305.33)
Corporate Dividend Tax	-	0.00
Interest Expenses	(418.60)	(353.42)
Foreign Exchange (Loss)/Gain- Net	317.49	(201.56)
<b>Net cash from / (used in) Financing Activities (C)</b>	<b>2866.58</b>	<b>(871.00)</b>





<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>6.81</b>	<b>48.53</b>
<b>Currency translation differences relating to Cash &amp; Cash equivalents</b>		
Cash and cash equivalents at the beginning of the year	<b>185.29</b>	<b>136.76</b>
Cash and cash equivalents at the end of the year	<b>192.10</b>	<b>185.29</b>
<b>Notes:</b>		
a. Cash and cash equivalents (Refer to Note 13) represents:		
i) Cash in hand	13.12	3.41
ii) Current accounts & Term Deposits (3months maturity)	178.98	181.88
	<b>192.10</b>	<b>185.29</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 ₹ 7.57 crore (Corresponding previous year ₹ 8.07 crore)
- d. Figures in parentheses represent cash outflows.
- e. Previous year's figures have been regrouped wherever necessary, to confirm current year's classification.

In terms of our report of even date

**For N.C. BANERJEE & CO**  
Chartered Accountants  
Firm Reg No.-302081E

**For B.N. MISRA & CO**  
Chartered Accountants  
Firm Reg No.-321095E

**For and on behalf of the Board of Directors**

Sd/-  
**(CA M.C. KODALI)**  
Partner  
Membership No.: 056514

Sd/-  
**(CA B.N. MISRA)**  
Partner  
Membership No.: 083927

Sd/-  
**(S.K. Senapati)**  
Company Secretary

Sd/-  
**(Mrs. Rupshikha S. Borah)**  
Director (Finance)  
DIN 6700534

Sd/-  
**(Utpal Bora)**  
Chairman & Managing Director  
DIN 07567357

**Place:** Noida

**Date:** 29th May, 2017

**OIL INDIA LIMITED**  
**Consolidated Statement of Changes in Equity (SOCIE)**  
**For the year ended 31<sup>st</sup> March, 2017**

	Balance as on 01.04.2015	Changes in Equity Share Capital during the year 2015-16	Balance as on 31.03.2016	Changes in Equity Share Capital during the year 2016-17	Balance as on 31.03.2017
<b>A. Equity Share Capital</b>					
Equity Share Capital	601.14	-	601.14	200.37	801.51

(₹ in crore)

Particulars	Reserves and surplus					Items of Other Comprehensive Income				Total
	General Reserve	Retained Earnings	Securities Premium Reserve	Debt Redemption Reserve	Capital Reserve	Foreign Currency Monetary Item Translation Difference Account (FCMITDA)	Foreign Currency Translation Reserve	Reassessment of net Defined Benefit Plans	Equity Instruments through Other Comprehensive Income	
<b>Balance at April 1, 2015</b>	<b>19,244.94</b>	<b>-</b>	<b>2,390.12</b>	<b>236.96</b>	<b>58.81</b>	<b>(230.60)</b>	<b>-</b>	<b>-</b>	<b>1,805.58</b>	<b>23,505.81</b>
Profit for the year	-	2,079.56	-	-	-	-	-	-	-	2,079.56
Other Comprehensive Income for the year, net of income tax	-	-	-	-	-	-	340.00	8.73	303.13	651.86
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>2,079.56</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>340.00</b>	<b>8.73</b>	<b>303.13</b>	<b>2,731.42</b>
Addition /Adjustment in FCMITDA	-	-	-	-	-	(358.21)	-	-	-	(358.21)
Payment of final dividends (including corporate dividend tax)	-	(723.52)	-	-	-	-	-	-	-	(723.52)
Payment of interim dividends (including corporate dividend tax)	-	(578.81)	-	-	-	-	-	-	-	(578.81)
Amount transferred to general reserve	512.44	(512.44)	-	-	-	-	-	-	-	-
Amount transferred to debenture redemption reserve	-	(264.79)	-	264.79	-	-	-	-	-	-
<b>Balance at March 31, 2016</b>	<b>19,757.38</b>	<b>-</b>	<b>2,390.12</b>	<b>501.75</b>	<b>58.81</b>	<b>(588.81)</b>	<b>340.00</b>	<b>8.73</b>	<b>2,108.71</b>	<b>24,576.69</b>
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>	<b>-</b>	<b>1,596.56</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>123.63</b>	<b>(72.71)</b>	<b>3,843.24</b>	<b>5,490.72</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	47.88	(47.88)	-	-	-	-	-	-	-	-
Amount transferred to debenture redemption reserve	-	(53.42)	-	53.42	-	-	-	-	-	-
Issue of Bonus Shares	-	-	(200.37)	-	-	-	-	-	-	(200.37)
<b>Balance at March 31, 2017</b>	<b>19,805.26</b>	<b>-</b>	<b>2,189.75</b>	<b>555.17</b>	<b>58.81</b>	<b>(242.74)</b>	<b>463.63</b>	<b>(63.98)</b>	<b>5,951.95</b>	<b>28,717.85</b>

For and on behalf of the Board of Directors

In terms of our report of even date

**For N.C. BANERJEE & CO**  
Chartered Accountants  
Firm Reg No.-302081E

**For B.N. MISRA & CO**  
Chartered Accountants  
Firm Reg No.-321095E

Sd/-  
**(CA M.C. KODALI)**  
Partner  
Membership No.: 056514  
**Place:** Noida  
**Date:** 29th May, 2017

Sd/-  
**(CA B.N. MISRA)**  
Partner  
Membership No.: 083927

Sd/-  
**(S.K. Senapati)**  
Company Secretary

Sd/-  
**(Mrs. Rupshikha S. Borah)**  
Director (Finance)  
DIN 6700534

Sd/-  
**(Utpal Bora)**  
Chairman & Managing Director  
DIN 07567357

## 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 Amount consolidated net assets	Amount (₹ in Crore)	as % of Amount consolidated net assets	Amount (₹ in Crore)	as % of Amount consolidated net assets	Amount (₹ in Crore)
1	2	3	4	5	6	7	8	9
<b>Parent</b>	98.55%	29090.49	97.00%	1548.68	96.85%	3771.55	96.90%	5320.23
<b>Subsidiaries:</b>								
Indian								
Oil India International Limited	0.04%	12.65	0.17%	2.71	-	-	0.05%	2.71
Foreign								
Oil India Sweden AB	0.28%	83.17	(0.03%)	(0.55)	(0.21%)	(8.21)	(0.16%)	(8.76)
Oil India Cyprus Limited *	0.00%	(0.50)	(0.01%)	(0.16)	0.00%	0.01	-	(0.15)
Oil India (USA) Inc.	(0.99%)	(292.21)	(5.24%)	(83.65)	0.09%	3.58	(1.46%)	(80.07)
Oil India International B.V.	(0.85%)	(252.09)	(2.27%)	(36.28)	1.37%	53.52	0.31%	17.24
Profit from Oil India International Pte. Ltd.	0.84%	247.59	3.61%	57.65	5.10%	198.44	4.66%	256.09
<b>Minority Interest in all subsidiaries</b>	-	-	-	-	-	-	-	-
<b>Associates (Investment as per the equity method)</b>								
Indian								
Numaligarh Refinery Limited	2.07%	610.45	26.96%	430.38	(0.03%)	(1.00)	7.82%	429.38
Brahmaputra Crackers & Polymers Ltd.	(0.28%)	(83.16)	(3.34%)	(53.38)	0.00%	(0.02)	(0.97%)	(53.40)
Less: Dividend from Associates	-	-	(16.17%)	(258.21)	-	-	(4.70%)	(258.21)
Foreign	-	-	-	-	-	-	-	-
<b>Joint Ventures (As per proportionate consolidation / investment as per the equity method) **</b>								
Indian								
DNP Limited	0.03%	8.36	0.18%	2.90	-	-	0.05%	2.90
Less: Dividend	-	-	(0.04%)	(0.65)	-	-	(0.10%)	(0.65)
Foreign								
Beas Rovuma Energy Mozambique Ltd	0.76%	223.81	(0.22%)	(3.58)	(3.28%)	(127.68)	(2.39%)	(131.26)
Suntera Nigeria 205 Ltd	(0.44%)	(129.20)	(0.58%)	(9.30)	0.10%	3.97	(0.10%)	(5.33)
<b>Total</b>	<b>100.00%</b>	<b>29519.36</b>	<b>100.00%</b>	<b>1596.56</b>	<b>100.00%</b>	<b>3894.16</b>	<b>100.00%</b>	<b>5490.72</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** Goodwill in case of investments in joint venture and associates, being the surplus of the cost of investment over the group's share of the net fair value of the identifiable assets and liabilities is recorded within the corresponding investment in joint ventures and associates. Capital reserve represents excess of the group's share of fair value of the identifiable assets acquired and liabilities assumed over the consideration transferred is shown as capital reserve in equity.

**1.5 The Consolidated Financial Statements include the results of the following entities:**

Sl No	Name of Company	Country of Incorporation	Relation	Ownership Interest		
				31.03.2017	31.03.2016	01.04.2015
1.	Oil India Sweden AB	Sweden	Subsidiary	100%	100%	100%
2.	Oil India Cyprus Limited*	Cyprus	Subsidiary	76%	76%	76%
3.	Oil India (USA) Inc.	USA	Subsidiary	100%	100%	100%
4.	Oil India International Limited	India	Subsidiary	100%	100%	100%
5.	Oil India International B.V.	The Netherlands	Subsidiary	100%	100%	100%
6.	Oil India International Pte. Ltd.**	Singapore	Subsidiary	100%	-	-
7.	Beas Rovuma Energy Mozambique Ltd	British Virgin Islands	Joint Venture	40%	40%	40%
8.	Suntera Nigeria 205 Ltd	Nigeria	Joint venture	25%	25%	25%
9.	Numaligarh Refinery Limited	India	Associates	26%	26%	26%
10.	DNP Limited	India	Joint venture	23%	23%	23%
11.	BCP Limited***	India	Associates	10.11%	10.81%	10.81%

\* Oil India Sweden AB has remaining 24% shareholding.

\*\* Acquisition date is 06th May, 2016.

\*\*\* Ownership interest is based on share holding pattern (voting right is 10%).

**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.

**D. First time adoption of Indian Accounting Standard (Ind AS)**

The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, First Time adoption of Indian accounting standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under section 133 of the Act, read with Rule 7 of the Companies (accounts) Rules, 2014 (IGAAP), which was the previous GAAP. Reconciliation and descriptions of the effect of the transition has been summarized in Note 41.2.

# CONSOLIDATED FINANCIAL STATEMENT

## Property, Plant and Equipment (PPE)

NOTE-2  
(₹ in crore)

Particulars	Cost or deemed cost						Depreciation/Depletion/Amortisation						Carrying amount		
	As at 1 <sup>st</sup> April, 2015	Additions during 2015-16	Deletions/ Adjustments during 2015-16	Effect of foreign currency exchange differences	As at 31 <sup>st</sup> March, 2016	Additions during 2016-17	Deletions/ Adjustments during 2016-17	Effect of foreign currency exchange differences	Upto 31 <sup>st</sup> March, 2016	For the year 2016-17	Deletions/ Adjustments during the year 2016-17	Effect of foreign currency exchange differences	Upto 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> April, 2015
Land - Freehold (Refer Note 2.4)	110.25	3.59	4.15	-	109.69	7.10	-	-	-	-	-	-	116.79	109.69	110.25
Buildings	197.24	111.23	6.79	0.00	301.68	86.92	0.03	-	16.41	21.33	-	-	37.74	350.83	197.24
Roads & Bridges	8.03	0.00	0.00	0.00	8.03	8.96	0.00	0.00	1.11	2.14	-	-	13.74	6.92	8.03
Oil & Gas Assets															
-Acquisition Cost	206.42	2.97	0.01	8.63	218.01	83.83	1.57	(3.37)	35.90	29.20	-	(1.74)	63.36	233.54	182.11
-Producing Wells	4,446.63	1,169.86	2.48	31.29	5,645.30	1,570.79	9.16	(14.19)	716.68	825.59	1.36	(8.65)	1,544.18	5,648.56	4,446.63
-Production Facilities	452.24	301.06	(100.72)	3.96	857.98	189.08	9.16	(1.69)	89.95	98.63	(1.16)	(1.07)	190.53	845.68	452.24
Plant & Machinery	1,243.20	213.34	97.20	-	1,359.34	744.58	34.42	-	192.85	211.40	2.56	-	393.35	1,676.15	1,174.83
Furniture & Fixtures	8.20	4.17	(0.02)	0.01	12.40	3.01	0.29	-	3.35	3.17	0.18	-	6.34	8.78	9.05
Vehicles	6.13	15.01	0.10	-	21.04	5.01	0.08	-	4.45	6.05	-	-	10.50	15.47	6.13
Office equipment	87.26	55.81	71.18	-	71.89	44.30	1.37	-	39.76	31.41	0.12	-	52.99	61.83	50.19
Railway Siding	0.51	-	(0.13)	-	0.64	-	-	-	0.11	0.04	-	-	0.15	0.49	0.51
<b>Total</b>	<b>6,766.11</b>	<b>1,877.04</b>	<b>81.04</b>	<b>43.89</b>	<b>8,606.00</b>	<b>2,743.58</b>	<b>56.08</b>	<b>(19.25)</b>	<b>1,098.63</b>	<b>24.09</b>	<b>3.06</b>	<b>(11.46)</b>	<b>2,302.39</b>	<b>8,971.86</b>	<b>6,766.11</b>
Less: Prov for Impairment against Acquisition Cost	-	-	-	-	-	4.74	-	-	-	-	-	-	4.74	-	-
<b>PPE (Net)</b>	<b>6,766.11</b>	<b>1,877.04</b>	<b>81.04</b>	<b>43.89</b>	<b>8,606.00</b>	<b>2,738.84</b>	<b>56.08</b>	<b>(19.25)</b>	<b>1,098.63</b>	<b>24.09</b>	<b>3.06</b>	<b>(11.46)</b>	<b>2,302.39</b>	<b>8,967.12</b>	<b>6,766.11</b>

2.1 The Company has elected to continue with the carrying value of its properties, plant & equipment (P&E) - Tangible assets, recognise as of April 01, 2015 (Transition date) measured as per the previous GAAP & used that carrying valued as its being cost as on the transaction date.



