



ऑयल इंडिया लिमिटेड

(भारत सरकार का उद्यम)

Oil India Limited

(A Government of India Enterprise)

Conquering Newer Horizons

annual report 2012-13



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



ऑयल इंडिया लिमिटेड

(भारत सरकार का उद्यम)

Oil India Limited

(A Government of India Enterprise)



BOARD OF DIRECTORS

Functional Directors

Shri. S.K.Srivastava, Chairman & Managing Director
 Shri. T. K. Ananth Kumar, Director (Finance)
 Shri. B. N. Talukdar, Director (E&D)
 Shri. N. K. Bharali, Director (HR&BD)
 Shri. S. Rath, Director (Operations)

Government Nominee Directors

Smt. Rashmi Aggarwal
 Shri. Nalin K Srivastava

Independent Directors

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

Company Secretary

Shri. S.R.Krishnan

Registered Office

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

Corporate Office

Plot No. 19, Sector – 16A,
 Noida, Distt. G.B.Nagar,
 U.P – 201301
 Ph : 0120-2488333-47
 Fax : 0120-2488310
 Visit us at : www.oil-india.com

Registrar and Share Transfer Agent M/s Karvy Computershare Pvt. Ltd.

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

Bankers

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

Statutory Auditors

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

M/s. SRB & Associates
 Chartered Accountants
 5th Floor, IDCO Towers,
 Janpath
 Bhubaneswar – 751 022

Cost Auditor

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



Contents

1. Notice of 54 th Annual General Meeting	3
2. Directors' Report	9
3. Management Discussion and Analysis	24
4. Business Responsibility Report	33
5. Report on Corporate Governance	46
6. Auditors' Report	61
7. Comments of the Comptroller and Auditor General of India	65
8. Balance Sheet	66
9. Profit & Loss Account	67
10. Schedules forming part of the Balance Sheet	68
11. Cash Flow Statement	99
12. Report of the Auditors on the Consolidated Financial Statements	101
13. Consolidated Financial Statements	102
14. Summary of Financial Information of Subsidiary Companies for the Financial Year 2012-13	138
15. Attendance Slip	139
16. Proxy Form	141



OIL INDIA LIMITED

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

NOTICE

NOTICE is hereby given that the 54th Annual General Meeting of the Shareholders of Oil India Limited will be held on Saturday, the 21st day of September, 2013 at 11.00 AM at Bihutoli, Duliajan, Distt. Dibrugarh, Assam-786 602, to transact the following business:-

(A) ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2013 and the Statement of Profit & Loss for the year ended on that date together with Reports of the Auditors, Directors and Comments of the Comptroller & Auditor General of India thereon.
2. To confirm the payment of Interim Dividend and Second Interim and to declare the Final Dividend for the financial year 2012-13 on the equity shares of the Company.
3. To appoint a Director in place of Shri T.K. Ananth Kumar, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Smt. Rashmi Aggarwal, who retires by rotation and being eligible, offers herself for reappointment.
5. To authorise Board of Directors to decide remuneration / fees of the Statutory Auditors of the Company appointed by the Comptroller & Auditor General of India for the financial year 2013-14.

(B) SPECIAL BUSINESS

6. APPOINTMENT OF SHRI ANUP MUKERJI AS NON-OFFICIAL PART-TIME DIRECTOR OF THE COMPANY

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

“RESOLVED THAT Shri Anup Mukerji who was appointed as Non-Official Part-time Director vide letter no. C-34011/11/19/2005-CA dated 03.09.2012 issued by Ministry of Petroleum and Natural Gas,

Government of India and who holds office up to this Annual General Meeting as an Additional Director (w.e.f 16.09.2012) and in respect of whom the Company has received a notice in writing from a member pursuant to provisions of Section 257 of the Companies Act, 1956, be and is hereby appointed as Director of the Company liable to retire by rotation.”

7. APPOINTMENT OF SHRI SURESH CHAND GUPTA AS NON-OFFICIAL PART-TIME DIRECTOR OF THE COMPANY

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

“RESOLVED THAT Shri. Suresh Chand Gupta who was appointed as Non-Official Part-time Director vide letter no. C-34011/11/19/2005-CA dated 03.09.2012 issued by Ministry of Petroleum and Natural Gas, Government of India and who holds office up to this Annual General Meeting as an Additional Director (w.e.f 16.09.2012) and in respect of whom the Company has received a notice in writing from a member pursuant to provisions of Section 257 of the Companies Act, 1956, be and is hereby appointed as Director of the Company liable to retire by rotation.”

8. APPOINTMENT OF SHRI BHASKAR RAMAMURTHI AS NON-OFFICIAL PART-TIME DIRECTOR OF THE COMPANY

To consider and if thought fit, to pass with or without modifications the following resolution as an Ordinary Resolution:

“RESOLVED THAT Shri Bhaskar Ramamurthi who was appointed as Non-Official Part-time Director vide letter no. C-34011/11/19/2005-CA dated 03.09.2012 issued by Ministry of Petroleum and Natural Gas, Government of India and who holds office up to this Annual General Meeting as an Additional Director (w.e.f 16.09.2012) and in respect of whom the Company has received a notice in writing from a member pursuant to provisions of Section 257 of the Companies Act, 1956, be and is hereby appointed as Director of the Company liable to retire by rotation.”



9. APPOINTMENT OF SHRI SHEKHAR CHAUDHURI AS NON-OFFICIAL PART-TIME DIRECTOR OF THE COMPANY

To consider and if thought fit, to pass with or without modifications the following resolution as an Ordinary Resolution:

“RESOLVED THAT Shri Shekhar Chaudhuri who was appointed as Non-Official Part-time Director vide letter no. C-34011/11/19/2005-CA dated 03.09.2012 issued by Ministry of Petroleum and Natural Gas, Government of India and who holds office up to this Annual General Meeting as an Additional Director (w.e.f 16.09.2012) and in respect of whom the Company has received a notice in writing from a member pursuant to provisions of Section 257 of the Companies Act, 1956, be and is hereby appointed as Director of the Company liable to retire by rotation.”

10. APPOINTMENT OF SHRI GAUTAM BARUA AS NON-OFFICIAL PART-TIME DIRECTOR OF THE COMPANY

To consider and if thought fit, to pass with or without modifications the following resolution as an Ordinary Resolution:

“RESOLVED THAT Shri Gautam Barua who was appointed Non-Official Part-time Director vide letter no. C-34011/11/19/2005-CA dated 03.09.2012 issued by Ministry of Petroleum and Natural Gas, Government of India and who holds office up to this Annual General Meeting as an Additional Director (w.e.f 16.09.2012) and in respect of whom the Company has received a notice in writing from a member pursuant to provisions of Section 257 of the Companies Act, 1956, be and is hereby appointed as Director of the Company liable to retire by rotation.”

11. APPOINTMENT OF SHRI NALIN KUMAR SRIVASTAVA AS GOVERNMENT NOMINEE DIRECTOR OF THE COMPANY

To consider and if thought fit, to pass with or without modifications the following resolution as an Ordinary Resolution:

“RESOLVED THAT Shri Nalin Kumar Srivastava who was appointed Government Nominee Director vide letter no. C-31033/1/2012-CA dated 13.08.2013 issued by Ministry of Petroleum and Natural Gas, Government of India and who holds office up to this Annual General Meeting as an Additional Director

(w.e.f 22.08.2013) and in respect of whom the Company has received a notice in writing from a member pursuant to provisions of Section 257 of the Companies Act, 1956, be and is hereby appointed as Director of the Company liable to retire by rotation.”

By Order of the Board
OIL INDIA LIMITED
Sd/-

(S. R. Krishnan)
Company Secretary

Place: NOIDA
Dated: 24.08.2013

NOTES

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ANOTHER PERSON AS HIS/HER PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF/HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED AND IF INTENDED TO BE USED, IT SHOULD BE DEPOSITED DULY STAMPED AND EXECUTED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR COMMENCEMENT OF THE MEETING.**
- No person shall be entitled to attend and vote at the meeting as a duly authorized representative of a company or any other body corporate which is a shareholder of the Company, unless a copy of the resolution appointing him/her as a duly authorized representative, certified to be true, shall have been deposited at the Registered Office/Corporate Office of the Company.
- The Register of Members and Share Transfer Books of the Company shall remain closed from 14.09.2013 to 21.09.2013 (both days inclusive). Final Dividend, if approved at the Annual General Meeting, will be paid to those Members whose names appear on the Register of Members as on 21.09.2013 after giving effect of transfer received till 13.09.2013 and to the Beneficial Owners as per lists furnished by NSDL & CDSL as on 13.09.2013 after closing hours.
- In terms of Articles of Association of the Company read with Section 256 of the Companies Act, 1956, Shri. T.K.Ananth Kumar and Mrs. Rashmi Aggarwal are Directors who retire by rotation and offer themselves for re-appointment. Brief Resume of Directors seeking appointment and re-appointment as mandated under Clause 49 of the Listing Agreement with Stock Exchanges is annexed hereto as part of the Notice. The relevant explanatory statement pursuant to Section 173(2) of the Companies Act,



1956 in respect of Special Business as set out above is annexed hereto.

5. Members may send their requests for Non-receipt of Shares, change / updation of Address, Bank A/c details, ECS mandate, Email address, Nominations:
 - (i) For shares held in dematerialised form - to their respective Depository Participant i.e. the agency where the demat account has been opened.
 - (ii) For shares held in physical form - to the RTA, M/s Karvy Computershare Private Limited, Hyderabad.
6. Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting along with their copy of the Annual Report. No extra attendance slip and/or Annual Report will be provided at the venue of the Annual General Meeting.
7. During the year, the balance lying in the Unpaid Final Dividend Account 2005-06 of the Company will be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Members who have not encashed their dividend warrants pertaining to the said year may approach the Company for obtaining payments thereof at the earliest. Reminder letters to the respective members, whose names are appearing in the unpaid list of the Company, have already been dispatched.
8. The ISIN for the equity shares of the Company is INE274J01014. Members, who desire to have their holding of shares dematerialized are requested to approach the Company's RTA through a Depository Participant.
9. In terms of Section 109A of the Companies Act, 1956, Members are entitled to make nomination in respect of shares held by them in physical form. Members desirous of making nominations are requested to send their requests in Form 2B (which will be made available on request) to M/s. Karvy Computershare Private Limited.

EXPLANATORY STATEMENT PURSUANT TO SEC.173 (2) OF THE COMPANIES ACT, 1956

ITEM NO. 6

Shri Anup Mukerji who was appointed as Non-Official Part-time Director on the Board of the Company by the President of India holds office upto the conclusion

of the ensuing Annual General Meeting being an additional Director. The Company has received a notice in writing from a Member of the Company pursuant to Section 257 of the Companies Act, 1956, signifying his intention to propose Shri. Anup Mukerji as a candidate for the office of Director.

The Board, therefore, recommends this ordinary resolution for the appointment of Shri. Anup Mukerji as a Director of the Company and liable to retire by rotation.

None of the Directors except Shri Anup Mukerji is interested or concerned in the respective resolution.

ITEM NO. 7

Shri. Suresh Chand Gupta who was appointed as Non-Official Part-time Director on the Board of the Company by the President of India holds office upto the conclusion of the ensuing Annual General Meeting being an additional Director. The Company has received a notice in writing from a Member of the Company pursuant to Section 257 of the Companies Act, 1956, signifying his intention to propose Shri. Suresh Chand Gupta as a candidate for the office of Director.

The Board, therefore, recommends this ordinary resolution for the appointment of Shri. Suresh Chand Gupta as a Director of the Company and liable to retire by rotation.

None of the Directors except Shri.Suresh Chand Gupta is interested or concerned in the respective resolution.

ITEM NO. 8

Shri Bhaskar Ramamurthi who was appointed as Non-Official Part-time Director on the Board of the Company by the President of India holds office upto the conclusion of the ensuing Annual General Meeting being an additional Director. The Company has received a notice in writing from a Member of the Company pursuant to Section 257 of the Companies Act, 1956, signifying his intention to propose as a candidate for the office of Director.

The Board, therefore, recommends this ordinary resolution for the appointment of Shri. Bhaskar Ramamurthi as a Director of the Company and liable to retire by rotation.



None of the Directors except Shri. Bhaskar Ramamurthi is interested or concerned in the respective resolution.

ITEM NO. 9

Shri Shekhar Chaudhuri who was appointed as Non-Official Part-time Director on the Board of the Company by the President of India holds office upto the conclusion of the ensuing Annual General Meeting being an additional Director. The Company has received a notice in writing from a Member of the Company pursuant to Section 257 of the Companies Act, 1956, signifying his intention to propose Shri. Shekhar Chaudhuri as a candidate for the office of Director.

The Board, therefore, recommends this ordinary resolution for the appointment of Shri. Shekhar Chaudhuri as a Director of the Company and liable to retire by rotation.

None of the Directors except Shri Shekhar Chaudhuri is interested or concerned in the respective resolution

ITEM NO. 10

Shri Gautam Barua who was appointed as Non-Official Part-time Director on the Board of the Company by the President of India holds office upto the conclusion of the ensuing Annual General Meeting being an additional Director. The Company has received a notice in writing from a Member of the Company pursuant to Section 257 of the Companies Act, 1956, signifying his intention to propose Shri Gautam Barua as a candidate for the office of Director.

The Board, therefore, recommends this ordinary resolution for the appointment of Shri. Gautam Barua as a Director of the Company and liable to retire by rotation.

None of the Directors except Shri Gautam Barua is interested or concerned in the respective resolution.

ITEM NO. 11

Shri Nalin Kumar Srivastava who was appointed as Government Nominee Director on the Board of the Company by the President of India holds office upto the conclusion of the ensuing Annual General Meeting being an additional Director. The Company has received a notice in writing from a Member of the Company pursuant to Section 257 of the Companies Act, 1956, signifying his intention to propose Shri Nalin Kumar Srivastava as a candidate for the office of Director.

The Board, therefore, recommends this ordinary resolution for the appointment of Shri. Nalin Kumar Srivastava as a Director of the Company and liable to retire by rotation.

None of the Directors except Shri Nalin Kumar Srivastava is interested or concerned in the respective resolution.

IMPORTANT COMMUNICATION TO MEMBERS

Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued Circulars stating that service of documents including Annual Report to the members can be made through electronic mode. In order to support the said initiative, Oil India has sent the copy of the Annual Report for the year 2012-13 along with the notice convening the Annual General Meeting through email to those members who have registered their email id with the DPs / R&T Agent and have opted not to receive the Annual Report in physical form.

MEMBERS WHO HAVE NOT YET REGISTERED THEIR EMAIL ID ARE REQUESTED TO DO SO AT THE EARLIEST WITH THEIR RESPECTIVE DP (FOR SHARES HELD IN DEMAT / ELECTRONIC FORM) OR WITH THE REGISTRAR & TRANSFER AGENT / COMPANY (FOR SHARES HELD IN PHYSICAL FORM).



Name of Director	Shri. T.K. Ananth Kumar	Smt. Rashmi Aggarwal	Shri. Anup Mukerji	Sh. Suresh Chand Gupta
Date of Birth	01.10.1953	10.12.1968	12.09.1951	08.02.1954
Date of Appointment	18.01.2007	08.08.2012	16.09.2012	16.09.2012
Qualification	B.Com , Osmania University FCA (Chartered Accountant)	MA (History)	M.Sc (Physics), Delhi University M.Sc (Finance), University of Strathclyde	B.Com, Punjab University LL.B. Delhi University FCA (Chartered Accountant)
No. of shares held	NIL	NIL	NIL	NIL
Experience in specific functional areas	<p>Currently Holding the Position of Director (Finance); Enriched and wide experience of about 33 years in Oil and Petroleum Industry and responsible for the entire financial management as well as the strategic management and investor relations of the Company.</p> <p>He played stupendous leadership role in OIL 'IPO' during 2009-2010 and had received appreciation from MOP&NG and DoD.</p> <p>He had also served NRL as Director (Finance) for over three year and prior to that, he worked with HPCL for 23 years.</p> <p>He is also a Director in Brahmputra Cracker & Polymer Limited (BCPL) apart from member in Remuneration & HR Committee. Mr. T.K. Ananth Kumar has been honored with "CFO 100 Roll of Honour 2012" under "Winning Edge" in "Risk Management" for second time in succession i.e. for 2011 & 2012. He was also honored with "Best CFO under PSU Category – 2011" by ICAI. Recently, he has been conferred with 'IPE BFSI – Achievers and Leaders Award (Finance) by IPE.</p>	<p>Director in Ministry of Petroleum and Natural Gas from April 15, 2009.</p> <p>Belongs to Indian Audit and Accounts Service 1994 batch and worked at middle Management level in the Government for the Past 19 years.</p> <p><u>Experience:</u></p> <ol style="list-style-type: none"> 1. Audit of Commercial Entities in the Government. 2. Tax Audit of the State. 3. Power Sector Audit. 4. Audit of International Organisations like UN Bodies (FAO & WHO) 5. Policy matters of Petroleum & Natural Gas Ministry, downstream and upstream as Director in the Ministry. 	<p>He joined the Indian Administrative Service on 14th July, 1974 and was allotted his home cadre, Bihar. During his more than 37 years of service, he worked in various capacities with Bihar Government and Government of India. He has held various positions in the Departments of Revenue and Land Reforms, Public Health Engineering, Relief and Rehabilitation, and Rural Development, and in public enterprises in Bihar, served as Private Secretary to Union Minister of State of Education and Culture, PS to Union Minister of State of Water Resources, PS to Union Minister of State for Industry, Joint Secretary, Department of Heavy Industry, Joint Secretary, Cabinet Secretariat, Additional Secretary, Defence Production, Government of India and Chief Secretary, Bihar.</p>	<p>Mr. S.C. Gupta is a practicing Chartered Accountant and a Senior Partner of M/s Suresh Chandra & Associates New Delhi, a Chartered Accountant's Firm set up by him in February 1975.</p> <p>He is a Gold Medalist from Punjab University and All India 13th Rank holder in CA in 1973.</p> <p>Mr. Gupta has garnered wide exposure in the financial and banking sector by virtue of his being on the Board of various Public Sector Bank's/Undertakings viz. Canara Bank, UCO Bank, Power Finance Corporation, PNB Asset Management Company Ltd., BOB Capital Market Ltd, UAE Exchange & Financial Services Ltd. He has been on various Committees i.e. Audit Committee, Risk Management Committee, Remuneration Committee, and Investors Grievance Committee. He had also been Statutory Central Auditor of number of large PSU's such as Indian Oil Corporation, Food Corporation of India, Delhi Metro Rail Corporation Ltd., National Hydro Power Ltd., IDBI Bank Ltd., Bank of Baroda, Canara Bank, Corporation Bank, and Oriental Bank of Commerce, Oriental Insurance Co. etc.</p>
Directorship Held in Other Company	Brahmaputra Cracker & Polymer Limited	NIL	ASER Centre, a Section 25 Company	<ol style="list-style-type: none"> 1. Union KBC Asset Management Co. Ltd. 2. Transstroy India Ltd.
Membership / Chairmanship of the Committee of the Board of other companies in which they are Directors	Member Remuneration and HR Committee BCPL.	NIL	NIL	Chairman Audit Committee of Union KBC Asset Management Co. Ltd.



Name of Director	Shri Bhaskar Ramamurthi	Shri Shekhar Chaudhuri	Shri Gautam Barua	Nalin Kumar Srivastava
Date of Birth	17.04.1959	04.08.1951	14.04.1954	19.09.1975
Date of Appointment	16.09.2012	16.09.2012	16.09.2012	22.08.2013
Qualification	B.Tech (Electronic), IIT Madras M.S. (Electrical Engineering) Ph.D (Electrical Engineering), University of California	B. Tech (Hons) - Mechanical Engineering, IIT, Kharagpur	B.Tech, Electrical Engineering, IIT Bombay M.Tech, Electrical Engineering, IIT Bombay PhD, Computer Engineering, University of California, Santa Barbara.	B.Tech (Mech), Post Graduate Diploma in Industrial Engineering (NITIE), MBA (Finance) CWA, ICWAI
No. of shares held	NIL	NIL	NIL	NIL
Experience in specific functional areas	A founding member of TeNeT (Telecommunication and Networking) Dr. Ramamurthi's research interests include Digital Modulation for Mobile communication, capacity improvement of cellular system, and problems arising in the design and implementation of a DECT-based wireless local loop system. He joined the AT&T Bell Laboratories, USA, where he worked on problems in indoor wireless communications. In 1986, he joined the faculty at the Department of Electrical Engineering, Indian Institute of Technology Madras (IIT-M), his alma mater. Presently, he is holding the position of Director, Indian Institute of Technology, Madras. He has got many notable awards and fellowships viz. Regents Fellowship from University of California, Vasvik Award, US \$ 250000 Intel Curriculum Development Award, IBM Faculty Award 2009. He is an established writer and has done extensive research in the area of his specialization. He joined OIL Board on 16th September, 2012.	Professor Chaudhuri has held faculty and administrative positions in several institutions of higher learning in his long career. Prof. Chaudhuri has published a number of research based papers in national and international journals and has presented several papers in several national and international conferences. In 1988 he was awarded a Senior Fulbright Fellowship at U.C., Berkeley.	He was at IIT Kanpur from 1982 till 1995 when he shifted to IIT Guwahati where he is a Professor in the Department of Computer Science and Engineering, and the Director of the Institute. His areas of interest are Operating Systems and Networks. He has been the member of the Board of IOCL, Dredging Corporation of India Ltd., BCPL, AICTE, NIT Silchar, NEHU, etc. He is an IT consultant for the Govt of Assam and many PSUs.	Deputy Secretary in Ministry of Petroleum and Natural Gas from November 8, 2009. Belongs to 2001 batch of Indian Civil Accounts Service and has worked in Government of India for past 12 years in various Ministries / Departments. <u>Experience:</u> 1. Budgeting & Accounting for Ministries (Ministry of Home Affairs, Department of Personnel and Training). 2. Internal Audit of Ministries / Departments. 3. Coordinating with Central Board of Direct Taxes to develop accounting procedures for internet payment of Direct Taxes, Refund Banker Schemes etc. 4. Bringing out MIS on direct tax collection. 5. Internal Audit of World Bank. 6. Performed financial advice function for National Intelligence Grid.
Directorship Held in Other Companies	NIL	<ul style="list-style-type: none"> Gujrat Industries Power Company Ltd. Gontermann Peipers (India Ltd.) West Bengal Electronics Industries Development Corporation Ltd. Garden Reach Ship Builders and Engineers Ltd. 	<ul style="list-style-type: none"> Assam Development Corporation Limited. Brahmaputra Cracker and Polymer Ltd (BCPL). Indian Oil Corporation of India Ltd. 	NIL
Membership / Chairmanship of the Committee of the Board of other companies in which they are Directors	NIL	NIL	Member Audit Committee, BCPL.	NIL



DIRECTORS' REPORT

Dear Members,

On behalf of the Board of Directors, I hereby present the 54th Annual Report on the business and operations of the Company containing its Audited Statements of Accounts together with the Auditors' Report and Comments of the Comptroller and Auditor General of India for the year ended March 31, 2013.

1. SIGNIFICANT HIGHLIGHTS

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

i) FINANCIAL HIGHLIGHTS

During the year, OIL has earned total revenue of Rs. 11456.32 crore against Rs. 11279.90 crore. The Crude Oil production* was 3.661 MMT in the year against 3.847 MMT in FY 12. Increase in total revenue was contributed by increased realization on account of Natural Gas, LPG and condensate, claims towards under recovery of Natural Gas and other Income which rose to Rs. 1509 Crore from Rs. 1416 Crore in previous year. The PBT earned was Rs. 5283.23 against PBT of Rs 5101.86 crore in the FY12. After deduction of the taxes, PAT was Rs.3589.34 Crore against PAT of Rs. 3446.92 crore in FY 12, registering an increase of Rs. 142.42 Crore over the previous year.

On Expenditure side the cess increased drastically from 17% to 28% in FY 2012-13 on account of increase in cess rate from Rs. 2500 per MT to Rs. 4500 per MT. It resulted in additional burden of Rs 747.00 Crore as statutory levies. Other components were comparable with previous year.

During the year, company has made capital investment of Rs.2890 Crore which is highest capital expenditure incurred by OIL till date and expects to increase in future with the increase in exploratory and operational activities. The summarized Profit and Loss Account is furnished below:

*Excluding JV Share.

(₹. in Crore)

Particulars	2013	2012
Income from Operations	9947.57	9863.23
Other income	1508.75	1416.67

EBDITA	6123.46	5996.47
Finance Cost, Depreciation, Depletion, amortization and impairment	840.23	894.61
Profit Before Tax	5283.23	5101.86
Profit After Tax	3589.34	3446.92
APPROPRIATIONS:		
Interim Dividend	1382.61	841.59
Tax on Interim Dividends	224.29	136.53
Final Dividend	420.80	300.56
Tax on Proposed Dividend	71.51	48.77
Transfer to General Reserve	1490.13	2119.47
TOTAL APPROPRIATIONS:	3589.34	3446.92

ii) OPERATIONAL HIGHLIGHTS

PRODUCTION CRUDE OIL

The crude oil production* was 3.661 MMT which is marginally lower than production of 3.847 MMT in FY 2012. Main reason for shortfall in achievement is direct, indirect and consequential losses arising out of blockades, bundhs etc in operational areas and more than expected decline rates in well head potential of existing well. Such incidents affected the operations in FY 2012-13.

LPG PRODUCTION

During 2012-13, LPG Production was 46010 tonnes which is as per the MOU target of 46000 tonnes set in financial year 2012-13, however 6010 tonnes lesser than previous financial year 2011-12. Along with LPG, a total of 24380 tonnes of condensate were also recovered as by-product. The LPG produced is delivered to IOCL. The plant efficiency was 99.01% compared to designed figure of 98.00% and availability of LPG recovery plant was 99.71%.

NATURAL GAS PRODUCTION

The highest ever natural gas production of 2639.21 MMSCM achieved from Assam, Arunachal Pradesh and Rajasthan fields during the year. Accordingly, sales of 2080.23 MMSCM of Natural Gas was achieved during the year.

ACREAGE

Your Company's current in-country operations spreads over 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 is venturing into shallow and deep water in KG Basin, Cauvery, Andaman and Mumbai offshore either jointly or in partnership with other consortium partners. Your Company is operating in 7 nominated PEL and 21 PML areas, allotted under the nomination regime in the states of Assam, Arunachal Pradesh and Rajasthan.

Your Company at the end of NELP IX bidding round as on 31.03.2013 is holding Participatory Interest (PI) in total of 27 NELP Blocks out of which OIL has the right of operatorship / joint operatorship in 12 and as non-operator in 15 blocks. In addition your Company is holding 40% PI in one CBM Block (AS-CBM-2008/IV) in Assam.

OIL AND GAS RESERVES

Your Company has made eleven oil and gas discoveries during the year from Assam and Rajasthan of which nine discoveries are from Upper Assam basin and two from Bikaner Nagaur Basin of Rajasthan.

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

Particulars	1P	2P	3P
Oil + Condensate (MMSKL)	41.42	95.14	135.08
GAS (BCM)	28.76	50.53	73.57
O+OEG (MMSKL)	70.18	145.66	208.65

2. CAPITAL STRUCTURE

During the year, Company rewarded the shareholders with bonus shares in the ratio of 3:2 in the month of April 2012. Post bonus paid-up capital of the Company is Rs 601.14 crore divided into 60,11,35,955 shares of Rs.10/- each. Further Government of India divested 10% paid-up capital of the Company (60113157 shares) to the general public through Offer for Sale (OFS) route in February, 2013 and it was very successful. OFS got oversubscribed 2.6 times with participation of many FIIs and Govt could realize Rs 3141.39 crore. Post OFS, Government holding reduced to 68.43%. The Earning per Share of the Company as on March 31, 2013 is Rs.59.71/- as compared to Rs. 57.34/- at the end of previous financial year.

3. DIVIDEND

Your Company paid 1st and 2nd Interim Dividend @

110% and 120% respectively totaling to Rs 1382.61 crore, based on the provisional financial trend of the Company. The Board of Directors is now pleased to recommend a final dividend @ 70% on the paid up capital amounting to Rs 420.80 crore, subject to the approval of the shareholders at the ensuing Annual General Meeting.

4. HUMAN ASSETS

Human Resource Management at OIL is an integrated approach focusing on Organization’s faith to work with people and work through them to manage change and strive for continued excellence. OIL works towards building positive employee-organization relationship through nurturing initiatives, innovations and aspirations with best HR practices and commitment and provide professional working environment. HR policies and practices are always sensitive to employees needs. As on 31st March 2013, Company has 8076 employees consisting of 1446 Executives and 6630 Unionised Employees in the Company.

5. SPORTS

OIL believes that sports today is an integral part of all round development of human personality and achieving excellence in sports has real bearing on national prestige and morale. Therefore, employees are encouraged to play and excel in sports. As a result of above encouragement, Oil India participated in National and International Sports Events in Table Tennis, Cricket, Chess and brought laurels to the Company. Besides this, 6 Oil Indians are part of National Squad of Golf.

6. IMPLEMENTATION OF GOVERNMENT DIRECTIVES FOR PRIORITY SECTIONS

The Company complies 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, 2013 is as under:

CATEGORY	SC	ST	OBC	Minority	PWD	Women
EXECUTIVES	169	125	307	110	07	102
UNIONISED EMPLOYEES	440	761	1947	435	56	266
Total	609	886	2254	545	63	368

7. CORPORATE GOVERNANCE

As stipulated under Clause-49 and 55 of the Listing Agreement, the Management Discussion & Analysis



Report, Report on Corporate Governance and the Business Responsibility Report have been incorporated as Annexure to the Directors' Report. Your Company also complies with the Secretarial Standards issued by ICSI and Corporate Governance Guidelines enunciated by the Department of Public Enterprises, Government of India.

8. RTI ACT 2005

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

9. 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, to attend Hindi training classes and to write more and more words in Hindi through Incentive Scheme formulated by the Company. In-house Journal "OIL NEWS" was published in Trilingual form i.e. Assamese, Hindi and English. Hindi Month 2012 was observed in a befitting manner from 01.09.12 to 30.09.12 at Field Headquarters Duliajan. 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.

10. VIGILANCE

"Vigilance Wing" is headed by Chief Vigilance

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

A Vigilance Awareness Week was organized during the year at corporate office and other office locations. In order to spread awareness and sensitize employee against harmful effects of corruption, various competitions were organised across your company.

KIT and CTY awareness programs were conducted for executives of all levels to sensitize them on Contracts & Procurement procedures, CDA rules and CVC guidelines etc.

11. 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. Ministry of Heavy Industries and Public Enterprises has placed great emphasis on the role of R&D in Central Public Sector Enterprises (CPSEs). Although an informal R&D policy was in existence in OIL since inception of R&D, a New R&D Policy was formulated and was approved for implementation by the Board of Directors. Company undertook various R & D projects during the year besides those committed under the MoU. The details of specific areas of Research and Development (R&D), benefits derived as a result of R&D efforts, future plan of action and R&D expenditure are given in Annexure -I.

12. SUBSIDIARY/JOINT VENTURE

SUBSIDIARIES

- i) Oil India Sweden AB

Oil India Sweden AB is a wholly owned subsidiary of Oil India Limited, India. The company was incorporated on the 20th of November 2009 as a private limited company (AB). The activities of the Company are to conduct owning of shares in other companies, perform administrative tasks and



associated activities; to incorporate, to participate in and to finance companies or businesses etc.

ii) Ind Oil Netherlands BV

Oil India Sweden AB owns 50% of the shares in Indoil Netherlands B.V. The principal activities of the 50% owned joint venture Indoil Netherlands B.V. are holding in exploration, production, marketing, trade, transport and extraction of oil, gas, hydrocarbons and minerals.

iii) Oil India Cyprus Ltd

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

iv) Oil India USA Inc.