**CONSOLIDATED FINANCIAL STATEMENT**  
**Capital work-in-progress**

**NOTE-3**  
**(₹ in crore)**

Particulars	Cost or deemed cost												
	As at 1 <sup>st</sup> April, 2015	Additions during 2015-16	Deletions/ Adjustments during 2015-16	Capitalised during 2015-16	Transfer to Profit and Loss during 2015-16	Effect of foreign currency exchange differences	As at 31 <sup>st</sup> March, 2016	Additions during 2016-17	Deletions/ Adjustments during 2016-17	Capitalised during 2016-17	Transfer to Profit and Loss during 2016-17	Effect of foreign currency exchange differences	As at 31 <sup>st</sup> March, 2017
<u>Tangible Assets</u>													
Buildings (Including Roads & Bridges)	206.29	243.01	-	114.82	-	-	334.48	235.34	-	102.98	-	-	466.84
Plant & Machinery (Including Office Equipment)	573.88	532.47	-	288.30	-	-	818.05	964.74	-	796.90	-	-	985.89
Acquisition Cost-Land	21.83	11.09	0.02	2.77	1.70	-	28.43	25.39	-	6.82	1.70	-	45.30
Development Cost - Wells	513.08	644.67	28.39	817.24	-	1.61	313.73	943.86	7.73	1,045.73	-	0.10	204.23
Development Cost - Production Facilities	372.49	239.04	-	295.35	-	-	316.18	63.73	-	188.28	1.23	-	190.40
<u>Intangible Assets</u>													
Software	12.03	37.60	-	48.00	-	-	1.63	9.22	-	9.87	-	-	0.98
<b>Capital work in progress</b>	<b>1,699.60</b>	<b>1,707.88</b>	<b>28.41</b>	<b>1,566.48</b>	<b>1.70</b>	<b>1.61</b>	<b>1,812.50</b>	<b>2,242.28</b>	<b>7.73</b>	<b>2,150.58</b>	<b>2.93</b>	<b>0.10</b>	<b>1,893.64</b>



**CONSOLIDATED FINANCIAL STATEMENT**  
Exploration and Evaluation assets

**NOTE-4**  
(₹ in crore)

Particulars	Cost or deemed cost												
	As at 1 <sup>st</sup> April, 2015	Additions during 2015-16	Deletions/ Adjustments during 2015-16	Capitalised during 2015-16	Transfer to Profit and Loss during 2015-16	Effect of foreign currency exchange differences	As at 31 <sup>st</sup> March, 2016	Additions during 2016-17	Deletions/ Adjustments during 2016-17	Capitalised during 2016-17	Transfer to Profit and Loss during 2016-17	Effect of foreign currency exchange differences	As at 31 <sup>st</sup> March, 2017
<b>Exploratory well in progress (Intangible Assets)</b>													
-Acquisition Cost-Others	75.70	27.18	14.65	-	-	2.15	90.38	77.84	76.98	-	(0.77)	80.82	
-Exploration Costs	999.19	871.89	(0.82)	298.79	527.42	-	1,045.69	1,551.74	504.08	331.13	-	1,762.22	
<b>Total</b>	<b>1,074.89</b>	<b>899.07</b>	<b>13.83</b>	<b>298.79</b>	<b>527.42</b>	<b>2.15</b>	<b>1,136.07</b>	<b>1,629.58</b>	<b>581.06</b>	<b>331.13</b>	<b>(0.77)</b>	<b>1,843.04</b>	
Less: Provisions for Impairment	-	113.86	-	-	80.22	-	33.64	342.37	-	60.75	-	311.44	
<b>Exploration and Evaluation assets (Net)</b>	<b>1,074.89</b>	<b>785.21</b>	<b>13.83</b>	<b>298.79</b>	<b>447.20</b>	<b>2.15</b>	<b>1,102.43</b>	<b>1,287.21</b>	<b>581.06</b>	<b>270.38</b>	<b>(0.77)</b>	<b>1,531.60</b>	

**CONSOLIDATED FINANCIAL STATEMENT**  
Other Intangible assets

**NOTE-5**  
(₹ in crore)

Particulars	Cost or deemed cost						Amortisation						Carrying amount			
	As at 1 <sup>st</sup> April, 2015	Additions during 2015-16	Deletions/ Adjustments during 2015-16	As at 31 <sup>st</sup> March, 2016	Additions during 2016-17	Deletions / Adjustments during 2016-17	As at 31 <sup>st</sup> March, 2017	Up to 1 <sup>st</sup> April, 2015	For the year 2015-16	Deletions/ Adjustments during the year 2015-16	Upto 31 <sup>st</sup> March, 2016	For the year 2016-17	Deletions/ Adjustments during the year 2016-17	Upto 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2015
Right of Use	11.53	-	-	11.53	-	-	11.53	-	2.76	-	2.76	0.49	-	3.25	8.28	11.53
Computer Software	13.83	48.00	(0.70)	62.53	9.87	9.87	65.67	-	13.51	-	13.51	15.24	6.48	22.27	43.40	13.83
<b>Total</b>	<b>25.36</b>	<b>48.00</b>	<b>(0.70)</b>	<b>74.06</b>	<b>9.87</b>	<b>9.87</b>	<b>77.20</b>	<b>-</b>	<b>16.27</b>	<b>-</b>	<b>16.27</b>	<b>15.73</b>	<b>6.48</b>	<b>25.52</b>	<b>51.68</b>	<b>25.36</b>

5.1 Right of use (ROU) to lay pipelines does not bestow ownership of land upon the company hence ROU treated as Intangible Assets.



**CONSOLIDATED FINANCIAL STATEMENT**

**NOTE-6**

**Non-current Financial Assets: Investments**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>A. Equity Instruments</b>			
<b>1) Unquoted - at cost</b>			
- Beas Rovuma Energy Mozambique Ltd Joint Venture	7010.85	6655.83	6330.81
Less: Provision for diminution in value of investment	<u>174.00</u>	<u>174.00</u>	<u>0.00</u>
	6,836.85	6,481.83	6,330.81
- Suntera Nigeria 205 Limited Joint Venture	0.05	0.01	0.01
Less: Provision for diminution in value of investment	<u>0.04</u>	<u>-</u>	<u>0.01</u>
	0.01	0.01	-
- Numaligarh Refinery Limited Associate	1,311.38	1,101.25	952.36
- Duliajan Numaligarh Pipeline Limited Joint Venture	46.82	44.51	42.80
- Brahmaputra Cracker & Polymer Limited Associate	58.61	97.14	126.61
- Indoil Netherlands B.V. Joint Venture	376.99	385.54	358.40
- World Ace Joint Venture	-	-	52.83
- Taas India Pte Ltd. Joint Venture	2,717.00	-	-
-Vankor India Pte Ltd. Joint Venture	4,192.17	-	-
<b>2) Quoted-Designated at fair value through Other Comprehensive Income</b>			
- Indian Oil Corporation Limited-At initial cost	2,670.75	2670.75	2670.75
Add: Cumulative Fair value gains	<u>6,726.64</u>	<u>2107.46</u>	<u>1804.57</u>
	9,397.39	4,778.21	4,475.32
<b>B. Tax Free Bonds</b>			
<b>1) Quoted - at amortised cost</b>			
a) National Highway Authority of India	123.62	123.62	123.62
b) Power Finance Corporation Limited	35.67	35.67	28.48
c) Indian Railway Finance Corporation Limited	147.40	147.40	87.00
d) Rural Electrification Corporation Limited	334.35	334.35	300.00
e) National Thermal Power Corporation Limited	19.99	19.99	-
<b>2) Unquoted - at amortised cost</b>			
a) Power Finance Corporation Limited	100.00	100.01	100.01
b) Indian Railway Finance Corporation Limited	60.00	60.01	60.01
c) Rural Electrification Corporation Limited	200.00	200.02	200.02
d) India Infrastructure Finance Corp Ltd.	300.00	300.03	300.03
<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	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	5.00
Add: Cumulative fair value gains	<u>0.51</u>	<u>1.15</u>	<u>1.01</u>
	0.56	1.20	6.01
<b>E. Investments - at amortised cost</b>			
- Advance against acquisition of Equity Shares	51.56	486.25	-
<b>F. Financial Guarantee -</b>			
- Fair Value of Financial Guarantee - Associates	1.26	1.26	0.83
	<u>26,311.63</u>	<u>14,698.30</u>	<u>13,545.14</u>



- 6.1** The aggregate carrying value of unquoted investments is ₹ 16253.21 crore (as at 31.03.2016 ₹ 9259.06 crore and as at 01.04.2015 ₹ 8530.72 crore)
- 6.2** The aggregate amount of quoted investments is ₹ 10058.43 crore (as at 31.03.2016 ₹ 5439.24 crore and as at 01.04.2015 ₹ 5014.42 crore)
- 6.3** The aggregate market value of quoted investments is ₹ 10150.44 crore (as at 31.03.2016 ₹ 5497.98 crore and as at 01.04.2015 ₹ 5192.14 crore)
- 6.4** The aggregate amount of impairment in value of investment is ₹ 174.00 crore (as at 31.03.2016 ₹ 174.00 crore and as at 01.04.2015 Nil)
- 6.5** The Fair Value of Financial Guarantee - Associates represents investment in M/s Brahmaputra Cracker & Polymer Limited.
- 6.6** The details of investment are as under: -

Name of Body Corporate	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016		As at 1 <sup>st</sup> April, 2015	
	No of Shares	Face Value Per Share	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	5120	No par value
M/s Numaligarh Refinery Limited (NRL)	191264202	₹10	191264202	₹10	191264202	₹10
M/s Brahmaputra Cracker & Polymer Limited (BCPL)	141767000	₹10	126900010	₹10	126900010	₹10
M/s Ind OIL Netherland B.V.	94,196	EUR 454	93940	EUR 454	92090	EUR 454
M/s World Ace	20,000	Euro 1	20,000	Euro 1	20,000	Euro 1
M/s Taas India Pte Ltd.	405912169	\$1	-	-	-	-
M/s Vankor India Pte Ltd.	566137899	\$1	-	-	-	-
M/s Duliajan Numaligarh Pipeline Limited (DNPL)	38460000	₹10	38460000	₹10	38460000	₹10
M/s Indian Oil Corporation Limited (IOCL)*	242795248	₹10	121397624	₹10	121397624	₹10
M/s Suntera Nigeria 205 Ltd	2500000	Naira 1	62502	Naira 1	62502	Naira 1

**6.7** Mode of valuation of investments is given in Note no 1.14 & 1.15 of standalone financial statements.

**6.8** Advance against acquisition of equity shares includes advances amounting to ₹ 51.56 crore (as at 31.03.2016 ₹ 486.25 crore and as at 01.04.2015 Nil), paid to Beas Rovuma Energy Mozambique Ltd respectively pending allotment.

\* The increase in shares was due to issue of bonus shares.

**CONSOLIDATED FINANCIAL STATEMENT**

**NOTE-7**

**Non-current Financial Assets: Loans**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>At amortised cost</b>			
Secured, considered good			
Loans to related parties			
-M/s Brahmaputra Cracker & Polymer Limited (Secured by hypothecation of current assets)	-	93.75	218.75
Loans to employees	124.72	124.01	122.40
Unsecured, considered good			
Loans to related parties			
-M/s Beas Rovuma Energy Mozambique Ltd	-	-	338.45
-M/s Suntera Nigeria 205 Limited	131.80	120.42	-
Less: Liability in respect of loss of Joint Venture	(129.21)	(120.42)	-
-M/s Duliajan Numaligarh Pipeline Limited	-	-	64.80
-M/s World Ace	363.95	297.08	180.90
Loans to employees	4.05	2.62	0.44
Unsecured, Considered doubtful			
Loans to M/s Suntera Nigeria 205 Limited	41.13	41.13	-
Less: Allowances for bad and doubtful loans	41.13	41.13	-
	<b>495.31</b>	<b>517.46</b>	<b>925.74</b>

**7.1** Loans to employees include amount due from Whole time directors and Other Officers of the Company as under:

(₹ in crore)

Particulars	Balance as at		
	31.03.2017	31.03.2016	01.04.2015
Secured, considered good			
Directors	1.68	1.19	0.12
Other Officers	0.00	0.23	0.24
<b>Total</b>	<b>1.68</b>	<b>1.42</b>	<b>0.36</b>

**7.2** In January 2014, the Company acquired 40% shares in M/s. Beas Rovuma Energy Mozambique Limited (BREML), which holds 10% participating interest in the Rovuma Area1, Mozambique. Subsequent to the acquisition, the Company has been extending advances to BREML towards its share of expenditure in the project in Mozambique.

However, at end of FY 2015-16, the Company has converted such advances paid to BREML into Advance for equity to be allotted with equity shares of BREML."

**7.3** Loans represent loans given to

(i) M/s Suntera Nigeria 205 Ltd.:

a) ₹ 110.29 crore (US\$ 16.86 million) {as at 31.03.2016 ₹ 107.02 crore (US\$ 16 million) and as at 01.04.2015 ₹ Nil (US\$ Nil)}-(before impairment) maturing on 31st January, 2022, carries interest at 8.75%.

b) Balance ₹ 62.64 crore (as at 31.03.2016 ₹ 54.53 crore and as at 01.04.2015 ₹ Nil) represents accrued interest on the loan and revaluation thereof.

(ii) M/s Duliajan Numaligarh Pipeline Limited: has prepaid the outstanding loan during the FY 2015-16.

(iii) M/s Brahmaputra Cracker & Polymer Limited: has prepaid the outstanding loan during the FY 2016-17.



**CONSOLIDATED FINANCIAL STATEMENT**  
**Non-current Financial Assets: Others**

**NOTE-8**  
(₹ in crore)

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>At Amortised Cost</b>			
Unsecured, considered good			
Deposit under Site Restoration Scheme	3.39	2.91	3.21
Deferred Employee benefit expenses	<u>63.92</u>	<u>65.52</u>	<u>63.47</u>
	<b><u>67.31</u></b>	<b><u>68.43</u></b>	<b><u>66.68</u></b>

**CONSOLIDATED FINANCIAL STATEMENT**  
**Other non-current assets**

**NOTE-9**  
(₹ in crore)

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<u>Unsecured, considered good</u>			
Capital advances	0.62	0.33	0.83
<u>Advances other than capital advance</u>			
Prepayment Leasehold Land	10.61	9.81	6.29
Security Deposit	3.90	3.77	1.20
Prepaid expenses-Others	<u>7.83</u>	<u>4.41</u>	<u>0.46</u>
	22.34	17.99	7.95
<u>Unsecured, considered doubtful</u>			
Decreed amount paid under appeal	-	99.05	99.05
Less: Impairment	<u>-</u>	<u>(99.05)</u>	<u>(99.05)</u>
	<b><u>22.96</u></b>	<b><u>18.32</u></b>	<b><u>8.78</u></b>

9.1 Security deposit includes deposit with appellate authorities, other Government entities and deposit made for office facilities.

**CONSOLIDATED FINANCIAL STATEMENT**  
**Inventories**

**NOTE-10**  
(₹ in crore)

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Finished goods			
Crude Oil	121.29	72.25	97.91
Liquefied Petroleum Gas	0.49	0.40	0.54
Condensate	<u>0.23</u>	<u>0.17</u>	<u>0.20</u>
	122.01	72.82	98.65
Stores and spares	808.69	882.73	859.24
Stores and spares in transit	233.55	96.32	97.55
Less: Allowances for slow / non-moving inventory and other stores	<u>69.02</u>	<u>51.41</u>	<u>32.24</u>
	973.22	927.64	924.55
Scrap and unservicable items	1.24	1.12	1.04
	<b><u>1096.47</u></b>	<b><u>1001.58</u></b>	<b><u>1024.24</u></b>

**10.1** The cost of inventories recognised as an expense during the year in respect of continuing operations was ₹198.55 crores (March 31, 2016: ₹174.88 crores).

**10.2** Mode of valuation of inventories is given in Note no 1.12.0 of standalone financial statements.

**CONSOLIDATED FINANCIAL STATEMENT**  
**Current Financial Assets: Investments**

**NOTE-11**  
(₹ in crore)

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>At FVTPL</b>			
Unquoted :			
Leave Encashment Fund Investment			
i) With Life Insurance Corporation of India	122.01	113.85	108.78
ii) With SBI Life Insurance Company Limited	67.10	59.13	57.47
Mutual Funds			
i) Units of UTI Mutual Fund under Liquid Cash Plan	384.07	72.48	84.00
ii) Units of SBI Mutual Fund under Liquid Cash Plan	384.08	72.42	84.00
iii) Units of IDBI Mutual Fund under Liquid Cash Plan	96.00	18.02	21.00
iv) Units of Canara Robeco Mutual Fund under Liquid Cash Plan	96.00	18.07	21.00
	<u><b>1149.26</b></u>	<u><b>353.97</b></u>	<u><b>376.25</b></u>

**11.1** The aggregate amount of unquoted investments is ₹ 1149.26 crore (as at 31.03.2016 ₹ 353.97 crore and as at 01.04.2015 ₹ 376.25 crore)

**11.2** Mode of valuation of investments is given in Note no 1.15.1.1 of standalone financial statements.

**CONSOLIDATED FINANCIAL STATEMENT**  
**Current Financial Assets: Trade receivables**

**NOTE-12**  
(₹ in crore)

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>At amortised cost</b>			
(a) Unsecured, considered good	1011.36	1327.89	2383.26
(b) Unsecured, considered doubtful	<u>35.86</u>	<u>19.92</u>	<u>14.18</u>
	1047.22	1347.81	2397.44
Less: Allowances for doubtful receivables	<u>35.86</u>	<u>19.92</u>	<u>14.18</u>
	<u><u>1011.36</u></u>	<u><u>1327.89</u></u>	<u><u>2383.26</u></u>

**12.1** 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 11.83% as at 31.03.2017 (as at 31.03.2016 10.60% and as at 01.04.2015 7.55%).

**12.2** The details of Allowances for doubtful receivables is as follows: -

Particulars	31.03.2017	31.03.2016
Opening Balance	19.92	14.18
Add: Addition	16.83	6.65
Less: Write off	0.89	0.91
<b>Closing Balance</b>	<b>35.86</b>	<b>19.92</b>



**CONSOLIDATED FINANCIAL STATEMENT  
CASH AND CASH EQUIVALENTS**

**NOTE-13**  
(₹ in crore)

	<b>As at 31<sup>st</sup> March, 2017</b>	<b>As at 31<sup>st</sup> March, 2016</b>	<b>As at 1<sup>st</sup> April, 2015</b>
Balances with Banks			
Current Accounts	91.47	119.89	49.79
Term Deposits (Original maturity of 3 months or less)	87.00	61.38	79.79
Cash Credit Accounts with State bank of India	0.51	0.61	1.65
Cash on Hand	13.12	3.41	5.53
	<b><u>192.10</u></b>	<b><u>185.29</u></b>	<b><u>136.76</u></b>

**CONSOLIDATED FINANCIAL STATEMENT  
OTHER BANK BALANCES**

**NOTE-14**  
(₹ in crore)

	<b>As at 31<sup>st</sup> March, 2017</b>	<b>As at 31<sup>st</sup> March, 2016</b>	<b>As at 1<sup>st</sup> April, 2015</b>
Unpaid Dividend Bank Account	5.14	4.46	7.46
Earmarked Balance REC Purchase Obligation	0.02	-	-
Term Deposits (Original maturity of more than 3 months and upto 12 months)	6474.45	9830.72	9181.74
	<b><u>6479.61</u></b>	<b><u>9835.18</u></b>	<b><u>9189.20</u></b>

**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 means remain unpaid or unclaimed, to a special account to be opened by the company in a scheduled bank to be called "Unpaid Dividend Account".

The unclaimed dividend lying with companies 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.

**CONSOLIDATED FINANCIAL STATEMENT**  
**CURRENT FINANCIAL ASSETS: LOANS**

**NOTE-15**  
(₹ in crore)

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>At amortised cost</b>			
Secured, considered good			
Loans to related parties			
Current maturity of Long term Loans to M/s Brahmaputra Cracker & Polymer Limited (Secured by hypothecation of current assets)	-	31.93	31.25
Loans to employees	32.15	32.27	31.64
Unsecured, considered good			
Loans to related parties			
Current maturity of Long term Loans to M/s Duliajan Numaligarh Pipeline Limited	-	-	24.00
Loans to employees	2.66	1.77	1.60
Unsecured, Considered doubtful			
Inter Corporate Deposits to M/s Indian Drugs Pharmaceuticals Ltd.	28.33	28.33	28.33
Less: Allowances for doubtful loans	<u>28.33</u>	<u>28.33</u>	<u>28.33</u>
Loans to M/s Suntera Nigeria 205 Limited	-	-	108.21
Less: Allowances for doubtful loans	<u>-</u>	<u>-</u>	<u>108.21</u>
	<u>34.81</u>	<u>65.97</u>	<u>88.49</u>

**15.1** Loans to employees includes amount due from whole time directors and other officers of the Company as under:

(₹ in crore)

Particulars	Balance as at		
	31.03.2017	31.03.2016	01.04.2015
Secured, considered good			
Directors	0.11	0.04	0.01
Other Officers	0.00	0.02	0.02
<b>Total</b>	<b>0.11</b>	<b>0.06</b>	<b>0.03</b>





**CONSOLIDATED FINANCIAL STATEMENT**  
**Current Financial Assets: Others**

**NOTE-16**  
(₹ in crore)

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>At amortised cost</b>			
Unsecured, considered good			
Cash call receivable from JV Partners	36.27	23.31	40.37
Accrued interest on Term Deposits	40.29	39.27	35.69
Claim receivable against insurance and leave encashment	5.22	22.44	34.57
Deferred Employee benefit expenses	11.69	12.63	12.63
Advances to Employees	17.24	20.28	19.84
Govt Grant Receivable	145.35	-	-
Other Receivables	103.21	33.61	23.59
Unsecured, Considered doubtful			
Cash call receivable from JV Partners	241.11	190.85	135.17
Less: Allowances for doubtful others	<u>241.11</u>	<u>-</u>	<u>135.17</u>
Claim receivable against insurance and leave encashment	8.80	11.97	1.54
Less: Allowances for doubtful others	<u>8.80</u>	<u>-</u>	<u>1.54</u>
	<b><u>359.27</u></b>	<b><u>151.54</u></b>	<b><u>166.69</u></b>

**16.1** Other receivables includes

Particulars	31.03.2017	31.03.2016	01.04.2015
Amount Receivable from DGH	65.64	-	-
Amount receivable from M/s IOCL against reimbursement of expense	10.74	-	-
Amount receivable from M/s BPRL against reimbursement of expense	10.74	-	-
Amount receivable from M/s Ind OIL towards manpower recovery	9.67	28.38	20.40
Amount receivables from others towards other miscellenous services	6.42	5.23	3.20
<b>Total</b>	<b>103.21</b>	<b>33.61</b>	<b>23.59</b>

**CONSOLIDATED FINANCIAL STATEMENT**  
**Current Tax Assets (Net)**

**NOTE-17**  
(₹ in crore)

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Income Tax paid (Including demand tax under appeal)	2434.96	2122.74	2038.78
Less: Provision for Taxation	<u>(969.30)</u>	<u>(803.54)</u>	<u>(857.93)</u>
	<b><u>1465.66</u></b>	<b><u>1319.20</u></b>	<b><u>1180.85</u></b>

**CONSOLIDATED FINANCIAL STATEMENT**

**NOTE-18**

**Other current assets**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>Unsecured, considered good</b>			
Prepayment Leasehold land	0.34	0.32	0.34
Advance to Suppliers	6.21	86.52	47.39
Cenvat Credit and Other Receivable	45.95	33.79	18.44
Prepaid Insurance and Others	48.05	33.75	31.35
Security Deposit	3.95	3.92	5.62
<b>Unsecured, Considered doubtful</b>			
Advances to Suppliers	7.38	9.59	11.88
Less: Allowances for doubtful others	<u>7.38</u>	<u>9.59</u>	<u>11.88</u>
Cenvat Credit and Other Receivable	585.47	451.80	335.66
Less: Allowances for doubtful others	<u>585.47</u>	<u>451.80</u>	<u>335.66</u>
	<b>104.50</b>	<b>158.30</b>	<b>103.14</b>

18.1 Security deposit includes deposit with appellate authorities, other Government entities and deposit made for office facilities.

**CONSOLIDATED FINANCIAL STATEMENT**

**NOTE-19**

**Equity Share capital**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>Authorised:</b>			
200,00,00,000 (March 31, 2016 : 200,00,00,000; April 1, 2015 : 200,00,00,000)			
Equity Shares of ₹ 10/- each	<u>2000.00</u>	<u>2000.00</u>	<u>2000.00</u>
<b>Issued, Subscribed and Fully Paid up:</b>			
80,15,14,607 (March 31, 2016 : 60,11,35,955; April 1, 2015 : 60,11,35,955)			
Equity Shares of ₹ 10/- each fully paid up	<u>801.51</u>	<u>601.14</u>	<u>601.14</u>

**19.1 Details of shareholders holding more than 5% shares in the Company is set out below:**

Category	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016		As at 1 <sup>st</sup> April, 2015	
	No of Shares	% to Equity	No of Shares	% to Equity	No of Shares	% to Equity
President of India	5337,93,769	66.60%	4066,20,507	67.64%	4066,31,998	67.64%
Life Insurance Corporation of India	640,16,548	7.99%	328,31,865	5.46%	152,43,121	2.54%

**19.2 The reconciliation of the shares outstanding as at 31st March, 2017 and 31st March, 2016 is set out below:**

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
	No of Shares	No of Shares
Outstanding at the beginning of the year	6011,35,955	6011,35,955
Addition during the year	2003,78,652	-
Outstanding at the end of the year	8015,14,607	6011,35,955

**19.3.1** 36,06,81,573 Equity shares of ₹10 each allotted as fully paid up bonus shares in the FY 2012-13.

**19.3.2** 20,03,78,652 Equity shares of ₹10 each allotted as fully paid up bonus shares in the FY 2016-17.

**19.4** The Board of Directors in its meeting dated March 20, 2017 approved the buy back of 4,49,12,000 equity shares of ₹ 10 each at a price of ₹340 per equity share & the same is in progress.

**19.5** 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.

**19.6** The Board of directors has recommended a final dividend of ₹4.75 per share which is subject to the approval of the shareholders in the ensuing Annual General Meeting over and above the interim dividend of ₹ 9.50 per share paid as interim dividend.



**CONSOLIDATED FINANCIAL STATEMENT**  
**Other Equity**

**NOTE-20**  
(₹ in crore)

	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016		As at 1 <sup>st</sup> April, 2015
<b>Reserves and Surplus</b>					
(a) Securities Premium Reserve					
Opening Balance	2390.12		2390.12		
Utilised for Bonus Issue	(200.37)	2189.75	-	2390.12	2390.12
(b) Foreign Currency Monetary Item Translation Difference Account					
Opening Balance	(588.81)		(230.60)		
Addition during the year	184.44		(478.81)		
Adjusted/Amortised during the year	161.63	(242.74)	120.60	(588.81)	(230.60)
(c) Debenture Redemption Reserve					
Opening Balance	501.75		236.96		
Add: Amount transferred from surplus balance	53.42	555.17	264.79	501.75	236.96
(d) General Reserve					
Opening Balance	19757.38		19244.94		
Add: Amount transferred from surplus balance	47.88	19805.26	512.44	19757.38	19244.94
(e) Retained Earning					
Balance as per Statement of Profit & Loss	1596.56		2079.56		
Less: Appropriations					
Interim Dividend	761.44		480.91		
Tax on Interim Dividend	155.01		97.90		
Final Dividend of previous year	480.91		601.14		
Tax on Final Dividend of previous year	97.90		122.38		
Debenture Redemption Reserve	53.42		264.79		
General Reserve	47.88	-	512.44	-	-
(f) Capital Reserve		58.81		58.81	58.81
(g) Items of Other Comprehensive Income (OCI)					
Opening Balance	2457.44		1805.58		
Equity Instrument designated as FVTOCI	3843.24		303.13		
Foreign Exchange Translation Reserve	123.63		340.00		
Other Items	(72.71)	6351.60	8.73	2457.44	1805.58
	<b>28717.85</b>		<b>24576.69</b>		<b>23505.81</b>

**20.1 Nature and purpose of reserves:**

- General Reserve: The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.
- 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.
- 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.
- 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.
- Items of OCI: This reserve represents the cumulative gains and losses arising on measurement of equity instruments designated at fair value through other comprehensive income, net of amounts reclassified to retained earnings on disposal of such instruments. This also includes remeasurement of defined benefit plans due to change in actuarial assumptions.

**20.2 The Debenture Redemption Reserve position for above is as under**

(₹ in crore)

Particulars	As at 01.04.2015	Addition during 2015-16	As at 31.03.2016	Addition during 2016-17	As at 31.03.2017
Unsecured 3.875% 5 years Reg S Bonds- USD 500 million	157.97	176.53	334.50	35.61	370.11
Unsecured 5.375% 10 years Reg S Bonds- USD 500 million	78.99	88.26	167.25	17.81	185.06
<b>Total</b>	<b>236.96</b>	<b>264.79</b>	<b>501.75</b>	<b>53.42*</b>	<b>555.17</b>

\*Based on availability of profit during 2016-17

**CONSOLIDATED FINANCIAL STATEMENT**

**NOTE-21**

**Non-current Financial Liabilities: Borrowings**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>At amortised cost</b>			
Unsecured Loan-Foreign Currency			
Bonds	6514.44	6654.78	6280.30
External Commercial Borrowings from Banks	2433.09	2478.06	1984.34
	<u>8947.53</u>	<u>9132.84</u>	<u>8264.64</u>
<b>21.1 Bonds represent</b>			
(i) 5.375% Notes ₹ 3250.42 crore (USD 500 million) {March 31, 2016 : ₹ 3320.98 crore (USD 500 million); April 1, 2015 : ₹ 3134.62 crore (USD 500 million)} Reg S Bonds issued on 17.04.2014, payable on the date falling 10 years from the date of issue.			
(ii) 3.875% Notes ₹ 3264.02 crore (USD 500 million) {March 31, 2016 : ₹ 3333.80 crore (USD 500 million); April 1, 2015 : ₹ 3145.68 crore (USD 500 million)} Reg S Bonds issued on 17.04.2014, payable on the date falling 5 years from the date of issue.			
<b>21.2 External Commercial Borrowings represent</b>			
(i) Syndication loan of ₹ 808.01 crore (USD 125 million) {March 31, 2016 : ₹ 822.79 crore (USD 125 million); April 1, 2015 : ₹ 426.70 crore (USD 70 million)} availed from banks drawl commencing from 06.01.2015 repayable on the date falling five years from the average date of drawl i.e. 22.03.2015 at an interest rate of 1 month LIBOR + 1.04%.			
(ii) Syndication loan of ₹ 1625.08 crore (USD 250 million) {March 31, 2016 : ₹ 1655.27 crore (USD 250 million); April 1, 2015 : ₹ 1557.64 crore (USD 250 million)} drawn from banks on 26.12.2013 repayable on the date falling five years from the date of drawl at an interest rate of 3 month LIBOR + 1.18%,			
21.3 The figure in USD in Note 21.1 and Note 21.2 represents the original borrowings availed from the respective lenders.			

**CONSOLIDATED FINANCIAL STATEMENT**

**NOTE-22**

**Non-current Financial Liabilities: Trade payables**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>At amortised cost</b>			
Dues to Micro, Small and Medium Enterprises	-	-	-
Dues to Others	3.27	2.15	1.65
	<u>3.27</u>	<u>2.15</u>	<u>1.65</u>



**CONSOLIDATED FINANCIAL STATEMENT**  
**Non-current: Others financial liabilities**

**NOTE-23**  
(₹ in crore)

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Financial guarantee contract liability	0.41	0.49	0.30
Deferred Govt. Grant	109.91	-	-
Liability in respect of loss of Joint Venture	-	3.51	51.48
	<u>110.32</u>	<u>4.00</u>	<u>51.78</u>

**CONSOLIDATED FINANCIAL STATEMENT**  
**Non-current Liabilities: Provisions**

**NOTE-24**  
(₹ in crore)

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Provision for employee benefits	307.02	334.20	330.25
Provisions for well abandonment			
Opening Balance	328.78	348.16	
Addition during the year	180.90	(19.38)	
Adjusted/reversal during the year	(2.95)	-	
	<u>506.73</u>	<u>328.78</u>	<u>348.16</u>
	<u>813.75</u>	<u>662.98</u>	<u>678.41</u>

24.1 Provision for employee benefits represents defined benefit plans. The figure represents Leave encashment ₹ 149.77 crore (March 31, 2016 : ₹ 180.91 crores; April 1, 2015 : ₹ 183.58 crores), Post retirement medical benefit ₹ 125.26 crore (March 31, 2016 : ₹ 123.19 crores; April 1, 2015 : ₹ 115.90 crores) and Long service award ₹ 31.99 crore (March 31, 2016 : ₹ 30.10 crores; April 1, 2015 : ₹ 30.77 crores).

**CONSOLIDATED FINANCIAL STATEMENT**  
**Deferred tax liabilities (net)**

**NOTE-25**  
(₹ in crore)

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
A. Deferred tax liability			
Timing differences in "Depreciation/Depletion"	3972.28	2628.33	2138.43
B. Deferred tax assets			
Timing differences in "Disallowance"	672.39	269.74	273.12
C. Deferred tax liability (Net) (A-B)	<u>3299.89</u>	<u>2358.59</u>	<u>1865.31</u>

**CONSOLIDATED FINANCIAL STATEMENT**  
**Current Financial Liabilities: Borrowings**

**NOTE-26**  
(₹ in crore)

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>At amortised cost</b>			
Short Term Borrowings	5236.30	588.72	467.61
	<u>5236.30</u>	<u>588.72</u>	<u>467.61</u>

**CONSOLIDATED FINANCIAL STATEMENT**

**Current Financial Liabilities: Trade payables**

**NOTE-27**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>At amortised cost</b>			
Dues to Micro, Small and Medium Enterprises	1.61	1.64	1.72
Dues to Others	588.53	534.36	557.65
	<u>590.14</u>	<u>536.00</u>	<u>559.37</u>

**CONSOLIDATED FINANCIAL STATEMENT**

**Current: Other financial liabilities**

**NOTE-28**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Interest accrued	139.15	142.26	133.66
Unpaid dividends	5.14	4.46	7.46
Financial guarantee contract liability	0.14	0.21	0.10
Deferred Govt. Grant	7.95	-	-
Other payables			
- Liabilities- For Capital Expenditure & others	1094.05	673.48	784.55
- Cash call payable to Joint Venture	181.72	166.69	194.54
- Employees benefits	171.68	129.01	723.07
	<u>1599.83</u>	<u>1116.11</u>	<u>1843.38</u>

**CONSOLIDATED FINANCIAL STATEMENT**

**Other current liabilities**

**NOTE-29**

(₹ in crore)

	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Statutory Liabilities	694.91	375.48	674.55
Advance received from Customers/Vendors	48.68	6.12	13.31
	<u>743.59</u>	<u>381.60</u>	<u>687.86</u>

**29.1** Statutory Liabilities includes liability on account of Gratuity for ₹ 304.59 crore (March 31, 2016 : ₹ 15.27 crores; April 1, 2015 : ₹ 7.94 crores).