OIL formed 100% wholly owned subsidiary in Texas, USA in the name of Oil India (USA) Inc with Branch Office at Houston started functioning from end Sept. 2012.

JOINT VENTURES

i) Numaligarh Refinery Limited (NRL)

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

ii) Brahmaputra Cracker and Polymer Limited (BCPL)

BCPL was incorporated on January 8, 2007 with the objective of establishing a gas cracker project complex at Lepetkata, Dibrugarh, Assam, to, *inter alia*, process natural gas, naphtha or any petroleum product and to distribute and market petrochemical products in India and abroad. BCPL received its certificate of commencement of business on September 12, 2007. The registered office of BCPL is located at Guwahati, Assam, India. OIL holds 10% Equity Share Capital of BCPL.

iii) Suntera Nigeria 205 Limited

Our Company acquired a 25% equity stake in Suntera Nigeria 205 Limited, Nigeria pursuant to a share purchase agreement dated August 31, 2006 with Suntera Cyprus and IOCL. Suntera Nigeria 205 Limited was incorporated with the main object to engage in the petroleum business including the prospecting and exploration for and production and development of crude oil and natural gas. The registered office of Suntera Nigeria is at Nigeria.

iv) Duliajan Numaligarh Pipeline (DNP) Limited

DNP Limited was incorporated on June 15, 2007. The main object of DNP Limited is acquisition, transportation and distribution of natural gas in all forms. The registered office of DNP Limited is situated at Guwahati, Assam. Our Company has acquired a 23% equity stake in DNP Limited, pursuant to a Supplemental Agreement dated March 17, 2009.

13. STATUTORY REQUIREMENTS

Section 274(1) (g) of the Companies Act, 1956 is not applicable to the Government Companies. However, none of the Directors of your Company is disqualified as per provisions of Section 274 (1) (g) of the Companies Act, 1956. Your Directors have made necessary disclosures as required under various provisions of the Companies Act, 1956 and Clause 49 of the Listing Agreement. Information as required under Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosures of particulars in the Report of Board of Directors) Rules, 1988 is given in Annexure I forming part of this Report. Details of the Employees who drew remuneration exceeding the limits laid down under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 (as amended from time to time) are attached as Annexure II.

14. STATUTORY AUDITORS AND COST AUDITORS

The Statutory Auditors of your Company are appointed by the Comptroller & Auditor General of India (C&AG). M/s SRB and Associates and M/s Saha Ganguli and Associates were appointed as Joint Statutory Auditors for the financial year 2012-13. Geographical Segment Reporting annexed as Annexure III. Comments of the C&AG forms part of this Report.



The Cost Audit Report for the financial year 2011-12 was filed within the statutory time limit. M/s Mani & Co. is the cost auditor of the Company for the financial year 2012-13. The report is being finalized and will be filed as per the schedule.

15 AWARDS AND RECOGNITIONS

Oil India Limited received the following awards/recognitions/certifications during the year 2012-13:

- 'IPE CSR Corporate Governance Award-2012' conferred by Institute of Public Enterprise (IPE) in recognition of its best practices followed in CSR activities.
- Petrotech 2012 - Special Technical Award in Sustainability & Corporate Social Responsibility awarded during Petrotech 2012 at New Delhi.
- 'Golden Peacock Award for Corporate Social Responsibility' for the year 2012 in the National Category in recognition of OIL's ongoing CSR activities, awarded at the "Dubai Global Convention-2012 and 7th International Conference on Social Responsibility" held at Dubai in April, 2012.
- The '13th Annual Greentech Environment Award – 2012' awarded by Greentech Foundation, New Delhi.
- The 'Golden Peacock Occupational Health and Safety Award (GPOHSA) – 2012,' presented at the 14th World Congress Environment Management held in July, 2012 at New Delhi.
- The Annual Greentech HR Award 2012-13 under Gold Category for "TRAINING EXCELLENCE" for the 2nd consecutive year.
- Rajbhasha Prerak Shield awarded to OIL, PHQ, Guwahati by the Rastrabhasha Swabhimman Nyash (Bharat), New Delhi on the occasion of All India Official Language Conference held at New Delhi in April, 2012.
- 1st Rajbhasha Running Shield awarded to PHQ, Guwahati by Town Official Language Implementation Committee (PSU's), Guwahati in December, 2012 for the second consecutive year.
- 1st Rajbhasha Shield awarded to PHQ, Guwahati by the Official Language Department, Ministry of Home Affairs, Govt. of India in April, 2013 for the 3rd consecutive year.
- Shri SK Srivastava Chairman and Managing Director, received the Global Excellence Award in the Petroleum Sector at the 3rd World Petrocoal Congress, New Delhi, for his contribution to the Petroleum industry.
- Shri S.K.Srivastava was also awarded the "CEO with HR Orientation" by the World HR Congress at Mumbai in February, 2013.
- Shri T.K.Ananth Kumar, Director (Finance) was awarded the "CFO 100 Roll of Honour" for the second time in succession, under the category "Winning Edge" in Risk Management.
- Shri N.K.Bharali, Director (HR&BD) received an award and citation at the EQ Leadership Summit, February, 2013, Mumbai, for "Outstanding contribution to leadership development in OIL."
- Fire Service, Duliajan & Moran re-certified by M/s. DNV Kolkata for ISO 9001:2008 (Quality Management System), ISO 14001:2004 (Environmental Management System) and OHSAS 18001:2007.
- OIL Corporate Office Building, at Sector: 16A, Plot: 19, Noida, accredited with Bureau of Energy Efficiency (BEE) - 3 Star Label Certification with effect from 20th March, 2013 for a period of 5 years up to 19th March, 2018 under the 'Composite Climate Zone' category.
- Duliajan Power Station has complied with requirements of ISO 9001:2008 till 26th January 2013. Thereafter a new contract was awarded for which audit is to be carried out for recertification.

16 CHANGES IN THE BOARD OF DIRECTORS

In terms of letter No. C-34011/19/2005-CA dated 03.09.12 issued by MOP&NG, Prof. Shekhar Chaudhuri, Shri. Anup Mukerji, Prof. Gautam Barua, Shri. S.C. Gupta and Prof. B. Ramamurthi were appointed as Non Executive Independent Directors w.e.f. September 16, 2012. CA Pawan Kumar Sharma, Prof. Sushil Khanna, Shri. Vinod K. Misra, Shri Ghanshyambhai H. Amin and Shri Alexander K. Luke ceased to be Directors on September 15, 2012. In terms of letter no. C-31033/1/2012-CA dated. 13.08.2013, Shri Nalin K. Srivastava, DS (E-11), MoP & NG was appointed as Government Nominee Director Vice Shri Atul N. Patne.

17 DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under the Section 217(2AA) of the Companies Act, 1956 with respect



to Directors' Responsibility Statement, it is hereby confirmed that: (i) In the preparation of the annual accounts for the financial year ended 31st March, 2013, all applicable accounting standards had been followed, along with proper explanations relating to material departures; (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as on 31.03.2013 and of the profit of the Company for the year ended on that date; (iii) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; (iv) The Directors had prepared the accounts for the financial year ended 31st March, 2013 on a 'going concern' basis.

18 ACKNOWLEDGEMENT

With the initiatives through the renewed vision of enlarging the Company's contribution and with our combined zeal, commitment, experience and expertise, your Directors look forward to another year of fruitful operations. Your Directors acknowledge the guidance and support of the Ministry of Petroleum & Natural Gas, all other Ministries and agencies in Central and State Governments. Your Directors express their gratitude and thanks to the Shareholders, Customers, Suppliers and other business partners/associates for their continued co-operation and patronage. Your Directors wish to place on record their deep sense of appreciation for the devoted services of all Oil Indians for its success.

For and On behalf of the Board of Directors.

Sd/-

(S K Srivastava)

Chairman & Managing Director

Dated : 24.08.2013

Place : NOIDA



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

A. ENERGY CONSERVATION:

I Conservation of Crude Oil

A total quantity around 3487 KLs of Crude oil was saved / retrieved from different operational activities in fields.

II Recovery of Condensate

Total volume of condensate recovered from the following work spheres during the year was about 260064 KL.

- Duliajan field (Gas wells) : 223891 KL.
- LPG Plant, Duliajan : 35852.94 KL (24380MT)
- Rajasthan project : 319 KL.
- Duliajan Power Station : 0.630 KL

III Conservation of Natural Gas

- About 1.2 MMSCM of low pressure natural gas (0.7 kg/cm²) was utilized for internal consumption by using VLP (Very Low Pressure) stabilizer booster at Moran field which was normally flared.
- Gas flare in Moran fields kept low as 0.15% of total gas production compared to 0.29% flare in previous year.
- 50000 SCMD of Gas monetized by laying a 100 mm NB line from Mechaki to Doomdooma.
- Saving of 47.286 MMSCM gas is achieved by usage of hired compression services in remote / satellite fields to monetize flared gas by commissioning of BOO (Build-Own-Operate) compression services at Bhogpara, Dikom, Makum, Chabua and Hatiali, feeding the gas to OIL's gas distribution network.
- About 105.869 MMSCM of High Pressure Natural gas was saved from flaring during the year by supplying gas through 100 mm NB distribution pipeline to Assam Gas Company Ltd. from Baghjan EPS.

IV Conservation Of Electricity

- Saved total 18,032 KWH of electrical power in approx. 8 months from 4.4.12 to 31.3.12 for OIL Corporate office premises, at Noida, through Generation of roof top 30 KW Solar, which also reduced 14,540 Kg of CO₂ emission
- Use of Solar Photo-Voltaic cells for MART Communication system has resulted in saving of about 3398 KWH of electrical energy
- As a part of the celebration of National Energy Conservation Day-2012 on 14th Dec, 2012 - 50% of the Lights of the Corporate Office building, Noida was kept off as a notional observation, which resulted to real time saving of 1,463 KWH units of electrical energy
- Saving of about 61845 KWH of energy by:-
 - installing 29 Nos. and 11nos of Star rated energy efficient Air Conditioners at FHQ Duliajan & Pipelines sphere
 - Replacing 5 Nos. old refrigerators with BEE certified star rated energy efficient refrigerators in Pipelines sphere.
 - Installing 400W SON /400W MH /150W SON/ 70W SON fittings at Naharkatia field
 - Replacing 60 W & 100W BC Lamp fittings with 23W CFL/40W FTL/20W FTL fittings at Moran field
 - Replacing 456 Nos 60/40W GLS with 15W CFL fittings in Pipelines sphere
 - Replacement of 598 no. incandescent fitting with CFL fittings in Bungalows in FHQ, Duliajan,
 - Replacing 60 Nos, 150W/250W sodium vapor lights with 4 x 14W T5 fluorescent lights in Pipeline sphere
 - Installing 150 nos. electronic chokes in Pipeline sphere



- Use of Natural Gas instead of conventional electric boilers for producing distilled water resulted in annual saving of approx 1920 KWH of electrical energy.
- Replacement of total 1700 nos of 40 w Tube light fittings with energy efficient T-5 /28 W retrofit fittings was an another initiative taken at OIL Corporate office building at Noida (1100 nos) & OIL Residential complex at 15A, Noida & OIL G'houses at Delhi/Noida (600 nos)

Use of solar lighting at Tanot-GGS (Rajasthan) & Pilot Plant at Baghewala(Rajasthan), resulted in considerable saving of electricity

V Conservation Of Diesel (HSD)

- Saved diesel of worth Rs 1,82,969.79, through generation of roof top 30 KW Solar Power for electricity consumption at OIL Corporate office premises, Noida,in approx. 8 months.
- Substantial quantity of HSD saved with application of CTU (Coil Tubing Unit) and Nitrogen Pumping Unit (NPU) in 229 nos. work over operations
- Using captive power for calibration & testing of logging tool in the logging truck has resulted in saving of Substantial quantity of HSD.
- During celebration of OGCF-2013 at OIL Corporate Office Noida (15th to 31st Jan'13) - 29 employees of OIL came forward for conservation of fuels and adopted Car pools, during the fortnight celebration, which helped us to save Mileage of 6340 Km vis-a-vis Saving of 576.36 Lts of Petrol, which amounts to Rs 41,837 and reduced air pollutants in the tune of 4, 12,100 mg in the atmosphere (65 mg/Km).
- A saving of about 241073 KL of HSD from following:
 - Using electric motor driven hydraulic unit instead of engine driven one for torque up in Drilling operation
 - Installing Exhaust Emission Reduction Device (TADGER) in AC-SCR drilling rigs
 - By use of 2 Nos. Solar Gen Set ,in place of 30 KVA diesel Gen set for area illumination at Work-over locations
 - Commissioning of 3nos. 50 KVA Gas Engine Generating set in FGGS-336, Deohal and Kusijan

- Using gas pressure to load condensate in bowser at FGS 285, Deohal
- Replacing diesel generators/Engines with gas generator/ engines: Engine in Sucker Rod Pump well No. TNL-11, 2 nos. generators at EPS-HJC, 2 nos. 63 KVA generators with 125 KVA sets at Barekuri EPS
- Replacing diesel pumps with Electrical Submersible Pump at Kumchai EPS to meet industrial water requirements
- Installing Solar lighting systems for security camp at Well-279 in place of using 15KVA diesel gen-sets
- Application of non-fired NPU (Nitrogen Pumping Unit) in well activation jobs
- Installing 5 nos. of field indirect heaters at strategic locations of long flow lines ,avoiding Mobile Steam Generator (MSG) services
- Introduction of fuel efficient vehicle in transport fleet and imparting training on fuel efficient driving techniques to vehicle operating and maintenance personnel

VI UTILISATION OF RENEWABLE SOURCE OF ENERGY:

Use Of Solar Energy

- 30 KWp roof top Solar power system erected for the Corporate Office Building at Noida and connected to 'OIL Grid' w.e.f 16th July, 12, which was mechanically commissioned on 4th April, 12 and registered for 'Online power generation' w.e.f 8th October, 2012.
- Use of Solar Photo-Voltaic cells for MART Communication system has resulted in saving of about 3397.8 kWh of equivalent electrical energy during 2012-13.
- 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 about 18 KL of HSD.
- Installed 7 Nos. LED Solar Street Lights in domestic area in PHQ, Noonmati.
- Installed Solar water heater at Barauni Guest House.
- 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

- OIL has installed Wind Energy Project having generating capacity of 13.6 MW at Ludharava in Jaisalmer district of Rajasthan from which total 18173664 KWH of energy harnessed during the year. The wind farm is connected to the Power grid of Rajasthan Rajya Vidyut Prasaran Nigam Ltd (RRVPLN) at Amar Sagar.
- 54 MW wind power plant at Dangri, in Jaisalmer district commissioned in two phases (15MW on 13.02.2013 and 39 MW on 29.03.2013) and total 21386754 KWH of energy harnessed during the year and is connected to power grid.

VII INNOVATIVE ACTIONS

- Mandatory Use of Forest Stewardship Council (FSC) Certified paper & paper products with FSC logo, in all spheres of OIL, w.e.f 12th September, 2012
- Integrated waste recycling management system is incorporated for the Corporate Office building of OIL, since 9th July '12
- New Environment Policy and Sustainable Development Policy has been introduced during the year.

VIII PROMOTION OF ENERGY CONSERVATION AWARENESS ACTIVITIES:

- As per the advice of Ministry of Petroleum & Natural Gas, GOI, various promotional awareness programs were organized in the transport, industrial and domestic sector (in and around OIL's operational areas) on topics: Hydrocarbon / energy conservation/ Environment/ Health issues etc, Educative pamphlet / leaflets etc. were also distributed among the masses at various sectors including display of Posters, conducting awareness quiz etc.
- In transport sector, two nos. of Drivers Training Programs (DTP) were organized at Duliajan & Sonapur and two nos. of Refresher Course on DTP were held at Duliajan & Jorhat in collaboration

with PCRA for the vehicle operators / mechanics / technicians involved in transport operation.

- A Technical workshop followed by an extempore speech competition and quiz competition was organized among the students of Ramkrishna Mission School, Deomali, Arunachal Pradesh.
- Energy conservation awareness workshop for ladies / housewives was conducted in Bhadoi Panchali, Duliajan. Demonstration of fuel efficient stove followed by quiz competition was held among the participants.
- 50 no books(Hindi), collected from PCRA , on 'Oil & Gas Conservation' ,was distributed to the students of 'Ujala School', Sector: 15A, NOIDA during celebration of OGCF-2013 at Corporate Office.
- A workshop on 'Driving with Fuel Efficiency', was organized through PCRA on 23rd Jan'13 for all employees of OIL, Noida, during OGCF-2013 celebration
- A workshop on 'LPG Saving while Cooking' was organized on 24th Jan'13 for ladies / housewives, at OIL residential complex, Sector:15A, Noida,during OGCF-2013 celebration
- 22 good suggestions received, out of total 39, on – "Possible scope of conservation of Energy in the existing building of OIL, Corporate office, Noida", are in the process for implementation, which was a part of celebration of National Energy Conservation Day at Corporate office on 14th Dec'12

ADDITIONAL INVESTMENT AND PLANNING

OIL has planned to undertake following energy conservation initiatives in future:

- Up gradation of Pump stations & Terminals of the Trunk Pipeline system has been approved by the Board for Rs 871.35 crore on 14.9.12, which will replace Engine driven Pumps of 1962s with electrical motor driven Pumps with VFDs- which will substantially save energy as crude oil driven old Pumping equpt of 50(+) years will get replaced
- Two nos. CTU, two nos. of non fired NPU, two nos. of HOCU and one no. of multipurpose pumping unit are on procurement / commissioning stage, which on installation will result in a considerable saving of energy.
- Installation of the indirect heaters in strategic



locations of field flow lines for flow assurance which will reduce necessity of steam application in flow lines and subsequently reduce the consumption of diesel in MSG units.

- Planned to replace boilers at various production installations by indirect heaters in phased manner which will result in saving of Natural gas used as fuel.
- Installation of energy efficient light fittings of various wattage for industrial and housing areas in phased manner.
- Introduction of BIO DIESEL fuel in diesel engines is in trial phase which will result in saving of HSD and minimize the carbon emission.
- Commissioning of 20 KWp capacity Solar Power Project at RS-5, Jagiroad under pipeline project.
- Introduction of electronically controlled engines, replacing manual transmission with automatic transmission and SMART engines deployed for special purpose vehicles /equipments in Logging trucks/transport vehicle etc is being undertaken.
- Replacement of diesel engine driven generating sets with gas engine generating sets at fields.
- To undertake Energy Audit of OIL installations at regular interval.
- Commissioning of 5MWp Solar Power Plant in Rajasthan Project.

B. RESEARCH AND DEVELOPMENT-FORM-B

SPECIFIC AREAS IN WHICH RESEARCH AND DEVELOPMENT HAVE BEEN CARRIED OUT

1. Study on contamination of LWC in formation fluids and its effect on interpretation of results of geochemical analysis of SWC.
2. Study on Treatment Design of OIL's Water Injection System.
3. Establishment of State-of-the-art Biotechnology Laboratory in R&D Department.
4. Consultancy services for flow assurance in Duliajan-Digboi branch pipeline.
5. Development of indigenous bacterial strains suitable for MEOR process.
6. Reservoir Fluid Identification through Geochemical Analysis of Sidewall Cores.

7. Source Rock Distribution and Characteristics of the Tertiary Stratigraphic Column Encountered in Murkongselek Well No.1 (Loc. MSD).
8. Surface Geochemical Analysis on Absorbed Soil Gas Method.
9. Corrosion control in Intermediate Tank Farm (ITF), Tengakhat.
10. Study on Injection water quality improvement & Corrosion monitoring.
11. Microbial Paraffin Control job in oil wells.
12. Development of Bactericides and Scale Inhibitor.
13. Investigations on the dissolution of tank bottom sludge using environment friendly ionic liquids.
14. Testing and development of oilfield chemicals.
15. Development of ASP formulation for ASP.
16. Creation of data bank with respect to IFTs of crude of OIL's wells at 60° and 80°C.
17. Development of Acid Number Data Bank.
18. Laboratory and Simulation Study for Feasibility of Alkaline Surfactant Polymer (ASP) / Surfactant Polymer (SP) / Alkali Surfactant (AS) Flooding in OIL's Reservoirs.
19. Studies on Interfacial Properties, Wettability Alteration and Rheological Behaviour of Nanoparticle Stabilized Microemulsions for its use in Enhanced Oil Recovery.
20. Bioremediation of Oily Sludge of Various Production Pits of OIL Fields (Assam).
21. Studies on NHK#285 Well Blowout (Crisis Management).
 - a). Metallurgical failure analysis of tubular used in NHK#285
 - b). Surface Geochemical Survey in Deohal Area

BENEFITS DERIVED AS A RESULT OF THE ABOVE R&D EFFORTS

1. The novel technique developed to determine the contamination of LWC in formation fluids has resulted in improvement in interpretation of sidewall core extract analysis for accurate characterization of reservoir fluid.
2. Application of sidewall core analysis technique has helped in identifying and delineating oil-bearing and



- water-bearing zones as well as normal gravity oil, gas/condensate, light oil, intermediate oil and heavy oil within the reservoir sands.
3. The study of Source Rock Distribution in North Bank area has indicated that the best source rocks occur within the Kopili Formation in Murkongselek Well No.1 (Loc. MSD).
 4. Surface geo-chemical survey in OIL's operational areas in Assam and Arunachal Pradesh provides an additional tool delineate the prospective area for hydrocarbon exploration.
 5. The study on treatment design of OIL's water injection station has helped in identifying the key issues related to improvement of injection water quality. The physico-chemical treatment suggested by ONGC incorporating both chemical treatment and mechanical filtration to remove iron and other TSS from the injection water shall be field trialed in Lankasi water injection station.
 6. Suitable corrosion inhibitor has been identified for ITF Tengakhat.
 7. Establishment of Biotechnology laboratory will help in developing and implementing microbial technologies for problems related to exploration, production, flow assurance and pollution control.
 8. The metallurgical failure analysis study of the tubular used in well NHK#285 has revealed the nature and cause of failure attributable to pitting corrosion. The findings will help in preventing similar failures due to corrosion in future.
 9. Microbial paraffin control job has resulted in the significant improvement in several wells.
 10. Development of bactericides has helped in identifying new products to control SRB and development of Scale Inhibitor has helped in identifying new products for scale inhibition.
 11. The consultancy job for flow assurance in Duliajan-Digboi branch pipeline is likely to result in identification of measures for smooth, incident free delivery of crude oil from PS1 to Digboi refinery.
 12. The study on ionic liquids is likely to result in the formulation of ionic liquid that will (a) reduce the downtime of crude oil storage tanks (b) recover crude oil from tank bottom sludge and (c) reduce HSE impact of tank cleaning jobs.
 13. The timely completion of testing and evaluation activities of oilfield chemicals has helped in smooth functioning of production installations and pipelines.
 14. The newly developed bacterial stains from indigenous samples collected from OIL's fields are expected to yield better results for MEOR and paraffin remediation processes.
 15. Study of SP/ASP as an EOR method is expected to help in additional oil recovery.
 16. Data bank of base IFT values of our crude at BHT are expected to be useful for SP/ASP studies.
 17. Data bank of Acid Number, especially of the prospective reservoirs are expected to be useful for SP/ASP studies.
 18. Simulation studies on Alkaline Surfactant Polymer (ASP)/ Surfactant Polymer (SP)/ Alkali Surfactant (AS) flooding may give good dividend.
 19. Research on Nanoparticle Stabilized Microemulsions is expected to be useful use in Enhanced Oil Recovery in future.
 20. Bioremediation method will help in restoring soil quality in oil contaminated sites.
 21. Accreditation of ISO/IEC 17025 confirms that R & D Department has been carrying out analysis of highest reliability and accuracy using internationally accepted methods.

FUTURE PLAN OF ACTION

- Adoption of Corporate R&D Policy approved by OIL Board.
- Preparation of R&D Manual for implementation of policy.
- Close interaction with the academic institutions with which collaborative projects have been taken up.
- Emphasis on R&D activities oriented towards patents, IPR, publications and presentations.
- Close monitoring of R&D MoU projects.
- R&D EXPENDITURE (in Lakhs)

Year	2010-2011	2011-2012	2012-2013
Capital	251	212	1102
Revenue	1728	2487	2638
Total	1979	2699	3746

C. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

The following are the major new technology absorptions that have taken place in the organization



during the last financial year:

- SEISMIC VOLUME RENDERING and EXTRACTION Modules of the PETREL software were acquired and installed in Team Centre, Duliajan. This software is used to highlight attribute values/anomalies of interest in a SEG Y volume, to evaluate the extent of one or several features, displaying rendered objects with interpreted horizons, well path and logs etc.
- Another PETREL module AUTOMATED STRUCTURAL INTERPRETATION (Ant Tracking) was also acquired. This Module provides greater accuracy in fault interpretation, understanding of fault and fracture trends.
- Existing PETREL Geoscience Core Software was upgraded to PETREL 2012 in the month of September 2012. This software can be combined and applied to different areas for Geocellular Model. Using the Geoscience Core Software, Structural, Facies and Property models can be built.
- Existing GEOLOG software used for Image Log Data Processing, was updated to GEOLOG7 in the month of March 2013.
- ECLIPSE PARALLEL (a module of Eclipse Simulator Suite) license was acquired and installed in Reservoir Monitoring & Management Centre (RM2C) in the month of April'2012. The software becomes critical when multiple uncertainty scenarios need to be run in a given time frame which is quite common in Field Development with large dynamic models.
- Acquisition 05 (five) numbers of Reservoir Engineering Softwares viz. OFM, SCAL, MEPO, PVT SIM and PROSPER is in the process. The said softwares will help Reservoir Engineers in Simulation Studies.
- State-of-the-art log interpretation software TECHLOG is also in the process of acquisition.
- RFID technology based Asset Tracking system is being implemented at Duliajan to track the IT Assets.
- Active Directory and SCCM have been implemented across the organisation as per IT Security Policy.
- SAP R3 4.7 system has been upgraded to ECC 6.0. EHP 6.0
- SAP SRM 5.0 in windows environment has been upgraded to SAP SRM 7.02 in Unix environment with high availability clustering.
- SAP EP 6.0 in windows environment has been upgraded to SAP EP 7.0 in Unix platform.
- 2 Nos of Electro-static Emulsion Treaters (EET) were commissioned in Makum OCS and Moran CTF. Both are currently under trial.
- Exhaust emission reduction device (TADGER) has been installed in the engines of all the rigs by which considerable amount of fuel consumption is reduced one set of acoustic quilted curtain has been installed at S-2 rig for trial in AC-SCR rig and has resulted in significant reduction (approximately 10dB) in noise levels around the power pack.
- 06 (six) nos. CAT 3512 B engines with acoustic enclosures have been procured and are in the process of commissioning as power pack engines in the drilling rigs replacing the existing CAT D399 engines, resulting in reduction of fuel consumption as well as emissions and noise levels.
- Successfully installed & commissioned 31 Nos of state of the art technology Numerical Relays (ABB REF615 Series) in various production installations replacing old Electromechanical Relays.
- The Drillworks Standard software has been upgraded from Version R5000.8.0 to latest Version R5000.8.1 and it is found to be running successfully.
- Rock Doc software for the Rock physics studies is in the process of evaluation to identify and acknowledge the value addition to be incorporated with the nature of studies the section at present actively engaged in. Rock Physics studies establish the relationship between the seismic attributes with that of the Reservoir attributes. This may offer an insight to the existing Reservoirs and may help in redefining the existing empirical relation which may aid in reservoir characterization studies.
- Four Nos. of Magtronic systems of Gas Engines have been converted into more reliable and safe mode of Altronic Ignition System.
- One No. 2.5T capacity air hoist was installed at Kathalguri GCS as a replacement of the chain pulley system for lifting heavy equipment,



- facilitating easy and safer movement of heavy equipment.
- Installation of Ultrasonic Online Flare metering system for flare measurement at LPG recovery plant.
 - Replacement of eight numbers of old pneumatic versa valves with latest electronic versa valves at LPG recovery plant.
 - Break-Site configuration for 30 Channel PCM Multiplexer at PS3 and PS8 replaced by Drop-Insert configuration, thereby decreasing Equipment Complexity and increased spare availability.
 - The costly VoIP telephone sets at repeaters have been protected by Ethernet Surge protectors procured during the year.
 - After prolonged study and trial through field use, Butyle rubber Polyethylene cold applied tape has been inducted as the coating material and CTE has been phased out. Strengthening of pipe by use of composite material has been inducted as a new technology after study and trial at one location.
 - The old AVR (1962 make) of Allen Alternator-3 has been replaced with new solid state AVR panel. The new AVR panel was successfully installed and commissioned by E&C Section and it is presently under operation.
 - Voice-over-Internet Protocol (VoIP) service is being provided over LAN and WAN to augment the voice connectivity requirements from OIL's remote locations and other spheres. The VoIP telephones at different spheres and remote locations of OIL have been seamlessly integrated with OIL's telephone exchange at Duliajan enabling user access to any telephone of OIL's Duliajan Exchange, resulting in enhanced ease of communication and cost savings in the form of telephone bills.

D. FOREIGN EXCHANGE EARNINGS & OUTGO

(₹. in crore)

	2012-13	2011-12
(i) Foreign Exchange Earnings	1.63	1.64
(ii) Foreign Exchange Outgo	324.49	284.57

ANNEXURE- II

Particular of employees pursuant to Section 217 (2A) read with Companies (Particulars of Employees) Rules, 1975

Sl. No.	Salary Code	Name	Qualifications	DOB	Designation	Total (Rs. in crore)	Total Experience	Date of Joining	Last Employment
1	774	Shri S.K. Srivastava	M.Sc (Geology), Lucknow University	13.06.1955	Chairman & Managing Director	61.77	38 yrs	30.05.1977	Lucknow University
2	200157	Shri T.K. Ananth Kumar	B.Com, Osmania University, FCA, ICAI	01.10.1953	Director (Finance)	67.48	33 yrs	18.01.2007	NRL
3	775	Shri B.N. Talukdar	B.E. (Petroleum Engineering), ISM Dhanbad	01.01.1955	Director (Exploration & Development)	66.05	36 yrs	23.05.1977	ONGCL
4	200003	Shri N.M. Borah	B.E. (Petroleum Engineering), ISM Dhanbad PGD (Petroleum Prospecting & Reservoir Evaluation)	28.04.1952	Chairman & Managing Director (Upto 30.04.2012)	52.01	38 yrs	18.04.1974	OIL

*Includes medical reimbursement

Standalone Segment Revenue, Results, Assets and Liabilities for the year ended 31st March, 2013

Particulars	Total		Crude Oil		Natural Gas		LPG		Pipeline Transportation		Others	
	3/31/2013	31.03.2012	3/31/2013	31.03.2012	Assam & AP	Rajasthan	3/31/2013	31.03.2012	3/31/2013	31.03.2012	3/31/2013	31.03.2012
					3/31/2013	31.03.2012	3/31/2013	31.03.2012				
REVENUE												
External Sales	9,525.23	9,518.81	7,933.74	8,009.47	1,082.91	962.91	69.84	121.20	319.63	460.38	0.00	0.00
Other operating revenues	422.34	344.42	0.00	0.00	391.55	321.17	0.00	0.00	0.00	0.00	30.79	23.25
Other Income	1,508.75	1,416.67	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,508.75	1,416.67
Total Income	11,456.32	11,279.90	7,933.74	8,009.47	1,474.46	1,284.08	69.84	121.20	319.63	460.38	1,539.54	1,439.92
EXPENDITURE												
Increase/ (Decrease) in Stock	(27.37)	(8.82)	(27.21)	(8.75)	0.00	0.00	0.00	(0.16)	0.00	0.00	0.00	0.00
Operating expenses	2,268.93	2,847.70	1,477.60	1,998.83	533.49	566.24	30.50	33.39	193.27	189.77	0.68	9.68
Statutory Levies	3,043.85	2,389.12	2,900.63	2,263.48	137.06	119.29	6.16	0.00	0.00	0.00	0.00	0.00
Depletion	399.77	363.22	307.33	276.08	79.48	72.57	12.96	0.00	0.00	0.00	0.00	0.00
Depreciation	157.36	142.32	42.79	43.16	25.80	28.79	6.35	7.81	51.71	62.97	22.90	0.00
Total Expenses	5,842.54	5,733.54	4,701.14	4,572.80	775.83	786.89	64.25	41.04	244.98	252.74	23.58	9.68
Segment Results	5,613.78	5,546.36	3,232.60	3,436.67	698.63	497.19	11.78	80.16	74.65	207.64	1,515.96	1,430.24
Less: Unallocated Expenses	327.95	435.13	-	-	-	-	-	-	-	-	-	-
Profit before Interest & Tax	5,285.83	5,111.23	-	-	-	-	-	-	-	-	-	-
Interest expense	2.60	9.37	-	-	-	-	-	-	-	-	-	-
Profit before Tax	5,283.23	5,101.86	-	-	-	-	-	-	-	-	-	-
Provisions for Taxation	1,693.89	1,654.94	-	-	-	-	-	-	-	-	-	-
Profit after Tax	3,589.34	3,446.92	-	-	-	-	-	-	-	-	-	-
Segment Assets	8,416.52	7,505.23	4,791.81	4,305.46	3,038.20	2,484.10	171.15	65.65	349.71	433.99	-	-
Add: Unallocated Assets	16,764.33	15,594.01	-	-	-	-	-	-	-	-	-	-
Total Assets	25,180.85	23,099.24	-	-	-	-	-	-	-	-	-	-
Segment Liabilities	2,860.58	1,798.41	1,902.55	1,086.23	816.36	515.37	28.49	31.41	81.77	128.98	-	-
Add: Unallocated liabilities	22,320.27	21,300.83	-	-	-	-	-	-	-	-	-	-
Total Liabilities	25,180.85	23,099.24	-	-	-	-	-	-	-	-	-	-

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 interest and dividend income and revenue from other miscellaneous activities.
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.



Consolidated Segment Revenue, Results, Assets and Liabilities for the year ended 31st March, 2013

(₹ in crore)

Particulars	Total		Crude Oil		Natural Gas		LPG		Pipeline Transportation		Others	
	3/31/2013	31.03.2012	3/31/2013	31.03.2012	Assam & AP 3/31/2013	31.03.2012	Rajasthan 3/31/2013	31.03.2012	3/31/2013	31.03.2012	3/31/2013	31.03.2012
REVENUE												
External Sales	9,545.78	9,518.81	7,953.67	8,009.47	1,083.53	962.91	67.75	69.84	319.63	460.38	0.00	0.00
Other operating revenues	422.34	344.42	0.00	0.00	391.55	321.17	0.00	0.00	0.00	0.00	30.79	23.25
Other -Income	1,508.41	1,416.73	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,508.41	1,416.73
Total Income	11,476.53	11,279.96	7,953.67	8,009.47	1,475.08	1,284.08	67.75	69.84	319.63	460.38	1,539.20	1,439.98
EXPENDITURE												
Increase/(Decrease) in Stock	(27.37)	(8.82)	(27.21)	(8.75)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Operating expenses	2,282.75	2,848.22	1,491.42	1,998.83	533.49	566.24	30.50	39.05	193.27	189.77	0.68	10.20
Statutory Levies	3,045.01	2,389.12	2,901.79	2,263.48	137.06	119.29	6.16	6.35	0.00	0.00	0.00	0.00
Depletion	399.77	363.22	307.33	276.08	79.48	72.57	12.96	14.57	0.00	0.00	0.00	0.00
Depreciation	157.36	142.32	42.79	43.16	25.80	28.79	6.35	4.28	51.71	62.97	22.90	0.00
Total Expenses	5,857.52	5,734.06	4,716.12	4,572.80	775.83	786.89	55.97	64.25	244.98	252.74	23.58	10.20
Segment Results	5,619.01	5,545.90	3,237.55	3,436.67	699.25	497.19	11.78	5.59	74.65	207.64	1,515.62	1,429.78
Less: Unallocated Expenses	327.95	435.13										
Profit before Interest & Tax	5,291.06	5,110.77										
Interest expense	3.04	9.37										
Profit before Tax	5,288.02	5,101.40										
Provisions for Taxation	1,695.97	1,654.94	-	-	-	-	-	-	-	-	-	-
Profit after Tax	3,592.05	3,446.46	-	-	-	-	-	-	-	-	-	-
Segment Assets	8,677.66	7,505.23	5,063.76	4,305.46	3,027.51	2,484.10	171.15	210.17	349.71	433.99	-	-
Add: Unallocated Assets	16,750.30	15,612.49	-	-	-	-	-	-	-	-	-	-
Total Assets	25,427.96	23,117.72										
Segment Liabilities	3,068.29	1,798.41	2,110.63	1,086.23	816.02	515.37	28.49	30.65	81.77	128.98	-	-
Add: Unallocated liabilities	22,359.67	21,319.31	-	-	-	-	-	-	-	-	-	-
Total Liabilities	25,427.96	23,117.72										

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 interest and dividend income and revenue from other miscellaneous activities.
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.



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. ECONOMIC SCENARIO

The global economy in financial year improved slowly but didn't meet the expectation of Industry. Several European countries experienced recession due to high unemployment, banking fragility, fiscal tightening and sluggish growth. The US economy improved marginally, however capital investment remained sluggish. Among Asian economies, China too experienced slower growth due to political transition. On account of poor performance of farm, manufacturing and mining section, the growth rate of India's economy slipped to a decadal low of 5% in 2012-13.

2. INTERNATIONAL SCENARIO

After the economic slow down of 2007-08, the global economy continued on its slow and erratic growth path. Major countries continued with sluggish economic activities. US economy grew 2.2% in calendar 2012, though the recovery had been patchy. European economies were struck by several problems with various countries facing sharp rise in sovereign risks and fast increasing unemployment. Unemployment, currency management and other economic policy problems continued unabated. Emerging market economies, mainly China and India also slowed down considerably. Led by sluggish and erratic economic recovery, international monetary fund has moderated its global growth forecast to 3.3% in calendar 2013 with reduced forecasts for almost all major economies, except Japan. Global commodity markets showed signs of price stability and reduced volatility. Food prices also showed signs of moderation. However, risks of prices again looking upwards continues to exist with geopolitical risks in oil and gas markets, supply constraints in metals, all time low food grain stocks, etc.

3. NATIONAL SCENARIO

The economic slow down in India was substantial, with the economic growth in the range of 9% a few years back slowing down to 5% in 2012-13. The slowdown was reflected in almost all economic activities. Index of industrial production (IIP) showed growth of just 1.1%. Inflation continued at sustained high levels, with whole sale inflation at 7.4% and retail inflation at 10.2%, despite various efforts from Govt. to contain inflation. Sharp rupee depreciation against major currencies was also a major cause of concern.

Though, it benefitted the export oriented industries and services sector to some extent, it was a major contributor to the rise in country's current account deficit to 4.8% on account of rise in value of oil and other commodity imports. The economic slowdown, coupled with high and persistent inflation and rising fiscal and current account deficit posed a serious problems for the country's economy. No significant turnaround is projected in 2013-14 as well, with various estimates forecasting India's GDP growth between 5.5% to 6% during the year.

4. INDUSTRY SCENARIO

Rising oil consumption to meet the growing energy demand of the country is a major cause of concern for the economy. The consumption of petroleum products has risen by 4.92% in 2012-13, with total consumption of 155.417 MMT of petroleum products. The country is dependent for about 75% of its crude oil requirement on imports. Though the oil prices moderated a bit, the falling rupee posed a serious problem for the domestic oil industry in terms of rising under-recoveries of the oil marketing companies and the sustained high subsidy burden on upstream crude oil producers.

To manage the serious oil subsidy problem, the Government launched concerted policy action and reforms measures during later part of the financial year. These reforms, with their full impact coming in 2013-14, are expected to substantially moderate the oil subsidy on certain essential petroleum products. This is also expected to result in lower subsidy burden on domestic crude oil producers.

The Govt. has time and again made its intention clear that to increase the domestic output of oil and gas and reduce country's dependence on oil imports, it will take all necessary steps to attract large investment in country's E&P sector. To this effect, the Govt. has already initiated action for review of production sharing contracts and revision in the price of natural gas by constituting the Rangarajan committee, which has also submitted its report to the Government. The committee has recommended revision in natural gas prices in tandem with international prices. For long term energy policy, the Govt. has also constituted Kelkar Committee which is expected to suggest measures for long term growth of the E&P sector and full international parity pricing of natural gas.



5. SWOT ANALYSIS

STRENGTHS

- India is the world's fifth biggest energy consumer and continues to grow rapidly
- Major natural gas discoveries by a number of domestic companies hold significant medium to long-term potential.
- Demand for Petroleum Products
- Increase in demand for oil and gas
- High exploration portfolio

WEAKNESSES

- The oil and gas sector is dominated by state-controlled enterprises although the government has taken steps in recent years to deregulate the industry and encourage greater foreign participation.
- Increase in oil prices
- Inadequate and slowly developing infrastructure
- Lack of awareness in safety issues
- Environmental issues
- Uncertainty every year in the sharing formula for under recoveries by oil marketing companies

OPPORTUNITIES

- Liquefied Natural Gas (LNG) imports are still set to grow rapidly over the longer term as domestic consumption expands
- India has free gasoline retail price controls.
- Untapped domestic oil and gas potential
- Strong domestic energy demand growth.
- High recovery rates from existing projects
- International oil companies (IOCs) increasingly partnering with national oil companies (NOCs) from net-importing countries like India, China.

- In an increasingly competitive industry, entering into an alliance or an acquisition becomes a way for oil and gas companies to access new growth opportunities — be it expanding their supply base, accessing a new consumer market or gaining access to, and understanding of, new technologies.

THREATS/CHALLENGES

- Increased competition within government and private players
- Continuing government control and intervention.
- Changes in national energy policies.
- Access to reserves: There are political constraints and intense competition for proven reserves are the risk and concern.
- Uncertain energy policy: Energy policy is in a continued state of flux in many key geographies. Meanwhile, the consequences of oil spill in the Gulf of Mexico continue to be felt in the debate over deepwater regulations.
- Cost containment At present, rising costs are being driven both by cyclical factors and the end of easy oil regime.
- Increasing use of tax claims by Govt to coerce oil companies.
- Health, Safety and Environmental risks Health, safety and environmental issues have risen on the oil and gas industry's agenda, reflecting both increased public pressure and more complex operational challenges.
- Human capital deficit: Lack of qualified personnel is impacting the operations of oil companies.
- Climate change concerns: Risks related to climate concerns can put pressure on the E & P companies and cannot be fully managed solely as it is a regulatory compliance issue.
- Competition from new technologies In addition to new technologies for exploration and production, the sector is impacted by broader technological advancements, such as alternative power generation and the electrification of energy delivery.



6. SEGMENT-WISE/ PRODUCT WISE PERFORMANCE

6.1 CRUDE OIL PRODUCTION

The Production of crude oil was 3.661 MMT which is slightly less than the previous year's production of 3.847 MMT.

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

1. Direct, indirect and consequential losses arising out of blockades, bundhs etc, across the operational areas.
2. More than expected decline rates (16.44%) in well head potential of existing wells compared to 11.50% in 2011-12, due to rise in water cut and sand ingression issues.

6.2 NATURAL GAS PRODUCTION

The highest ever natural gas production and sale of 2639.21 MMSCM and 2080.23 MMSCM respectively were achieved from Assam AP and RP fields during the year.

6.3 LPG PLANT OPERATION

The availability of the LPG Recovery Plant was of the order of 99.71 % and the plant efficiency in terms of butane recovery was 99.01% compared to the design figure of 98.00%. The plant processed an average of 2.14 MMSCMD (78.77 MMSCFD) gas with an average butane of 1.25 % (v/v) in the feed gas. The Recovery Plant was in operation for 349 days and a total of 46010 Tonnes of LPG were produced during the year which is 100.02% of excellent target of 46000 Tonnes. Along with LPG a total of 24380 Tonnes of condensate were also recovered as by-product. Out of this, 19353.19 Tonnes of condensate was sold to private parties and the balance quantity was added to the crude oil production of the company. LPG Filling Plant was in operation for 281 days. Combined in packed (in cylinders) and bulk (in road tankers) a total of 45693 Tonnes of LPG were delivered to the marketing agency, IOCL.

6.4 PIPELINE OPERATION

OIL Pipelines operates a total network of 1220 Kms of Crude Oil Pipelines. This 5.5 MMTPA capacity pipeline transports crude oil produced from oilfields in Upper Assam to the public sector refineries at

Numaligarh, Guwahati and Bongaigaon. The pipeline runs through the states of Assam, West Bengal and Bihar traversing hostile terrain, dense forests and cuts across 78 rivers including the mighty Brahmaputra. The 600 Km pipeline segment between Bongaigaon and Barauni has been re-engineered to enable oil flow in either direction and is now transporting RAVVA crude from Barauni to Bongaigaon.

7. FINANCIAL PARAMETERS (WITH RESPECT TO OPERATIONAL PERFORMANCE)

During the year, OIL has earned total revenue of Rs.11456.32 crore against Rs.11279.90 crore, despite decrease in production of crude oil of 5%. The crude oil production was 3.661 MMT in the year against 3.847 MMT in FY 12. Increase in total revenue was contributed by increased realization on account of Natural Gas, LPG and condensate, claims towards under recovery of Natural Gas and other Income which rose to Rs.1509 crore from Rs.1416 crore in previous year. The PBT earned was Rs. 5283.23 crore against PBT of Rs.5101.86 crore in the FY12. After deduction of the taxes, PAT of OIL was Rs.3589.34 crore against PAT of Rs.3446.92 crore in FY 12, registering an increase of Rs.142.42 crore over the previous year.

On expenditure side percentage employee expenditure has decreased from 24% to 21% in FY 2012-13. The Cess increased drastically from 17% to 28% in FY 2012-13 on account of increase in Cess rate from Rs.2500 MT to Rs.4500 MT. It resulted in additional burden of Rs.747 crore as Statutory levies. Other components were comparable with previous year.

During the year, company has made capital investment of Rs.2890 crore which is highest capital expenditure incurred by OIL till date. However, drilling expenditure was less than estimated due to postponement of drilling plans in Krishna Godavari basin and Mizoram area.

In terms of the decision of the Govt. of India, the sharing of under recoveries of Oil Marketing Companies (OMCs), on petroleum products in the form of discount for the year ended 31.03.2013 amounting to Rs.7892.17 crore (Crude Rs.7766.08 crore & LPG Rs.126.09 crore) has been accounted for compared to Rs.7351.77 crore (Crude Rs.7136.38 crore & LPG Rs. 215.39 crore) for the year ended 31.03.2012.

8. INTERNAL CONTROL SYSTEM

Internal Audit is a corporate and advisory function



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

To further strengthen the internal control systems, Internal Audit Manual was prepared during the year 12-13. The Manual provides guidance and acts as a tool for the Internal Auditor of the Company to identify and manage internal auditing activities that needs to be considered while carrying out the assignment. Besides Internal Audit Manual, an Audit Checklist (Commercial) for has been prepared for various functions which has been extensively used by the members of the Internal Audit.

9. HEALTH, SAFETY AND ENVIRONMENT

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

10. HUMAN RESOURCES

The objective of Human Resource Management 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 stakeholder value. In the present scenario of competition and striving for excellence, human resources play a pivotal role in an organization's success. In order to develop employee competencies for superior performance, during the year, 3048 employees were trained through courses organized in-house, 986 employees were trained through in-country programs and 281 were trained through overseas programs.

11. INDUSTRIAL RELATIONS

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

12. CORPORATE SOCIAL RESPONSIBILITY

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

12.1 HEALTH

- *SPARSH* - OIL's Mobile Health Care services were carried out in remote areas of Dibrugarh and Tinsukia to cater to the primary health care needs of the people in OIL operational areas. In 2012-13, OIL conducted 796 camps, screening and extending primary healthcare services to more than 1,39,513 patients in Dibrugarh & Tinsukia. In addition, the Primary Healthcare Services are also provided by the OIL Dispensary in South Bank and Manabhaum regions.
- The health check-up camps were successfully conducted in the 1st & 2nd week of December, 2012 where ante-natal check-up was done and children upto the age of 1 year were screened.
- OIL has also supported initiatives for up-gradation of 3 (three) hospitals in its operational areas of Dibrugarh district. Also an independent cell has been formed to deal with all the Gender Budgeting. The cell monitors the following schemes which aim for benefit of the female members of the society.
- The nursing school in OIL Hospital Duliajan conducts 3 years General Nursing Midwifery (GNM) training. Stipend is paid to the students in addition to limited hostel accommodation, uniform and protective clothing.

12.2 EDUCATION

- Every year, OIL rewards meritorious students of



operational areas passing class X & XII with OIL Awards.

- Computer Literacy project is implemented through State Institute of Rural Development (SIRD), Assam, via mobile education vans which visit each of the areas and schools. In the first phase of implementation (2013 batch), the target beneficiaries are the students of class VI. Further the Computer training centre under project 'Rupantar' offers various short term courses to students as well as other candidates at a subsidized rate and till date 53,000 students have been trained.
- Adult Literacy Programme is being implemented in the districts of Dibrugarh, Tinsukia and Sivasagar. Project Computer Literacy & Adult Literacy was christened as Project 'Dikhya' and was formally launched on 20th December 2012 at Duliajan.
- OIL pays significant contribution to numerous co-educational institutions benefiting the women of the society.

12.3 LIVELIHOOD - SUSTAINABLE SELF-EMPLOYMENT AVENUES

- Oil India Rural Development Society (OIRDS) is designed to provide source of livelihood to the people living in operational area particularly in the operational areas of OIL. Two core areas namely- the Agriculture Project & the Handicraft Training and Production Centre (HTPC) have been taken. Nine-month stipendiary training is being imparted in Weaving, Cutting & Tailoring, and Embroidery & Knitting to young girls from OIL operational areas. To boost the encouragement of the farmers, OIRDS introduces high yielding paddy seeds specially collected from Regional Agriculture Research Centre, Titabor and organic manure to revitalize the paddy fields. Till date, OIRDS has adopted more than 84 villages covering nearly 8909 farm families under its Agriculture Project.
- *RUPANTAR* is a CSR initiative started with State Institute of Rural Development (SIRD) Assam in September, 2003, with a central focus to assist Self Help Groups for development of Agro based industries like bamboo cultivation, floriculture, fishery, sericulture, organic farming, etc and other allied activities like duck farming, pig rearing,

goat farming, dairy farming, handloom, small business, etc. The marketing outlet 'AASTHA' at Duliajan has been satisfactorily providing the requisite support to the marketing needs of the SHGs of OIL's operational areas.

12.4 SPECIAL COMPONENT PLAN (SCP) AND TRIBAL SUB-PLAN (TSP)

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

13. ACREAGE

Areas Under Nomination

At present, OIL has 7 Petroleum Exploration License (PEL) covering area of about 1266 sq.km granted on nomination basis within the country and 21 Mining Lease (ML) spread across area of about 5095 sq.km. These Blocks are in the state of Assam, Arunachal Pradesh and Rajasthan.

Areas under NELP, with OIL As Operator/Joint Operator

Till NELP IX, Company had 12 blocks with area of 18,434 Sq. Km. in the state of Assam, Mizoram, Andhra Pradesh/Puducherry, Andamans, Rajasthan, Cauvery and Mumbai offshore.

Areas under NELP, with OIL Not As Operator

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

Areas under Pre-NELP JVs, with OIL not as Operator viz Kharsang PSC & Block AAP-ON-94/1(Dirok)

OIL has 2 blocks with 316 Sq. Km in Assam & Arunachal Pradesh as non-operator.

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

OIL has 14 Blocks covering 27018 Sq. KM of area in Libya, Gabon, Nigeria, Yemen, Timor Leste, Egypt, Venezuela and USA. The status of the major developments in the blocks is as under:-



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

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

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

3D seismic data acquisition of Phase-I is completed & 3D seismic data acquisition of Phase-II is under progress. Drilling of Wells as against of 8 Wells. Drilling of first well is completed and result is light oil discovery. Further drilling of second well was under progress.

Block Shakti in Gabon [OIL-45% PI and operator, IOCL-45% PI, and Marvis Petroleum-10% PI]

As per MWP two wells have already been drilled, there were no commercial hydrocarbon discoveries. Preparation for drilling of the third well in progress.

Nigeria - BLOCK OML 142 (Earlier OPL-205) [OIL-17.5% PI, IOCL-17.5% PI, and Suntera Resources-35 % PI in JV M/s Suntera Nigeria OPL 205 (70% interest in block), Summit Petroleum - 30% PI and operator]

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

The onland block covering an area of around 1295 sq.km is located in the Northern part of Niger Delta and has an old gas/condensate discovery which is yet to be developed. The JV has drilled one (1) well within the block which failed to encounter any hydrocarbons.

Meanwhile, operator's plan for development of the gas condensate discovery has been accepted by DPR, Nigeria and the block license has been converted to mining lease OML 142. Mobilisation of seismic crew and equipment has been completed. Line survey and shot hole drilling works are in progress. Operator has finalized schedule for Seismic data recoding.

Yemen [Blocks 82 and 83] (Medco Energi-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 blocks 82 & 83 in 2006 Bid round of Yemen. Subsequently, PSC was signed on 13th May 2008 and Presidential decree was received on 17th March 2009.

These exploration acreages covering combined areas of over 2100 sq.km are located in the South Central Part of the country within the oil prolific Sayun Masila Basin. Work commitment involves API of 2D/3D seismic and drilling of 3 wells in each of the blocks. Physical activities got delayed due to political unrest. Subsequent to improvement of political situation work programme has been started by the operator.

The operator has obtained extension of Phase-I exploration period upto 17th December, 2013 for both the Blocks. 2D Seismic acquisition of 350 line km and 3D of 245 Km² has been completed in Block 83. Seismic processing in Block 83 has also been completed in Block 83. The operator has initiated preparation for Seismic acquisition in Block 82.

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

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

Venezuela - Carabobo Project-I: C1 North and C1 Central Blocks (OIL - 3.5%, IOC - 3.5%, OVL - 11%, Petronas, Malaysia - 11%, Repsol, Spain-11%, PdVSA-60%)

The Ministry of the Popular Power for Energy and Petroleum of the Bolivarian Republic of Venezuela (MENPET) in November 2008 offered 40% PI for development in three onshore Projects 1, 2 & 3 in the Carabobo region in Orinoco heavy oil belt. Each project is to be operated by a Mixed Company to be incorporated in Venezuela, with PdVSA having a 60% equity interest through 100% subsidiary Corporacion Venezolana del Petroleo, S.A. (CVP) in the joint-



venture/mixed company, for a term for 25 years and with a possibility of 15 years extension.

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

The contract has been signed on 12th May, 2010. The Mixed Company has already been incorporated. Currently, the development activities in the field are under progress. First oil production from the project has started on 27th December 2012 from well CGO-005. Currently, average production from the project stands at 1800 BOPD.

USA: Liquid rich Shale Asset: [Carrizo Oil & Gas Inc-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.

OIL acquired approx 12,300 net acres of the asset and subsequently added additional area of 1953.067 acres during current year. During the year, OIL's share of oil and gas production stood at 72,157 BOE.

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

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

OIL has so far received US\$ 13.4 mn of revenue from this project.

13 DISCOVERY OF OIL AND GAS

Your Company has made the following eleven oil

and gas discoveries during the year from Assam and Rajasthan of which nine discoveries are from Upper Assam basin and two from Bikaner Nagaur Basin of Rajasthan:-

i) **NHK-600 (Loc. HUJ)**

This well is located in an isolated fault block in the eastern part of Zaloni structure of Hugrijan ML and was drilled to a depth of 3311 m within Barail Arenaceous to probe the Upper Tipam prospect as primary target and Barail Third sand prospect as secondary target. The well has encountered a number of prospective sand ranges within Tipam and Girujan formations. On testing, the well produced gas from Tipam formation. The discovery of gas in this well has opened up a new area for exploration and exploitation of gas in eastern part of Zaloni area.

ii) **Moran-116 (Loc. MFC)**

The well, located in the Dimowkinar Structure within Moran ML was drilled down to a depth of 4280 m within Basement to probe the hydrocarbon prospects within Barail and Lakadong + Therria formations. The well has encountered a few prospective sand ranges within Lakadong + Therria formation and is currently producing oil from one of the tested sands. The discovery of oil in this well has opened up a new area for further exploration and exploitation in Dimowkinar structure of Moran area.

iii) **Balimara-2 (Loc. BF)**

This exploratory well lies in the Balimara structure and is located between Umatara and Jaipur structure within Borhat PEL. The well was drilled down to a depth of 4408 m within Barail formation to probe the hydrocarbon prospects within Tipam and Barail formations. The well has encountered prospective sand ranges within these formations, producing oil from one of the tested Barail sand. The discovery of oil in this well has opened up new prospect for future exploration and exploitation in Balimara area within Borhat PEL.

iv) **East Khagorijan-1 (Loc.TAI)**

The well, located in the East Khagorijan structure within Tinsukia ML was drilled down to a depth of 3716 m within Basement to probe the hydrocarbon prospects within Lower Eocene-Paleocene Formations. The well has encountered a number of prospective sand ranges within these Formations



and is currently producing oil from one of the tested Lakadong + Therria sands. The discovery of oil in this well has opened up a new area for future exploration and exploitation in E. Khagorijan structure in the Tinsukia ML area.

v) NHK-531 (Loc. HNR)

The well is located in the Lohali- Deohal structure within Hugrijan ML. The discovery was made from the new/unappraised Barail sand during workover operations producing gas during testing. The discovery of gas in this well has opened up a new reservoir for exploration and exploitation of gas in Deohal area.

vi) Barekuri-12 (Loc.DGJ)

This well, located in the eastern fault block of the West Barekuri structure within Dumduma ML was drilled to a depth of 4027 m within Basement to probe the hydrocarbon prospects within Lower Eocene-Paleocene formations. The well has encountered prospective sand ranges within the Narpuh and Lakadong + Therria Formations, producing oil from the latter on testing. The discovery of oil in this well has opened up a new area for exploration and exploitation in north-west part of Barekuri area within Dumduma ML.

vii) NHK-581 (Loc. HTF)

The well is located in the Dhuliajan area within Hugrijan ML and the discovery was made from the new/unappraised Upper Tipam sand during workover operations producing gas during testing. The discovery of gas within Tipam formation in this well has opened up a new reservoir for exploration and exploitation of gas around Dhuliajan structure within Hugrijan ML.

viii)Singhibil-1 (Loc. HVT)

This well, located in the Singhibil structure within Hugrijan ML was drilled to a depth of 4102 m within Basement to probe the hydrocarbon prospects within Tipam, Barail and Lower Eocene-Paleocene Formations. The well has encountered few prospective sand ranges within Barail and Lakadong + Therria Formations, producing gas during initial production testing from the latter. The discovery of gas within Lakadong + Therria formation in this well has opened up a new play for exploration and exploitation in Singhibil in Northern part of Ghuguloni structure within Hugrijan ML.

ix) NHK-141 (Loc. NDO)

The well, is located in the Naharkatiya area within Naharkatiya extension ML has discovered gas on testing the the new/unappraised Upper Tipam sand during workover operations. The discovery of gas in this well has opened up a new reservoir for exploration and exploitation of gas in and around Naharkatiya area.

x) Punam-1 (Loc. RBAO)

The well, located in the Punam Structure in NELP-VI Block RJ- ONN-2004/2 & Baghewala PML was drilled down to a depth of 1297 m within Basement. The well has encountered one heavy oil bearing sand within the Jodhpur formation, which has been tested, and another prospective sand range within the HEG sand. The discovery of heavy oil within the Jodhpur sand in this well has opened up a new play for exploration / exploitation in the Block RJ-ONN-2004/2 and in Baghewala PML areas.

xi) TVW-2 (Loc. RBAC)

The well, located in the Tavriwala Structure of Baghewala PML was drilled down to a depth of 1200 m within Basement and encountered one heavy oil bearing sand within the Jodhpur formation, which has been tested. The discovery of heavy oil in this well has opened up a new play for exploration / exploitation in the Baghewala PML areas.

15 STATUS OF RESERVES

The Position of Crude Oil and Natural Gas of the Company as of 31.03.2013 is as follows:

IN-PLACE VOLUME	1P	2P	3P
STOIIIP (MMSKL)	839.61	901.72	967.06
GIIP (BCM)	308.34	342.23	377.76
O+OEG(MMSKL)	1147.96	1243.95	1344.82
CUMMULATIVE PRODUCTION TILL 31.03.2013			
OIL (MMSKL)	176.94		
Condensate (MMSKL)	0.42		
Gas (BCM)	77.74		
RESERVES	1P	2P	3P
Oil +Condensate(MMSKL)	41.42	95.14	135.08
GAS (BCM)	28.76	50.53	73.57
O+OEG (MMSKL)	70.18	145.66	208.65



Accretion: The accretion to oil and gas volume during 2012-13 under OIL's area of operation in Assam & Rajasthan is given in table below:

IN-PLACE VOLUME	1P	2P	3P
STOIIIP (MMSKL)	6.46	7.61	-2.7
GIIP (BCM)	9.42	9.44	10.68
O+OEG(MMSKL)	15.88	17.05	7.98
Estimated Ultimate Recovery (EUR)	1P	2P	3P
Oil +Condensate(MMSKL)	1.9	3.89	-0.48
GAS (BCM)	6.04	7.18	11.45
O+OEG (MMSKL)	7.94	11.08	10.97

16 NEW INITIATIVES

The 54 MW Wind power project with 27 Units of 2000 KW each has successfully been commissioned within the stipulated time & budget on 30th Mar 2013 with this OIL has an installed capacity of 67.6 MW of wind power as of 31st March 2013. The project is at Site- Dangri, District- Jaisalmer, Rajasthan- 70 kms from Jaisalmer city centre and Wind farm connected to Rajasthan State Electricity 'AKAL' Grid. It may be recalled that OIL established its footprint in renewable energy by commissioning its 13.6 MW Wind energy project on 31st March 2012. The Wind power project was formally inaugurated on 02.04.2013.

17 FUTURE OUTLOOK

- Since OIL has significant presence in the NE part of India and presently operating in the Upper Assam basin which happens to be one of the most prolific basins in India, OIL will concentrate efforts in the NE to achieve such reserve accretion.
- OIL has Petroleum Mining Lease (PML) for 15 fields in Assam and has applied for a PML in the Mechaki

Extension field. It has 2 other PMLs in Arunachal Pradesh.