**29.2** VAT & CST are paid on provisional basis pending assessment. Such provisional payment of VAT & CST of ₹ 22.77 crore in respect of earlier years is adjusted with Statutory Liability.



**CONSOLIDATED FINANCIAL STATEMENT**  
**Current Liabilities: Provisions**

**NOTE-30**  
(₹ in crore)

	As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016		As at 1 <sup>st</sup> April, 2015
Provision for employee benefits	229.85		83.44		75.16
Provision for -					
1. Well Abandonment Cost					
Opening Balance	15.18		12.59		
Addition during the year	11.79		2.59		
Adjusted/reversal during the year	-	26.97	-	15.18	12.59
2. Unfinished Minimum Work Programme					
Opening Balance	126.27		141.88		
Addition during the year	9.81		-		-
Adjustment/Reversal during the year	(32.18)	103.90	(15.61)	126.27	141.88
3. Others					
Opening Balance	6.49		4.59		
Addition during the year	3.10		-		
Adjustment/Reversal during the year	-	9.59	1.90	6.49	4.59
		140.46	147.94		159.06
		<u>370.31</u>	<u>231.38</u>		<u>234.22</u>

**30.1** The figure of Provision for employee benefits represents Leave encashment ₹ 87.78 crore (March 31, 2016 : ₹ 34.76 crores; April 1, 2015 : ₹ 33.71 crores), Post retirement medical benefit ₹ 38.87 crore (March 31, 2016 : ₹ 23.46 crores; April 1, 2015 : ₹ 22.08 crores), Long service award ₹ 24.66 crore (March 31, 2016 : ₹ 17.54 crores; April 1, 2015 : ₹ 14.78 crores) & provision against ex-gratia bonus ₹ 10.79 crore (March 31, 2016 : ₹ 7.68 crores; April 1, 2015 : ₹ 4.59 crores).

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

**CONSOLIDATED FINANCIAL STATEMENT**  
**Revenue From Operations**

**NOTE-31**  
(₹ in crore)

	Year ended 31 <sup>st</sup> March, 2017		Year ended 31 <sup>st</sup> March, 2016	
Sale of Products				
Crude Oil		7303.09		6846.12
Natural Gas		1334.81		1816.54
Liquefied Petroleum Gas		103.34		129.00
Condensate		24.31		55.73
Renewable Energy		110.68		101.93
Sale of Services				
Income from Pipeline Transportation				
Crude Oil	188.01		198.42	
Refined Product	167.38		163.83	
Natural Gas	0.79	356.18	0.74	362.99
Income from OFC Fibre Leasing		11.49		9.40
Other Operating Revenues				
Claims towards under-recovery of Natural Gas Price		310.07		491.22
Income from Business Development Services		6.15		4.68
Renewable Energy-Others		6.24		3.52
		<u>9566.36</u>		<u>9821.13</u>

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

**31.2** LPG price are governed as per PAHAL (DBTL) Scheme, 2014; issued by MOP&NG vide letter No. P-2009/01/2014LPG, 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** In terms of decision of Government of India (GOI), the Company has shared under-recoveries of Oil Marketing Companies (OMCs) on price sensitive products for the period ended by extending discount in the prices of Crude Oil based on the rates of discount communicated by Petroleum Planning and Analysis Cell (PPAC), Ministry of Petroleum and Natural Gas (MoP&NG). Sale values of Crude Oil are shown net of such discount of Nil (Previous year ₹ 155.06 crore).
- 31.5** Company is holding 61,042 (as on 31.03.2016 44,881) numbers of Renewable Energy Certificates (REC) as on 31.03.2017. The Floor Price of REC in the Energy Exchange on 31.03.2017 was ₹ 3500 per REC. The Floor Price of REC in the Energy Exchange on 01.04.2017 was ₹ 1000 per REC.

**CONSOLIDATED FINANCIAL STATEMENT**

**NOTE-32**

**Other Income**

(₹ in crore)

	Year ended 31 <sup>st</sup> March, 2017	Year ended 31 <sup>st</sup> March, 2016
<b><u>At amortised Cost</u></b>		
Interest Income from financial assets	738.89	1011.95
Dividend from Equity Instruments	-	-
<b><u>At Fair value through other comprehensive income</u></b>		
Dividend from Equity Instruments designated	540.22	146.89
<b><u>At Fair value through profit or loss</u></b>		
Dividend from Mutual Funds	45.41	44.16
<b><u>Others</u></b>		
Income from financial guarantee	0.16	0.12
Income from Amortization of Deferred Grant	27.49	-
Miscellaneous Income	67.58	52.65
	<b><u>1419.75</u></b>	<b><u>1255.77</u></b>

- 32.1** All dividends from equity instruments designated at FVTOCI relate to investment held at the end of the financial year. There was no dividend income relating to investments derecognised during the financial year.

**CONSOLIDATED FINANCIAL STATEMENT**

**NOTE-33**

**Changes in inventories of finished goods**

(₹ in crore)

	Year ended 31 <sup>st</sup> March, 2017	Year ended 31 <sup>st</sup> March, 2016
Opening Stock		
Crude Oil	72.25	97.91
Liquefied Petroleum Gas	0.40	0.54
Condensate	0.17	0.20
	72.82	98.65
Closing Stock		
Crude oil	121.29	72.25
Liquefied Petroleum Gas	0.49	0.40
Condensate	0.23	0.17
	122.01	72.82
<b>(Increase) / Decrease</b>	<b><u>(49.19)</u></b>	<b><u>25.83</u></b>

**CONSOLIDATED FINANCIAL STATEMENT**

**NOTE-34**

**Employee benefits expense**

(₹ in crore)

	Year ended 31 <sup>st</sup> March, 2017	Year ended 31 <sup>st</sup> March, 2016
Salaries & Wages	1401.59	1473.13
Contribution to provident and other funds	599.18	381.03
Staff Welfare Expenses	86.49	73.32
	2087.26	1927.48
Less: Capitalised during the year	473.39	525.68
	<b><u>1613.87</u></b>	<b><u>1401.80</u></b>





**CONSOLIDATED FINANCIAL STATEMENT**  
**Finance costs**

**NOTE-35**  
(₹ in crore)

	Year ended 31 <sup>st</sup> March, 2017	Year ended 31 <sup>st</sup> March, 2016
Interest expenses on borrowing at amortised cost		
-Secured loan	0.18	-
-Unsecured loan	415.31	362.02
Unwinding of decommissioning liability	25.11	26.85
	<u>440.60</u>	<u>388.87</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 the competent authority with regard to repayment and servicing of such overseas borrowings from domestic resources of the Company. Interest servicing of ₹322.07 crore (Previous year ₹316.20 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 to financing of above transaction is being done from domestic resources as the Company does not have any earnings abroad at present. Approval of MOP&NG is awaited.

**CONSOLIDATED FINANCIAL STATEMENT**  
**Depreciation, Depletion and Amortization expense**

**NOTE-36**  
(₹ in crore)

	Year ended 31 <sup>st</sup> March, 2017	Year ended 31 <sup>st</sup> March, 2016
Depreciation	211.23	213.90
Depletion	953.42	840.31
Amortization	15.73	16.27
	<u>1180.38</u>	<u>1070.48</u>

**CONSOLIDATED FINANCIAL STATEMENT**  
**Other expenses**

**NOTE-37**  
(₹ in crore)

	Year ended 31 <sup>st</sup> March, 2017	Year ended 31 <sup>st</sup> March, 2016
Statutory Levies	2530.67	2690.02
Consumption of Stores & spares parts	198.55	174.88
Consumption of Fuel	29.74	32.43
Contract cost	887.62	840.19
Insurance, rent, rates & taxes	33.68	38.85
Exchange Loss-Net	152.21	106.77
Exploratory Wells written off	270.84	448.90
Provisions/Write off:		
Impairment of Exploratory Wells	343.33	114.71
Cost of unfinished Minimum Work Programme	(1.00)	66.00
Loans & advances	179.43	73.75
Inventories	19.10	18.58
Trade receivables	16.83	6.65
Loss on deletion of assets	25.99	7.46
Others	1.97	2.31
CSR (Corporate social responsibility) expenditure	108.37	92.21
Fair Value Loss/(Gain) on Derivative	1.90	-
Miscellaneous Expenses	81.96	94.12
	<u>4881.19</u>	<u>4807.83</u>

**37.1** Statutory levies represent Royalty ₹1299.13 crore (Previous year ₹1276.27 crore) and Cess ₹1231.53 crore (Previous year ₹1413.75 crore).

**CONSOLIDATED FINANCIAL STATEMENT**

**Exceptional Items**

**NOTE-38**

(₹ in crore)

	Year ended 31 <sup>st</sup> March, 2017	Year ended 31 <sup>st</sup> March, 2016
Royalty on Crude Oil	1,151.73	-
Diminution in value of investment	-	174.00
Diminution in value of loans	-	41.13
	<u>1151.73</u>	<u>215.13</u>

**38.1** Government of Assam based on a claim from Director of Geology and Mining, had filed a writ petition in the Hon'ble Gauhati High Court for payment of differential royalty of ₹7,224.20 crore on post and pre-discounted sale price of crude oil for the period from 2008-09 to 2013-14 which was pending for adjudication. The Company was paying royalty on post discounted price based on instructions issued by MOP&NG and in line with Oil Fields (Regulation and Development) Act, 1948 and subsequent notifications thereof and hence did not consider the claim as liability. The matter of payment of onshore royalty at pre-discounted prices was examined by MOP&NG based on the interim decision of the Hon'ble Supreme Court dated 13th February 2014 and accordingly MOP&NG intimated vide letter dated 15th July, 2016 to pay royalty at pre-discount prices effective from 1st February 2014, pending outcome of Special Leave to Appeal (Civil) No 1596/2014 filed by ONGC Ltd. before the Hon'ble Supreme Court against Gujarat High Court's order. The amount of demand for differential royalty up to 31.12.2016 including interest thereon aggregating to ₹10405.60 Crore was considered as contingent liability by the Company. Following the order of the MOP&NG dated 15th July, 2016, the Company has paid to the respective State Govt an amount of ₹1151.73 crore being the differential amount of royalty which was shown as deposit.

During the year a settlement between GOI, Government of Assam and Government of Arunachal Pradesh was made in which GOI has agreed to absorb the differential royalty for the period from 2008-09 to 2013-14. Accordingly, the differential royalty for period from February 2014 to December, 2016 amounting to ₹ 1151.73 crore has been charged to Statement of Profit & Loss in the quarter and year ended 31.03.2017 and is shown under "Exceptional Items".

**CONSOLIDATED FINANCIAL STATEMENT**

**Earnings per equity share**

**NOTE-39**

(₹ in crore)

	Year ended 31 <sup>st</sup> March, 2017	Year ended 31 <sup>st</sup> March, 2016
<b>Basic &amp; Diluted</b>		
Weighted average number of Equity Shares outstanding during the year	801514607	801514607
Face value of each Equity Share (₹)	10.00	10.00
Profit for the year from continuing operations (₹ in crore)	1596.56	2079.56
Earning Per Equity Share (for continuing operation) (₹) - Basic	<b>19.92</b>	<b>25.95</b>
Earning Per Equity Share (for continuing operation) (₹) - Diluted	<b>19.92</b>	<b>25.95</b>
Profit for the year from discontinued operations (₹ in crore)	-	-
Earning Per Equity Share (for discontinued operation) (₹) - Basic	-	-
Earning Per Equity Share (for discontinued operation) (₹) - Diluted	-	-
Profit for the year (for discontinued operations & continuing operation) (₹ in crore)	1596.56	2079.56
Earning Per Equity Share (for discontinued operations & continuing operation) (₹) - Basic	<b>19.92</b>	<b>25.95</b>
Earning Per Equity Share (for discontinued operations & continuing operation) (₹) - Diluted	<b>19.92</b>	<b>25.95</b>

**39.1** EPS for the period are not annualised.

**39.2** The Board of Directors in its meeting held on 28.11.2016 had recommended issue of Bonus Shares in the ratio of one equity share of ₹10/- each for three existing equity shares of ₹10/- each held. The issue of bonus shares was approved by the shareholders on 6<sup>th</sup> January, 2017 and accordingly the Company has issued 200378652 number of equity shares, allotment of which was completed on 24.01.2017. Pursuant to the above, Earnings Per Share (both basic and diluted) for the year ended 31.03.2017 and comparative year have been calculated after adjustment of the number of bonus shares issued.



(in Indian Rupees crores, unless otherwise stated)

#### 40. Financial Instruments

##### 40.1 Capital Management

The Group manages its capital to ensure that the 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, (Refer note 19,20 and 21). 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, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
Debt (Refer note 21)	8,947.53	9,132.84	8,264.64
Equity*	22,612.59	22,218.64	22,064.41
Total capital employed	31,560.12	31,351.48	30,329.05
Gearing ratio	28%	29%	27%

\*Equity taken above excludes Debenture Redemption Reserve(DRR) & 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, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<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	384.07	72.48	84.00
-Units of SBI Mutual Fund under Liquid cash plan	384.08	72.42	84.00
-Units of Canara Robeco Mutual Fund under Liquid Cash plan	96.00	18.07	21.00
-Units of IDBI Mutual Funds under Liquid Cash plan	96.00	18.02	21.00
-Leave Encashment Fund Investment	189.11	172.98	166.25
<b>Total assets measured at FVTPL</b>	<b>1,149.26</b>	<b>353.96</b>	<b>376.25</b>
<b>(ii) Assets measured at amortised cost</b>			
(a) Cash and cash equivalent	192.10	185.29	136.76
(b) Bank balances other than (a) above	6,479.61	9,835.18	9189.20
(c) Trade receivables	1,011.36	1,327.89	2,383.28
(d) Investment in tax free bonds			
-National Highway Authority of India	123.62	123.62	123.62
-Power Finance Corporation Limited	135.67	135.68	128.49
-Indian Railway Finance Corporation Limited	207.40	207.41	147.01
-Rural Electrification Corporation Limited	534.35	534.37	500.02
-India Infrastructure Finance Corp Ltd.	300.00	300.03	300.03
-National Thermal Power Corporation Limited	19.99	19.99	-
(e) Loans (Long term)			
-Loan to related parties (Secured)			
-Loan to M/s Brahmaputra Cracker & Polymer Limited	-	93.75	218.75

(f) Loan to related parties (Unsecured)			
Advances to M/s Beas Rovuma Energy Mozambique Ltd	-	-	338.45
Loan to M/s Oil India International B.V.	-	-	-
Loan to M/s Suntera Nigeria 205 Limited	2.59	-	-
Loan to M/s DNP Limited			64.80
Loan to M/s World Ace	363.95	297.08	176.93
(g) Loan to employees (Secured)	124.72	124.01	122.40
(h) Loan to employees (Unsecured)	4.05	2.62	0.44
(i) Loan (Short term)			
-Loan to related parties (Secured)			
Loan to M/s Brahmaputra Cracker & Polymer Limited	-	31.93	31.25
-Loan to related parties (Unsecured)			
Loans to M/s DNP Limited	-	-	24.00
Advance to M/s Oil India International Limited	-	-	0.05
Advance to M/s Oil India (USA) Inc.	1.13	0.63	1.83
(j) Loan to employees (Secured)	32.15	32.27	31.64
(k) Loan to employees (Unsecured)	2.66	1.77	1.60
(l) Restricted assets			
-Deposit under Site Restoration Scheme	3.39	2.91	3.21
(m) Other financial asstes			
-Claim receivable against insurance and leave encashment	5.22	22.44	34.57
-Other receivable	103.21	33.61	23.59
-Advances to Employee	17.24	20.28	19.84
-Cash Call receivables from JV Partners	36.27	23.31	40.37
-Interest Receivable	40.29	39.27	39.66
<b>Total assets measured at amortised cost</b>	<b><u>10,890.22</u></b>	<b><u>13,253.86</u></b>	<b><u>13,947.70</u></b>
<b>(iii) Assets designated at FVTOCI</b>			
(a) Investment in equity instruments			
-Indian Oil Corporation Limited	9,397.39	4,778.21	4,475.32
(b) Other Investments			
-Contribution to Capital Fund of Petroleum India International	0.56	1.20	6.01
<b>Total assets measured at FVTOCI</b>	<b><u>9,397.95</u></b>	<b><u>4,779.41</u></b>	<b><u>4,481.32</u></b>
<b>Total financial assets</b>	<b><u>21,437.43</u></b>	<b><u>18,387.24</u></b>	<b><u>18,805.27</u></b>

#### 40.2.2 Categorisation of financial liabilities

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
<b>(i) Liabilities measured at amortised cost</b>			
(a) Trade payables	593.41	538.15	561.02
(b) Borrowings			
-External Commercial Borrowings from banks	2,433.09	2,478.06	1,984.34
-Bonds	6,514.44	6,654.78	6,280.30
(c) Other financial liabilities			
-Unpaid dividend	5.14	4.46	7.46
-Interest accrued but not due on borrowings	139.15	142.26	133.66
-Liabilities for Capital Expenditure and others	1,094.05	673.48	784.55
-Cash call payable to Joint Venture	181.72	166.69	194.54
-Unpaid liability-Employees	171.68	129.01	723.07
<b>Total liabilities measured at amortised cost</b>	<b><u>11,132.68</u></b>	<b><u>10,786.89</u></b>	<b><u>10,668.94</u></b>
-Financial guarantee contract	0.55	0.70	0.40
<b>Total financial liabilities</b>	<b><u>11,133.23</u></b>	<b><u>10,787.59</u></b>	<b><u>10,669.34</u></b>



### 40.3 Financial Risk Management

#### 40.3.1 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.

#### 40.3.2 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.

#### 40.3.3 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.

### 40.4 Foreign Currency Risk Management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amount 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, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
USD	14774.04	10490.94	9292.17
Others	36.28	4.08	3.10
<b>Total</b>	<b>14810.32</b>	<b>10495.02</b>	<b>9295.27</b>

Assets	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
USD	2252.24	1,802.40	1097.22
Others	2.10	0.81	0.77
<b>Total</b>	<b>2254.34</b>	<b>1803.21</b>	<b>1097.99</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.