- OIL has Petroleum Exploration Licenses (PELs) in Assam (1,562 km²) and in Arunachal Pradesh (331.75 km²). These were awarded to OIL during the nomination regime by the Government. Therefore, of the total area available with OIL 70% of it is under PML and balance 30% is under PEL.
- Adding and enhancing hydrocarbon reserves is vital for maintaining healthy reserves-to production ratio which is the key to OIL's long term growth. OIL has a 2P hydrocarbon reserve base of 944 MMboe of which about 62% is crude oil and balance is natural gas which demonstrates bright production potential.
- To enhance primary RF water injection and other EOR/IOR technologies will be adopted which has the ability to liberate additional production capacity of around 0.32 to 0.35 MMTPA of crude over the next 12 to 15 year period, if focused approach has been adopted and implemented.
- OIL will continue to pursue acquisition of prospective overseas E & P opportunities to ensure energy security for the country, to grow by enhancing own E & P portfolio and decrease risks in existing E & P portfolio. In addition to pursuing conventional assets, OIL would also look towards acquisition of Un-conventional assets, such as, oil sands, shale gas, shale oil etc.
- While E & P business continues to be OIL's core focus, selective diversification into mid-stream, downstream and renewable energy segments, such as, pipelines, CGD, LNG, refineries, wind/solar energy etc would also be planned to balance the existing portfolios and play an important role in energy distribution/ marketing



BUSINESS RESPONSIBILITY REPORT

Section A: General Information about the Company

1. Corporate Identity Number (CIN) of the Company : L11101AS1959GOI001148
 2. Name of the Company : Oil India Limited
 3. Registered address : Duliajan, Assam
 4. Website : www.oil-india.com
 5. E-mail id : oilindia@oilindia.in
 6. Financial Year reported : 2012-13
 7. Sector(s) that the Company is engaged in (industrial activity code-wise)
 - Extraction of Crude Oil
 - Extraction of Natural Gas
 - Transportation of Crude Oil
 - LPG
 8. List three key products/services that the Company manufactures/provides (as in balance sheet)
 - a. Crude Oil
 - b. Natural Gas
 - c. LPG
 9. Total number of locations where business activity is undertaken by the Company
 - i) Number of International Locations (Provide details of major 5)
 - ii) Number of National Locations
- ✓ Refer Point No 25 of the Report on Corporate Governance

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

- ✓ OIL's customers include PSUs like NRL, IOCL, BVFCL etc.

Section B: Financial Details of the Company

1. Paid up Capital (INR) : 6011359550
2. Total Turnover (INR) : 9947.57 crore
3. Total profit after taxes (INR) : 3589.43 crore

Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)

Incurred an expenditure of 1.43% of OIL's Profit after Tax (reference fiscal year 2010-11) for CSR activities in 2012-13.

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

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

Section C: Other Details

1. Does the Company have any Subsidiary Company/Companies?
 - ✓ Yes. Details provided in the Directors' Report.
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)
 - ✓ The JV partners are not directly involved with the BR initiatives. However, the terms and operating framework of the Production Sharing Contracts addresses areas like safety, environment, regulatory compliance, ethics, human rights etc.



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 BR mechanism in place. Moreover, our contracts with external agencies also address the BR issues.

- DIN Number : 00489006
- Name : Shri N.K.Bharali
- Designation : Director (HR&BD)

b) Details of the BR head

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

Section D: BR Information

1. Details of Director/Directors responsible for BR

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

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

S. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 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		Y	Y
3.	Does the policy conform to any national /international standards? If yes, specify? (50 words)*	Y	Y	Y	Y	Y	Y		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		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		Y	Y
6.	Indicate the link for the policy to be viewed online?	Y	Y	Y	Y	Y	Y		Y	Y
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.								
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 Company has the mechanism in place. Board Committees such as HSE and SD committee are responsible for the policies falling in their domain.								
10.	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Audits are conducted by the Internal Audit Team combined with audit conducted by Statutory Auditors.								

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

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



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

S.No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles							NA		
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles							Y		
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify) It is planned to be done in the future.							Y		

3. Governance related to BR

- Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year
- ✓ OIL Board meets 10-12 times in a year to assess the business and financial performance. As part of the deliberations, Business Responsibility issues are also discussed.
- Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?
- ✓ In the current year OIL is publishing the Sustainability Report and the same will be uploaded on the Company's website www.oil-india.com. It will be published annually.

Section E: Principle-wise performance

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?
 - ✓ Our policies cover ethics, bribery and corruption extend to Group, Joint Ventures, Suppliers, contractors and other associated entities. Our 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 words or so.
 - ✓ As specified in the Report on Corporate Governance, the total number of investor complaints received during the year was '44'. All complaints received during the year 2012-13 have been duly attended to by the Company / RTA and as on 31.03.2013 there was no outstanding complaint.

Principle 2:

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.
 - ✓ All crude oil and natural gas processing installations/ terminals are designed taking cognizance of environmental concerns, risk and/or opportunities involved.

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

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

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

Associated natural gas produced during E&P operation is utilized for captive power generation for



OIL's internal consumption and the balance quantity is distributed to external consumers.

Very low pressure gas which otherwise been flared is compressed through BOO (Build-Own-Operate) project for monetization.

Pipeline transportation of crude oil to refineries and evacuation of petroleum products of NRL through product pipeline substantially reduce the use of energy and water at consumers' end. These effort have also helped in reducing of CO₂ emission.

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

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

4.0 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.

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

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

Recycle >10%

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

Remediation 5 – 10%

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

Remediation < 5%

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

Principle 3

1. Please indicate the Total number of employees.
 - ✓ Total number of Employees : 8076
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.
 - ✓ Total number of employees hired on temporary/contractual/casual basis: 192
3. Please indicate the Number of permanent women employees.
 - ✓ Number of permanent women employees: 368
4. Please indicate the Number of permanent employees with disabilities
 - ✓ Number of permanent employees with disabilities:63
5. Do you have an employee association that is recognized by management?
 - ✓ Yes
6. What percentage of your permanent employees is members of this recognized employee association?
 - ✓ 99% of the Permanent Employees is members of the recognized employee association.
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.
 - ✓ NIL



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

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

Permanent Employees	53%
Permanent women employees	47%
Contractual/Temporary/Casual employees	7.3%
Employees with Disabilities	22%

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

Principle 4

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

Yes

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. At regular intervals OIL conducts formative researches & social audits of the ongoing activities so as to ensure their proper implementation & further improvements if any.

✓ 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.

a) **Empowering women & youth through livelihood initiatives:** In order to help the large number of unemployed youth of the society irrespective of gender perspective and strengthen rural economy, OIL had started ambitious projects like Project Rupantar and Oil India Rural Development Society (OIRDS). Project Rupantar has been generating livelihood opportunities by assisting through formation of Self Help Groups and providing training in its Computer Centre thereby helping the unemployed youths to find alternate employment providing a scope for entrepreneurship.

On the other hand OIRDS through its Agriculture Project has helped the youth find employment through commercialization of agriculture. The Handicraft Training and Production Centre have been training girls from OIL's operational areas in production of handlooms, knitting, cutting, tailoring and embroidery.

b) **Developmental Projects for SC and ST:** Oil India has always laid great emphasis in implementing various developmental projects in and around 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.
- Of the total CSR budget, the budget allocated for SCP component is 24% and TSP component is 3%.

c) **Healing through SPARSHA:** Under project SPARSHA, OIL has been extending primary health care services to the needy and poor free of cost in the remotest villages of OIL's operational areas.

d) **Empowering through education:** Under Project Dikhya OIL has been imparting Computer & Adult Education to the students of selected rural schools and disadvantaged adults in the society. Project Utkarsh Super 30 has placed many talented students in reputed engineering institutes of the country from marginalized families. OIL has been extending merit scholarships and awards to meritorious students passing class Xth & XIth from rural areas.



Principle 5

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?
 - ✓ We try to extend our value system to those in our value chain through contracts that set standards for compliance with these values. We are aware of the challenges and we constantly try to extend our circle of influence along the value chain in order to propagate responsible business practices. Apart from the internal stakeholders, the policy extends to our suppliers / contractors / others.
2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?
 - ✓ So far we are yet to receive any complaint relating to Human Rights.

Principle 6:

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/ others.
 - ✓ Besides honouring company's vision statement "OIL is fully committed to health, safety and environment (HSE)", policy related to Principle 6 extends to all 'stakeholders' and society at large in its operational domain. Restoring environment has been a keyword in OIL's business.
2. Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.
 - ✓ Yes, OIL has taken strategic initiative to address global environmental issues like climatic change, global warming, etc. E & P Business being sensitive to environment, OIL has thus initiated a process of low carbon transformation as under:
 - estimated its carbon inventory and formulated a low carbon strategy in all sphere of its operations,
 - the carbon foot print for the base year 2009-10 has been worked out to be 1.43 million CO₂e.

- OIL has identified GHG emission abatement opportunities through technology induction and process improvement initiatives.
 - OIL has set-up few solar power stations and wind mills for harnessing non-conventional energy and thereby reducing GHG emission.
 - other measures for reducing GHG emission like phasing out of CFC, reduction in natural gas flaring and mass tree plantation have been taken up as ongoing process.
3. Does the company identify and assess potential environmental risks? Y/N
 - ✓ Yes, environmental risk that could arise out of E&P activities has been identified and assessed on a continuous basis. The baseline scenarios of all the environmental factors are assessed for all projects during its design, execution, operation and maintenance phases. Environment Impact Assessment (EIA) studies are carried out by independent external expert agencies and appropriate environment and social management and monitoring plans are developed for mitigation of risks. Hazard identification and HAZOP study are taken up periodically for new projects and old installations as well.
 4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also if yes, whether any environmental compliance report is filed?

No.
 5. Has the company undertaken any other initiatives on clean technology, energy efficiency, renewal
 - ✓ Yes, OIL has undertaken few other initiatives on clean technology, energy efficiency and renewable energy.

Energy Efficiency

OIL's endeavour for energy efficiency goes hand-in-hand with adoption of clean technologies. Some of the diesel engine prime movers have been replaced by electric motor driven and gas engine driven prime movers. Besides achieving cleaner energy, this has helped OIL to become more energy efficient. OIL could conserve about 193,000 litres of diesel consumption in this energy efficient drive.



Renewable Energy

OIL initiatives for harnessing of renewable energy has a few distinguish achievements in the field of solar and wind energy applications. Some of the milestones are captured below:

- a Wind Energy Project of 13.6 MW generating capacity was commissioned at Ludharva in Jaisalmer district of Rajasthan, which harnessed a total of 18.17 million kWh of electric energy during the year 2012-13. The wind farm is connected to the power grid of Rajasthan Rajya Vidyut Prasaran Nigam Ltd (RRVPL) at Amar Sagar.
- a 54 MW Wind Power Plant has been commissioned in Jaisalmer district of Rajasthan for generation of electricity during the later part of the year 2012-13 and generated 2.14 million kWh of electric power during the year.
- use of Solar Photo-Voltaic Cell for MART communication system saved about 3400 kWh of equivalent electric energy during the year 2012-13.
- replacement of a diesel engine driven 30 KVA gen set with 2 nos. solar gen sets for illumination requirement at work over location has conserved use of 18,000 litres of diesel during the year 2012-13.
- installed 7 nos. LED solar street lights, 1 no. solar water heater and few solar lanterns for our Pipeline operations.
- 2 nos. of 100 KWp solar energy plants were commissioned, 1 no. at Assam field and 1 no. at Rajasthan field during 2012-13.
- installation of 30 kWp off-grid roof top solar energy system at OIL's corporate office, Noida during the year 2012-13 has prevented emission of estimated 14,540 kg of CO₂ in approx 8 months by generating of about 18,000 kWh of electricity.

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

OIL's E&P operational facilities including Pipeline transportation system implement system certified ISO: 14001:2004 & OHSAS-18001 international standards including ISO-9001:2008 which are backed-up by rigorous internal and external audits.

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

The ambient air quality is monitored with the help of Mobile Air Quality Van equipped with online monitors for priority CO, H₂S, SO₂, oxides of N₂, SPM and total hydrocarbon which are within limits as per NAAQS standards.

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

OIL has not received any show cause/legal notices from CPCB/SPCB during the financial year 2012-13.

Principle 7

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

Yes, some of the major ones are :

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

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

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

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

- ✓ Keeping in perspective the larger good of the society, Oil India Limited since inception has engaged itself directly with local communities, identifying their basic needs, and integrating their needs with business goals and strategic intent. Fulfilling its duty of providing care to the society, Oil India Limited has embarked upon massive programs of educational, health, sports, cultural and infrastructural development endeavors; an attempt to invest technology with a human face. Therefore the Company is in a constant process of improving the ongoing CSR activities as well as innovating newer ways for ushering in a better society.
- ✓ CSR at Oil India Limited is characterized by all round development of the communities of OIL operational areas.

In 1962 the idea of collective rural development was first initiated in Oil India Limited, today it has reached many milestones towards welfare of the society. Since then, the Company has undergone several changes in terms of its widening areas of operation which has broadened the horizon and scope for promoting good practices in corporate citizenship and sustainable development. Strengthening the rural development network in its operational areas catering to more than 1000 villages in Assam & Arunachal Pradesh, OIL has been continuously striving towards the all round development of the communities amongst whom it operates. Today, the Company's CSR activities have achieved national and global recognition for its strategy of identifying and blending with the local and unique developmental needs of several ethnic groups which includes human conditions as well as environmental issues.

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

- ✓ Yes, OIL has been partnering with NGOs as well as government/semi-government agencies for implementing the various CSR projects. Here it is important to mention that OIL's association with government/semi-government agencies for implementing the CSR projects, is mainly due to unavailability of credible national/international NGOs

with considerable work experience in North east India. For example, the following CSR projects are using NGOs/government/semi-government institutions:

- a) **Project Rupantar:** One of the flagship CSR projects of OIL towards generating alternate and sustainable sources of livelihood for women and youth of OIL's operational areas is being implemented by State Institute of Rural Development (SIRD), Assam.
- b) **Agriculture Project:** One of Company's first CSR project under the aegis of Oil India Rural Development Society has representations from the civil society, State & Regional Agricultural Institutions. 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. High yielding seeds are collected for the beneficiaries from Agriculture Research Centre, Titabor.
- c) **Project SPARSHA:** OIL Hospital in association with St. Luke's Hospital, Tinsukia & Chabua has been implementing the mobile health care project which caters to the primary health care needs of the people of OIL's operational areas.
- d) **Other Health initiatives:** Moreover OIL assists Govt. Agencies / NGOs (like Lions Club, Rotary Club) in specialized camp like eye camps, cancer detection camps etc.
- e) **UTKARSH- Super 30:** An initiative for harnessing human resource & empowering the youth of NE-India, residential coaching is provided to a group of selected IIT aspirants of Assam and Arunachal Pradesh in cooperation with an well known NGO named Centre for Social Responsibility and Leadership, New Delhi. The centre has branches in Guwahati and Jorhat in Assam.
- f) **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', which is also one of Company's CSR MoU targets with MoPNG, Government of India. The project would be implemented by SIRD, Assam.
- g) **Educational fairs & exhibitions:** OIL has been associated with the Assam Tribune group in Guwahati, Dibrugarh and Shillong for organizing educational fairs.



h) Need assessment study and social audit of OIL's CSR initiatives: OIL has 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 projects & programs along with an audit of the ongoing CSR activities of OIL.

i) Other studies: From time to time OIL has been engaging with several organizations like the Enterprises Group (New Delhi), FAITH (New Delhi), WEBCON (Kolkata), etc. for conducting several social surveys, base line surveys, audit, feasibility studies, etc. for taking initiating CSR projects.

3. Have you done any impact assessment of your initiative?

- ✓ Company's monitoring and evaluation mechanism involves both internal as well as external authorities for impact assessment of the different CSR initiatives pertaining to the concerned area of development. In case of implementation of the Company's CSR projects, internally, the officials from department of Public Relations & Corporate Communication are made responsible for periodically monitoring the implementation, wherein the department conducts field visits, public meetings, etc. at equal intervals to access whether the progress made in a particular CSR activity conforms to the set rules in the policy. Moreover, departments like Internal Audit, Finance & Accounts of the Company also does the necessary auditing of the activities, its related finances, etc. to access the same.
- ✓ 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) and St. Luke's Hospital, the implementing agencies for Project Rupantar and Mobile Health Dispensary respectively in the OIL operational areas, conducts independent audits and assessments of the ongoing activities. External agencies like Enterprises Group (New Delhi) had carried out a study of OIL's ongoing CSR activities.
- ✓ Additionally, The Company has currently 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

(in ₹)

CSR Expenditure For The Year 12-13	
Budget Head	Amount Paid+Provision
Development Of Education	42976319
Development Of Health	11642259
Rural Development	10820844
Oirds	5950000
Road & Bridges	68303453
Other Infrastructure	24056875
Development Of Sports	12000000
Fund For Corporate Office	55938498
Advertisement For Souvenir-Fhq	11726095
Major Visible projects:	
Creation & Support of 250 SHG/ JLGs	25000000
Promote Computer Literacy	10000000
Implementation Project(Adult Literacy In Oil's Operational Areas)	1000000
Sub Total	288914343
LPG Connection	105000000
TOTAL	393914343

Other Major CIVIL jobs included under CSR for 2012-13:

(in ₹)

SR.09ASCV.038.08	Improvement of Rongpuria Lohari Road (in ₹)
Jan-13	12,000,000
Jun-12	7,400,000
	19,400,000
SR.11ASCV.021.01	Strengthening of Duliajan-Tinsukia road (in ₹)
Apr-12	9,291,412
Dec-12	21,680,000
Jan-13	12,388,550
Jul-12	15,485,700
Total	58,845,662



SR.10ASCV.001.02	4/2 Hapjan river on Betjan - Hilikha Bridge	
Sep-12		2,400,000
SR.10ASCV.001.05	4/3 Tarajan river on Tarajan - Hapmara Bridge	
Jun-12		1,287,000
Aug-12		2,500,000
Total		3,787,000
SR.11ASCV.023	Development of Doomdooma-Baghjan Road	
May-12		6,800,000
Jan-13		11,200,000
Total		18,000,000
Grand Total		102,432,662

With the above CIVIL jobs the total CSR expenditure including provisions kept for 2012-13 is: Rs.39.39 Crore + 10.24 Crore = Rs 49.63 Crore

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 in the departmental level.

Principle 9

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

- ✓ No customer complaints are pending for FY 2012-13
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)
 - ✓ We are regulated by the Ministry of Petroleum and Natural Gas. The productivity, quality and safety of our performance / products is of prime concern for us and for our customers.
 3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so
 - ✓ No. Crude Oil pricing formula is approved by the Government of India and sales are at an arms length.
 4. Did your company carry out any consumer survey/ consumer satisfaction trend.

No. Our Crude Oil is sold to the refineries and the natural gas to the gas utility companies. In the case of Crude Oil at the point of sale, we have daily audit of quality done. We also regularly check the integrity of our product pipelines through standard pipeline inspection methods, hardware testing etc.



Principles to assess compliance with Environmental, Social and Governance norms

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

1. Businesses should develop governance structures, procedures and practices that ensure ethical conduct at all levels; and promote the adoption of this principle across its value chain. Businesses should communicate transparently and assure access to information about their decisions that impact relevant stakeholders.
2. Businesses should not engage in practices that are abusive, corrupt, or anti-competition.
3. Businesses should truthfully discharge their responsibility on financial and other mandatory disclosures.
4. Businesses should report on the status of their adoption of these Guidelines as suggested in the reporting framework in this document.
5. Businesses should avoid complicity with the actions of any third party that violates any of the principles contained in these Guidelines

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

1. Businesses should assure safety and optimal resource use over the life-cycle of the product – from design to disposal – and ensure that everyone connected with it- designers, producers, value chain members, customers and recyclers are aware of their responsibilities.
2. Businesses should raise the consumer's awareness of their rights through education, product labelling, appropriate and helpful marketing communication, full details of contents and composition and promotion of safe usage and disposal of their products and services.
3. In designing the product, businesses should ensure that the manufacturing processes and technologies required to produce it are resource efficient and sustainable.

4. Businesses should regularly review and improve upon the process of new technology development, deployment and commercialization, incorporating social, ethical, and environmental considerations.
5. Businesses should recognize and respect the rights of people who may be owners of traditional knowledge, and other forms of intellectual property.
6. Businesses should recognize that over-consumption results in unsustainable exploitation of our planet's resources, and should therefore promote sustainable consumption, including recycling of resources.

Principle 3: Businesses should promote the wellbeing of all employees

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



8. Businesses should create systems and practices to ensure a harassment free workplace where employees feel safe and secure in discharging their responsibilities.

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

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

Principle 5: Businesses should respect and promote human rights

1. Businesses should understand the human rights content of the Constitution of India, national laws and policies and the content of International Bill of Human Rights. Businesses should appreciate that human rights are inherent, universal, indivisible and interdependent in nature.
2. Businesses should integrate respect for human rights in management systems, in particular through assessing and managing human rights impacts of operations, and ensuring all individuals impacted by the business have access to grievance mechanisms.
3. Businesses should recognize and respect the human rights of all relevant stakeholders and groups within and beyond the workplace, including that of communities, consumers and vulnerable and marginalized groups.
4. Businesses should, within their sphere of influence, promote the awareness and realization of human rights across their value chain.

5. Businesses should not be complicit with human rights abuses by a third party.

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

1. Businesses should utilize natural and manmade resources in an optimal and responsible manner and ensure the sustainability of resources by reducing, reusing, recycling and managing waste.
2. Businesses should take measures to check and prevent pollution. They should assess the environmental damage and bear the cost of pollution abatement with due regard to public interest.
3. Businesses should ensure that benefits arising out of access and commercialization of biological and other natural resources and associated traditional knowledge are shared equitably.
4. Businesses should continuously seek to improve their environmental performance by adopting cleaner production methods, promoting use of energy efficient and environment friendly technologies and use of renewable energy.
5. Businesses should develop Environment Management Systems (EMS) and contingency plans and processes that help them in preventing, mitigating and controlling environmental damages and disasters, which may be caused due to their operations or that of a member of its value chain.
6. Businesses should report their environmental performance, including the assessment of potential environmental risks associated with their operations, to the stakeholders in a fair and transparent manner.
7. Businesses should proactively persuade and support its value chain to adopt this principle.

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

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



other such collective platforms to undertake such policy advocacy.

Principle 8: Businesses should support inclusive growth and equitable development

1. Businesses should understand their impact on social and economic development, and respond through appropriate action to minimise the negative impacts.
2. Businesses should innovate and invest in products, technologies and processes that promote the wellbeing of society.
3. Businesses should make efforts to complement and support the development priorities at local and national levels, and assure appropriate resettlement and rehabilitation of communities who have been displaced owing to their business operations.
4. Businesses operating in regions that are underdeveloped should be especially sensitive to local concerns.

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

1. Businesses, while serving the needs of their

customers, should take into account the overall well-being of the customers and that of society.

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



REPORT ON CORPORATE GOVERNANCE

1. PHILOSOPHY ON CORPORATE GOVERNANCE

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

- *Transparency*
- *Accountability*

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

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

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

2. BOARD OF DIRECTORS AND ITS COMPOSITION

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

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

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

The Board of the Company is structured on the basis of Clause 49 of the Listing Agreement and Guidelines on Corporate Governance for CPSEs (DPE Guidelines). In accordance with the above, where the Chairman of the Board is an Executive Director, at least half of the Board should comprise of Independent Directors. Presently, OIL has only 5 IDs against 7 required to ensure the compliance. Thus, the Company has requested the Ministry of Petroleum and Natural Gas for appointment of 2 more IDs on its Board to ensure compliance to Listing Agreement and DPE guidelines.

Board reviewed the performance of the Company at regular intervals. During the year, the Board met 11 times on April 25, 2012, May 28, 2012, July 30, 2012, August 08, 2012, September 14, 2012, November 06, 2012, November 12, 2012, November 30, 2012, January 18, 2013, February 12, 2013, and March 13, 2013.

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

S.No	Name and Type	DIN	Attendance at Board Meeting (Attended/Held)	Attendance at AGM	Tenure	Directorship in Other Public Companies	Chairmanship / Membership		Number of Shares held in the Company
I Executive Directors									
1.	Shri. S.K.Srivastava Chairman & Managing Director	02809123	10/10	Yes	01.05.2012- 30.06.2015	1	Nil	Nil	2500
2.	Shri. N.M. Borah (Ex- Chairman & Managing Director)	00489006	1/1	NA	01.12.2008- 30.04.2012	NA	NA		NA
3.	Shri. T.K. Ananth Kumar, Director (Finance)	00337930	11/11	Yes	18.01.2007- 30.09.2013	1	0	2	150
4.	Shri. B. N. Talukdar, Director (E&D)	01926119	11/11	Yes	01.12.2007- 31.12.2014	1	0	1	2250
5.	Shri. N. K. Bharali, Director (HR&BD)	03262719	10/11	Yes	14.09.2010 31.01.2015	1	0	1	3000
6.	Shri. S. Rath, Director (Operations)	03495179	9/11	Yes	31.03.2011- 31.05.2015	0	0	2	2550



II Non-Executive Directors									
A Government Nominee Directors									
7.	Smt. Rashmi Aggarwal	02814174	7/8	NO	08.08.2012-till further orders	0	0	1	-
8.	Shri Atul Patne	00389250	4/8	NO	08.08.2012 – till further orders	0	0	0	-
9.	Shri. A.Giridhar	00483130	2/2	NA	28.02.2012 – 07.08.2012	NA	NA	NA	NA
10.	Dr. (Smt.) Archana S. Mathur	02555904	2/2	NA	09.02.2009 – 07.08.2012	NA	NA	NA	NA
B Independent Directors									
11.	Prof. Shekhar Chaudhuri	00052904	3/6	NA	16.09.2012-15.09.2015	4	1	2	-
12.	Shri. Anup Mukerji	01460272	5/6	NA	16.09.2012-15.09.2015	1	1	2	-
13.	Prof. Gautam Barua	01226582	5/6	NA	16.09.2012-15.09.2015	2	0	2	-
14.	Shri. Suresh Chand Gupta	00541198	5/6	NA	16.09.2012-15.09.2015	2	2	2	-
15.	Prof. Bhaskar Ramamurthi	01914155	1/6	NA	16.09.2012 – 15.09.2015	0	0	1	-
16.	CA Pawan Kumar Sharma	00682428	5/5	Yes	30.07.2008-15.09.2012	NA	NA	NA	NA
17.	Prof. Sushil Khanna	00115364	4/5	Yes	30.07.2008-15.09.2012	NA	NA	NA	NA
18.	Shri. Vinod K. Misra	01641492	5/5	Yes	30.07.2008-15.09.2012	NA	NA	NA	NA
19.	Shri. Ghanshyambhai H Amin	02284350	5/5	Yes	30.07.2008-15.09.2012	NA	NA	NA	NA
20.	Shri. Alexander K.Luke	00085916	5/5	Yes	30.07.2008-15.09.2012	NA	NA	NA	NA

Does not include directorships of foreign companies, Section 25 companies and private limited companies.

None of the Directors on the Board is a Member of more than 10 committees and Chairman of more than 5 committees across all the companies in which he/she is a Director

None of the Directors are inter-se related to other Directors of the Company.

N.A – Not applicable

2.1 TRAINING AND EVALUATION OF NON-EXECUTIVE BOARD MEMBERS

The NEDs are eminent personalities having wide

experience in the field of business, education, industry, commerce and administration. On their induction, detailed presentation on the business module, performance, plans etc. of OIL are made. The Board is updated about all the statutory guidelines being issued by various Govt. Bodies / Departments. Board Members are nominated by the Company for suitable programmes / seminars from time to time. Further, detailed presentations are also made on business related issues, risk assessment, impact of regulatory changes on strategy etc. at the Board/ Committee/ other meetings by senior executives/ professionals/ consultants. The evaluation of EDs is carried out through a laid down procedure by DPE. However, in case of NEDs, DPE is in process of formulating appropriate guidelines.



3. BOARD COMMITTEES

The Board has constituted various committees which deal with specific issues. While constituting these committees attention has been given to keep a judicious mix of NEDs and EDs who possess requisite knowledge for discharging the responsibilities assigned to the Committee.

Shri. S.R. Krishnan (Company Secretary) acts as Secretary to all the Committees of the Board.

3.1 AUDIT (AC) COMMITTEE

Audit committee is constituted in accordance with Section 292 A of the Companies Act, 1956, Clause 49 of the Listing Agreement and DPE Guidelines. The composition of the Audit Committee is as under:

S.No	Name	Category	Chairman / Member	Date of Appointment (A)/ Cessation(C)	Attendance (Attended/ Held)
1.	Shri S C Gupta	Independent Director	Chairman	26.10.2012 (A)	4/4
2.	Shri.Anup Mukerji	Independent Director	Member	26.10.2012 (A)	3/4
3.	Smt.Rashmi Aggarwal	Govt. Nominee	Member	26.10.2012(A)	4/4
4.	Prof. Gautam Barua	Independent Director	Member	26.10.2012(A)	1/2
5.	CA Pawan Kumar Sharma	Independent Director	Chairman	15.09.2012(C)	4/4
6.	Shri. Vinod Kumar Misra	Independent Director	Member	15.09.2012(C)	4/4
7.	Dr. (Smt.) Archana S Mathur	Govt. Nominee	Member	07.08.2012(C)	2/3

Audit committee was reconstituted on October 26, 2012 due to completion of the tenure of its members.

The terms of reference, role and power of the Audit Committee as stipulated by the Board and are in conformity with the Section 292A of Companies Act, 1956, Listing Agreement and DPE Guidelines. During the year, Audit Committee met 8 times on April 18, 2012, May 28, 2012, July 18, 2012, August 08, 2012, November 06, 2012, December 18, 2012, February 12, 2013 and March 25, 2013.

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

3.2 SHAREHOLDERS' / INVESTORS' GRIEVANCES COMMITTEE (SIGC)

The Shareholders'/Investors' Grievances Committee specifically looks into redressing of Shareholders' and Investors' complaints/grievances pertaining to transfer/transmission of shares, non-receipt of annual reports, dividend payments, issue of duplicate certificates and other miscellaneous complaints. The Committee also oversees and reviews performance of the Registrar and Share Transfer Agents and recommends measures for overall improvement in the quality of investor services. During the year, the Committee met on June 27, 2012, Nov 30, 2012 and Feb 22, 2013

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

S.No	Name	Category	Chairman / Member	Date of Appointment (A)/ Cessation(C)	Attendance (Attended/ Held)
1.	Shri. Anup Mukerji	Independent Director	Chairman	06.11.2012(A)	2/2
2.	Shri. B.N.Talukdar	Director (E&D)	Member	06.11.2012(A)	3/3
3.	Shri. S. Rath	Director (Operations)	Member	06.11.2012(A)	1/3
4.	Shri. T.K. Ananth Kumar	Director (Finance)	Member	06.11.2012(A)	3/3
5.	Shri. S.C.Gupta	Independent Director	Member	06.11.2012(A)	1/2
6.	Prof. Bhaskar Ramamurthi	Independent Director	Member	06.11.2012(A)	0/2
7.	Shri. Ghanshyambhai H Amin	Independent Director	Chairman	15.09.2012(C)	1/1
8.	Shri. Alexander K. Luke	Independent Director	Member	15.09.2012(C)	1/1



SIGC committee was reconstituted on completion of the tenure of its members.

The total number of complaints received during the year was 44. All complaints received during the year 2012-13 have been duly attended to by the Company / RTA and as on 31.03.2013 there was no outstanding complaint.

3.3 REMUNERATION COMMITTEE (RC)

Remuneration Committee reviews and recommends pay and allowances and Performance Related Payment (PRP) etc. payable to below Board level employees. The Composition of the Committee during the year is as under:-

S. No	Name	Category	Chairman/Member/PI	Date of Appointment (A) / Cessation(C)	Attendance (Attended/ Held)
1.	Shri. S.C.Gupta	Independent Director	Chairman	06.11.2012(A)	0/0
2.	Shri. Gautam Barua	Independent Director	Member	06.11.2012(A)	0/0
3.	Shri. Shekhar Chaudhuri	Independent Director	Member	06.11.2012(A)	0/0
4.	Shri. T.K.Ananth Kumar	Director (Finance)	PI	06.11.2012(A)	1/1
5.	Shri. N.K.Bharali	Director (HR&BD)	PI	06.11.2012 (A)	1/1
6.	Shri.Vinod Kumar Misra	Independent Director	Chairman	15.09.2012 (C)	1/1
7.	Shri. Sushil Khanna	Independent Director	Member	15.09.2012 (C)	1/1
8.	Dr. (Smt.) Archana S Mathur	Govt. Nominee	Member	07.08.2013 (C)	1/1

PI: Permanent Invitee

The remuneration of the Directors is decided by the Government of India. The Perquisites/PRP being paid to the employees of the company are extendable to the Executive Directors. Independent Directors are not being paid any other remuneration except sitting fees as fixed by the Board within limits set by the Government of India. Government Nominee Directors

do not receive any pecuniary benefits including sitting fees from the Company. The committee met once on 25.04.12 .The Company has not issued any Stock Options to its Directors / Employees.

Details of remuneration of EDs and Sitting Fees of IDs for the year ended 31st March, 2013 is furnished as under:

(Rs. Lakhs)

S.No.	Names & designation of Executive Director	Salary and allowances	Contribution to PF and other Funds	Other benefits	Total
1.	Shri S.K.Srivastava, Chairman & Managing Director	46.47	3.57	11.73	61.77
2.	Shri. N.M Borah (Ex-Chairman & Managing Director)	40.74	0.34	10.93	52.01
3.	Shri T. K.Ananth Kumar, Director (Finance)	53.18	2.18	12.12	67.48
4.	Shri B.N.Talukdar, Director (Exploration & Development)	51.71	3.98	10.36	66.05
5.	Shri N. K. Bharali, Director (HR & BD)	43.57	1.97	9.85	55.39
6.	Shri S. Rath, Director (Operations)	40.08	3.61	10.81	54.50



Remuneration of Shri. N.M Borah includes superannuation benefits.

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

S.No.	Name of Independent Director	Sitting Fees(in Rs)
1.	Shri. Anup Mukerji	1,80,000/-
2.	Prof. Bhaskar Ramamurthi	20,000/-
3.	Prof. Gautam Barua	1,00,000/-
4.	Prof. Shekhar Chaudhuri	40,000/-
5.	Shri. Suresh Chand Gupta	1,80,000/-
6.	CA Pawan Kumar Sharma	2,20,000
7.	Prof. Sushil Khanna	1,80,000

8.	Shri. Vinod K. Misra	2,00,000
9.	Shri. Ghanshyambhai H Amin	1,60,000
10.	Shri. Alexander K.Luke	2,00,000

Shri. Shekhar Chaudhuri attended one Board meeting via Video-Conferencing for which no sitting fees was paid.

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 E-9 Level. HRM Committee meeting was held on April 16, 2012. The Composition of the Committee during the year is as under:-

S.No	Name	Chairman / Member	Category	Date of Appointment (A) / Cessation(C)	Attendance (Attended/ Held)
1.	Prof. Gautam Barua	Chairman	Independent Director	06.11.2012 (A)	0/0
2.	Prof. Shekhar Chaudhuri	Member	Independent Director	06.11.2012 (A)	0/0
3.	Shri. Alexander k Luke	Chairman	Independent Director	15.09.2012 (C)	1/1
4.	Shri. Ghanshyambhai H Amin	Member	Independent Director	15.09.2012 (C)	1/1
5.	Dr (Smt.) Archana S Mathur	Member	Govt. Nominee	07.08.2012 (C)	0/1
6.	Shri. N.M Borah	Member	CMD	30.04.2012 (C)	1/1
7.	Shri. T.K.Ananth Kumar	Member	Director (Finance)	06.11.2012 (C)	1/1
8.	Shri. B.N. Talukdar	Member	Director (E&D)	06.11.2012 (C)	1/1
9.	Shri. N.K.Bharali	Member	Director (HR&BD)	06.11.2012 (C)	1/1
10.	Shri. S. Rath	Member	Director (Operations)	06.11.2012 (C)	1/1

All the EDs are permanent invitees.

3.5 BUSINESS DEVELOPMENT (BDC) COMMITTEE

The Business Development Committee oversees

and explores new areas of business, proposals for collaborations, joint ventures, amalgamations, mergers and acquisitions etc. The Committee met twice on April 16, 2012 and July 3, 2012. The Composition of the Committee is as under:-

S.No	Name	Category	Chairman / Member	Date of Appointment (A) / Cessation(C)	Attendance Attended/held
1.	Shri. S.C.Gupta	Independent Director	Chairman	06.11.2012 (A)	0/0
2.	Shri. S.K. Srivastava	CMD	Member	06.11.2012(A)	1/1
3.	Shri. T.K. Ananth Kumar	Director (Finance)	Member	06.11.2012(A)	2/2
4.	Shri. B.N.Talukdar	Director (E&D)	Member	06.11.2012(A)	1/2
5.	Shri. N.K. Bharali	Director (HR&BD)	Member	06.11.2012(A)	2/2
6.	Shri. S. Rath	Director (Operations)	Member	06.11.2012(A)	1/2
7.	Smt. Rashmi Aggarwal	Govt. Nominee	Member	06.11.2012(A)	0/0
8.	Prof. Gautam Barua	Govt. Nominee	Member	06.11.2012(A)	0/0
9.	Shri. Sushil Khanna	Independent Director	Chairman	15.09.2012 (C)	2/2
10.	CA Pawan Kumar Sharma	Independent Director	Member	15.09.2012(C)	2/2
11.	Dr. (Smt.) Archana S Mathur	Govt. Nominee	Member	07.08.2012(C)	1/2



The committee was reconstituted during the year due to completion of tenure of its members.

Board for evolving appropriate systems to deal with Health, Safety and Environmental issues. The composition of the Committee is as under:-

3.6 HEALTH, SAFETY, ENVIRONMENT AND SUSTAINABLE DEVELOPMENT (HSE&SD) COMMITTEE

HSE & SD Committee is constituted to assist the

S. No	Name	Category	Chairman / Member	Date of Appointment (A) / Cessation(C)	Attendance Attended/held
1.	Prof. Bhaskar Ramamurthi	Independent Director	Chairman	06.11.2012 (A)	0/0
2.	Shri. Anup Mukerji	Independent Director	Member	06.11.2012 (A)	0/0
3.	Shri Atul Patne	Govt. Nominee	Member	06.11.2012 (A)	0/0
4.	Prof. Sushil Khanna	Independent Director	Chairman	15.09.2012 (C)	2/2
5.	Shri. Alexander K. Luke	Independent Director	Member	15.09.2012 (C)	2/2
6.	Shri. B.N.Talukdar	Director (E & D)	Member	06.11.2012 (A)	2/2
7.	Shri. N.K. Bharali	Director (HR&BD)	Member	06.11.2012 (A)	2/2
8.	Shri. S. Rath	Director (Operations)	Member	06.11.2012 (A)	2/2

The terms of reference of the committee includes:-

- Establish and review the Company's Health, Safety and Environmental strategy;
- Monitor and review the HSE performance of the Company
- Compliance with applicable pollution, environmental and other Statutory laws at all locations of the Company
- Approve Sustainable Development Policy and revise the same at periodical intervals.

- Approve SD Plan, annual SD Budget (short, medium and long term) in the context of the SD Guidelines.

- Oversee SD Performance

3.7 CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

CSR Committee functions as a built-in, self-regulating mechanism whereby it monitors and ensures its active compliance with the spirit of the law, ethical standards, and international norms. The current Composition of the Committee is as under:

The terms of reference of the CSR Committee includes:-

S.No	Name	Category	Chairman / Member	Date of Appointment
1.	Prof. Bhaskar Ramamurthi	Independent Director	Chairman	06.11.2012
2.	Shri. T.K. Ananth Kumar	Director(Finance)	Member	06.11.2012
3.	Shri. N.K.Bharali	Director (HR & BD)	Member	06.11.2012
4.	Shri. S.Rath	Director (Operations)	Member	06.11.2012
5.	Shri Atul Patne	Govt. Nominee	Member	06.11.2012
6.	Shri. S.C.Gupta	Independent Director	Member	06.11.2012



- review, agree and establish the Company's CSR strategy
- review and monitor CSR activities and compliance with CSR policies
- develop and encourage effective two-way communication concerning CSR issues within the business.
- review best practice in key CSR areas by appropriate external reports and by benchmarking wherever possible.

During the year, no CSR Committee meeting was held.

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

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

"I hereby confirm that the Company has obtained from the members of the Board and Senior Management Personnel, affirmation that they have complied with the Code of Conduct for Directors and senior management in respect of the financial year 2012-13."

Sd/-
(S.K.Srivastava)
CMD

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

5. CEO/ CFO CERTIFICATION

In terms of Clause 49 of the Listing Agreement, the certification by the CEO/ CFO on the financial statements and internal controls relating to financial reporting for the year 2012-13 was submitted to the Board.

6. ANNUAL GENERAL MEETINGS / EXTRA-ORDINARY GENERAL MEETINGS

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

AGM	Date	Time	Venue	Special Resolutions
51 st	September 25, 2010	11:00 AM	Bihutoli, Duliajan, Assam	None
52 nd	September 24, 2011	11:00 AM	Bihutoli, Duliajan, Assam	None
53 rd	September 15, 2012	11:00 AM	Bihutoli, Duliajan, Assam	None

7. DISCLOSURES

a). Related Party Transactions

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

b). Compliances

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

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

c). Whistle Blower Policy

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



8. MEANS OF COMMUNICATION

The Company's website 'www.oil-india.com' contains separate dedicated section 'Investor Relations' where the shareholders information is available. Annual Report, Shareholding Pattern, Corporate Governance Report, Investors Relation Handbook etc. are also available on the web-site in a user-friendly manner. The Company's website also displays official news releases. The Website contains presentations made to institutional investors or to the analysts.

The Quarterly Results/Annual Results are communicated by means of newspapers and website. These financial results are normally published in leading English Newspapers viz. Times of India, Hindustan Times, Economic Times and vernacular dailies (Dainik janambhumi) having wide circulation across the country.

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

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

Financial Year	Type of Dividend	Date of Declaration	Due for transfer to IEPF (Tentative Dates)
2005-06	Final	23.09.2006	29.10.2013
2006-07	1 st Interim	13.12.2006	18.01.2014
	2 nd Interim	26.02.2007	03.04.2014
	Final	29.09.2007	04.11.2014

9.4 TENTATIVE FINANCIAL CALENDAR

Financial Results (2013 – 14)	Last date for submission to Stock Exchanges
Quarter 1	14 th August, 2013
Quarter 2	14 th November, 2013
Quarter 3	14 th February, 2014
Annual /Quarter 4	30 th May, 2014

9. SHAREHOLDERS' INFORMATION

9.1 Annual General Meeting

Date, Day and Time	
Venue	Bihutoli, Duliajan
Book Closure Dates	14.09.2013 to 21.09.2013 (Both dates inclusive)

9.2 Dividend Policy and Dividend Payment Date

As per DPE Guidelines, all profit making Oil PSUs should declare minimum Dividend of 30% of Post Tax Profit. First Interim Dividend for the year 2012-13 was effective from 23/01/2013 and Second Interim Dividend was effective from 21/03/2013. Final Dividend shall be paid within the statutory period of 30 days.

9.3 Investors' Education & Protection Fund (IEPF)

During the year, Company has transferred the following amount to IEPF u/s 205A and 205C of the Companies Act, 1956:-

Type and Year	Amount (in Rs)
First Interim Dividend 2005-06	2,82,150/-
Second Interim Dividend 2005-06	1,80,750/-

All Shareholders, whose dividend is unpaid are requested to lodge their claim with M/s Karvy Computershare Pvt. Ltd., RTA. No claim will lie against the company or the IEPF once the dividend amount is deposited in IEPF.

Given below are the proposed dates for transfer of the unclaimed dividend to IEPF in the year 2013-14 by the Company.

**9.5 STATUS OF DEMATERIALIZATION (AS ON MARCH 31, 2013)**

NSDL	55,07,40,588	91.62%
CDSL	4,59,23,674	7.64%
Physical	44,71,693	0.74%
Consolidated	60,11,35,955	100%

10. OUTSTANDING GDRS/ADRS/WARRANTS OR CONVERTIBLE INSTRUMENT

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

11. INVESTOR SERVICES

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

11.1 Share Transfer System**Physical Shares:**

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

Demat Shares

OIL share is traded electronically in dematerialized form. Beneficiary gives purchase / sale instructions to their Depository Participant. ISIN Number is INE274J01014. Settlement of trades are done on NSE/BSE which are connected to NSDL and CDSL. Confirmation in respect of the request for dematerialization of shares is sent to the respective depositories i.e. NSDL and CDSL expeditiously.

Pursuant to Clause 47(c) of the Listing Agreement, certificates on half yearly basis confirming due compliance of share transfer formalities by the Company and certificate for timely dematerialization of the shares as per SEBI (Depositories and Participants) Regulations, 1996 are sent to the Stock Exchanges.

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

12. ADDRESS FOR SHAREHOLDERS' CORRESPONDENCE

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

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



13. LISTING

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

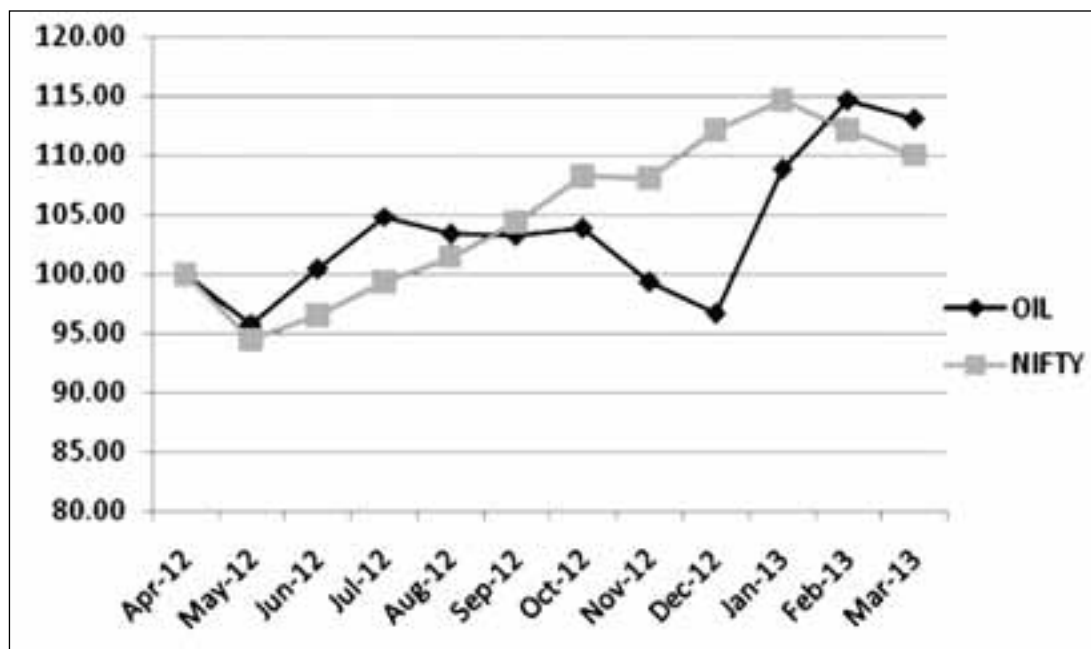
Name & Address	Telephone/Fax/E-mail ID/Website ID	Stock Code	Listing Fees (2013-14)
National Stock Exchange of India Ltd.(NSE) Exchange Plaza, Plot no. C/1, Block-G, BandraKurla Complex, Bandra (E), Mumbai – 400051	Telephone: 022-26598100-8114 Fax: 022-26598120 E-mail: cc_nse@nse.co.in Website :www.nseindia.com	OIL	Paid
BSE Ltd (BSE) Floor 25, P.J. Towers, Dalal Street, Mumbai – 400051	Telephone: 022-22721233/4 Fax : 022-22721919 E-mail: info@bseindia.com Website: www.bseindia.com	533106	

14. NAME, DESIGNATION AND ADDRESS OF COMPLIANCE OFFICER

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

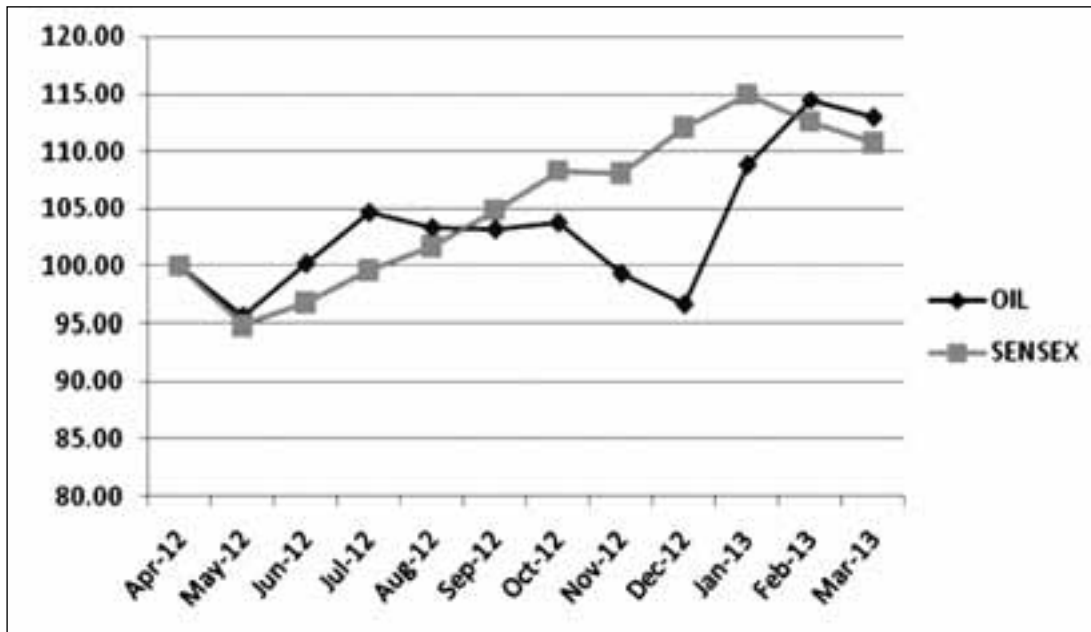
15. STOCK MARKET INFORMATION

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





OIL SHARE PERFORMANCE : OIL VS. NIFTY (2012-13)



OIL SHARE PERFORMANCE : OIL VS. SENSEX (2012-13)

* All share Prices are rebased at 100

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

BOMBAY STOCK EXCHANGE				NATIONAL STOCK EXCHANGE		
MONTH	HIGH (Rs.)	LOW (Rs.)	VOLUME (Rs. In Lakh)	HIGH (Rs.)	LOW (Rs.)	VOLUME (Rs. In Lakh)
April 2012	515	451	1752	509	445	10336
May 2012	473	431	1558	479	430	14130
June 2012	502	434	2076	504	433	10618
July 2012	512	472	1980	510	471	16145
Aug 2012	501	473	1713	502	469	10331
Sep 2012	500	473	1535	504	470	16122
Oct 2012	494	477	918	498	475	9639
Nov 2012	485	451	1121	486	450	7551
Dec 2012	472	432	1807	472	433	12533
Jan 2013	617	460	8951	618	462	53023
Feb 2013	554	520	8128	556	520	97681
Mar 2013	559	482	4969	559	480	37160



*The figures have been rounded off to the nearest value.

17. I) SHAREHOLDING PATTERN AS ON 31.03.2013

S. NO	Category of Shareholder	Folios	Shares	Holding %
1	Promoters	1	411385743	68.43
2	Bodies Corporates	930	75841638	12.62
3	Foreign Institutional Investors	176	45969405	7.65
4	Mutual Funds	128	39096306	6.50
5	Resident Individuals	106189	18911531	3.15
6	Indian Financial Institutions	18	7870626	1.31
7	Banks	12	753767	0.13
8	Non Resident Indians	1527	552236	0.09
9	H U F	2988	412544	0.07
10	Clearing Members	123	328836	0.05
11	Directors	6	10450	0.00
12	Trusts	11	2873	0.00
	Total	112109	601135955	100.00

II) DISTRIBUTION SCHEDULE (31.03.2013)

Category	Folios	%	Total Shares	Amount	%
1-500	105343	93.96	7837545	78375450	1.30
501- 1000	2398	2.14	1762485	17624850	0.29
1001- 2000	1609	1.44	2348625	23486250	0.39
2001- 3000	2030	1.81	4746067	47460670	0.79
3001- 4000	128	0.11	448186	4481860	0.07
4001- 5000	88	0.08	404997	4049970	0.07
5001- 10000	132	0.12	924114	9241140	0.15
10001& Above	381	0.34	582663936	5826639360	96.93
Total	112109	100	601135955	6011359550	100

18. UNCLAIMED / UNDELIVERED SHARES

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

Balance as on 01.04.12		Received during the year		Dispatched during the year		Balance as on 31.03.13	
Cases	No. of Shares	Cases	No. of Shares	Cases	No. of Shares	Cases	No. of Shares
106	9115	131	99100	15	15225	222	92990

Notes: 1) The cases of unclaimed/undelivered shares has increased on account of bonus issue in April, 2012.

2) The voting rights on unclaimed shares have been frozen.



19. AUDIT QUALIFICATIONS

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

20. RISK MANAGEMENT

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

21. COMPLIANCE CERTIFICATE: CORPORATE GOVERNANCE

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

22. SECRETARIAL COMPLIANCE REPORT

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

23. ADOPTION OF NON-MANDATORY REQUIREMENTS

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

- 1) The Company has constituted CSR Committee, Remuneration Committee and HSE and Sustainable Development Committee.

- 2) With regard to Shareholders' Rights of access to Financial Results, the results are being published widely in newspapers and also hosted on the company's website.
- 3) As far as Audit Qualifications are concerned, the company is in the regime of unqualified financial statements.

24. GUIDELINES ON CORPORATE GOVERNANCE BY DPE

The guidelines issued by DPE on Corporate Governance are being followed. Presidential Directive for Revision of Pay and Allowances issued by the MOP&NG has been implemented. No items of expenditure have been debited in books of accounts, which are not for the purpose of business. No expenses, which are personal in nature, have been incurred for the Board of Directors and top management. The administrative and office expenses 4.57% (3.72% previous year) of total expenses during 2012-13.

25. PROJECT LOCATIONS

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



CERTIFICATE ON CORPORATE GOVERNANCE

Oil India Limited

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

We have examined the compliance of conditions of Corporate Governance of OIL India Limited for the year ended March 31, 2013 as stipulated in the Clause 49 of the Listing Agreement entered into with the Stock Exchanges and Guidelines on Corporate Governance for central Public Sector Enterprises, 2010 issued by Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprise, Government of India (DPE) and annexure mentioned there under.

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

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

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

For Chandrasekaran Associates
Company Secretaries

Sd/-

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

Place: Delhi

Date: 25.05.2013



SECRETARIAL AUDIT REPORT

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

We have examined the registers, records and documents of Oil India Limited (the Company) for the financial year ended 31st March 2013 in the light of the provisions contained in-

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

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

1. Maintenance of various statutory and non-statutory registers and documents and making necessary changes therein as and when the occasion demands.
2. Filing with the Registrar of Companies the Forms, returns and resolutions.
3. Service of the requisite documents by the Company on its members, Registrar and Stock Exchanges.
4. Composition of the Board, appointment, retirement and resignation of directors subject to clause 49 for appointment of Independent Director.
5. Remuneration of executive and non executive directors.

6. Service of notice and agenda of Board Meetings and Meetings of the committee of directors.
 7. Meeting of the Board and its committees.
 8. Holding Annual General Meeting and production of the various registers thereat.
 9. Recording the minutes of proceedings of board meetings, committee meetings and General Meetings.
 10. Appointment and remuneration of Auditors.
 11. The Company has declared dividend and paid to the eligible shareholders in compliance with the provisions of section 205 of the Act during the year.
 12. The Company has transferred the unclaimed/unpaid dividend to Investor Education and Protection Fund in compliance with the provisions of section 205C of the Act during the year.
 13. Registration of transfer of shares held in physical mode.
 14. Dematerialisation and Rematerialisation of shares.
 15. Execution of contracts, affixation of common seal, registered office and the name of the Company.
 16. Requirement of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) regulations 2011.
 17. Requirement of the Securities and Exchange Board of India (Prohibition of Insider Trading regulations) 1999
 18. Requirements set out in the listing agreement with the aforementioned stock exchanges.
- B. We further report that-
- the Company has complied with various requirements relating to disclosures, declarations made by the Directors with respect to directorships, memberships of committees of the Board of Companies of which they are directors, their shareholding and interest of concern in the contracts entered into by the Company in the pursuing its normal business.

Chandrasekaran Associates

Company Secretaries

Sd/-

Dr. S Chandrasekaran

Senior Partner

FCS: 1644

CP : 715

New Delhi
22.05.2013



AUDITORS' REPORT

TO THE MEMBERS OF OIL INDIA LIMITED

Report on the Financial Statements

1. We have audited the accompanying financial statements of Oil India Limited ('the Company'), which comprise the Balance Sheet as at 31st March 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and Significant Accounting Policies and Additional Notes, in which are incorporated the Company's share in the total value of assets, liabilities, expenditure and income based on sixteen audited and twenty six unaudited financial statements of Joint Ventures for exploration and production of crude oil and natural gas.
2. The attached financial statements and other financial information include Company's share of net of fixed assets, net current liabilities, expenses and incomes aggregating to Rs.176.68 crore, Rs. 139.04 crore, Rs.190.51 crore and Rs.0.22 crore respectively as at March 31, 2013 in respect of sixteen of its unincorporated joint ventures, the accounts of which have been audited by the auditors of the respective Joint Ventures and relied upon by us.
3. The attached financial statements and other financial information include Company's share of net of fixed assets, net current liabilities, expenses and incomes aggregating to Rs.320.16 crore, Rs. 142.27 crore, Rs.189.17 crore and Rs. 170.01 crore respectively as at March 31, 2013 in respect of twenty six of its unincorporated joint ventures, the accounts of which have not been audited by the auditors of the respective Joint Ventures. The financial statements and other financial information have been incorporated based on un-audited financial statements prepared by the Management and relied upon by us.

Management's Responsibility for the Financial Statements

4. Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design,

implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

Opinion

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



- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2013;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

9. We draw attention to Note 15.2 to the financial statements which describes the uncertainty related to the outcome of the appeal filed by the Company against the order of Hon'ble Delhi High Court and consequential payment of decreed amount of Rs. 99.05 crore and shown under 'other non-current assets'. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, and on the basis of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

11. As required by section 227(3) of the Act, we report that:

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

For SRB & ASSOCIATES.
Chartered Accountants
Firm Regn. No: 310009E

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

Sd/-
(S.C. BHADRA)
Partner
Membership No: 017054

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

Place: New Delhi
Date: 25th May 2013



ANNEXURE TO THE AUDITORS' REPORT

- (Referred to in paragraph 10 of our report to the members of Oil India Limited ('the Company') for the year ended 31st March 2013.)
1. (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets. However, the records of the land are in the process of updating and reconciling with physical verification.
 - (b) The fixed assets, other than underground assets and joint venture assets, have been physically verified by the Management in phased manner designed to cover all items over a period of five years, which is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such verification.
 - (c) None of the substantial part of fixed assets has been disposed off by the Company during the year.
 2. (a) Stocks of Crude Oil and Liquefied Petroleum Gas (LPG) have been physically verified by the management during the year and stock of stores and spare parts (excluding stock in transit and/or under inspection with suppliers/contractors) have been physically verified by the management in phased manner. The frequency of verification is reasonable.
 - (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) The Company is maintaining proper records in respect of stocks of crude oil, LPG and stock of stores and spare parts. No material discrepancies have been noticed on verification between the physical assets and the book records.
 3. (a) The Company has granted unsecured loans to two parties covered in the register maintained under section 301 of the Companies Act, 1956 ('the Act'). The amount outstanding at the year end was ₹ 381 crore and the maximum amount outstanding at any time during the year was ₹ 381 crore.
 - (b) The rate of interest and other terms and conditions of the loan granted is not prima facie prejudicial to the interest of the Company.
 - (c) The repayment of principal and the payment of interest is not yet due.
 - (d) There is no overdue amount in respect of loans granted to the party listed in the register maintained under section 301 of the Act.
 - (e) The Company has not taken any loans secured or unsecured, from companies firms or other parties covered in the register maintained under section 301 of the Act and consequently, the requirements of clause (iii)(f) and (iii)(g) of paragraph 4 of the Order, are not applicable.
 4. There exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. We have not observed any continuing failure to correct major weaknesses in internal control system of the Company.
 5. a) The particulars of contracts or arrangement that need to be entered into the register maintained under Section 301 of the Act have been so entered.
 - b) The transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Act and exceeding the value of ₹ 5 lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
 6. The Company has not accepted deposits from the public. Hence, the provisions of Sections 58A, 58AA or any other relevant provisions of the Act and the Rules framed there under are not applicable to the Company.
 7. The Company has an internal audit system commensurate with the size and nature of its business.
 8. The Central Government of India has prescribed maintenance of cost records under Section 209(1)(d) of the Act for the production of crude oil, natural gas, LPG, and pipeline activities for transportation of crude oil. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the rules made by the Central Government for the maintenance of such



cost records and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.

9. (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, and other material statutory dues applicable to it.
- (b) No undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, customs duty and excise duty were in arrears, as at 31.03.2013 for a period of more than six months from the date they became payable.
- (c) Details of disputed dues in respect of income tax, sales tax, wealth tax, service tax, customs duty and excise duty which have not been deposited on account of any dispute are given below:-

Name of the Statute	Nature of Dues	Period to which the amount relates Financial year	Amount (₹ in Crore)	Forum where Dispute is pending
Assam Taxation (on specified land) Act, 2004	Tax on land	2004-05 to 2012-13	702.02	High Court, Guwahati.
Central Excise Act, 1944	Excise Duty	December' 2008 to December' 2009	14.27	CESTAT, Kolkata
		January' 2010 to December' 2010	11.92	CESTAT, Kolkata
		January'11 to December'11	17.47	CESTAT, Kolkata

10. The Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses during the financial year and in the immediately preceding financial year.
11. The Company has not defaulted in repayment of dues to any financial institution or bank. The Company has not issued any debentures.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore the provisions of paragraph 4 (xiii) of the Order are not applicable to the Company.
14. The Company is not dealing or trading in shares, securities, debentures and other investments. Therefore, the provisions of Clause 4 (xiv) of the Order are not applicable to the Company.
15. The Company has not given any guarantee for loans taken by others from bank or financial institutions. Therefore, the provisions of clause 4 (xv) of the Order are not applicable to the Company.
16. The Company has not raised any term loan during the year.
17. The Company did not raise any funds on short term basis which have been used for long term investment.
18. The Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by public issue during the year.
21. No fraud on or by the Company has been noticed or reported during the course of our audit.