#### 40.4.1 Foreign Currency Sensitivity Analysis

The Group is mainly exposed to the currency of United States of America (US\$).

The following table details the Group's sensitivity to a 5% increase and decrease in the INR against US\$. 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	2016-17	2015-16	2014-15
i) Impact on Profit and Equity	409.41	286.66	270.48

#### 40.4.2 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.

### 40.5 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's 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 40.8).

#### 40.5.1 Interest Rate Sensitivity Analysis

The sensitivity analysis 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, 2017 would increase/decrease by ₹1.04 crores (for the year ended March 31, 2016: increase/decrease by ₹1.33 crores).

##### Loan Taken

- Profit and Equity for the year ended March 31, 2017 would decrease/increase by ₹16.44 crores (for the year ended March 31, 2016: decrease/increase by ₹10.22 crores).

#### 40.6 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 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, 2017 would increase/decrease by ₹4.27 crores (for the year ended March 31, 2016: increase/decrease by ₹4.97 crores).

##### 40.6.1 Equity Price Sensitivity Analysis

The sensitivity analysis 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, 2017 would increase/decrease by ₹422.88 crores (for the year ended March 31, 2016 would increase/decrease by ₹215.02 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 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 counter party. 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 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 subsidiaries/ associate companies. The Group's maximum exposure in this respect if the guarantee is called on as at March 31, 2017 is ₹97.23 crores (As at March 31, 2016 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.

#### 40.8 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.

**40.8.1.1** 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	2nd year	3rd 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
	<u>2,046.00</u>		<u>2,042.73</u>	<u>2.81</u>	<u>0.36</u>	<u>0.06</u>	<u>0.04</u>	<u>2,046.00</u>
<b>(ii) Interest Bearing</b>								
-External Commercial Borrowings( including interest)	7,669.84	1.80%	5290.95	1680.77	834.23	-	-	7805.95
-Bonds (including interest)	6,653.14	4.63%	302.61	302.61	3452.63	351.69	3630.51	8040.05
	<u>14,322.98</u>		<u>5593.56</u>	<u>1983.38</u>	<u>4286.86</u>	<u>351.69</u>	<u>3630.51</u>	<u>15846.00</u>
-Financial Guarantee Contracts	0.55	-	-	-	-	-	-	0.55

**40.8.1.2** The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at March 31, 2016:

Particulars	Carrying amount	Weighted average effective interest rate	Upto 1 Year	2nd year	3rd Year	4-5 Years	After 5 Year	Total contracted cash flows
<b>Financial Liabilities</b>								
<b>(i) Non Interest Bearing</b>								
-Trade payables	538.15	-	536.00	1.67	0.43	-	0.05	538.15
-Unpaid dividend	4.46	-	4.46	-	-	-	-	4.46
-Unpaid liability-Employees	129.01	-	129.01	-	-	-	-	129.01
-Liabilities for Capital Expenditure and others	673.48	-	673.48	-	-	-	-	673.48
-Cash call payable to Joint Venture	166.69	-	166.69	-	-	-	-	166.69
	<u>1,511.79</u>		<u>1,509.64</u>	<u>1.67</u>	<u>0.43</u>	-	<u>0.05</u>	<u>1,511.79</u>
<b>(ii) Interest Bearing</b>								
-External Commercial Borrowings (including interest)	3,067.54	1.57%	637.38	54.65	1680.77	834.23	-	3,207.03
-Bonds (including interest)	6,796.35	4.63%	308.39	302.61	302.61	3628.47	3806.36	8,348.44
	<u>9,863.89</u>		<u>945.77</u>	<u>357.26</u>	<u>1983.38</u>	<u>4462.7</u>	<u>3806.36</u>	<u>11,555.47</u>
-Financial Guarantee Contracts	0.70	-	-	-	-	-	-	0.70



**40.8.1.3** The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at April 1, 2015:

Particulars	Carrying amount	Weighted average effective interest rate	Upto 1 Year	2nd year	3rd Year	4-5 Years	After 5 Year	Total contracted cash flows
<b>Financial Liabilities</b>								
<b>(i) Non Interest Bearing</b>								
-Trade payables	561.02	-	559.37	1.31	0.17	0.12	0.05	561.02
-Unpaid dividend	7.46	-	7.46	-	-	-	-	7.46
-Unpaid liability-Employees	723.07	-	723.07	-	-	-	-	723.07
-Liabilities for Capital Expenditure and others	784.55	-	784.55	-	-	-	-	784.55
-Cash call payable to Joint Venture	194.54	-	194.54	-	-	-	-	194.54
	<b><u>2,270.64</u></b>		<b><u>2,268.99</u></b>	<b><u>1.31</u></b>	<b><u>0.17</u></b>	<b><u>0.12</u></b>	<b><u>0.05</u></b>	<b><u>2,270.64</u></b>
<b>(ii) Interest Bearing</b>								
-External Commercial Borrowings (including interest)	2,452.71	1.28%	505.18	48.66	54.65	2515.00	-	3,123.49
-Bonds (including interest)	6,413.20	4.63%	306.03	308.39	302.61	3755.24	3982.20	8,654.47
	<b><u>8,865.91</u></b>		<b><u>811.21</u></b>	<b><u>357.05</u></b>	<b><u>357.26</u></b>	<b><u>6270.24</u></b>	<b><u>3982.20</u></b>	<b><u>11,777.96</u></b>
-Financial Guarantee Contract	0.40	-	-	-	-	-	-	0.40

The following table details the Group's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets.



**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	2nd year	3rd 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)	9,397.39	-	-	-	-	-	9,397.39	9,397.39
Other financial assets								
-Claim receivable against insurance and leave encashment	5.22	-	5.22	-	-	-	-	5.22
-Other receivable	103.21	-	103.21	-	-	-	-	103.21
-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
	<u>10,610.98</u>		<u>1,213.59</u>				<u>9,397.39</u>	<u>1213.59</u>
<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	4.57%	960.15	-	-	-	-	960.15
Leave encashment fund investment	189.11	4.00%	196.67	-	-	-	-	196.67
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	7.45%	34.81	29.44	27.81	32.72	38.80	163.58
	<u>3,004.88</u>		<u>1,212.06</u>	<u>55.72</u>	<u>75.71</u>	<u>439.15</u>	<u>2,117.85</u>	<u>4,643.70</u>



40.8.1.5 The table below provides details regarding the contractual maturities of financial assets including estimated interest receipts as at March 31, 2016:

Particulars	Carrying amount	Weighted average effective interest rate	Upto 1 Year	2nd year	3rd Year	4-5 Years	After 5 Year	Total contracted cash flows
<b>Financial Assets</b>								
<b>(i) Non Interest Bearing</b>								
Trade receivables	1,327.89	-	1,327.89	-	-	-	-	1,327.89
Investment in equity instruments(quoted)	4,778.21	-	-	-	-	-	4,778.21	4,778.21
Other financial assets								
-Claim receivable against insurance and leave encashment	22.44	-	22.44	-	-	-	-	22.44
-Other receivable	33.61	-	33.61	-	-	-	-	33.61
-Advances to Employee	20.28	-	20.28	-	-	-	-	20.28
-Cash Call receivables from JV Partners	23.31	-	23.31	-	-	-	-	23.31
-Accrued interest on term deposit	39.27	-	39.27	-	-	-	-	39.27
	<b>6,245.01</b>		<b>1,466.80</b>				<b>4,778.21</b>	<b>6,245.01</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	20.27	131.92	182.61
-Power Finance Corporation Limited	135.68	7.55%	10.24	10.24	10.24	20.49	193.92	245.13
-Indian Railway Finance Corporation Limited	207.41	7.61%	15.79	15.79	15.79	31.58	286.07	365.02
-Rural Electrification Corporation Limited	534.37	7.77%	41.53	41.53	41.53	83.05	841.84	1,049.48
-India Infrastructure Finance Corp Ltd.	300.03	7.41%	22.23	22.23	22.23	44.46	558.42	669.57
-National Thermal Power Corporation Limited	19.99	7.37%	1.47	1.47	1.47	2.95	39.89	47.25
-Deposit under Site Restoration Scheme	2.91	7.00%	-	-	-	-	4.13	4.13
Investment in Mutual funds	180.99	5.08%	180.99	-	-	-	-	180.99
Leave encashment fund investment	172.98	4.20%	180.25	-	-	-	-	180.25
Loans to related parties	419.88	9.77%	32.56	111.29	24.77	216.43	577.39	962.44
Loans to employees (including interest)	160.67	7.80%	34.04	28.92	27.31	32.13	38.27	160.67
	<b>2,258.52</b>		<b>529.24</b>	<b>241.61</b>	<b>153.48</b>	<b>451.36</b>	<b>2,671.85</b>	<b>4,047.54</b>

**40.8.1.6** The table below provides details regarding the contractual maturities of financial assets including estimated interest receipts as at April 1, 2015:

Particulars	Carrying amount	Weighted average effective interest rate	Upto 1 Year	2nd year	3rd Year	4-5 Years	After 5 Year	Total contracted cash flows
<b>Financial Assets</b>								
<b>(i) Non Interest Bearing</b>								
Trade receivables	2,383.28	-	2,383.28	-	-	-	-	2,383.28
Investment in equity instruments(quoted)	4,475.32	-	-	-	-	-	4,475.32	4,475.32
Other financial assets								
-Claim receivable against insurance and leave encashment	34.57	-	34.57	-	-	-	-	34.57
-Other receivable	23.59	-	23.59	-	-	-	-	23.59
-Advances to Employee	19.84	-	19.84	-	-	-	-	19.84
-Cash Call receivables from JV Partners	40.37	-	40.37	-	-	-	-	40.37
-Accrued interest on term deposit	39.66	-	39.66	-	-	-	-	39.66
	<u>7,016.63</u>		<u>2541.31</u>				<u>4,475.32</u>	<u>7,016.63</u>
<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	20.27	142.06	192.75
-Power Finance Corporation Limited	128.49	7.55%	9.72	9.72	9.72	19.44	189.29	237.89
-Indian Railway Finance Corporation Limited	147.01	7.61%	11.39	11.39	11.39	22.78	194.31	251.26
-Rural Electrification Corporation Limited	500.02	7.77%	39.06	39.06	39.06	78.12	813.02	1,008.32
-India Infrastructure Finance Corp Ltd.	300.03	7.41%	22.23	22.23	22.23	44.46	580.65	691.80
-Deposit under Site Restoration Scheme	3.21	7.00%	-	-	-	-	4.55	4.55
Investment in Mutual funds	210.00	6.42%	210.00	-	-	-	-	210.00
Leave encashment fund investment	166.25	4.35%	173.48	-	-	-	-	173.48
Loans to related parties	856.07	8.50%	395.58	149.00	127.57	43.00	582.36	1297.51
Loans to employees (including interest)	156.08	8.00%	33.24	28.09	26.53	31.22	37.00	156.08
	<u>2,590.77</u>		<u>904.84</u>	<u>269.63</u>	<u>246.64</u>	<u>259.29</u>	<u>2,543.24</u>	<u>4,223.64</u>

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 Group

Management believes that it has access to sufficient debt funding sources (capital market), and to undrawn committed borrowing facilities to meet foreseeable requirements. Refer note number 21. 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)	One notch above 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 March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>External Commercial Borrowings</b>			
- amount used	7688.03	3,097.44	2,225.19
- amount unused	-	13.38	448.65
<b>Bonds</b>			
- amount used	6,543.00	6,690.00	6,319.00
- amount unused	-	-	-

#### 40.9 Fair Value Measurement

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

#### 40.9.1 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, 2017	March 31, 2016	April 1, 2015		
<b>Financial Assets</b>					
<b>(a) Investments in Mutual Funds</b>					
-Units of UTI under Liquid Cash Plan	384.07	72.48	84.00	Level 2	Refer note 1 below
-Units of SBI under Liquid Cash Plan	384.08	72.42	84.00	Level 2	Refer note 1 below
-Units of Canara Robeco Mutual Fund under Liquid Cash Plan	96.00	18.07	21.00	Level 2	Refer note 1 below
-Units of Industrial DBI under Liquid Cash Plan	96.00	18.02	21.00	Level 2	Refer note 1 below
-Leave Encashment Fund Investment	189.11	172.98	166.25	Level 2	Refer note 2 below
<b>(b) Investment in equity instruments</b>					
-Indian Oil Corporation Limited	9,397.39	4,478.21	4,475.32	Level 1	Refer note 3 below
<b>(c) Other Investements</b>					
-Contribution to Capital Fund of Petroleum India International	0.56	1.20	6.01	Level 2	Refer note 4 below
	<b>10,547.21</b>	<b>4,833.37</b>	<b>4,857.57</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 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, 2017		As at March 31, 2016		As at April 1, 2015		Fair value hierarchy
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value	
<b>Financial assets</b>							
<b>Trade receivables</b>	1,011.36	1,011.36	1,327.89	1,327.89	2,383.28	2,383.28	Level 2
<b>Investment in tax free bonds(quoted)</b>							
-National Highway Authority of India	123.62	138.95	123.62	137.22	123.62	134.50	Level 1
-Power Finance Corporation Limited	35.67	39.66	35.67	38.70	28.48	30.81	Level 1
-Indian Railway Finance Corporation Limited	147.40	160.39	147.40	156.56	87.00	92.92	Level 1
-Rural Electrification Corporation Limited	334.35	391.06	334.35	366.12	300.00	327.11	Level 1
-National Thermal Power Corporation Limited	19.99	22.98	19.99	21.18	-	-	Level 1
<b>Investment in tax free bonds(unquoted)</b>							
-Power Finance Corporation Limited	100.00	91.87	100.01	90.82	100.01	90.39	Level 2
-Indian Railway Finance Corporation Limited	60.00	55.22	60.01	54.70	60.01	54.46	Level 2
-Rural Electrification Corporation Limited	200.00	192.84	200.02	191.06	200.02	190.86	Level 2
-India Infrastructure Finance Corp Ltd.	300.00	268.19	300.03	263.70	300.03	264.48	Level 2
<b>Other financial assets</b>							
-Deposit under Site Restoration Scheme	3.39	3.39	2.91	2.91	3.21	3.21	Level 2
-Claim receivable against insurance and leave encashment	5.22	5.22	22.44	22.44	34.57	34.57	Level 2
-Other receivable	103.21	103.21	33.61	33.61	23.60	23.60	Level 2
-Advances to Employee	17.24	17.24	20.28	20.28	19.84	19.84	Level 2
-Cash Call receivables from JV Partners	36.27	36.27	23.31	23.31	40.37	40.37	Level 2
-Interest Receivable	40.29	40.29	39.27	39.27	35.69	35.69	Level 2
<b>Loans</b>							
Loans to employees	163.58	157.63	160.67	156.04	156.08	148.50	Level 2
Loans to related parties	367.63	367.63	419.88	419.88	856.06	856.06	Level 2
<b>Financial Liabilities</b>							
<b>Trade payables</b>	593.41	593.41	538.15	538.15	561.02	561.02	Level 2
<b>Borrowings</b>							
-External Commercial Borrowings from banks	7,669.39	7,669.39	3,066.78	3,066.78	2,451.95	2,451.95	Level 2
-Bonds	6,514.44	6,930.84	6,654.78	7,099.76	6,280.30	6,777.82	Level 1
<b>Other financial liabilities</b>							
-Financial Guarantee Contract	0.55	0.55	0.70	0.70	0.40	0.40	Level 2
-Unpaid dividend	5.14	5.14	4.46	4.46	7.46	7.46	Level 2
-Interest accrued but not due on borrowings	139.15	139.15	142.26	142.26	133.66	133.66	Level 2
-Liabilities for Capital Expenditure and others	1,094.05	1,094.05	673.48	673.48	784.55	784.55	Level 2
-Cash call payable to Joint Venture	181.72	181.72	166.69	166.69	194.54	194.54	Level 2
-Unpaid liability-Employees	171.68	171.68	129.01	129.01	723.07	723.07	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.