For SRB & ASSOCIATES.
Chartered Accountants
Firm Regn. No: 310009E

Sd/-
(S.C. BHADRA)
Partner
Membership No: 017054

Place: New Delhi
Date: 25th May 2013

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

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



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956
ON THE ACCOUNTS OF OIL INDIA LIMITED FOR THE YEAR ENDED
31 MARCH 2013**

The preparation of financial statements of Oil India Limited for the year ended 31 March 2013 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the Company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 25.05.2013.

I, on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit under section 619(3)(b) of the Companies Act, 1956 of the financial statements of Oil India Limited for the year ended 31 March 2013. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors Report under section 619(4) of the Companies Act, 1956.

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

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

Kolkata

Dated : 31.05.2013



OIL INDIA LIMITED
Balance Sheet as at 31st March, 2013

(₹ in crore)

	Note	As at 31 st March, 2013	As at 31 st March, 2012
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	1	601.14	240.45
Reserves and surplus	2	18610.34	17480.89
		19211.48	17721.34
Non-Current Liabilities			
Deferred tax liabilities (Net)	3	1218.63	1076.73
Other Long-term liabilities	4	1.05	3.75
Long-term provisions	5	447.08	400.01
		1666.76	1480.49
Current Liabilities			
Short-term borrowings	6	1057.81	10.13
Trade payables	7	292.45	279.27
Other current liabilities	8	1416.10	2034.31
Short-term provisions	9	1536.25	1573.70
		4302.61	3897.41
	TOTAL	25180.85	23099.24
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	10	4987.47	4484.74
Intangible assets	11	7.40	8.79
Capital work-in-progress	12	1769.01	1131.50
Non-current investments	13	857.90	783.09
Long-term loans and advances	14	526.86	311.00
Other non-current assets	15	103.91	13.65
		8252.55	6732.77
Current assets			
Current investments	16	999.17	1831.10
Inventories	17	644.33	533.32
Trade receivables	18	902.67	1051.81
Cash and cash equivalents	19	12132.93	10935.48
Short-term loans and advances	20	1358.68	1312.83
Other current assets	21	890.52	701.93
		16928.30	16366.47
	TOTAL	25180.85	23099.24
Additional Notes	30		
Significant Accounting Policies	31		
Notes referred to above form an integral part of the financial statements.			

In terms of our report of even date.

For SRB & Associates**For Saha Ganguli & Associates**

Chartered Accountants

Chartered Accountants

Firm Reg No- 310009E

Firm Reg No- 302191E

For and on behalf of the Board of DirectorsSd/-
(S.C. BHADRA)

Membership No: 017054

Sd/-
(S.K.SAHA)

Membership No: 051392

Sd/-
(S.R.KRISHNAN)
Company SecretarySd/-
(T.K.ANANTH KUMAR)
Director (Finance)Sd/-
(S.K.SRIVASTAVA)
Chairman & Managing DirectorPlace: New Delhi,
Date: 25th May, 2013



OIL INDIA LIMITED
Statement of Profit and Loss for the year ended 31st March, 2013

	Note	Year ended 31 st March, 2013	Year ended 31 st March, 2012
(₹ in crore)			
I. Revenue from operations	22	9947.57	9863.23
II. Other income	23	1508.75	1416.67
III. Total Revenue (I +II)		11456.32	11279.90
IV. Expenses:			
Changes in inventories of finished goods	24	(27.37)	(8.82)
Employee benefits expense	25	1305.86	1491.21
Finance costs	26	2.60	9.37
Depreciation, Depletion, Amortization and Impairment	27	837.63	885.24
Other expenses	28	4054.37	3801.04
Total Expenses		6173.09	6178.04
V. Profit before exceptional and extraordinary items and tax (III - IV)		5283.23	5101.86
VI. Exceptional Items		0.00	0.00
VII. Profit before extraordinary items and tax (V - VI)		5283.23	5101.86
VIII. Extraordinary Items		0.00	0.00
IX. Profit before tax (VII - VIII)		5283.23	5101.86
X. Tax expense:			
(1) Current tax		1551.99	1727.26
(2) Deferred tax		141.90	(72.32)
XI. Profit for the year from continuing operations (IX-X)		3589.34	3446.92
XII. Profit for the year from discontinuing operations		0.00	0.00
XIII. Tax expenses of discontinuing operations		0.00	0.00
XIV. Profit from discontinuing operations after taxes (XII-XIII)		0.00	0.00
XV. Profit for the year (XI+XIV)		3589.34	3446.92
XVI. Earnings per equity share (₹):	29		
(1) Basic		59.71	57.34
(2) Diluted		59.71	57.34
Additional Notes	30		
Significant Accounting Policies	31		

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

For SRB & Associates **For Saha Ganguli & Associates**
 Chartered Accountants Chartered Accountants
 Firm Reg No- 310009E Firm Reg No- 302191E

For and on behalf of the Board of Directors

Sd/-
(S.C. BHADRA)
 Membership No: 017054

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

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

Sd/-
(T.K.ANANTH KUMAR)
 Director (Finance)

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

Place: New Delhi,
 Date: 25th May, 2013

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

(₹ in crore)

	As at 31 st March, 2013	As at 31 st March, 2012
Authorised: 200,00,00,000 (Previous year 200,00,00,000) Equity Shares of ₹ 10/- each	2000.00	2000.00
Issued, Subscribed and Fully Paid up: 60,11,35,955 (Previous year 24,04,54,382) Equity Shares of ₹ 10/- each fully paid up	601.14	240.45

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

Category	As at 31 st March, 2013		As at 31 st March, 2012	
	No of Shares	% to Equity	No of Shares	% to Equity
President of India	411,385,743	68.43%	188,599,560	78.43%

1.2 The reconciliation of the shares outstanding as at 31st March, 2013 & 31st March, 2012 is set out below:

Particulars	31 st March, 2013	31 st March, 2012
	No of Shares	No of Shares
Outstanding at the beginning of the year	240,454,382	240,454,382
Addition during the year	360,681,573	0
Outstanding at the end of the year	601,135,955	240,454,382

1.3 In terms of the approval of shareholders vide its resolution dated 21.03.2012, the Bonus issue committee of the Board of Directors of the Company have issued 36,06,81,573 new fully paid up equity shares of ₹ 10 each as bonus shares on 02.04.2012 by capitalising a sum of ₹ 3,606,815,730/- out of the "Securities Premium Account" in the proportion of 3 equity shares for every 2 fully paid up equity shares of ₹ 10 each held to the holders of the equity shares on the record date as on 31.03.2012.

NOTE-2**Reserves and surplus**

(₹ in crore)

	As at 31 st March, 2013		As at 31 st March, 2012	
(a) Securities Premium Account				
Balance as per last financial statement	2750.80		2750.80	
Less: Bonus Shares Issued	360.68	2390.12	0.00	2750.80
(b) General Reserve				
Balance as per last financial statement	14730.09		12610.62	
Add: Amount transferred from surplus balance	1490.13	16220.22	2119.47	14730.09
(c) Surplus balance				
Balance as per statement of profit & loss	3589.34		3446.92	
Less: Appropriations				
Interim Dividend	1382.61		841.59	
Tax on Interim Dividend	224.29		136.53	
Proposed Final Dividend	420.80		300.56	
Tax on Proposed Final Dividend	71.51		48.77	
Transfer to General Reserve	1490.13	0.00	2119.47	0.00
		<u>18610.34</u>		<u>17480.89</u>

2.1 For Securities Premium Account refer note no.1.3.

2.2 The Board of Directors has recommended a final dividend of ₹ 7 per share which is subject to the approval of the shareholders in the ensuing Annual General Meeting over and above the interim dividend of ₹ 23 (₹ 11 and ₹ 12) per share paid in two phases.

**NOTE-3**

(₹ in crore)

Deferred tax liabilities (Net)

	As at 31 st March, 2013	As at 31 st March, 2012
A. Deferred tax liability		
Timing differences in "Depreciation/Depletion"	1525.81	1239.72
B. Deferred tax assets		
Timing differences in "Disallowance"	307.18	162.99
C. Deferred tax liability (Net) (A-B)	1218.63	1076.73

NOTE-4

(₹ in crore)

Other Long-term liabilities

	As at 31 st March, 2013	As at 31 st March, 2012
Trade Payables		
Dues to Micro, Small and Medium Enterprises	0.00	0.00
Dues to Others	0.93	3.66
Others		
Liabilities- For Capital Exp. & others	0.12	0.09
	1.05	3.75

4.1 Refer to note no. 30.9 for dues to Micro, Small and Medium Enterprises

NOTE-5

(₹ in crore)

Long-term provisions

	As at 31 st March, 2013	As at 31 st March, 2012
Provision for employee benefits	234.36	196.88
Other provisions		
Well Abandonment Cost	212.72	203.13
	447.08	400.01

5.1 Provision for employee benefits includes superannuation benefits as per Note No 30.1.2

NOTE-6

(₹ in crore)

Short-term borrowings

	As at 31 st March, 2013	As at 31 st March, 2012
Secured Loans		
LIBOR Linked Buyers Credit	0.00	10.13
(Secured by hypothecation of all current assets ranking pari pasu with bank)		
Short Term Loan from Banks	1021.86	0.00
(Secured by pledge of Term Deposit Receipts)		
Unsecured Loans		
Short term credit (Foreign Currency)	35.95	0.00
	1057.81	10.13

**NOTE-7****Trade payables**

(₹ in crore)

	As at 31 st March, 2013		As at 31 st March, 2012	
Trade Payables				
Dues to Micro, Small and Medium Enterprises	1.86		1.76	
Dues to Others	290.59	292.45	277.51	279.27
		<u>292.45</u>		<u>279.27</u>

7.1 Refer to note no. 30.9 for dues to Micro, Small and Medium Enterprises

NOTE-8**Other current liabilities**

(₹ in crore)

	As at 31 st March, 2013		As at 31 st March, 2012	
(a) Current maturities of long-term debt		0.00		8.75
(b) Unpaid Dividend		231.10		3.54
(c) Other payables				
- Statutory Liabilities		290.21		114.13
- Advance received from Customers		3.00		1299.76
- Liabilities- For Capital Exp. & others		676.88		429.36
- Employees		214.91		178.77
		<u>1416.10</u>		<u>2034.31</u>

8.1 Current maturities of long term debt represents the current portion of the loan outstanding from Oil Industry Development Board (OIDB).

NOTE-9**Short-term provisions**

(₹ in crore)

	As at 31 st March, 2013		As at 31 st March, 2012	
(a) Provision for employee benefits		395.69		359.43
(b) Provision for others				
Proposed Final Dividend	420.80		300.56	
Tax on Proposed Final Dividend	71.51		48.77	
Cost of unfinished Minimum Work Programme	240.77		212.33	
Current Tax Provisions (Net of payments)	398.77		647.16	
Others	8.71	1140.56	5.45	1214.27
		<u>1536.25</u>		<u>1573.70</u>

9.1 Provision for employee benefits includes superannuation benefits as Note No 30.1.2.

9.2 In terms of Department of Public Enterprise order for revision of pay package of executives and non-unionised supervisors of CPSEs w.e.f 01.01.2007, Board of Directors have formulated and approved superannuation defined contribution benefit plan which is pending for approval of the Ministry of Petroleum & Natural Gas. In recognition of such defined contribution plan liability w.e.f 01.01.2007, company has provided ₹ 29.24 crore during the year (Previous year ₹ 325.16 crore) and the cumulative liability as on 31.03.2013 stands at ₹ 354.40 crore (Previous year ₹ 325.16 crore).

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

**NOTE-10**

(₹ in crore)

Tangible assets

Particulars	Gross Block				Depreciation/Depletion				Net Block	
	Cost as at 1 st April, 2012	Additions during the year	Deletions / Adjustments during the year	Cost as at 31 st March, 2013	Up to 31 st March, 2012	For the year	Deletions / Adjustments during the year	Upto 31 st March, 2013	As at 31 st March, 2013	As at 31 st March, 2012
Land										
-Right of use including freehold	66.69	43.22	(14.25)	95.66	0.00	0.00	0.00	0.00	95.66	66.69
- Leasehold	12.38	0.00	0.00	12.38	0.00	0.00	0.00	0.00	12.38	12.38
Buildings (Including Roads & Bridges)	267.07	46.10	(0.28)	312.89	126.60	8.97	(0.24)	135.33	177.56	140.47
Producing Properties	6607.22	548.93	0.00	7156.15	3172.04	399.77	0.00	3571.81	3584.34	3435.18
Plant & Equipment	3080.32	474.03	(59.31)	3495.04	2263.80	199.59	(56.76)	2406.63	1088.41	816.51
Furniture & Fixtures	23.53	4.30	(0.40)	27.43	15.84	2.03	(0.38)	17.49	9.94	7.69
Vehicles	26.60	15.38	(1.33)	40.65	22.45	2.03	(1.29)	23.19	17.46	4.16
Office equipment	3.89	0.35	(0.11)	4.13	2.59	0.21	(0.08)	2.72	1.41	1.31
Railway Siding	1.93	0.00	0.00	1.93	1.58	0.04	0.00	1.62	0.31	0.35
Total	10089.63	1132.31	(75.68)	11146.26	5604.90	612.64	(58.75)	6158.79	4987.47	4484.74
Previous Year	9343.58	830.11	(84.05)	10089.64	5100.90	555.58	(51.58)	5604.90	4484.74	

10.1 Lands for projects and drillings operations are acquired primarily through bipartite negotiation with the occupiers/pattadars. In case, however, bipartite negotiation fails, lands are acquired with the intervention of government officials under the relevant land laws. Upon successful negotiation or government order, as the case may be, consent letters are obtained from the occupiers/pattadars and surface compensation for the standing crops on the lands are settled and the same are capitalized either as 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 25955.29 Bigha under the possession of the company, lands measuring 6283.40 Bighas have been mutated and 3154.21 Bighas have been applied for mutation up to 31.03.2013. The Company is in the process of strengthening the acquisition process and the mutation of those lands including maintenance of systematic records thereof.

10.2 To facilitate gas supply to Brahmaputra Cracker and Polymers Limited (BCPL), the company is required to construct/modify additional/existing gas distribution network. Towards this, Government of India has agreed to release capital subsidy of ₹ 215.00 crore to the Company. Total Grant received till 31.03.2013 is ₹ 69.65 crore. Out of this, an amount of ₹ 55.41 crore has been adjusted against Tangible Assets on capitalisation. Balance amount of ₹ 14.24 crore is kept under 'Other Current Liabilities' pending capitalisation of the respective assets.

NOTE-11

(₹ in crore)

Intangible assets

Particulars	Gross Block				Amortisation			Net Block	
	Cost as at 1 st April, 2012	Additions during the year	Deletions / Adjustments during the year	Cost as at 31 st March, 2013	Up to 31 st March, 2012	For the year	Upto 31 st March, 2013	As at 31 st March, 2013	As at 31 st March, 2012
Computer Software	51.61	1.93	0.00	53.54	42.82	3.32	46.14	7.40	8.79
Total	51.61	1.93	0.00	53.54	42.82	3.32	46.14	7.40	8.79
Previous Year	44.08	7.53	0.00	51.61	38.47	4.35	42.82	8.79	

**NOTE-12****Capital work-in-progress**

(₹ in crore)

Particulars	As at 1 st April, 2012	Addition during the year	Deletion/ Adjustment during the year	Capitalised during the year	Transfer to Profit and Loss	Balance as at 31 st March, 2013	Balance as at 31 st March, 2012
Buildings (Including Roads & Bridges)	35.92	64.50	0.00	42.55	0.00	57.87	35.92
Plant & Machinery	474.72	731.21	0.00	542.77	0.00	663.16	474.72
Pre-Producing Properties-Exploratory Wells	816.08	850.99	0.00	215.19	472.96	978.92	816.08
Pre-Producing Properties-Development Wells	236.56	403.93	0.00	333.74	0.00	306.75	236.56
Capital work in progress (Gross)	1563.28	2050.63	0.00	1134.25	472.96	2006.70	1563.28
Less: Provision against Exploratory Wells	431.78	22.98	0.00	0.00	217.07	237.69	431.78
Capital work in progress (Net)	1131.50	2027.65	0.00	1134.25	255.89	1769.01	1131.50

- 12.1** There are certain wells which have been temporarily abandoned / shut in & the possibility of commercial hydrocarbon discovery from these wells is remote. Hence, a provision for an amount of ₹ 158.71 crore after adjusting the write off (Previous year ₹ 265.53 crore) has been made in the accounts upto 31.03.2013.
- 12.2** Provision of ₹80.06 crore made in the previous year in respect of 2 PEL (Petroleum Exploration Licence) whose licence were expired, has been written off during the current year on account of actual booking of expenditure against well write offs.
- 12.3** Provision for ₹ 71.59 crore (Previous year ₹ 71.59 crore), and ₹ 7.39 crore (Previous year ₹ Nil) being the company's share of expenditure in Pre Producing Properties in Farsi Block and Egypt Block respectively has been created due to geopolitical instability in respective countries.

NOTE-13**Non-current investments**

(₹ in crore)

	As at 31 st March, 2013	As at 31 st March, 2012
A. Trade Investments (valued at cost)		
Unquoted Equity Instruments		
- Oil India Sweden AB	Subsidiary 224.98	177.24
- Oil India Cyprus Limited	Subsidiary 0.01	0.01
- Oil India (USA) Inc.	Subsidiary -	-
- Numaligarh Refinery Limited	- 483.65	483.65
- Brahmaputra Cracker & Polymer Limited	- 105.79	86.15
- DNP Limited	- 38.46	31.03
- Suntera Nigeria 205 Limited	- 0.01	0.01
B. Other Unquoted Investments (valued at cost)		
Investment in Debentures		
-The East India Clinic Limited, 5% Non Redeemable Debenture Stock 1957 (Carried at a nominal value of ₹ 1/- only)	- -	-
Investment in Capital Fund		
- Contribution to Capital Fund of Petroleum India International	- 5.00	5.00
	857.90	783.09

13.1 The aggregate amount of unquoted investments is ₹ 857.90 crore (Previous year ₹ 783.09 crore).

13.2 The details of investment are as under: -

Name of Body Corporate	31.03.2013		31.03.2012	
	No of Shares	Face Value	No of Shares	Face Value
Oil India Sweden AB	3334140	EURO 11.1945	2716936	EURO 11.1945
Oil India Cyprus Limited	760	EURO 1	760	EURO 1
Oil India (USA) Inc.	3000	\$0.01	-	-
Numaligarh Refinery Limited	191264202	₹10	191264202	₹10
Brahmaputra Cracker & Polymer Limited	105795019	₹10	86155019	₹10
DNP Limited	38460000	₹10	31030000	₹10
Suntera Nigeria 205 Ltd	62502	Naira 1	62502	Naira 1

13.3 Mode of valuation of investments is given in Note no 31.10.

**NOTE-14****Long-term loans and advances**

(₹ in crore)

	As at 31 st March, 2013	As at 31 st March, 2012
Secured, considered good		
Capital Advance	10.65	23.49
Loans & advances to employees	148.51	153.88
Unsecured, considered good		
Security Deposit	2.27	1.87
Inter Corporate Loans	364.60	131.00
Advance recoverable in cash or kind or for value to be received	0.83	0.76
	526.86	311.00

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

(₹ in crore)

Particulars	Balance as at	
	31.03.2013	31.03.2012
Directors	0.14	0.31
Other Officers	0.25	0.04
Total	0.39	0.35

14.2 Inter Corporate Loans represents loans given to

- (i) M/s DNP Limited of ₹ 114.60 crore for a period of 10 years, which carries an interest of 10% per annum (8% per annum upto 19.04.2011). First instalment of Repayment of loan commenced from 01.04.2013. The Current portion of the loan outstanding is shown under 'Short-term loans and advances'.
- (ii) M/s Brahmaputra Cracker & Polymer Limited of ₹ 250.00 crore for a period of 5 years. The rate of interest is SBI Base Rate plus 0.50% prevailing on the date of signing of the Loan agreement and shall remain valid of one year. The interest on loan will be reset every year thereafter at prevailing SBI Base Rate at that point of time plus 0.50%. Repayment of loan will be commenced after the moratorium period of 2 years

NOTE-15**Other non-current assets**

(₹ in crore)

	As at 31 st March, 2013	As at 31 st March, 2012
Long term trade receivables		
Unsecured, considered good	2.44	11.39
Others		
Deposit under Site Restoration Scheme	2.42	2.26
Decreed amount paid under appeal	99.05	0.00
	103.91	13.65

15.1 Long term trade receivables represents non-current portion of receivables against lease rent under finance lease arrangement. Refer to note no. 30.5.

15.2 Pursuant to a directive from Hon'ble Court, a sum of ₹99.05 crore has been deposited with the Court in respect of a pending case. However, the Company has preferred an appeal for setting aside the aforesaid order. Management is of the opinion that the appeal will be disposed off in company's favour and the Company will get back the amount deposited as above. Accordingly, no provision has been made in the Accounts. However, the Company has included the said amount under Contingent Liability.

**NOTE-16**

(₹ in crore)

Current investments

	As at 31 st March, 2013	As at 31 st March, 2012
Quoted Investment		
<u>Mutual Funds</u>		
a) Units of Unit Trust of India under Liquid Cash/Plus Plan Institutional	0.00	779.00
b) Units of State Bank of India under Liquid Cash/Plus Plan Institutional	0.00	529.00
c) Units of Industrial Development Bank of India under Liquid Cash/Plus Plan Institutional	0.00	250.00
d) Units of Canara Robeco Mutual Fund under Liquid Cash/Plus Plan Institutional	0.00	34.00
<u>Tax Free Bonds</u>		
a) National Highway Authority of India	123.62	123.62
b) Power Finance Corporation Limited	128.49	28.48
c) Indian Railway Finance Corporation Limited	447.04	87.00
d) Rural electrification Corporation Limited	300.02	0.00
	999.17	1,831.10
16.1 Aggregate market value of quoted investment		
-Mutual Funds	0.00	1597.87
-Tax Free Bonds	1023.56	242.60

16.2 Mode of valuation of investments is given in Note no 31.10.

NOTE-17

(₹ in crore)

Inventories

	As at 31 st March, 2013	As at 31 st March, 2012
Finished Goods		
Crude Oil	86.96	59.80
Liquefied Petroleum Gas	0.40	0.24
Condensate	0.05	0.00
Stores and spares	603.51	520.13
Less: Provision for slow / non-moving inventory and other stores	47.55	47.82
Assets awaiting disposal	0.96	0.97
	644.33	533.32

17.1 Stores and spares includes Goods in transit ₹ 126.70 crore (Previous year ₹ 37.17 crore).

17.2 Mode of valuation of inventories is given in Note no 31.11.

**NOTE-18**

(₹ in crore)

Trade receivables

	As at 31 st March, 2013		As at 31 st March, 2012	
Outstanding for a period:				
Exceeding six months				
(a) Unsecured, considered good	35.28		54.09	
(b) Doubtful	31.67		58.93	
	<u>66.95</u>		<u>113.02</u>	
Less: Provision for doubtful debts	31.67	35.28	58.93	54.09
Others				
(a) Unsecured, considered good	867.39		997.72	
(b) Doubtful	0.29		0.00	
	<u>867.68</u>		<u>997.72</u>	
Less: Provision for doubtful debts	0.29	867.39	0.00	997.72
	<u>902.67</u>		<u>1051.81</u>	

NOTE-19

(₹ in crore)

Cash and cash equivalents

	As at 31 st March, 2013	As at 31 st March, 2012
(a) Balances with Banks		
Current Accounts	337.58	76.70
Term Deposits (Maturity of 12 months or less)	11791.62	10856.07
Cash Credit Account with State bank of India, Kolkata	2.65	1.98
(b) Cash in Hand	1.08	0.73
	<u>12132.93</u>	<u>10935.48</u>

19.1 Current Accounts includes an amount of ₹ 231.10 crore (Previous year ₹ 3.54 crore) in respect of earmarked balances with bank for unpaid dividend.

19.2 Term deposits includes ₹ 1095 crore, pledged as Security against Short Term Loans from Banks.

**NOTE-20****Short-term loans and advances**

(₹ in crore)

	As at 31 st March, 2013	As at 31 st March, 2012
Unsecured, considered good		
Loans & advances to related parties		
Advance against acquisition of Equity Shares	73.94	40.75
Advance to M/s DNPL for corporate guarantee against OIDB loan	0.00	8.45
Advance to Oil India (USA) Inc.	1.53	0.00
Loans to M/s Suntera for working capital	64.07	58.34
Loans & advances to others		
Security Deposit	0.86	0.95
Advance recoverable in cash or kind or for value to be received	186.27	149.13
Income Tax paid against Demand	807.59	419.44
Loans & advances to employees	62.35	77.28
Leave Encashment Fund	145.67	113.49
Inter Corporate Loan (PSU) to M/s DNPL	16.40	0.00
Inter Corporate Deposits (PSU) to M/s HPCL	0.00	445.00
Doubtful		
Loans to M/s Suntera for working capital	7.89	7.89
Less: Provision for doubtful loans & advances	7.89	7.89
	0.00	0.00
Advance recoverable in cash or kind	227.92	127.13
Less: Provision for doubtful loans & advances	227.92	127.13
	0.00	0.00
Inter Corporate Deposits (PSU) to M/s IDPL	28.33	28.33
Less: Provision for doubtful loans & advances	28.33	28.33
	0.00	0.00
	<u>1358.68</u>	<u>1312.83</u>

20.1 For Leave Encashment fund refer to note no. 30.1.

20.2 Advance against acquisition of equity shares includes advances amounting to ₹ 0.06 crore (Previous year 0.01 crore), ₹ 52.78 crore (Previous year Nil) & ₹ 21.10 crore (Previous year ₹ 40.74 crore) paid to Oil India Cyprus Limited, Oil India (USA) Inc. & M/s BCPL respectively pending allotment.

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

(₹ in crore)

Particulars	Balance as at	
	31.03.2013	31.03.2012
Directors	0.21	0.23
Other Officers	0.02	0.01
Total	0.23	0.24

NOTE-21**Other current assets**

(₹ in crore)

	As at 31 st March, 2013	As at 31 st March, 2012
Accrued interest on Term Deposits & investments	890.25	701.62
Other Receivables	0.27	0.31
	<u>890.52</u>	<u>701.93</u>

**NOTE-22****Revenue from operations**

(₹ in crore)

	Year ended 31 st March, 2013		Year ended 31 st March, 2012	
Sale of Products				
Crude Oil		7812.59		7931.09
Natural Gas		1150.66		1032.75
Liquefied Petroleum Gas		121.20		16.21
Condensate		121.15		78.38
Sale of Services				
Income from Pipeline Transportation				
Crude Oil - Pipeline	196.00		347.18	
Refined Product	123.03		112.66	
Natural Gas - Pipeline	0.60	319.63	0.54	460.38
Others Operating Revenues				
Claims towards under-recovery of Natural Gas Price		391.55		321.17
Income from Business Development Services		7.50		7.37
Income from Renewable resources		9.77		0.00
Income from Finance Lease		4.32		4.46
Income from OFC Fibre Leasing		9.20		11.42
		<u>9947.57</u>		<u>9863.23</u>

- 22.1** 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.
- 22.2** LPG price is governed as per the MOU between the Company and Indian Oil Corporation Ltd.
- 22.3** 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.
- 22.4** In terms of decision of Government of India (GOI), the company has shared under-recoveries of Oil Marketing Companies (OMCs) on price sensitive products viz Crude Oil & LPG for the year 2012-13 by extending the discount in the Crude Oil & LPG based on the rates of discount communicated by Petroleum Planning and Analysis Cell (PPAC), Ministry of Petroleum and Natural Gas (MoP&NG). Sales value of Crude Oil & LPG are shown net of such discount of ₹ 7766.08 crore (Previous year ₹ 7136.38 crore) and ₹ 126.09 crore (Previous year ₹ 215.39 crore) respectively.

NOTE-23**Other income**

(₹ in crore)

	Year ended 31 st March, 2013	Year ended 31 st March, 2012
Dividend from Equity Instruments	19.13	28.69
Dividend from Mutual Funds	50.38	40.22
Interest Income	1400.93	1291.36
Miscellaneous Income	23.71	46.72
Excess provision written back	14.60	9.68
	<u>1508.75</u>	<u>1416.67</u>

**NOTE-24****Changes in inventories of finished goods**

(₹ in crore)

	Year ended 31 st March, 2013		Year ended 31 st March, 2012	
Opening Stock				
Crude Oil	59.80		51.05	
Liquefied Petroleum Gas	0.24	60.04	0.17	51.22
Closing Stock				
Crude oil	86.96		59.80	
Liquefied Petroleum Gas	0.40		0.24	
Condensate	0.05	87.41	0.00	60.04
		(27.37)		(8.82)

NOTE-25**Employee benefits expense**

(₹ in crore)

	Year ended 31 st March, 2013		Year ended 31 st March, 2012	
Salaries & Wages		1383.79		1293.94
Provision for Superannuation Defined Contribution Benefit		29.24		325.16
Contribution to provident and other funds		265.32		236.93
Staff Welfare Expenses		68.14		48.57
		1746.49		1904.60
Less: Allocation to Capital account & recoveries		440.63		413.39
		1305.86		1491.21

NOTE-26**Finance costs**

(₹ in crore)

	Year ended 31 st March, 2013		Year ended 31 st March, 2012	
Interest expenses				
-Secured loan		2.18		8.41
-Unsecured loan		0.42		0.96
		2.60		9.37

NOTE-27**Depreciation, Depletion, Amortization and Impairment**

(₹ in crore)

	Year ended 31 st March, 2013		Year ended 31 st March, 2012	
Depreciation		164.05		146.63
Depletion		399.77		363.22
Amortisation		3.32		4.35
Exploratory Wells written off		270.49		371.04
		837.63		885.24



NOTE-28

Other expenses

(₹ in crore)

	Year ended 31 st March, 2013	Year ended 31 st March, 2012
Statutory Levies	3043.85	2394.83
Consumption of Stores & spares parts	112.72	110.05
Consumption of Fuel	27.98	28.10
Cost of support services	581.57	419.47
Insurance, rent, rates & taxes	32.96	23.70
Profit Petroleum	15.31	9.92
Exchange Loss/(Gain)-Net	(21.70)	(2.59)
Provisions		
Exploratory Wells	22.98	484.24
Cost of unfinished Minimum Work Programme	58.52	200.31
Well abandonment	0.00	31.84
Loans & advances	75.09	9.17
Inventories	0.15	3.86
Trade receivables	0.43	16.17
Others	5.81	0.00
Sundry Expenses	98.70	71.97
	<u>4054.37</u>	<u>3801.04</u>

28.1 Statutory levies represent Royalty ₹ 1332.55 crore (Previous year ₹ 1355.20 crore) and Cess ₹ 1711.30 crore (Previous year ₹ 1039.63 crore).