## CONSOLIDATED FINANCIAL STATEMENT

### Note-41: Additional Note

#### 41.1 Disclosure of Interest in Other Entities (Ind AS) 112

##### A. Interest disclosure of Associates and Joint Ventures

Particulars	Numaligarh Refinery Limited	Beas Rovuma Energy Mozambique Limited	Brahmaputra Cracker and Polymer Limited	DNP Limited	Suntera Nigeria 205 Ltd.
Principal activity	Refinery	Exploration and production of oil	Polymer Manufacturing	Pipeline transportation	Exploration and production of oil
Place of incorporation and operation	India	British Virgin Island	India	India	Nigeria
Face value/per share	INR 10	No par Value	INR 10	INR 10	NAIRA 1
Number of equity shares held as at:					
31.03.2017	191264202	5120	141767000	38460000	2500000
31.03.2016	191264202	5120	126900010	38460000	62502
01.04.2015	191264202	5120	126900010	38460000	62502
Proportion of ownership and voting power held by the group as at:					
31.03.2017	26%	40%	10.11%*	23%	25%
31.03.2016	26%	40%	10.81%*	23%	25%
01.04.2015	26%	40%	10.81%*	23%	25%
Quoted (Y/N)	N	N	N	N	N

\* Is based on share holding pattern (voting right is 10%)

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 December 31. For the purposes of applying the equity method of accounting, the financial statements of Suntera Nigeria 205 Ltd. for the year ended March 31, 2017, March 31, 2016 and April 1, 2015 respectively and appropriate adjustments have been made for the effects of significant transactions between December 31, (2017, 2016 & 2015) and March 31, (2017, 2016 & 2015) respectively.

##### B. Financial disclosure of Associates and Joint Venture

###### (1) Taas India Pte. Ltd. (Associate of Oil India International Pte. Ltd.)

(₹ in crore)

Particulars	31.03.2017	31.03.2016	01.04.2015
Non-current assets	8,101.26	-	-
Current assets	9.69	-	-
Non-current liabilities	-	-	-
Current liabilities	(0.50)	-	-
Share in (loss)/profit of joint venture	(63.39)	-	-
Profit or loss from continuing operations	(64.08)	-	-
Post-tax profit(loss) from discontinued operations	-	-	-
Profit(loss) for the year	(64.08)	-	-
Other Comprehensive Income	211.89	-	-
Total Comprehensive Income for the year	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:</b>			
Net assets of the associate	8,110.46	-	-
Proportion of OIL's ownership interest	33.50%	-	-
Proportion of OIL's share in Net assets	2,717.00	-	-
Goodwill	-	-	-
Other adjustments (Unrealised Profit)	-	-	-
Carrying amount of the OIL's interest	2,717.00	-	-



**(2) Vankor India Pte. Ltd. (Associate of Oil India International Pte. Ltd.)**

(₹ in crore)

Particulars	31.03.2017	31.03.2016	01.04.2015
Non-current assets	12,511.55	-	-
Current assets	2.96	-	-
Non-current liabilities	-	-	-
Current liabilities	(0.59)	-	-
Share in (loss)/profit of joint venture	370.87	-	-
Profit or loss from continuing operations	369.62	-	-
Post-tax profit(loss) from discontinued operations	-	-	-
Profit(loss) for the year	369.62	-	-
Other Comprehensive Income	493.09	-	-
Total Comprehensive Income for the year	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:</b>			
Net assets of the associate	12,513.93	-	-
Proposition of OIL's ownership interest	33.50%	-	-
Proposition of OIL's share in Net assets	4,192.17	-	-
Goodwill	-	-	-
Other adjustments (Unrealised Profit)	-	-	-
Carrying amount of the OIL's interest	4,192.17	-	-

**(3) Beas Rovuma Energy Mozambique Limited**

(₹ in crore)

Particulars	31.03.2017	31.03.2016	01.04.2015
Non-current assets	2,597.17	2,557.89	2,165.14
Current assets	819.71	834.02	737.99
Non-current liabilities	-	-	-
Current liabilities	(15.01)	(1,326.80)	(934.29)
Revenue	-	-	-
Profit or loss from continuing operations	(8.94)	19.08	-
Post-tax profit(loss) from discontinued operations	-	-	-
Profit(loss) for the year	(8.94)	19.08	-
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the year	(8.94)	19.08	-
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:</b>			
Net assets of the associate	3,401.87	2,065.10	1,968.84
Proposition of OIL's ownership interest	1,360.75	826.04	787.54
Goodwill	5,701.66	5,829.79	5,543.27
Other adjustments (Unrealised Profit)	-	-	-
Carrying amount of the OIL's interest	7,062.41	6,655.83	6,330.81

**(4) Suntera Nigeria 205 Limited**

(₹ in crore)

Particulars	31.03.2017	31.03.2016	01.04.2015
Non-current assets	450.68	437.97	408.92
Current assets	26.10	8.74	8.14
Non-current liabilities	(716.88)	(678.58)	(599.42)
Current liabilities	(276.70)	(263.83)	(23.54)
Revenue	-	-	-
Profit or loss from continuing operations	8.33	274.09	-
Post-tax profit(loss) from discontinued operations	-	-	-
Profit(loss) for the year	8.33	274.09	-
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the year	8.33	274.09	-
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:</b>			
Net assets of the associate	(516.79)	(495.71)	(205.90)
Proposition of OIL's ownership interest	(129.20)	(123.93)	(51.48)
Goodwill	-	-	-
Other adjustments (Unrealised Profit)	-	-	-
Carrying amount of the OIL's interest	(129.21)	(123.93)	(51.48)

**(5) Numaligarh Refinery Limited**

(₹ in crore)

Particulars	31.03.2017	31.03.2016	01.04.2015
Non-current assets	2,840.30	2,589.77	2,581.09
Current assets	4,323.20	3,874.34	4,357.90
Non-current liabilities	(690.43)	(1,090.56)	(939.05)
Current liabilities	(1,366.43)	(1,117.63)	(2,263.20)
Revenue	14,317.21	12,066.45	-
Profit or loss from continuing operations	2,049.83	1,182.27	-
Post-tax profit(loss) from discontinued operations	-	-	-
Profit(loss) for the year	2,049.83	1,182.27	-
Other Comprehensive Income	(3.85)	0.96	-
Total Comprehensive Income for the year	2,045.98	1,183.23	-
Dividends received from the associate during the year	258.21	143.45	-
<b>Reconciliation of the above summarized financial information to the carrying amount of the interest in Associate recognised in the consolidated financial statements:</b>			
Net assets of the associate	5,106.64	4,255.92	3,736.74
Proposition of OIL's ownership interest	1,327.73	1,106.54	971.55
Goodwill	-	-	-
Other adjustments (Unrealised Profit)	(16.35)	(5.28)	(19.19)
Carrying amount of the OIL's interest	1,311.38	1,101.25	952.36





**(6) Brahmaputra Cracker and Polymer Limited**

(₹ in crore)

Particulars	31.03.2017	31.03.2016	01.04.2015
Non-current assets	8,761.35	9,111.94	8,430.27
Current assets	734.58	513.96	302.78
Non-current liabilities	(7,093.42)	(7,263.18)	(6,759.28)
Current liabilities	(1,822.56)	(1,464.26)	(802.77)
Revenue	973.08	49.74	-
Profit or loss from continuing operations	(547.40)	(272.51)	-
Post-tax profit(loss) from discontinued operations	-	-	-
Profit(loss) for the year	(547.40)	(272.51)	-
Other Comprehensive Income	(0.19)	(0.04)	-
Total Comprehensive Income for the year	(547.59)	(272.55)	-
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:</b>			
Net assets of the associate	579.95	898.46	1,171.00
Proposition of OIL's ownership interest	58.61	97.14	126.61
Goodwill	-	-	-
Other adjustments (Unrealised Profit)	-	-	-
Carrying amount of the OIL's interest	58.61	97.14	126.61

**(7) DNP Limited**

(₹ in crore)

Particulars	31.03.2017	31.03.2016	01.04.2015
Non-current assets	257.19	266.15	281.11
Current assets	31.46	26.00	21.59
Non-current liabilities	(50.24)	(66.76)	(85.78)
Current liabilities	(36.01)	(33.05)	(31.99)
Revenue	68.49	63.49	-
Profit or loss from continuing operations	13.49	9.62	-
Post-tax profit(loss) from discontinued operations	-	-	-
Profit(loss) for the year	13.49	9.62	-
Other Comprehensive Income	-	-	-
Total Comprehensive Income for the year	13.49	9.62	-
Dividends received from the associate during the year	0.65	0.42	-
<b>Reconciliation of the above summarized financial information to the carrying amount of the interest in Associate recognised in the consolidated financial statements:</b>			
Net assets of the associate	202.41	192.34	184.93
Proposition of OIL's ownership interest	46.55	44.24	42.53
Goodwill	0.27	0.27	0.27
Other adjustments (Unrealised Profit)	-	-	-
Carrying amount of the OIL's interest	46.82	44.51	42.80

**C. Interest & financial disclosure of unincorporated Joint Venture Refer Note no. 40.5 of separate financial statement for details.**

#### 41.2 First Time Ind AS Adoption

(in ₹ crores, unless otherwise stated)

##### Transition to Ind AS

The effect of the Group's transition to Ind AS, described in note below, is summarized in this note as follows:

- (a) Transition election
- (b) Reconciliation of equity and profit as previously reported under Indian GAAP to Ind-AS
- (c) Adjustments to the statement of cash flows .

##### (a) Transition election

Upto the year ended March 31, 2016, the Group prepared its financial statements in accordance with the requirements of previous GAAP, which includes standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. These are the Group's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015.

Accordingly, the Group has adopted all of the new and revised standards and interpretations as issued by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 that are relevant to its operations and effective as on March 31, 2017 and applied the same in preparation of these financial statements, which have been prepared to assess the impact of the transition to Ind AS on the equity of the Group.

The guidance for first time adoption of Ind AS is set out in Ind AS 101 'First time adoption of Indian Accounting Standards'. Ind AS 101 requires an entity to comply with each Ind AS effective at the reporting date for its full set of Ind AS financial statements. As a general principle, Ind AS 101 requires the standards effective at the reporting date to be applied retrospectively. However, retrospective application is prohibited in some areas; particularly where retrospective application would require judgments by the management after the outcome of the particular transaction is already known and where mandatory exceptions are available to retrospective application of certain Ind ASs (Appendix B of Ind AS 101). In addition, a number of limited optional exemptions from full retrospective application of Ind ASs are granted where the cost of compliance is deemed to exceed the benefits to the users of the financial statements.

The Group has prepared the opening balance sheet as per Ind AS of April 1, 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Group as detailed below.

Exceptions applicable to the Group	Note No.
Accounting Estimates	1
De-recognition of financial assets and financial liabilities	2
Non-controlling interest	3
Classification and measurement of financial assets	4
Exemptions availed by the Group	Note No.
Business Combination	5
Deemed Cost of for property, plant and equipment, investment property, and intangible assets	6
Leases	7
Cumulative translation differences	8
Long-term foreign monetary item	9
Designation of Equity investments at FVTOCI	10
Fair value measurement of financial assets or financial liabilities at initial recognition	11
Decommissioning liabilities included in the cost of property, plant and equipment	12
Joint arrangement	13



1. Accounting estimates - Upon an assessment of the estimates made under Indian GAAP, the Group has concluded that there was no necessity to revise the estimates under Ind AS.
2. De-recognition of financial assets and liabilities - The Group has elected the option to apply the de-recognition requirements of Ind AS 109 prospectively for transactions occurring on or after transition date as per paragraph B2. The past de-recognitions of financial assets before the transition date have not be reassessed at transition date.
3. Non-controlling interest - The Group has opted for not restating past business combination as per the exemptions provided in Ind AS 101, the Group shall apply the exception for non-controlling interest. This means that the balance of non-controlling interests under previous GAAP has not been changed other than for adjustments made as part of the transition to Ind ASs.
4. Classification and measurement of financial assets - The Group has availed the exception for classifying the financial assets identified at transition date. Further, the Group has elected the option to apply life time expected credit loss model for all the financial assets at transition date and accordingly recognized loss allowance at transition date.
5. In accordance with Ind AS transitional provisions, the Group has elected to apply Ind AS relating to business combinations prospectively from April 1, 2015. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward without adjustment.
6. Deemed cost - The Group has elected option to carry items of property, plant and equipment at its carrying value at the date of transition (i.e. April 1, 2015), other than adjustment to asset retirement obligation, as its deemed cost in accordance with Ind AS.
7. Leases - The Group has elected option to make assessment of arrangement, 'whether an arrangement is or contains a lease' at transition date based on the facts and circumstances existing at that that.
8. Cumulative translation differences - The Group has elected the option to reset the cumulative translation differences as on transition date to nil.
9. Long-term foreign currency monetary item - The Group has elected the option to continue the accounting followed under previous GAAP for the exchange differences on its long term foreign currency monetary items.
10. Designation of previously recognized financial instrument- The Group has certain investments in equity instruments of Companies, where the Group has irrevocable elected at transition date to be measured such equity investments at FVOCI. "
11. Fair value measurement of financial assets or liabilities at initial recognition - The Group has opted to apply the requirements of paragraph B5.1.2A of Ind AS 109 prospectively for the transactions entered into on or after the transition date.
12. Decommissioning liabilities included in the cost of property, plant and equipment - The Group has elected to opt for the exemption given under para D21 of Ind AS 101. At transition date, the Group has included in the depreciated cost of the asset an estimate of anticipated decommissioning liability that the Group is obligated to pay, discounted to the date of transition (using its best estimate of the historical risk) and depreciating this adjustment from the date of acquisition of asset.
13. Joint arrangements - For some of the Group's investments in joint ventures were proportionate accounting under previous GAAP has changed to equity method accounting, the group has elected the option to continue with the net carrying value of such investments as on the transition date under previous GAAP.