28.2 The details of Payment to statutory auditors included under Sundry Expenses:

(₹ in crore)

Particulars	For the year ended 31 st March, 2013	For the year ended 31 st March, 2012
Payments to Auditors (including service tax):		
a) As Auditor	0.38	0.39
b) For Taxation matters (Tax Audit)	0.09	0.09
c) For company law matters	0.00	0.00
d) For Management services	0.00	0.00
c) For Other Services	0.05	0.02
f) For reimbursement of expenses	0.00	0.02
Total	0.52	0.52

28.3 Value of imports calculate on CIF basis:

(₹ in crore)

Particulars	For the year ended 31 st March, 2013	For the year ended 31 st March, 2012
(a) Components & spare parts	92.52	90.77
(b) Capital goods	51.04	70.46
Total	143.56	161.23

28.4 Expenditure in foreign currency:

(₹ in crore)

Particulars	For the year ended 31 st March, 2013	For the year ended 31 st March, 2012
(a) Professional & Consultation fees	165.07	113.59
(b) Foreign tours	15.86	9.75
Total	180.93	123.34

28.5 Consumption of Stores and Spare parts:

(₹ in crore)

Particulars	For the year ended 31 st March, 2013		For the year ended 31 st March, 2012	
a) Imported	196.23	54.00%	132.49	54.00%
b) Indigenous	148.03	46.00%	112.86	46.00%
Total	344.26	100.00%	245.35	100.00%

28.6 Earnings in foreign currency:

(₹ in crore)

Particulars	For the year ended 31 st March, 2013	For the year ended 31 st March, 2012
Other income	1.63	1.64



NOTE-29

Earnings per equity share

	Year ended 31st March, 2013	Year ended 31st March, 2012
Basic & Diluted		
(a) Number of Equity Shares at the beginning of the year	240454382	240454382
Number of Equity Shares at the end of the year	601135955	240454382
Weighted average number of Equity Shares outstanding during the year	601135955	240454382
Face value of each Equity Share (₹)	10.00	10.00
(b) Profit after Tax available for Equity Shareholders (₹in crore)	3589.34	3446.92
Earning Per Equity Share (₹) - Basic	59.71	57.34
Earning Per Equity Share (₹) - Diluted	59.71	57.34

29.1 Weighted average number of Equity Shares for Previous period figures have been restated for the purpose of computation of Earnings per share in accordance with AS-20. {refer note no 1.3}.



Note-30: Additional Notes

30.1 Disclosure pursuant to Accounting Standard (AS) 15 (Revised 2005) – Employee Benefits:-

30.1.1 Defined Contribution Plans

The Company's contribution to Provident Funds for employees and executives is ₹72.36crore (Previous year ₹ 67.38 crore).

30.1.2 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 given rise to additional unit of employee benefits entitlement and measures each unit separately to build up the final obligation. Long Service Award liability as on 31.03.2013 determined by the actuary, has been charged to Statement of Profit and Loss.

The amount recognised in the Balance Sheet as the present value of the defined benefit obligation is net of the fair value of plan assets at the Balance Sheet date.

30.1.3 Certified Actuarial Data:-

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

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

(₹ in crore)

	Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post Retirement Medical Benefits
Present Value of obligation at the end of the year	342.88 (322.04)	389.13 (377.40)	801.46 (689.26)	179.77 (157.82)	71.82 (66.66)
Fair Value of Plan Asset at the end of the year	319.96 (299.04)	339.64 (377.57)	708.20 (628.29)	145.67 (113.49)	(0.00) (0.00)
Fund Status at end of the year {Net Assets(-)/Net liability}	22.92 (23.00)	49.49 (-0.17)	93.26 (60.97)	34.10 (44.33)	71.82 (66.66)

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

(₹ in crore)

	Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post Retirement Medical Benefits
Present Value of obligation at the beginning of the year	322.04 (309.41)	377.40 (361.10)	689.26 (592.50)	157.82 (113.00)	66.65 (57.88)
Interest Cost	24.53 (24.64)	27.20 (28.18)	52.86 (48.41)	11.66 (8.71)	4.92 (4.52)
Current Service Cost	22.55 (19.63)	15.29 (15.96)	62.22 (53.51)	42.66 (40.99)	15.65 (14.52)
Benefits Paid	-30.91 (-39.04)	-74.79 (-58.95)	-57.16 (-45.87)	-24.10 (-21.00)	-10.45 (-9.44)
Actuarial (gains)/loss on obligations	4.67 (7.39)	44.03 (31.11)	54.28 (40.71)	-8.27 (16.12)	-4.95 (-0.83)
Present Value of obligation at the end of the year	342.88 (322.04)	389.13 (377.40)	801.46 (689.26)	179.77 (157.82)	71.82 (66.66)

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

(₹ in crore)

	Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post Retirement Medical Benefits
Fair Value of Plan Asset at Beginning of the year	299.04 (326.82)	377.58 (335.42)	628.29 (609.37)	113.49 (0.00)	NA*
Expected Return on Plan Assets	23.92 (26.15)	30.20 (26.83)	50.26 (48.75)	9.08 (0.00)	NA*
Contributions	36.06 (9.43)	7.25 (60.12)	66.78 (3.68)	44.33 (134.01)	NA*
Benefits Paid	-30.91 (-39.04)	-74.79 (-58.95)	-57.16 (-45.87)	-24.10 (-21.00)	NA*
Actuarial gain/(loss) on Plan Assets	-8.15 (-24.32)	-0.60 (14.16)	20.03 (12.36)	2.87 (0.49)	NA*
Fair Value of Plan Asset at the end of the year	319.96 (299.04)	339.64 (377.58)	708.20 (628.29)	145.67 (113.49)	NA*

NA*: Not Applicable as Scheme is unfunded

D. Expenses Recognised in Statement of Profit / Loss:

(₹ in crore)

	Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post Retirement Medical Benefits
Current Service Cost	22.55 (19.63)	15.30 (15.96)	62.22 (53.51)	42.66 (41.00)	15.65 (14.52)
Interest Cost	24.53 (24.64)	27.20 (28.19)	52.85 (48.41)	11.66 (8.71)	4.92 (4.52)
Expected Return on Plan Assets	-23.92 (-26.15)	-30.21 (-26.83)	-50.26 (-48.75)	-9.08 (0.00)	0.00 (0.00)
Actuarial (gain)/loss	12.82 (31.71)	44.63 (16.95)	34.25 (28.33)	-11.14 (15.63)	-4.95 (-0.83)
Expense Recognized in Statement of Profit/Loss Account	35.98 (49.83)	56.92 (34.27)	99.07 (81.50)	34.10 (65.34)	15.62 (18.21)

E. Investment of Superannuation Funds

Nature of Investment	Percentage of Investment					
	Gratuity Fund		Pension Fund (OIPF)		Pension Fund (OIEPF)	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Central Govt.	33.82	30.67	36.61	34.98	34.99	31.62
State Govt.	14.67	14.94	23.64	20.41	18.21	17.41
PSU	40.13	42.36	35.84	41.30	46.36	50.48
Others	11.38	12.03	3.91	3.31	0.44	0.48
Total	100.00	100.00	100.00	100.00	100.00	100.00


F. Actuarial assumptions:

	Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post Retirement Medical Benefits
Mortality Table (LIC)	1994/96	1994/96	1994/96	1994/96	1994/96
Superannuation Age	60 (60)	60 (60)	60 (60)	60 (60)	60 (60)
Early Retirement & Disablement (10 Per Thousand P.A)					
-age above 45	6 (6)	6 (6)	6 (6)	6 (6)	6 (6)
-age between 29 and 45	3 (3)	3 (3)	3 (3)	3 (3)	3 (3)
-age below 29	1 (1)	1 (1)	1 (1)	1 (1)	1 (1)
Discount Rate	8.00% (8.50%)	8.00% (8.50%)	8.00% (8.50%)	8.00% (8.50%)	8.00% (8.50%)
Inflation Rate	5.00% (5.00%)	5.00% (5.00%)	5.00% (5.00%)	5.00% (5.00%)	0.00% (0.00%)
Expected Rate of Return on plan assets	8.00% (8.00%)	8.00% (8.00%)	8.00% (8.00%)	8.00% (0.00%)	0.00% (0.00%)
Remaining working life	11 (11)	8 (11)	11 (11)	10 (11)	11 (11)

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

(₹ in crore)

	Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post Retirement Medical Benefits	Long Service Award
Current Liability	22.92 (23.00)	49.49 (-0.17)	93.26 (60.97)	29.46 (27.32)	6.80 (6.31)	5.03 (0.66)
Non-current Liability	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	150.31 (130.50)	65.02 (60.35)	19.03 (6.03)
Total	22.92 (23.00)	49.49 (-0.17)	93.26 (60.97)	179.77 (157.82)	71.82 (66.66)	24.06 (6.69)

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

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

30.3 Segment Revenue, Results Assets and Liabilities for the year ended 31st March,2013 :

₹ Crore

	Year ended 31 st March, 2013	Year ended 31 st March, 2012
Revenue		
External sales		
Crude Oil	7933.74	8009.47
Natural Gas	1542.21	1353.92
LPG	121.20	16.21
Pipeline Transportation	319.63	460.38
Others	1539.54	1439.92
Total Revenue	11456.32	11279.90
Results		
Crude Oil	3232.60	3436.67
Natural Gas	710.41	502.78
LPG	80.16	-30.97
Pipeline Transportation	74.65	207.64
Others	1515.96	1430.24
Segment Results	5613.78	5546.36



Less: Unallocated expenses	327.95	435.13
Operating profit	5285.83	5111.23
Interest expense	2.60	9.37
Profit before tax	5283.23	5101.86
Tax expenses	1693.89	1654.94
Profit after tax	3589.34	3446.92
Segment Assets		
Crude Oil	4791.81	4305.46
Natural Gas	3209.35	2694.27
LPG	65.65	71.51
Pipeline Transportation	349.71	433.99
Unallocated assets	16764.33	15594.01
Total Assets	25180.85	23099.24
Segment Liabilities		
Crude Oil	1902.55	1086.23
Natural Gas	844.85	546.02
LPG	31.41	37.18
Pipeline Transportation	81.77	128.98
Unallocated liabilities	22320.27	21300.83
Total Liabilities	25180.85	23099.24

Note:

Revenue and expenses directly identifiable to the segments have been allocated to the relative primary reportable segments.

Segment revenue and expenses which are not directly identifiable to the primary reportable segments have been disclosed under others which primarily includes interest and dividend income and revenue from other miscellaneous activities.

Assets and liabilities which are directly identifiable to the segments have been allocated to relative segments.

Assets and liabilities which are not directly identifiable to the segments have been disclosed under unallocated.

There are no reportable geographical segments.

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

a) Related party relationships

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

i) Joint Ventures (Unincorporated):

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



ii) Key Management Personnel

Whole time Functional Directors:

- | | |
|--------------------------|---|
| a) Mr. S.K.Srivastava | Chairman and Managing Director(w.e.f. 01.05.2012) |
| b) Mr. N.M. Borah | Chairman and Managing Director(upto 30.04.2012) |
| c) Mr. T.K. Ananth Kumar | Director (Finance) |
| d) Mr. B.N. Talukdar | Director (Exploration & Development) |
| e) Mr. N.K. Bharali | Director (HR & BD) |
| f) Mr. S. Rath | Director (Operations) |

Part-time Directors:

- | | |
|-----------------------------------|---|
| a) Mr. Anup Mukerji | Independent Director (w.e.f 16.09.2012) |
| b) Mr. Suresh Chand Gupta | Independent Director (w.e.f 16.09.2012) |
| c) Mr. Bhaskar Ramamurthi | Independent Director (w.e.f 16.09.2012) |
| d) Mr. Shekhar Chaudhuri | Independent Director (w.e.f 16.09.2012) |
| e) Mr. Gautam Barua | Independent Director (w.e.f 16.09.2012) |
| f) Mr. Ghanshyambhai Hiralal Amin | Independent Director (upto 15.09.2012) |
| g) Mr. Pawan Kumar Sharma | Independent Director (upto 15.09.2012) |
| h) Mr. Alexander Koipuram Luke | Independent Director (upto 15.09.2012) |
| i) Mr. Vinod Kumar Misra | Independent Director (upto 15.09.2012) |
| j) Mr. Sushil Khanna | Independent Director (upto 15.09.2012) |

Other Officers

- | | |
|----------------------|-------------------|
| a) Mr. S.R. Krishnan | Company Secretary |
|----------------------|-------------------|

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

(₹ in crore)

Sl. No.	Particulars	Joint Ventures/Associates	Key Management Personnel	Total
1.	Sales Proceeds received from Joint Venture	170.92 (144.13)		170.92 (144.13)
2.	Expenses reimbursed to Joint Ventures and Associates	147.36 (135.53)		147.36 (135.53)
3.	Remuneration to Functional Directors		3.57 (1.99)	3.57 (1.99)
4.	Sitting Fees to Part-time Directors		0.15 (0.17)	0.15 (0.17)
5.	Amount outstanding		0.35 (0.55)	0.35 (0.55)

Note: Figures in parenthesis represent corresponding previous year figure.

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

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

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

Disclosures related to Finance Lease in line with AS 19

(₹ in crore)

(i)	Gross investment in the lease being Minimum Lease Payment (MLP)	31.03.2013		31.03.2012	
	Investment made	54.01		54.01	
	Lease rental receivable	45.75	99.76	45.21	99.22
(ii)	Present value (PV) of MLP receivable as on 31.03.2013 (inclusive of exchange rate fluctuation)		12.11		19.92
(iii)	Finance lease future installments receivable		16.73		28.31
(iv)	Minimum lease payments receivable (converted at period end exchange rate) :				
		Gross Receivable		Unearned Lease Income	
		PV of MLP			
	Receivable :	31.03.2013	31.03.2012	31.03.2013	31.03.2012
	a) not later than one year	13.38	12.58	3.71	4.05
	b) later than one year but not later than 5 years	3.35	15.73	0.91	4.34
	c) later than 5 years	0.00	0.00	0.00	0.00
	Total :	16.73	28.31	4.62	8.39
				12.11	19.92

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

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

30.7.1 Company executed various JVCs/PSCs in India as Jointly Control Assets as on 31.03.2013, the details of which are given below:

Jointly controlled Assets in India**A. As Operator/Joint Operator**

Sl. No.	Block No.	Company’s Participating interest
1.	AA-ONN-2002/3	30% (20%)
2.	AA-ONN-2003/3	85% (85%)
3.	MZ-ONN-2004/1	85% (75%)
4.	AA-ONN-2004/1	85% (85%)



5.	AA-ONN-2004/2	100% (90%)
6.	RJ-ONN-2004/2	75% (75%)
7.	KG-ONN-2004/1	90% (90%)
8.	RJ-ONN-2005/2	60% (60%)
9.	AA-ONN-2009/4	50% (50%)
10.	CY-OSN-2009/2	50% (50%)
11.	AN-DWN-2009/3	40% (40%)
12.	AA-ONN-2010/2	40% (40%)
13.	AA-ONN-2010/3	40% (40%)
14.	MB-OSN-2010/2	50% (NA)

The Financial position of the above blocks are as under: (₹ in crore)									
Sl. No.	Block No.	Net Fixed Assets	Net Producing Property	Capital Work in Progress	Pre Producing Property	Net Current Assets (+)/ Current Liabilities(-)	Income	Expenditure	Write Off EXP. - Dry & Abandoned Exploratory Wells
Operators – Audited Accounts									
1.	RJ-ONN-2004/2 (CY)	0.00	0.00	0.00	11.92	3.72	0.00	1.70	-1.92
	(PY)	0.00	0.00	0.00	0.13	0.01	0.00	1.74	14.43
2.	RJ-ONN-2005/2 (CY)	0.00	0.00	0.00	0.00	73.73	0.00	56.60	0.00
	(PY)	0.00	0.00	0.00	0.00	-1.41	0.00	1.21	0.00
3.	CY-OSN-2009/2 (CY)	0.00	0.00	0.00	0.00	1.27	0.18	3.31	0.00
	(PY)	0.00	0.00	0.00	0.00	-10.19	2.28	30.18	0.00
4.	AN-DWN-2009/3 (CY)	0.00	0.00	0.00	0.00	-42.46	0.04	42.10	0.00
	(PY)	0.00	0.00	0.00	0.00	-2.95	0.00	2.31	0.00
	Total (CY)	0.00	0.00	0.00	11.92	-20.31	0.22	103.71	-1.92
	(PY)	0.00	0.00	0.00	0.13	-14.54	2.28	35.44	14.43
Operators – Un-Audited Accounts									
1.	AA-ONN-2002/3 (CY)	0.00	0.00	0.00	1.40	2.64	0.00	1.44	0.00
	(PY)	0.00	0.00	0.00	0.10	-5.18	0.00	4.50	0.00
2.	AA-ONN-2003/3 (CY)	0.00	0.00	0.00	0.00	-18.77	0.00	2.53	0.00
	(PY)	0.00	0.00	0.00	0.00	-16.22	0.00	0.01	0.00
3.	MZ-ONN-2004/1 (CY)	0.19	0.00	0.00	13.51	-49.74	0.00	56.68	0.00
	(PY)	0.00	0.00	0.00	5.61	-9.93	-0.72	9.25	0.00
4.	AA-ONN-2004/1 (CY)	0.00	0.00	0.00	0.00	-14.17	0.00	3.78	0.19
	(PY)	0.00	0.00	0.00	0.01	-12.04	-0.01	11.49	25.50
5.	AA-ONN-2004/2 (CY)	0.00	0.00	0.00	27.57	-0.39	0.00	1.66	0.00
	(PY)	0.00	0.00	0.00	26.80	-0.35	0.01	2.15	0.00
6.	KG-ONN-2004/1 (CY)	0.36	0.00	0.00	15.69	-0.25	0.03	22.68	0.00
	(PY)	0.35	0.00	0.00	6.13	6.70	1.12	24.38	0.00
7.	AA-ONN-2009/4 (CY)	0.00	0.00	0.00	0.00	5.70	0.00	5.92	0.00
	(PY)	0.00	0.00	0.00	0.00	0.30	0.00	0.24	0.00
8.	AA-ONN-2010/2 (CY)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

	(PY)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9.	AA-ONN-2010/3(CY)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	(PY)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10	MB-OSN-2010/2(CY)	0.00	0.00	0.00	0.00	0.38	0.00	-0.02	0.00
	(PY)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total (CY)	0.55	0.00	0.00	58.17	-74.60	0.03	94.67	0.19
	(PY)	0.35	0.00	0.00	38.65	-36.72	0.40	52.02	25.50
	Grand Total (CY)	0.55	0.00	0.00	70.09	-94.91	0.25	198.38	-1.73
	(PY)	0.35	0.00	0.00	38.78	-51.26	2.68	87.46	39.93

B. As non-operator

Sl. No.	Block No.	Company's Participating interest
1.	Kharsang PSC	40% (40%)
2.	AAP-ON-94/1	16.129% in Expl Phase with additional 30% carrying interest [(16.129%) in Expl Phase with additional 30% carrying interest]
3	MN-OSN-2000/2	20% (20%)
4	AA-ONN-2001/3	15% (15%)
5.	AA-ONN-2002/4	10% (10%)
6.	KG-DWN-2002/1	20% (20%)
7.	MN-DWN-2002/1	20% (20%)
8.	KG-DWN-2004/5	10% (10%)
9.	KG-DWN-2004/6	10% (10%)
10.	AA-ONN-2005/1	30% (30%)
11.	AN-DWN-2005/1	10% (10%)
12.	WB-ONN-2005/4	25% (25%)
13.	AA-ONN-2009/3	50% (50%)
14.	AN-DWN-2009/1	30% (30%)
15.	AN-DWN-2009/2	40% (40%)
16.	AN-DWN-2009/18	30% (30%)
17.	KG-DWN-2009/1	15% (15%)
18.	KG-OSN-2009/4	30% (30%)
19	GK-OSN-2010/1	30% (30%)
20.	AS-CBM-2008/IV-CBM	40% (NA)

The Financial position of the above blocks are as under:

(₹ in crore)

Sl. No.	Block No.	Net Fixed Asset	Net Producing Property	Capital Work in Progress	Pre Producing Property	Net Current Assets (+)/ Current Liabilities(-)	Income	Expenditure	Write Off EXP. - Dry & Abandoned Exploratory Wells
Non-Operators – Audited Accounts									
1	MN-OSN-2000/2 (CY)	0.00	0.00	0.00	112.16	-11.74	0.00	8.09	0.00
	(PY)	0.00	0.00	0.00	0.00	-15.06	0.00	2.13	40.49
2.	MN-DWN-2002/1 (CY)	0.00	0.00	0.00	0.00	-88.00	0.00	5.80	10.18
	(PY)	0.00	0.00	0.00	0.00	-126.88	0.00	13.57	168.97
3.	KG-DWN-2004/5 (CY)	0.00	0.00	0.00	0.00	-0.20	0.00	1.53	0.00
	(PY)	0.00	0.00	0.00	0.00	0.63	0.06	3.30	0.00
4.	KG-DWN-2004/6 (CY)	0.00	0.00	0.00	11.48	-6.65	0.00	1.78	0.00



	(PY)	0.00	0.00	0.00	0.00	-0.37	0.00	0.89	0.00
5.	AN-DWN-2005/1 (CY)	0.00	0.00	0.00	0.00	-2.88	0.00	3.41	0.00
	(PY)	0.00	0.00	0.00	0.00	-0.44	0.00	0.95	0.00
6.	WB-ONN-2005/4 (CY)	0.00	0.00	0.00	0.00	-5.67	0.00	7.99	0.00
	(PY)	0.00	0.00	0.00	0.00	-5.07	0.00	7.16	0.00
7.	AN-DWN-2009/1 (CY)	0.00	0.00	0.00	0.00	-11.94	0.00	13.03	0.00
	(PY)	0.00	0.00	0.00	0.00	-2.64	0.00	2.64	0.00
8.	AN-DWN-2009/2 (CY)	0.00	0.00	0.00	0.00	-27.14	0.00	27.36	0.00
	(PY)	0.00	0.00	0.00	0.00	-3.10	0.00	3.10	0.00
9.	AN-DWN-2009/18 (CY)	0.00	0.00	0.00	0.00	-1.29	0.00	2.52	0.00
	(PY)	0.00	0.00	0.00	0.00	-2.95	0.00	2.95	0.00
	Total (CY)	0.00	0.00	0.00	123.64	-155.51	0.00	71.51	10.18
	Total (PY)	0.00	0.00	0.00	0.00	-155.88	0.06	36.69	209.46
Non-Operators – Un-Audited Accounts									
1.	Kharsang PSC (CY)	7.04	63.83	2.16	38.28	30.74	171.24	61.45	0.00
	(PY)	6.50	47.24	1.65	40.20	34.43	144.66	52.45	0.00
2.	AAP-ON-94/1 (CY)	0.00	0.00	0.00	38.39	1.17	0.00	1.62	0.00
	(PY)	0.00	0.00	0.00	31.77	-4.39	0.00	1.71	1.28
3	AA-ONN-2001/3 (CY)	0.00	0.00	0.00	0.09	0.41	0.00	0.06	0.00
	(PY)	0.00	0.00	0.00	0.09	0.41	0.00	0.04	0.00
4.	AA-ONN-2002/4 (CY)	0.00	0.00	0.00	0.00	-0.08	0.00	0.06	0.00
	(PY)	0.00	0.00	0.00	0.00	-0.02	0.00	0.04	0.00
5.	KG-DWN-2002/1 (CY)	0.00	0.00	0.00	0.00	13.24	0.00	4.35	88.76
	(PY)	0.00	0.00	0.00	0.29	44.64	0.00	16.62	88.47
6.	AA-ONN-2005/1 (CY)	0.00	0.00	0.00	0.00	-0.03	0.00	0.09	0.00
	(PY)	0.00	0.00	0.00	0.00	-0.05	0.00	0.19	0.00
7.	AA-ONN-2009/3 (CY)	0.00	0.00	0.00	0.00	-3.59	0.00	9.16	0.00
	(PY)	0.00	0.00	0.00	0.00	-2.35	0.00	3.55	0.00
8.	KG-DWN-2009/1(CY)	0.00	0.00	0.00	0.00	-0.07	0.00	0.08	0.00
	(PY)	0.00	0.00	0.00	0.00	-0.05	0.00	0.05	0.00
9.	KG-OSN-2009/4 (CY)	0.00	0.00	0.00	0.00	-0.08	0.00	0.54	0.00
	(PY)	0.00	0.00	0.00	0.00	-0.63	0.00	-1.28	0.00
10.	GK-OSN-2010/1 (CY)	0.00	0.00	0.00	0.00	-0.24	0.00	0.47	0.00
	(PY)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11.	AS-CBM-2008/IV-CBM (CY)	0.00	0.00	0.00	0.00	-0.66	0.00	0.66	0.00
	(PY)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total (CY)	7.04	63.83	2.16	76.76	40.81	171.24	78.54	88.76
	Total (PY)	6.50	47.24	1.65	72.35	71.99	144.66	73.37	89.75
	Grand Total (CY)	7.04	63.83	2.16	200.40	-114.70	171.24	150.05	98.94
	(PY)	6.50	47.24	1.65	72.35	-83.89	144.72	110.06	299.21

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

(₹ in crore)

Sl. No.	Particulars	Net Fixed Asset	Net Producing Property	Capital Work in Progress	Pre Producing Property	Net Current Assets (+)/ Current Liabilities(-)	Income	Expenditure	Write Off EXP. - Dry & Abandoned Exploratory Wells
1.	As operator (14 Blocks) (CY)	0.55	0.00	0.00	70.09	-94.91	0.25	198.38	-1.73
	(PY)	0.35	0.00	0.00	38.78	-51.26	2.68	87.46	39.93
2.	As Non-operator (20 Blocks) (CY)	7.04	63.83	2.16	200.40	-114.70	171.24	150.05	98.94
	(PY)	6.50	47.24	1.65	72.35	-83.89	144.72	110.06	299.21
	Total (CY)	7.59	63.83	2.16	270.49	-209.61	171.49	348.43	97.21
	Total (PY)	6.85	47.24	1.65	111.13	-135.15	147.40	197.52	339.14

Note:

- (i) Amount recoverable from M/s. Suntera Resources Ltd. against the expenditure incurred in 6 no. of NELP Blocks stands at ₹53.22 crore (Previous year ₹53.22 crore). M/s Suntera Resources Ltd. has not paid the amount despite reminders and provision has been made in books of accounts for the entire amount. The Company applied to Directorate General of Hydrocarbon (DGH) under Ministry of Petroleum and Natural Gas (MOP&NG), New Delhi for acquiring the Participating Interest (PI) of M/s Suntera Resources Ltd in these NELP Blocks. Approval from DGH has since been received to acquire the participating interest of M/s Suntera Resources Ltd in these NELP Blocks. No further expenditure pertaining to these NELP Blocks has been debited to M/s Suntera Resources Ltd and no cash calls have been raised on M/s Suntera Resources Ltd. The revised PSC in this regard is yet to be executed.
- (ii) The required disclosures under AS 27 related to relinquished JVCs against which full provision has been made are not disclosed since it does not affect the related disclosures made above materially. However against 6 no. of relinquished blocks, expenditure including write off is affected during the current Financial Year amounting to Rs.26.97 crore.

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

Sl. No.	Block/Area No	Country of Origin	Company's Participating interest
1.	Farsi (offshore) Block	Islamic Republic of Iran	20% (20%)
2.	Area 86	Libya	50% (50%)
3.	Block 102/4	Libya	50% (50%)
4.	Shakthi	Gabon	45% (45%)
5.	Area 95/96	Libya	25% (25%)
6.	Timor Leste-Block 'K'	East Timor	12.50% (12.50%)
7.	Block 82,	Yemen	12.75% (12.75%)
8.	Block 83,	Yemen	12.75% (12.75%)



The Financial position of the above blocks are as under:

(₹ in crore)

Sl. No.	Block No.	Net Fixed Assets	Net Producing Property	Capital Work in Progress	Pre Producing Property	Net Current Assets (+)/ Current Liabilities(-)	Income	Expenditure	Write Off EXP. - Dry & Abandoned Exploratory Wells
Overseas Blocks – Audited Accounts									
1.	Shakthi,Gabon (CY)	0.00	0.00	0.00	28.11	36.77	0.00	4.51	58.13
	(PY)	0.00	0.00	0.00	22.78	-1.87	0.00	8.09	0.00
2.	Block 82,Yemen (CY)	0.01	0.00	0.02	5.34	0.41	0.00	1.89	0.00
	(PY)	0.01	0.00	0.00	5.34	-0.46	0.00	1.38	0.00
3.	Block 83,Yemen (CY)	0.01	0.00	0.01	7.62	-0.40	0.00	8.89	0.00
	(PY)	0.01	0.00	0.00	7.62	-0.80	0.00	1.79	0.00
	Total (CY)	0.02	0.00	0.03	41.07	36.78	0.00	15.29	58.13
	Total (PY)	0.02	0.00	0.00	35.74	-3.13	0.00	9.40	0.00
Overseas Blocks – Un-Audited Accounts									
1.	Farsi (offshore) Block (CY)	0.00	0.00	0.00	72.51	-71.33	0.00	0.00	0.00
	(PY)	0.00	0.00	0.00	71.72	-71.55	0.00	0.46	0.00
2.	Area 86,Libya (CY)	0.00	0.00	0.00	0.00	-10.22	-0.91	3.93	0.60
	(PY)	0.00	0.00	0.00	0.00	-6.97	0.00	1.06	0.00
3.	Block 102/4,Libya (CY)	0.00	0.00	0.00	0.00	0.12	-0.35	1.48	0.10
	(PY)	0.00	0.00	0.00	0.00	-0.02	0.00	0.41	0.00
4.	Area 95/96,Libya (CY)	0.23	0.00	0.20	38.91	-27.17	0.00	10.41	0.00
	(PY)	0.36	0.00	0.00	14.61	-6.52	0.00	13.93	0.00
5.	Timor Leste-Block 'K', (CY)	0.00	0.00	0.00	0.00	-0.08	0.00	0.14	-0.86
	(PY)	0.00	0.00	0.00	0.00	-0.81	0.00	4.15	0.16
	Total (CY)	0.23	0.00	0.20	111.42	-108.68	-1.26	15.96	-0.16
	Total (PY)	0.36	0.00	0.00	86.33	-85.87	0.00	20.01	0.16
	Grand Total (CY)	0.25	0.00	0.23	152.49	-71.90	-1.26	31.25	57.97
	Grand Total (PY)	0.38	0.00	0.00	122.07	-89.00	0.00	29.41	0.16

*CY –Current Year

PY –Previous Year

Figures under parenthesis represent corresponding previous year figure.

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

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

(₹ in crore)

Particulars	Outstanding as at 31.03.2013	Maximum Amount Outstanding during the year 2012-13	Outstanding as on 31.03.2012	Maximum Amount Outstanding during the year 2011-12
Loans & Advances in the nature of Loan to :				
a) Subsidiaries*				
i) Oil India Sweden AB	Nil	Nil	Nil	Nil
ii) Oil India Cyprus Ltd	Nil	Nil	Nil	Nil
iii) Oil India USA INC.	1.53	1.53	Nil	Nil
b) To Associates	Nil	Nil	Nil	Nil
c) Where there is no repayment schedule	Nil	Nil	Nil	Nil
d) Having repayment schedule of beyond seven years: to employees	127.54	127.79	117.63	122.08
e) Where no interest or interest below Section 372A of Companies Act	0.00	0.00	0.00	0.00
f) In the nature of loans to Firms/companies in which directors are interested:				
DNP Ltd	131.00	131.00	131.00	131.00
BCPL	250.00	250.00	Nil	Nil
g) Investment by Loanee in Parent or other subsidiary company	Nil	Nil	Nil	Nil

* Excludes Current account transactions

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

The Company has identified Micro, Small and Medium Enterprises (MSMEs) to whom the Company owes dues, which are outstanding as at 31.03.2013.