**41.2.1 Reconciliation of equity and comprehensive income as previously reported under Indian GAAP to Ind AS** (₹ in crore)

Particulars	As at March 31, 2016	As at April 1, 2015
<b>Equity as reported under IGAAP</b>	<b>22,541.90</b>	<b>21,501.45</b>
a. Ind-AS Adjustments increase under:		
<b>Retained earnings</b>		
Proposed dividend and related distribution tax	578.81	723.52
Recognition of financial guarantee	0.67	0.43
Long term borrowings measured at fair value	46.38	57.95
Employee loans measured at fair value	33.02	26.37
Deferred tax adjustment of GAAP adjustments	(92.05)	(85.22)
Effect of foreign currency translation reserve	-	7.62
Reversal of provision against capital spares	19.32	23.30
Reduction in Borrowing due to FCMITDA revision	2.02	1.73
Prior period items adjustment	(63.21)	(63.21)
Consolidation of Joint ventures changed from proportionate to equity method	50.64	90.93
Ind AS reversal of dividend adjustment	66.31	66.31
Capital reserve created on transition	58.81	58.81
Prior period items FCMITDA		(2.31)
Prior period capitalisation	16.86	10.62
<b>Equity Instruments through Other comprehensive Income</b>		
Equity instruments measured at fair value	2,108.62	1,805.58
Deferred tax adjustment of GAAP adjustments	(77.64)	0.58
Deferred tax adjustment on unrealised profit on inventory	1.83	6.52
b. Ind-AS Adjustments (decrease) under :		
Effect of right to use	-	-
Effect of foreign currency translation reserve	-	(7.62)
Revised existing decommissioning liabilities	(96.30)	(102.77)
Depreciation on Capital spares identified as PPE	(18.16)	(13.76)
<b>Equity as reported under Ind AS</b>	<b>25,177.83</b>	<b>24,106.84</b>

**41.2.2: Reconciliation of Net Profit and Total Comprehensive Income for the year ended 31st March, 2016 reported under previous IGAAP and as per Ind AS is given below:"** (₹ in crore)

Particulars	As at March 31, 2016
<b>Profit as reported under IGAAP</b>	2,003.91
Recognition of financial guarantee contract liability	0.13
Depreciation on stores and spares capitalised	(4.40)
Recognition of borrowings using effective interest rate	(13.96)
Reversal of discount on issue of bonds	2.37
Reversal of decommissioning liability	6.47
Provision for inventory	(3.98)
Impact on FCMITDA due to effective interest rate	0.88
Deferred tax adjustments	(7.42)
Adjustment on account of Prior period items	(6.24)
Capitalisation of expenses of MB Lal	6.24
Adjustment on account of FCTR	(7.62)
Dividend Distribution tax	27.46
Deferred tax on unrealised profit	50.18
Change in accounting method from proportionate to equity method	25.54
<b>Profit as reported under Ind AS</b>	<b>2,079.56</b>
Increase (decrease) in Other Comprehensive Income for:	
Change in fair value of equity investments	303.04
Employee future benefits – actuarial gains and losses	3.57
Foreign currency	5.25
Foreign currency translation reserve	340.00
<b>Total Comprehensive Income as reported under Ind AS</b>	<b>2,731.42</b>



**Notes:**

- i. Under Ind AS, dividends payable and the associated corporate dividend tax are recorded as a liability in the year in which these are declared and approved. Under previous Indian GAAP, dividends payable are recorded as a provision in the year to which they relate.
- ii. Under Ind AS, on initial recognition financial guarantee has been measured at fair value. Under previous Indian GAAP, guarantees issued by the company were shown as contingent liabilities.
- iii. Under Ind AS, borrowings are carried at amortised cost measured using effective interest rate. This includes amortising of costs directly attributable to borrowings such as upfront fees.  
Under previous Indian GAAP, costs directly attributable to borrowings such as upfront fees are recognised as expenses when incurred like upfront fees etc.
- iv. Under Ind AS, loans given to employees at concessional rate are recognised at fair value when the loan was granted. The difference between the contractual value and the carrying value is recognised as deferred employee cost.  
Under previous Indian GAAP, the loans are recognised and carried at their contractual values.
- v. Under Ind AS, foreign currency translation reserve has been reset to zero.
- vi. Under Ind-AS the companies' mutual funds are classified and carried at fair value through profit and loss account.  
Under previous Indian GAAP such long term investments are carried at cost less any impairment that is other than temporary.
- vii. Consequential deferred tax on all the above adjustments.
- viii. Under Ind AS, The Group has accounted for decommissioning liabilities on the as follows:
  - measure the liability as at the date of transition to Ind AS as explained in note 41.2.(a). 12 above  
For subsequent decommissioning liabilities
  - estimated the amount that would have been included in the cost of the related asset when the liability first arose, by discounting the liability to that date  
-calculate the accumulated depreciation on that amount, on the basis of current estimate of the asset.Under previous Indian GAAP, the current estimated full eventual liability towards costs relating to dismantling, abandoning and restoring onshore wells sites and associated production facilities are recognized at the commencement of drilling a well or when facilities, are installed as the case may be are provided by capitalizing the cost with producing property, development cost-wells in progress / exploratory cost-wells in progress without discounting such liabilities. Liability for abandonment cost is updated annually based on the technical assessment available at current costs and such subsequent cost capitalized year on year basis.
- ix. As per Ind AS 12 deferred tax is created for the undistributed profits of the entities within the Group where no control exists on dividend distribution.  
Further, deferred tax has been created for the unsold stock sold within the group at profit margin as on the reporting date.
- x. Under Ind AS, dividends related to payable and the associated corporate dividend tax are recorded as a liability in the year in which these are declared and approved. Under previous Indian GAAP, dividends payable are recorded as a provision in the year to which they relate.
- xi. Dividend distribution tax has been considered under current tax for Numaligarh Refinery Limited since the same has been accounted from profit and loss account however in earlier year it was accounted on net basis. Further capital reserve has been created due to equity method as per Ind AS.
- xii. Under Ind AS : Method of accounting has been changed from Proportionate to equity due to which inter group eliminations has not been done and same has impacted the equity.
- xiii. Foreign currency translation difference has been taken at zero at the transition date and subsequently the reinstatement has been booked under other comprehensive income.

**CONSOLIDATED FINANCIAL STATEMENT****41.2.3 Effect of Ind AS adoption on the statement of cash flows for the year ended March 31, 2016**

(₹ in crore)

Particulars	Year ended 31.03.2016 (Latest period presented under previous GAAP)		
	Previous GAAP	Effect of transition to Ind AS	Ind AS
Net cash flows from operating activities	3,125.78	(348.49)	3,474.27
Net cash flows from investing activities	(1,999.18)	175.49	(2,174.67)
Net cash flows from financing activities	(972.66)	275.80	(1,248.46)
Net increase (decrease) in cash and cash equivalents	153.94	102.80	51.14
Cash and cash equivalents at the beginning of the period	8,818.95	8,687.51	131.44
Other Adjustment to Cash and Cash Equivalent	556.55	556.55	-
Cash and cash equivalents at the end of the period	9,529.44	9,346.86	182.58

**41.3 Information as per Indian Accounting Standard (Ind AS) 108 - Segment Reporting****41.3.A Consolidated Segment Revenue and Results for year ended 31<sup>st</sup> March, 2017 :**

(₹ in crore)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
<b>Revenue</b>		
<b>External sales</b>		
Crude Oil	7,327.40	6,901.85
Natural Gas	1,644.88	2,307.76
LPG	103.34	129.00
Pipeline Transportation	356.18	362.99
Renewable Energy	116.92	105.45
Others	17.64	14.08
<b>Total Revenue</b>	<b>9,566.36</b>	<b>9,821.13</b>
<b>Results</b>		
Crude Oil	887.04	1,941.46
Natural Gas	444.69	1,163.67
LPG	51.09	75.88
Pipeline Transportation	72.56	115.50
Renewable Energy	27.78	15.31
Others	11.95	9.51
<b>Segment Results</b>	<b>1,495.11</b>	<b>3,321.33</b>
Less: Unallocated expenses	706.73	1021.27
Add: Unallocated income	619.79	209.68
<b>Operating profit</b>	<b>1,408.17</b>	<b>2,509.74</b>
Add : Interest / Dividend income	1,324.52	1,203.00
Less: Interest expense	440.60	388.87
<b>Profit before tax</b>	<b>2,292.09</b>	<b>3,323.87</b>
Tax expenses	695.53	1,244.31
<b>Profit after tax</b>	<b>1,596.56</b>	<b>2,079.56</b>
<b>Capital Expenditure during the period</b>		
Crude Oil	1,771.28	884.16
Natural Gas	643.02	756.91
LPG	14.00	0.84
Pipeline Transportation	179.02	8.90
Renewable Energy	102.46	76.04
Others	-	-
Unallocated	21.86	138.42



<b>Total Capital Expenditure during the period</b>	<b>2,731.64</b>	<b>1,865.27</b>
<b>Depreciation, Depletion and Amortisation</b>		
Crude Oil	748.50	660.75
Natural Gas	280.26	276.28
LPG	14.37	10.97
Pipeline Transportation	34.58	19.09
Renewable Energy	78.21	80.01
Others	1.38	1.31
Unallocated	23.08	22.07
<b>Total Depreciation, Depletion and Amortisation</b>	<b>1,180.38</b>	<b>1,070.48</b>
<b>Non-cash expenses other than depreciation, depletion and amortisation</b>		
Crude Oil	670.15	569.07
Natural Gas	183.43	169.29
LPG	-	-
Pipeline Transportation	-	-
Renewable Energy	-	-
Others	-	-
Unallocated	2.91	-
<b>Total Non-cash expenses other than depreciation, depletion and amortisation</b>	<b>856.49</b>	<b>738.36</b>
<b>Reconciliation of Revenue</b>		
Total Segment Revenue	9,566.36	9,821.13
Add: Unallocated income	95.23	52.77
Add : Interest / Dividend income	1,324.52	1,203.00
<b>Total Revenue for the period</b>	<b>10,986.11</b>	<b>11,076.90</b>

#### 41.3.B Consolidated Segment Assets and Liabilities for year ended 31st March, 2017 :

(₹ in crore)

Particulars	As on 31.03.2017	As on 31.03.2016	As on 01.04.2015
<b>Segment Assets</b>			
Crude Oil	8,379.42	7,092.73	7,133.93
Natural Gas	4,198.46	4,161.11	4,174.11
LPG	76.25	57.86	96.73
Pipeline Transportation	1,399.66	991.43	660.97
Renewable Energy	669.28	669.66	653.12
Others	3.72	6.23	1.75
Unallocated assets	36,507.50	27,213.18	26,040.57
<b>Total Assets</b>	<b>51,234.29</b>	<b>40,192.20</b>	<b>38,761.18</b>
<b>Segment Liabilities</b>			
Crude Oil	2,525.12	1,848.63	1,846.13
Natural Gas	832.84	489.55	488.76
LPG	28.95	19.83	28.80
Pipeline Transportation	232.51	311.56	334.29
Renewable Energy	4.97	5.10	1.86
Others	-	-	-
Unallocated liabilities	18,090.54	12,339.70	11,954.39
<b>Liabilities</b>	<b>21,714.93</b>	<b>15,014.37</b>	<b>14,654.23</b>
Shareholders' funds	29,519.36	25,177.83	24,106.95
<b>Total Equity and Liabilities</b>	<b>51,234.29</b>	<b>40,192.20</b>	<b>38,761.18</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.

#### 41.4 Income Taxes relating to continuing operations

##### 41.4.1 Income tax recognised in profit or loss

(₹ in crore)

	Year ended March 31, 2017	Year ended March 31, 2016
<b>Current tax</b>		
In respect of the current year	411.78	647.37
In respect of the Previous year	118.47	102.03
	<b>530.25</b>	<b>749.40</b>
<b>Deferred tax</b>		
In respect of the current year	165.28	494.91
	-	-
	<b>165.28</b>	<b>494.91</b>
<b>Total income tax expense recognised in the current year</b>	<b>695.53</b>	<b>1,244.31</b>
<b>The income tax expense for the year can be reconciled to the accounting profit as follows:</b>		
<b>Profit before tax</b>	<b>2,292.09</b>	<b>3,323.87</b>
<b>Income tax expense calculated at 34.608% (2015-2016:(30*112%*103%=34.608%)</b>	<b>793.25</b>	<b>1,150.32</b>
Effect of income that is exempt from taxation	(327.19)	(149.13)
Effect of expenses that are not deductible in determining taxable profit	181.74	159.37
ICDS transition Adjustment	(26.58)	-
Income tax pertaining to prior years	118.47	102.03
Weighted Deductions, Superannuation & Investment allowances etc.	(59.92)	(173.87)
Additional tax effect due to differential tax rates and tax losses	(31.68)	9.78
Deferred Tax Assets not recognised on share of losses of subsidiaries	40.12	66.78
Deferred tax on permanent difference of subsidiary	(0.13)	(0.14)
Tax effect of equity accounted entities	(86.79)	(10.95)
Reversal of Deferred tax on payment of dividend by Associates	94.24	52.09
Reversal of Deferred tax Assets by subsidiary	-	38.02
	<b>695.53</b>	<b>1,244.31</b>
<b>Income tax expense recognised in profit or loss</b>	<b>695.53</b>	<b>1,244.31</b>

Note : The tax rate used for the 2016-2017 and 2015-2016 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.

##### 41.4.2 Deferred tax liabilities (net)

The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

(₹ in crore)

	At as March 31, 2017	At as March 31, 2016	At as April 1, 2015
Deferred tax assets	672.39	269.74	273.12
Deferred tax liabilities	(3,972.28)	(2,628.33)	(2,138.43)
	<b>(3,299.89)</b>	<b>(2,358.59)</b>	<b>(1,865.31)</b>
<b>Components of Deferred Tax Asset and Liability:</b>			
<b>Deferred Tax Liability</b>			
Depreciation and Amortization expenses	(2,779.97)	(2,220.27)	(1,901.65)
Fair Value gain on Investment	(775.99)	-	-
Employee Deferred Benefit Expenses	(26.17)	(27.05)	(25.87)
Others	(163.99)	(200.92)	(61.18)
<b>Related to Subsidiaries and associates</b>	-	-	-
Deferred tax on undistributed profits	(226.17)	(180.09)	(149.74)
	<b>(3,972.28)</b>	<b>(2,628.33)</b>	<b>(2,138.43)</b>





<b>Deferred Tax Asset:</b>			
Expenditure covered by section 43B of I.T. Act, 1961	80.14	69.90	63.94
Provision for doubtful advances/debts/stores	164.25	170.31	173.29
Government Grant	40.79	-	-
MAT Credit	336.87	-	-
Others	44.70	27.71	29.37
Deferred tax on stock reserve (asset)	5.65	1.83	6.52
	<b>672.39</b>	<b>269.74</b>	<b>273.12</b>
<b>Net Deferred Tax Liability</b>	<b>(3,299.89)</b>	<b>(2,358.59)</b>	<b>(1,865.31)</b>

#### 41.4.3 Deferred Tax Assets / (Liability) Movement :

(₹ in crore)

Particulars	For the year ended March 31, 2017				For the year ended March 31, 2016			
	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	170.31	(6.06)	-	164.25	173.29	(2.98)	-	170.31
Expenditure covered under section 43B	69.90	10.24	-	80.14	63.94	5.95	-	69.90
MAT Credit	-	336.87	-	336.87	-	-	-	-
Other Items	(200.56)	95.76	(0.03)	(104.82)	(60.96)	(139.60)	-	(200.56)
Depreciation on property, plant and equipment	(2,220.28)	(559.69)	-	(2,779.97)	(1,935.21)	(285.07)	-	(2,220.28)
Fair Value gain on Equity Investment	-	-	(775.99)	(775.99)	-	-	-	-
Subsidiaries, Joint Ventures & Associates	(177.97)	(42.40)	-	(220.37)	(106.38)	(73.21)	-	(177.96)
	<b>(2,358.59)</b>	<b>(165.28)</b>	<b>(776.01)</b>	<b>(3,299.89)</b>	<b>(1,865.31)</b>	<b>(494.91)</b>	-	<b>(2,358.58)</b>

## 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 ₹ crore)

Sl. No.	Particulars	Oil India Sweden AB		Oil India Cyprus Ltd.		Oil India (USA) Inc.		Oil India International Ltd.		Oil India International Pte. Ltd.		Oil India International B.V.	
		Euro	₹ Crore	USD	₹ Crore	USD	₹ Crore	USD	₹ Crore	USD	₹ Crore	USD	₹ Crore
1	Date when Subsidiaries was acquired	26.02.2010		21.10.2011		26.09.2012		20.09.2013		06.05.2016		02.05.2014	
2	Reporting Year / Period ending on	31.03.2017		31.03.2017		31.03.2017		31.03.2017		31.03.2017		31.03.2017	
3	Reporting Currency	Euro		USD		USD		₹ Crore		USD		USD	
4	Exchange Rate (as on 31.03.2017)	Euro 1 = INR 70.17		USD 1 = INR 65.43		USD 1 = INR 65.43		NA		USD 1 = INR 65.43		USD 1 = INR 65.43	
	Average for the year	Euro 1 = INR 74.63		USD 1 = INR 67.72		USD 1 = INR 67.72		NA		USD 1 = INR 67.72		USD 1 = INR 67.72	
5	Share Capital	469,60,898	329.52	48,210	0.32	1,111,00,000	726.93	100.00		1,79,375,975	1,173.66	7,834	0.05
6	Reserves & Surplus	(326,197)	(2.29)	(74,350)	(0.49)	(468,58,922)	(306.60)	15.89		76,370,124	499.69	(63,42,264)	(41.50)
7	Total Assets	46,653,417	327.37	-	-	669,71,648	438.20	0.96		1,056,087,921	6,909.98	556,29,996	363.99
8	Total Liabilities	18,716	0.13	26,140	0.17	27,30,570	17.87	0.07		800,341,822	5,236.64	619,64,426	405.43
9	Investments	46,624,204	327.16	-	-	-	-	115.00		1,055,963,356	6,909.17	1	0.00
10	Turnover	-	-	-	-	82,62,994	55.96	-		-	-	-	-
11	Profit Before Taxation	(33,242)	(0.25)	(22,970)	(0.16)	(11,704,361)	(79.26)	8.89		97,07,610	65.74	24,52,672	16.61
12	Provision for Taxation	-	-	-	-	-	-	2.94		-	-	-	-
13	Profit After Taxation	(33,242)	(0.25)	(22,970)	(0.16)	(11,704,361)	(79.26)	5.94		97,07,610	65.74	24,52,672	16.61
14	Proposed Dividend	-	-	-	-	-	-	-		-	-	-	-
15	% of Shareholding	100%	100%	76%*	76%*	100%	100%	100%		100%	100%	100%	100%

#### Notes:

- Names of subsidiaries which are yet to commence operations
  - Oil India Cyprus Ltd.
  - Oil India International Ltd. - steps have been initiated for voluntary winding up.
- Names of subsidiaries which have been liquidated or sold during the year
  - NIL
  - \*: Remaining 24% shareholding by Oil India Sweden AB



## Part "B": Associates and Joint Ventures

### Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	Numaligarh Refinery Ltd.	DNP Ltd.	Brahmaputra Cracker and Polymer Limited	Beas Rovuma Energy Mozambique Ltd.	Suntera Nigeria 205 Ltd
<b>1. Latest audited Balance Sheet Date</b>	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.12.2016
<b>2. Date on which the Associates or Joint Venture was associated or acquired</b>	13.12.2006	14.01.2008	05.09.2006	07.01.2014	31.08.2007
<b>3. Shares of Associates/Joint Ventures held by the company on the year end</b>					
No.	191264202	38460000	141767000	5120	62502
Amount of Investment in Associates/ Joint Venture (₹ in Crore)	483.65	38.46	141.77	338.45	0.01
Extent of Holding %	26%	23%	10.11%	40%	25%
<b>4. Description of how there is significant influence</b>	Having more than 20% stake	Having more than 20% stake and share holders agreement*	Having 10.11% stake and representation on the board along with material transactions.	As per mutually agreed joint agreement operating procedure*	As per shareholders agreement*
<b>5. Reason why the Associate/Joint Venture is not consolidated</b>	N/A	N/A	N/A	N/A	N/A
<b>6. Net worth attributable to Shareholding as per latest audited Balance Sheet (₹ in Crore)</b>	1,327.72	42.05	58.63	1,360.75	121.20
<b>7. Profit / Loss for the year</b>					
i. Considered in Consolidation (₹ in Crore)	172.17	2.24	(53.38)	(3.58)	(8.33)
ii. Not Considered in Consolidation (₹ in Crore)	N/A	N/A	N/A	N/A	N/A

\*Represent Joint Venture.

#### Notes:

- Names of the associates or joint ventures which are yet to commence operations  
Nil
- Names of the associates or joint ventures which have been liquidated or sold during the year  
Nil

**41.5 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 31.03.2017:

Area of Operation	Crude Oil				Natural Gas			
	Position as at 1st Apr 2016	Addition/ Revision	Production Quantity	Position as at 31st Mar 2017	Position as at 1st Apr 2016	Addition/ Revision	Adjusted Sales Quantity	Position as at 31st Mar 2017
	(Million KL)	(Million KL)	(Million KL)	(Million KL)	(Million Cub Meter)	(Million Cub Meter)	(Million Cub Meter)	(Million 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)	-	22.2474	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>

**Note:**

1. Above figures are shown to the extent of participating interest of the Company.
2. The overseas figures are reported for the first time after entering in Global E&P business by OIL. Therefore, comparison with previous year cannot be made.
3. Overseas figures estimated for the assets-Russia: Taas Yuryak, Vankomeft, License-61: USA: Niobrara and Venezuela: Carabobo only.

(ii) Net quantities of interest in Proved Reserves of Crude Oil (including condensate & Heavy Oil) and Natural Gas as on 31.03.2016:

Area of Operation	Crude Oil				Natural Gas			
	Position as at 1st Apr 2015	Addition/ Revision	Production Quantity	Position as at 31st Mar 2016	Position as at 1st Apr 2015	Addition/ Revision	Adjusted Sales Quantity	Position as at 31st Mar 2016
	(Million KL)	(Million KL)	(Million KL)	(Million KL)	(Million Cub Meter)	(Million Cub Meter)	(Million Cub Meter)	(Million Cub Meter)
Assam	35.1532	0.2709	3.6130	31.8111	22,787	264	2,491	20,560
Arunachal Pradesh	0.1176	0.0182	0.0066	0.1292	-	-	-	-
Rajasthan	0.0028	-	0.0003	0.0025	1,000	1,009	206	1,803
Kharsang Joint Venture *	0.9690	(0.7249)	0.0057	0.2384	-	-	-	-
Overseas Joint Ventures (Non-operated)	-	-	-	-	-	-	-	-
<b>Total</b>	<b>36.2426</b>	<b>(0.4358)</b>	<b>3.6256</b>	<b>32.1812</b>	<b>23,787</b>	<b>1,273</b>	<b>2,697</b>	<b>22,363</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 31.03.2017:**

Area of Operation	Crude Oil				Natural Gas			
	Position as at 1st Apr 2016	Addition/ Revision	Production Quantity	Position as at 31st Mar 2017	Position as at 1st Apr 2016	Addition/ Revision	Adjusted Sales Quantity	Position as at 31st Mar 2017
	(Million KL)	(Million KL)	(Million KL)	(Million KL)	(Million Cub Meter)	(Million Cub Meter)	(Million Cub Meter)	(Million 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>

**Note:**

1. Above figures are shown to the extent of participating interest of the Company.
2. The overseas figures are reported for the first time after entering in Global E&P business by OIL. Therefore, comparison with previous year cannot be made.
3. Overseas figures estimated for the assets-Russia:Taas Yuryak, Vankomeft, License-61: USA: Niobrara and Vanezuela: Carabobo only.

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 31.03.2016:**

Area of Operation	Crude Oil				Natural Gas			
	Position as at 1st Apr 2015	Addition/ Revision	Production Quantity	Position as at 31st Mar 2016	Position as at 1st Apr 2015	Addition/ Revision	Adjusted Sales Quantity	Position as at 31st Mar 2016
	(Million KL)	(Million KL)	(Million KL)	(Million KL)	(Million Cub Meter)	(Million Cub Meter)	(Million Cub Meter)	(Million Cub Meter)
Assam	32.1886	0.6218	3.6130	29.1974	22,787	264	2,491	20,560
Arunachal Pradesh	0.1176	0.0182	0.0066	0.1292	-	-	-	-
Rajasthan	0.0028	-	0.0003	0.0025	1,000	1,009	206	1,803
Kharsang Joint Venture *	0.1201	-	0.0247	0.0974	-	-	-	-
Overseas Joint Ventures (Non-operated)	-	-	-	-	-	-	-	-
<b>Total</b>	<b>32.4291</b>	<b>0.6400</b>	<b>3.6426</b>	<b>29.4265</b>	<b>23,787</b>	<b>1,273</b>	<b>2,697</b>	<b>22,363</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, number 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.

**41.6 Other disclosure under Schedule III to the Companies Act, 2013**

**41.6.1 Contingent Liabilities:**

**(a) Claims against the Company not acknowledged as debts:** (₹ crore)

Sl. No.	Particulars	31.03.2017	31.03.2016	01.04.2015
i.	Claims by contractor pending in arbitration/court - Numaligarh Refinery Limited	18.59	29.14	27.64
ii.	On taxation matters - Numaligarh Refinery Limited	78.78	72.10	108.28
iii.	On service Tax matters - DNP Limited	0.05	0.05	0.05
iv.	Rental & Suprn Charges of ROW to OIL - DNP Limited	0.23	0.19	0.15
v.	Money Appeal Pending before Court - DNP Limited	-	-	0.01
vi.	Against economic interest assignment and operating agreements- Suntera Nigeria 205 Ltd.	77.70	79.44	75.04
vii.	Signature Bonus - Oil India Sweden AB	373.47	381.09	362.09
viii.	Signature Bonus - Oil India International B.V.	32.72	33.45	31.60
<b>Total</b>		<b>581.54</b>	<b>595.46</b>	<b>604.86</b>

**(b) In respect of Guarantees :**

Sl. No.	Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 1 <sup>st</sup> April, 2015
I	Guarantee to OADB against Loan to M/s BCPL from OADB - Numaligarh Refinery Limited	18.90	20.99	13.56
<b>Total</b>		<b>18.90</b>	<b>20.99</b>	<b>13.56</b>

**(c) Other matters for which the Company is contingently liable:**

**Capital Commitments:**

(i) Capital Commitment of Numaligarh Refinery Limited is ₹54.54 crore (corresponding period ₹87.17 crore).

(ii) Capital Commitment of DNP Limited is ₹0.10 crore (corresponding period ₹0.35 crore).

**41.7 Other Disclosure**

Refer relevant para of note no 40 of separate financial statement for other details.

**For N.C. BANERJEE & CO**  
Chartered Accountants  
Firm Reg No.-302081E

**For B.N. MISRA & CO**  
Chartered Accountants  
Firm Reg No.-321095E

**For and on behalf of the Board of Directors**

Sd/-  
**(CA M.C. KODALI)**  
Partner  
Membership No.: 056514

Sd/-  
**(CA B.N. MISRA)**  
Partner  
Membership No.: 083927

Sd/-  
**(S.K. Senapati)**  
Company Secretary

Sd/-  
**(Mrs. Rupshikha S. Borah)**  
Director (Finance)  
DIN 6700534

Sd/-  
**(Utpal Bora)**  
Chairman & Managing Director  
DIN 07567357

**Place:** Noida  
**Date:** 29th May, 2017



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 - 786 602  
Ph : 0374-2804510 Fax : 0374-2800433  
Corp. Office: Plot No.19, Sector-16A, Noida, Distt. G.B.Nagar (U.P) 201301  
Ph : 0120-2419000

**58<sup>TH</sup> ANNUAL GENERAL MEETING : 23.09.2017**

**ATTENDANCE SLIP**

(THIS ATTENDANCE SLIP DULY FILLED IN TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING VENUE)

Name of the Member (in Block Letters) : \_\_\_\_\_

Member's Folio Number : \_\_\_\_\_

Client ID\* : \_\_\_\_\_ DP ID\* : \_\_\_\_\_

Name of proxy(s) (in Block Letters) : \_\_\_\_\_

(to be filled in, if a Proxy attends  
instead of the member)

No. of Shares held : \_\_\_\_\_ Email : \_\_\_\_\_

I hereby record my presence at the 58th Annual General Meeting of the Company held at Bihutoli, Duliajan, Distt. Dibrugarh, Assam on Saturday, the 23rd day of September, 2017 at 11.00 AM.

Member's / Proxy's

Signature

\*Applicable for investors holding share(s) in electronic form.







CIN : L11101AS1959GOI001148 Email: investors@oilindia.in  
Website: www.oil-india.com  
Regd. Office: P.O. Duliajan, Distt. Dibrugarh, Assam - 786 602  
Ph : 0374-2804510 Fax : 0374-2800433  
Corp. Office: Plot No.19, Sector-16A, Noida, Distt. G.B.Nagar (U.P) 201301  
Ph : 0120-2419000

### PROXY FORM

(Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s)	
Registered Address	
Email id	
Folio No. / Client id	
DP id	

I/We, being the holder(s) of ..... shares of the above named Company, hereby appoint

- 1) ..... of ..... having email id ..... or failing him
- 2) ..... of ..... having email id ..... or failing him
- 3) ..... of ..... having email id .....

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 58<sup>th</sup> Annual General Meeting of the Company, to be held on Saturday, 23<sup>rd</sup> September 2017 at 11:00 a.m. at Bihutoli, Duliajan, Assam-786602 and at any adjournment thereof in respect of such resolutions as are indicated below:

S No.	RESOLUTIONS
<b>ORDINARY BUSINESS</b>	
1.	To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2017 together with Board's Report, 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 on equity shares for the financial year 2016-17.
3.	To appoint a Director in place of Shri Biswajit Roy, Director (HR&BD) (DIN: 07109038), who retires by rotation and offers himself for re-appointment.
4.	To authorize Board of Directors to decide remuneration / fees of the Joint Statutory Auditors for the FY 2017-18.
<b>SPECIAL BUSINESS</b>	
5.	To appoint Dr. P.Chandrasekaran (DIN: 07778883) as Director (E&D) of the Company.
6.	To ratify the remuneration of the Cost Auditors for the financial year ending March 31, 2018.
7.	To approve issuance of Debentures on private placement basis.

Signed this ..... day of ..... 2017.

.....  
Signature of Member



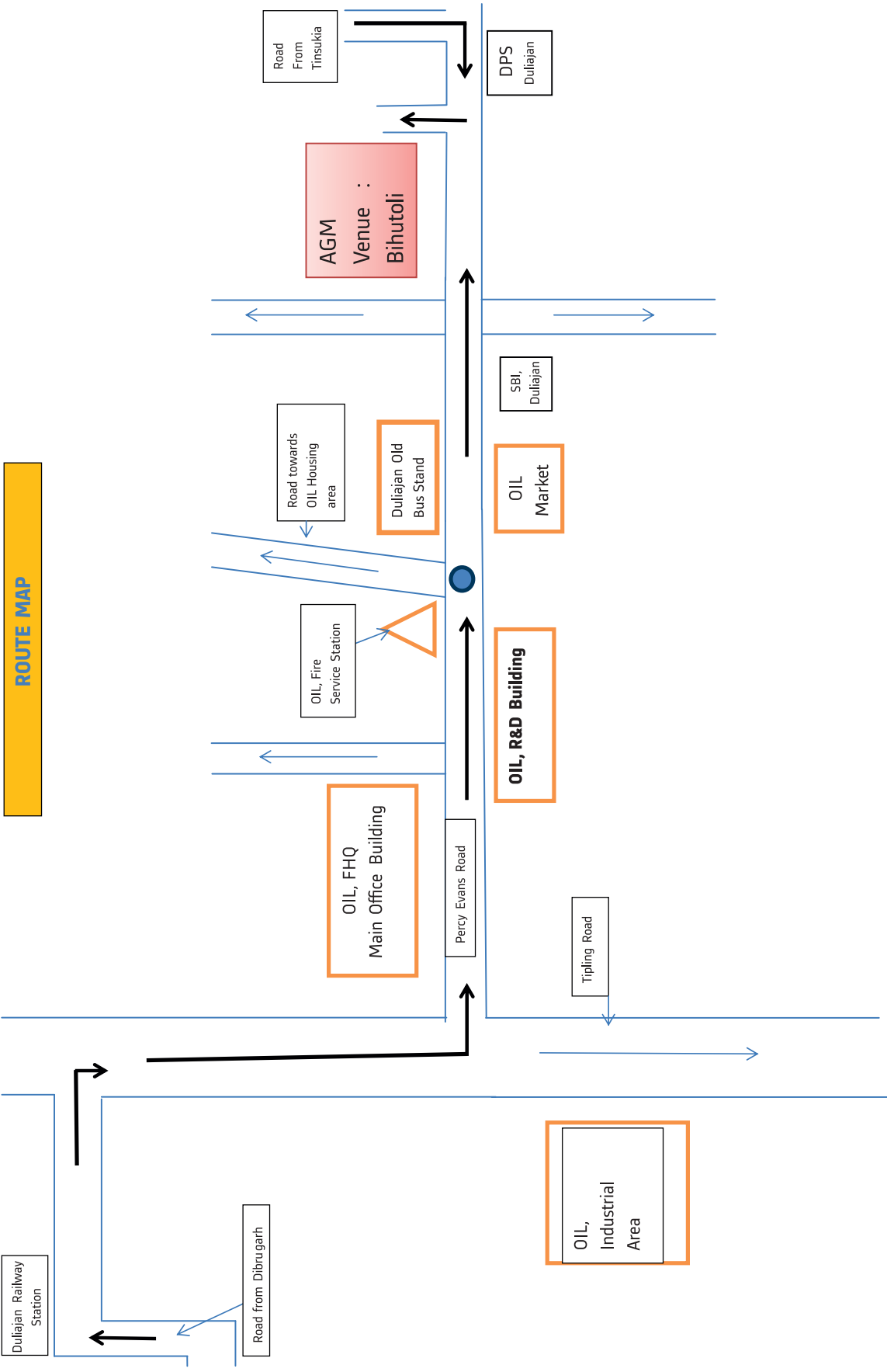
.....  
Signature of first proxy holder

.....  
Signature of second proxy holder

.....  
Signature of third proxy holder

**NOTE:** This Proxy Form duly filled in must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Annual General Meeting.







Registered Office : Duliajan, Dist. Dibrugarh – 786602, Assam, India  
Phone: +91-374- 2804510

Corporate Office: Plot No. 19, Sector 16A, Noida-201301, UP, India  
Phone: +91-120-2419000