(₹ in crore)

Particulars	2012-13	2011-12
a) Principal amount remaining unpaid but not due as at year end	1.86	1.76
b) Interest due thereon as at year end	0.00	0.00
c) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year	0.00	0.00
d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	0.00	0.00
e) Interest accrued and remaining unpaid as at year end	0.00	0.00
f) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	0.00	0.00

30.10 Income Tax

- a) For Assessment Year (AY) 2003-04 to 2007-08, the appeal is pending for disposal before the Hon'ble Income Tax Appellate Tribunal (ITAT) with respect to the Company claim of benefit u/s 80-IB / 80-IC of the Income Tax Act, 1961, herein after called as the Act.
- b) For AY 2009-10 the Commissioner of Income Tax (Appeal), "CIT(A)", has disposed off the appeal and confirmed the disallowances of Company claim u/s

80-IC of the Act. The Company will prefer a 2nd appeal before Hon'ble ITAT.

- c) For AY 2008-09, 2010-11 and 2011-12 the appeal is pending for disposal before the CIT(A) with respect to the Company claim of benefit u/s 80-IC of the Act.
- d) The resulting interest, whether receivable or payable, shall be accounted for on finalization of the matter by an appellant authority.



The benefit u/s 80-IC of the Act has not been considered to make the provisions of tax in the books.

30.11 Disclosure under Section 441A of the Companies Act:

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

30.12 Details of charge:

The company has created charge against Current Assets to the tune of ₹ 377.45 crore for availing Bank Guarantee.

The company has created further charge against Current Assets to the tune of ₹ 150 crore for availing Letter of Credit.

The company is having Cash Credit facility against the security of its current assets to the tune of ₹1000 crore.

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

I. Contingent Liabilities and commitments

i) Contingent Liabilities:

a) Claims against the Company not acknowledged as debts:

- i) In respect of claims under Sales Tax Act : ₹ 5.58 crore (Previous year ₹5.58 crore)
- ii) In respect of claims under Central excise Acts : ₹ 43.66 crore (Previous year ₹26.19 crore)
- iii) In respect of claims under Other Acts : ₹ 41.51crore(Previous year ₹ 36.91 crore)
- iv) Claims by contractors pending decision in Arbitration / Courts. : ₹ 110.97crore (Previous year ₹128.53 crore).
- v) In respect of share of claim on JVC/PSC account : ₹ 30.11crore (Previous year ₹ 31.80 crore)

b) In respect of Guarantees :

- i) Bank Guarantee issued for ₹ 702.02 crore to Superintending of Taxes, Naharkatia, Assam, in relation to demand raised by the Department under Assam Taxation (on specified lands) Act 1990.(Previous year ₹702.02crore)
- ii) Guarantee to OIDB against Loan by M/S BCPL from OIDB: ₹36.34crore(Previous year ₹36.34crore)
- iii) Guarantee to OIDB against Loan by M/S DNPL from OIDB: ₹38.02crore(Previous year ₹38.02crore)
- iv) Counter Guarantee to GAIL against Loan by M/S BCPL from OIDB:₹27.78crore(Previous year Nil)
- v) Irrevocable Standby Letter of Credit to CARRIZO OIL AND GAS INC.of 23 Million USD, ₹126.29crore under Purchase and Participating agreement. (Previous year Nil)
- vi) Guarantee to Citibank NA., New York against Loan by OIL INDIA (USA)INC. for USD 50 million ₹274.55 crore(Previous year Nil)

(ii) Commitments:

- (i) The estimated amount of contracts remaining to be executed on Capital Account and not provided for in the accounts: - ₹364.13 crore (Previous year ₹ 256.97 crore).
- (ii) Company's share in the amount of contracts remaining to be executed on Capital Accounts and not provided for in the account as on 31.03.2013 in respect of the Joint Ventures is ₹0.09 crore (Previous year ₹ 0.02 crore).
- (iii) Balance of Minimum Work Program Commitment (MWP) by OIL under Production Sharing Contracts (PSCs) entered for NELP Blocks with Govt. of India is ₹3094.53 crore.(Previous year ₹ 3248.68 crore).

30.14 Reclassification/Regrouping:

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



31. SIGNIFICANT ACCOUNTING POLICIES

31.1 Accounting Convention

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

31.2 Classification of Assets & Liabilities

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

31.3 Exploration Costs, Development Expenditure And Abandonment Costs

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

31.3.1 Exploration Costs And Development Expenditure

- a) Geological and Geophysical expenditure, including the depreciation on the cost of Tangible Assets deployed in relation thereto, charged as expense when incurred.
- b) Lease carrying costs including license fees are charged as expense when incurred.
- c) Cost of unsuccessful/dry exploratory wells or parts thereof including allocated depreciation on support equipment and facilities, which do not lead to discovery of/accretion to hydrocarbon reserves, are charged as expense on determination.
- d) All Acquisition costs, exploration costs involved in drilling and equipping exploratory and appraisal wells and cost of exploratory-type drilling stratigraphic test wells are initially shown

as pre-producing property under capital-work-in-progress till the time these are either transferred to Tangible Assets as producing properties or charged as expense in the year when determined to be dry or of no further use.

- e) Cost of incomplete wells/wells under production testing/completed exploratory wells pending determination of commercial viability including allocated depreciation on support equipment and facilities, are classified as pre-producing properties.
- f) Cost of exploratory wells included in pre-producing Properties are not carried over for more than two years from the date of completion of the drilling of the well and written off, unless it is reasonably determined that the well has proved reserves and development of the field in which the well is located has been planned.
- g) Cost of successful exploratory wells and completed development wells including allocated depreciation on support equipment and facilities after completion of production testing are capitalized as producing properties.

31.3.2 Abandonment Costs

- a) Estimated liability towards costs relating to dismantling, abandoning and restoring well sites in respect of complete wells (net of salvage value), other than those relating to Joint Ventures, are recognised as cost of Producing property/ Pre-producing property. The abandonment cost on exploratory dry well is charged as expense when incurred. Liability for abandonment cost is updated annually based on the technical assessment available at current costs.
- b) The actual cost incurred on abandonment is adjusted against the liability and the ultimate gain or loss is recognised in the Statement of Profit and Loss, when the designated oil/gas field or a group of oil/gas fields ceases to produce.
- c) In respect of Joint Ventures, the recognition of abandonment cost is specified in Policy No 31.8 (a).

31.4 Fixed Assets :

- a) All costs relating to acquisition of tangible assets till the time of commissioning are capitalized.



- b) Cost of Freehold & Leasehold land used for project including the Right of Use (ROU) which are perpetual in nature are not amortized.
- c) Cost of land acquired for drilling wells are booked under pre-producing/producing properties depending on the status of the wells.
- d) Any Tangible asset, when determined of no further use, is deleted from the Block. The deleted assets are carried as Inventories at lower of ₹ 1000 or 5% of the original cost and the balance Written down Value, is charged off.

31.5 Depreciation/Depletion/Amortisation/Write off

31.5.1 Depreciation

- a) Depreciation on Tangible Assets other than "Producing Properties" is provided for under the "Written Down Value Method", at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.
- b) Depreciation on Tangible Assets deployed in exploration and development drilling activities is capitalized with the cost of well.
- c) Capital assets costing up to ₹ 5000 each are fully depreciated in the year of acquisition.

31.5.2 Depletion

- a) Producing Properties are depleted using the "Unit of Production Method", with reference to ratio of production and the related Proved Developed Reserves.
- b) Proved Developed Reserves of oil and gas are technically assessed and reviewed in-house at the end of each year by following International practices. Rate of depletion is computed on a consistent basis with reference to designated Oil / Gas field or a group of Oil/Gas fields, which are aggregated either based on a common geological feature or for operational purpose.
- c) Cost of land forming part of the Pre-producing/producing properties are either charged off or carried forward depending on the status of the wells as per Accounting Policy No: 31.3.1(d).
- d) Costs of land forming part of the producing properties are depleted on Units of Production Method (UOP).

31.5.3 Amortisation

Depreciation rate under W.D.V method as prescribed under Schedule XIV to the Companies Act, 1956 for Computer is adopted for amortization of software.

31.5.4 Write off

- a) Any Intangible assets when determined of no further use, is written off.
- b) The discrepancies, when noticed on physical verification are adjusted in the accounts.

31.6 Foreign Currency Translation

- (a) Foreign currency transactions are initially recognised and accounted for at the exchange rates prevailing at the dates of transactions.
- (b) Foreign Currency monetary assets & liabilities outstanding at the close of the year, are translated at the rates of exchange prevailing at the date of Balance Sheet. Resultant gains or loss is accounted for during the year.
- (c) Foreign currency transactions in relation to Joint Venture (Overseas) are treated in the following manner:-
 - (i) Foreign currency transactions are initially recognised and accounted for at the exchange rates prevailing at the dates of transactions. However, the average exchange rate of relevant month is taken for the transactions of that month, where actual rate of transaction is not available or at the rate as agreed otherwise.
 - (ii) Foreign Currency monetary assets & liabilities outstanding at the close of the year, are translated at the rates of exchange prevailing at the date of Balance Sheet. Resultant gains or loss is accounted for during the year.

31.7 Impairment of Assets

At the end of each balance sheet date, the carrying amount of assets are assessed so as to calculate there is any indication of impairment. Tangible Assets forming part of a "Cash Generating Unit" are reviewed for impairment at each Balance Sheet date. In case events



and circumstances indicate any impairment, recoverable amount of these assets is determined. An impairment loss is recognized, whenever the carrying amount of such assets exceeds the recoverable amount by writing down such assets to their recoverable amount. The recoverable amount is its 'value in use'. In assessing the value in use, the estimated future cash flows from the use of assets are discounted to their present value at appropriate rate. An impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased. Impairment loss/reversal thereof is adjusted to the carrying value of the respective assets. Subsequent to Impairment, depletion/ depreciation is provided on the revised carrying value of the assets.

31.8 Joint Ventures

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

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

31.9 Income Tax

- a) The tax expense for the year comprises current tax and deferred tax.

- b) Provision for current tax is made after taking into consideration benefits admissible on conservative basis under the provisions of the Income Tax Act, 1961 as are applicable to the company. Deferred Tax resulting from 'timing difference' between taxable income and accounting income is accounted for using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred Tax Asset is reassessed and recognised only to the extent that there is a virtual certainty that the asset will be realized in future.

31.10 Investments

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

31.11 Inventory

- (a) Finished goods of Crude Oil, Liquefied Petroleum Gas and LPG condensate are valued at cost or net realizable value, whichever is lower. Cost of finished goods is determined on absorption costing method.
- (b) Crude oil in unfinished condition in the flow line up to Group Gathering Station and Natural Gas in Pipeline are not valued, as quantity of the same is not determinable.
- (c) Stores and spare are valued at weighted average cost or net realizable value whichever is lower. Obsolete / unserviceable items, as and when identified, are written off. Any item of stores and spares not moved for last four years as on date of Balance Sheet are identified as slow moving items for which a provision of 95% of the value is made in the accounts.

31.12 Employee Benefits

- a) All short-term employee benefits are recognised as an expense at the undiscounted amount in the accounting period in which the related service is rendered.
- b) Employee benefits under defined contribution plan such as provident fund is recognised based



on the undiscounted obligations of the company to contribute to the plan.

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

31.13 Revenue Recognition

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

- (h) Recovery/Refund of Liquidated Damages are recognised in the Statement of Profit and Loss in the year of occurrence as income or expenditure as the case may be except in case of JVC which are governed by the respective PSC.

- (i) Revenue from sale of other services is recognised when service is rendered in line with contracts executed therewith.

31.14 Grants

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

31.15 Borrowing Costs

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

31.16 Segment Accounting

- (a) 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.
- (b) 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.

31.17 Provisions, Contingent Liabilities and Contingent Assets

- (a) Provisions in respect of which a reliable estimate can be made, are recognised where there is a present obligation as a result of past events and it is probable that there will be an outflow of resource.



(b) Contingent assets are neither recognised nor disclosed in the financial statements.

31.18 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.

31.19 General

- a) All revenue expenditure, incurred for Research & Development Projects / Schemes, net of grants-in-aid if any, are charged to the Statement of Profit & Loss.
- b) Assets given on finance lease are accounted as per Accounting Standard 19 "Leases". Such assets are included as a receivable at an amount equal to the net investment in the lease. Initial direct costs incurred in respect of finance leases are recognized in the statement of profit and loss in the year in which such costs are incurred.

For SRB & Associates

Chartered Accountants
Firm Reg No- 310009E

For Saha Ganguli & Associates

Chartered Accountants
Firm Reg No- 302191E

For and on behalf of the Board of Directors

Sd/-
(S.C. BHADRA)
Membership No: 017054

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

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

Sd/-
(T.K.ANANTH KUMAR)
Director (Finance)

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

Place: New Delhi,
Date: 25th May, 2013



OIL INDIA LIMITED
Cash Flow Statement for the year ended 31st March, 2013

(₹ in crore)

	Year ended 31st March, 2013	Year ended 31st March, 2012
Operating Activity		
Net Profit Before Tax and Exceptional items	5283.23	5101.86
Depreciation, Depletion & Amortisations	567.14	514.20
Dividend Income	(69.51)	(68.91)
Interest Income	(1400.93)	(1291.36)
Interest Expenses	2.60	9.37
Foreign Exchange Loss/(Gain)- Net	(21.70)	(2.59)
Provision for employee benefits	73.74	380.23
Well abandonment provisions	9.59	38.65
Total	(839.07)	(420.41)
Cash flow from Operating Activity Before Changes in Assets and Liabilities	4444.16	4681.45
Changes in Working Capital		
Inventories	(111.01)	(32.96)
Trade Receivables, Other current and non current assets	58.92	(113.96)
Long term and short term Loans and Advances	188.91	(93.39)
Long term and short term provisions	(162.39)	545.82
Trade payables, Other current and non current liabilities	(855.25)	(59.13)
Total	(880.82)	246.38
Cash flow from Operating Activity before Income tax	3563.34	4927.83
Income tax Payment (Net of Refund)	(2458.84)	(1896.78)
Net Cash generated from / (used in) Operating Activity (A)	1104.50	3031.05
Investing Activity		
Capital Expenditure	(1251.53)	(793.71)
Investment - Current & Non current (Net)	757.12	(1723.78)
Inter Corporate Deposits	445.00	55.00
Inter Corporate Loan	(250.00)	0.00
Interest Income	1212.30	1064.58
Dividend Income	69.51	68.91
Net Cash generated from / (used in) Investing Activity (B)	982.40	(1329.00)
Financing Activity		
Proceeds from borrowings/(Repayment of Loan)	1047.68	(1004.16)
Payment of Dividend	(1683.17)	(1310.47)
Corporate Dividend Tax	(273.06)	(212.61)



Interest Expenses		(2.60)	(9.37)
Foreign Exchange Loss/(Gain)- Net		21.70	2.59
Net Cash generated from / (used in) Financing Activity	(C)	(889.45)	(2534.02)
Net Increase in Cash and Cash Equivalents	(A+B+C)	1197.45	(831.97)
Cash and Cash equivalents at the beginning of the year		10935.48	11767.45
Cash and Cash equivalents at the end of the year		12132.93	10935.48

Notes:

a. Cash and cash equivalents (Refer to Note 19) represents:

i) Cash in hand		1.08	0.73
ii) Current accounts & Term Deposits in Scheduled Banks		12131.85	10934.75
		<u>12132.93</u>	<u>10935.48</u>

b. The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard (AS) - 3

c. Figures in parentheses represent cash outflows.

d. Previous year's figures have been rearranged, regrouped, recast wherever necessary to conform current year's classification.

For SRB & Associates

Chartered Accountants

For Saha Ganguli & Associates

Chartered Accountants

For and on behalf of the Board of Directors

Sd/-
(S.C. BHADRA)
Membership No: 017054

Firm Reg No- 310009E

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

Firm Reg No- 302191E

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

Sd/-
(T.K.ANANTH KUMAR)
Director (Finance)

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

Place: New Delhi,
Date:25th May, 2013



AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF OIL INDIA LIMITED

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statement of Oil India Limited ("the Company"), and its subsidiaries, which comprise the consolidated Balance Sheet as at March 31, 2013 and the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and Significant Accounting Policies and Additional Notes.

Management's Responsibility for the Consolidated Financial Statements

2. Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including

the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. The financial statements of the subsidiaries have been prepared audited by the respective independent auditors and have been relied upon by us for the purpose of consolidation. Previous year figures of one of the subsidiaries have been recast on the basis of the audited financial statement.
7. In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
 - (b) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
 - (c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For SRB & ASSOCIATES
Chartered Accountants
Firm Regn. No: 310009E

Sd/-
(S.C. BHADRA)
Partner
Membership No: 017054

Place: New Delhi
Date: 25th May 2013

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

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



OIL INDIA LIMITED
Consolidated Balance Sheet as at 31st March, 2013

(₹ in crore)

	Note	As at 31 st March, 2013	As at 31 st March, 2012
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	1	601.14	240.45
Reserves and surplus	2	18647.64	17499.10
		19248.78	17739.55
Non-Current Liabilities			
Deferred tax liabilities (Net)	3	1220.73	1076.73
Other Long-term liabilities	4	1.05	3.75
Long-term provisions	5	447.76	400.01
		1669.54	1480.49
Current Liabilities			
Short-term borrowings	6	1260.93	10.13
Trade payables	7	294.19	279.27
Other current liabilities	8	1418.27	2034.58
Short-term provisions	9	1536.25	1573.70
		4509.64	3897.68
TOTAL		25427.96	23117.72
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	10	5122.77	4484.74
Intangible assets	11	7.40	8.79
Capital work-in-progress	12	1888.78	1131.50
Non-current investments	13	888.46	801.04
Long-term loans and advances	14	526.86	311.00
Other non-current assets	15	103.91	13.65
		8538.18	6750.72
Current assets			
Current investments	16	999.17	1831.10
Inventories	17	644.33	533.32
Trade receivables	18	908.74	1051.81
Cash and cash equivalents	19	12136.66	10936.00
Short-term loans and advances	20	1310.68	1312.82
Other current assets	21	890.20	701.95
		16889.78	16367.00
TOTAL		25427.96	23117.72
Additional Notes	30		
Significant Accounting Policies	31		
Notes referred to above form an integral part of the financial statements.			

In terms of our report of even date.

For SRB & Associates**For Saha Ganguli & Associates**

Chartered Accountants

Chartered Accountants

For and on behalf of the Board of Directors

Firm Reg No- 310009E

Firm Reg No- 302191E

Sd/-
(S.C. BHADRA)

Membership No: 017054

Sd/-
(S.K.SAHA)

Membership No: 051392

Sd/-
(S.R.KRISHNAN)
Company SecretarySd/-
(T.K.ANANTH KUMAR)
Director (Finance)Sd/-
(S.K.SRIVASTAVA)
Chairman & Managing DirectorPlace: New Delhi,
Date: 25th May, 2013



OIL INDIA LIMITED
Consolidated Statement of Profit and Loss for the year ended 31st March, 2013

(₹ in crore)

	Note	Year ended 31 st March, 2013	Year ended 31 st March, 2012
I. Revenue from operations	22	9968.12	9863.23
II. Other income	23	1508.41	1416.73
III. Total Revenue (I +II)		11476.53	11279.96
IV. Expenses:			
Changes in inventories of finished goods	24	(27.37)	(8.82)
Employee benefits expense	25	1305.86	1491.21
Finance costs	26	3.04	9.37
Depreciation, Depletion, Amortization and Impairment	27	848.16	885.24
Other expenses	28	4058.82	3801.56
Total Expenses		6188.51	6178.56
V. Profit before exceptional and extraordinary items and tax (III - IV)		5288.02	5101.40
VI. Exceptional Items		0.00	0.00
VII. Profit before extraordinary items and tax (V - VI)		5288.02	5101.40
VIII. Extraordinary Items		0.00	0.00
IX. Profit before tax (VII - VIII)		5288.02	5101.40
X. Tax expense:			
(1) Current tax		1551.99	1727.26
(2) Deferred tax		143.98	(72.32)
XI. Profit for the year from continuing operations (IX-X)		3592.05	3446.46
XII. Profit for the year from discontinuing operations		0.00	0.00
XIII. Tax expenses of discontinuing operations		0.00	0.00
XIV. Profit from discontinuing operations after taxes (XII-XIII)		0.00	0.00
XV. Profit for the year (XI+XIV)		3592.05	3446.46
XVI. Earnings per equity share (₹):	29		
(1) Basic		59.75	57.33
(2) Diluted		59.75	57.33
Additional Notes	30		
Significant Accounting Policies	31		
Notes referred to above form an integral part of the financial statements			

In terms of our report of even date.

For SRB & Associates**For Saha Ganguli & Associates**

Chartered Accountants

Chartered Accountants

Firm Reg No- 310009E

Firm Reg No- 302191E

For and on behalf of the Board of Directors

Sd/-
(S.C. BHADRA)
 Membership No: 017054

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

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

Sd/-
(T.K.ANANTH KUMAR)
 Director (Finance)

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

Place: New Delhi,
 Date: 25th May, 2013

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

(₹ in crore)

	As at 31 st March, 2013	As at 31 st March, 2012
Authorised:		
200,00,00,000 (Previous year 200,00,00,000) Equity Shares of ₹ 10/- each	2000.00	2000.00
Issued, Subscribed and Fully Paid up:		
60,11,35,955 (Previous year 24,04,54,382) Equity Shares of ₹ 10/- each fully paid up	601.14	240.45

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

Category	As at 31 st March, 2013		As at 31 st March, 2012	
	No of Shares	% to Equity	No of Shares	% to Equity
President of India	411,385,743	68.43%	188,599,560	78.43%

1.2 The reconciliation of the shares outstanding as at 31st March, 2013 & 31st March, 2012 is set out below:

Particulars	31 st March, 2013	31 st March, 2012
	No of Shares	No of Shares
Outstanding at the beginning of the year	240,454,382	240,454,382
Addition during the year	360,681,573	0
Outstanding at the end of the year	601,135,955	240,454,382

1.3 In terms of the approval of shareholders vide its resolution dated 21.03.2012, the Bonus issue committee of the Board of Directors of the Company have issued 36,06,81,573 new fully paid up equity shares of ₹ 10 each as bonus shares on 02.04.2012 by capitalising a sum of ₹ 3,606,815,730/- out of the "Securities Premium Account" in the proportion of 3 equity shares for every 2 fully paid up equity shares of ₹ 10 each held to the holders of the equity shares on the record date as on 31.03.2012.

NOTE-2**Reserves and surplus**

(₹ in crore)

	As at 31 st March, 2013		As at 31 st March, 2012	
(a) Securities Premium Account				
Balance as per last financial statement	2750.80		2750.80	
Less: Bonus Shares Issued	360.68	2390.12	0.00	2750.80
(b) Foreign Currency Translation Reserve		39.11		22.73
(c) General Reserve				
Balance as per last financial statement	14725.57		12606.56	
Add: Amount transferred from surplus balance	1492.84	16218.41	2119.01	14725.57
(d) Surplus balance				
Balance as per statement of profit & loss	3592.05		3446.46	
Less: Appropriations				
Interim Dividend	1382.61		841.59	
Tax on Interim Dividend	224.29		136.53	
Proposed Final Dividend	420.80		300.56	
Tax on Proposed Final Dividend	71.51		48.77	
Transfer to General Reserve	1492.84	0.00	2119.01	0.00
		18647.64		17499.10

2.1 For Securities Premium Account refer note no.1.3.

2.2 The Board of Directors has recommended a final dividend of ₹ 7 per share which is subject to the approval of the shareholders in the ensuing Annual General Meeting over and above the interim dividend of ₹ 23 (₹ 11 and ₹ 12) per share paid in two phases.

**NOTE-3****Deferred tax liabilities (Net)**

(₹ in crore)

	As at 31 st March, 2013	As at 31 st March, 2012
A. Deferred tax liability		
Timing differences in "Depreciation/Depletion"	1527.91	1239.72
B. Deferred tax assets		
Timing differences in "Disallowance"	307.18	162.99
C. Deferred tax liability (Net) (A-B)	1220.73	1076.73

NOTE-4**Other Long-term liabilities**

(₹ in crore)

	As at 31 st March, 2013	As at 31 st March, 2012
Trade Payables		
Dues to Micro, Small and Medium Enterprises	0.00	0.00
Dues to Others	0.93	3.66
Others		
Liabilities- For Capital Exp. & others	0.12	0.09
	1.05	3.75

4.1 Refer to note no. 30.9 for dues to Micro, Small and Medium Enterprises

NOTE-5**Long-term provisions**

(₹ in crore)

	As at 31 st March, 2013	As at 31 st March, 2012
Provision for employee benefits	234.36	196.88
Other provisions		
Well Abandonment Cost	213.40	203.13
	447.76	400.01

5.1 Provision for employee benefits includes superannuation benefits as per Note No 30.1.2

NOTE-6**Short-term borrowings**

(₹ in crore)

	As at 31 st March, 2013	As at 31 st March, 2012
Secured Loans		
LIBOR Linked Buyers Credit	0.00	10.13
(Secured by hypothecation of all current assets ranking pari pasu with bank)		
Short Term Loan from Banks	1021.86	0.00
(Secured by pledge of Term Deposit Receipts)		
Short Term Borrowings from Citi Bank N.A.	203.12	0.00
Unsecured Loans		
Short term credit (Foreign Currency)	35.95	0.00
	1260.93	10.13

**NOTE-7****Trade payables**

(₹ in crore)

	As at 31 st March, 2013		As at 31 st March, 2012	
Trade Payables				
Dues to Micro, Small and Medium Enterprises	1.86		1.76	
Dues to Others	292.33	294.19	277.51	279.27
		<u>294.19</u>		<u>279.27</u>

7.1 Refer to note no. 30.9 for dues to Micro, Small and Medium Enterprises

NOTE-8**Other current liabilities**

(₹ in crore)

	As at 31 st March, 2013		As at 31 st March, 2012	
(a) Current maturities of long-term debt		0.00		8.75
(b) Unpaid Dividend		231.10		3.54
(c) Other payables				
- Statutory Liabilities		291.20		114.13
- Advance received from Customers		3.00		1299.76
- Liabilities- For Capital Exp. & others		678.06		429.63
- Employees		214.91		178.77
		<u>1418.27</u>		<u>2034.58</u>

8.1 Current maturities of long term debt represents the current portion of the loan outstanding from Oil Industry Development Board (OIDB).

NOTE-9**Short-term provisions**

(₹ in crore)

	As at 31 st March, 2013		As at 31 st March, 2012	
(a) Provision for employee benefits		395.69		359.43
(b) Provision for others				
Proposed Final Dividend		420.80		300.56
Tax on Proposed Final Dividend		71.51		48.77
Cost of unfinished Minimum Work Programme		240.77		212.33
Current Tax Provisions (Net of payments)		398.77		647.16
Others		8.71		5.45
		<u>1140.56</u>		<u>1214.27</u>
		<u>1536.25</u>		<u>1573.70</u>

9.1 Provision for employee benefits includes superannuation benefits as Note No 30.1.2.

9.2 In terms of Department of Public Enterprise order for revision of pay package of executives and non-unionised supervisors of CPSEs w.e.f 01.01.2007, Board of Directors have formulated and approved superannuation defined contribution benefit plan which is pending for approval of the Ministry of Petroleum & Natural Gas. In recognition of such defined contribution plan liability w.e.f 01.01.2007, company has provided ₹ 29.24 crore during the year (Previous year ₹ 325.16 crore) and the cumulative liability as on 31.03.2013 stands at ₹ 354.40 crore (Previous year ₹ 325.16 crore).

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



NOTE-10

Tangible assets

(₹ in crore)

Particulars	Gross Block				Depreciation/Depletion				Net Block	
	Cost as at 1st April, 2012	Additions during the year	Deletions / Adjustments during the year	Cost as at 31 st March, 2013	Up to 31 st March, 2012	For the year	Deletions / Adjustments during the year	Upto 31 st March, 2013	As at 31 st March, 2013	As at 31 st March, 2012
Land										
-Right of use including freehold	66.69	43.22	(14.25)	95.66	0.00	0.00	0.00	0.00	95.66	66.69
- Leasehold	12.38	0.00	0.00	12.38	0.00	0.00	0.00	0.00	12.38	12.38
Buildings (Including Roads & Bridges)	267.07	46.10	(0.28)	312.89	126.60	8.97	(0.24)	135.33	177.56	140.47
Producing Properties	6607.22	694.76	0.00	7301.98	3172.04	410.30	0.00	3582.34	3719.64	3435.18
Plant & Equipment	3080.32	474.03	(59.31)	3495.04	2263.80	199.59	(56.76)	2406.63	1088.41	816.51
Furniture & Fixtures	23.53	4.30	(0.40)	27.43	15.84	2.03	(0.38)	17.49	9.94	7.69
Vehicles	26.60	15.38	(1.33)	40.65	22.45	2.03	(1.29)	23.19	17.46	4.16
Office equipment	3.89	0.35	(0.11)	4.13	2.59	0.21	(0.08)	2.72	1.41	1.31
Railway Siding	1.93	0.00	0.00	1.93	1.58	0.04	0.00	1.62	0.31	0.35
Total	10089.63	1278.14	(75.68)	11292.09	5604.90	623.17	(58.75)	6169.32	5122.77	4484.74
Previous Year	9343.58	830.11	(84.05)	10089.64	5100.90	555.58	(51.58)	5604.90	4484.74	

10.1 Lands for projects and drillings operations are acquired primarily through bipartite negotiation with the occupiers/pattadars. In case, however, bipartite negotiation fails, lands are acquired with the intervention of government officials under the relevant land laws. Upon successful negotiation or government order, as the case may be, consent letters are obtained from the occupiers/pattadars and surface compensation for the standing crops on the lands are settled and the same are capitalized either as 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 25955.29 Bigha under the possession of the company, lands measuring 6283.40 Bighas have been mutated and 3154.21 Bighas have been applied for mutation up to 31.03.2013. The Company is in the process of strengthening the acquisition process and the mutation of those lands including maintenance of systematic records thereof.

10.2 To facilitate gas supply to Brahmaputra Cracker and Polymers Limited (BCPL), the company is required to construct/modify additional/ existing gas distribution network. Towards this, Government of India has agreed to release capital subsidy of ₹ 215.00 crore to the Company. Total Grant received till 31.03.2013 is ₹ 69.65 crore. Out of this, an amount of ₹ 55.41 crore has been adjusted against Tangible Assets on capitalisation. Balance amount of ₹ 14.24 crore is kept under 'Other Current Liabilities' pending capitalisation of the respective assets.

NOTE-11

Intangible assets

(₹ in crore)

Particulars	Gross Block				Amortisation			Net Block	
	Cost as at 1 st April, 2012	Additions during the year	Deletions / Adjustments during the year	Cost as at 31 st March, 2013	Up to 31 st March, 2012	For the year	Upto 31 st March, 2013	As at 31 st March, 2013	As at 31 st March, 2012
Computer Software	51.61	1.93	0.00	53.54	42.82	3.32	46.14	7.40	8.79
Total	51.61	1.93	0.00	53.54	42.82	3.32	46.14	7.40	8.79
Previous Year	44.08	7.53	0.00	51.61	38.47	4.35	42.82	8.79	

**NOTE-12****Capital work-in-progress**

(₹ in crore)

Particulars	As at 1 st April, 2012	Addition during the year	Deletion/ Adjustment during the year	Capitalised during the year	Transfer to Profit and Loss	Balance as at 31 st March, 2013	Balance as at 31 st March, 2012
Buildings (Including Roads & Bridges)	35.92	64.50	0.00	42.55	0.00	57.87	35.92
Plant & Machinery	474.72	731.21	0.00	542.77	0.00	663.16	474.72
Pre-Producing Properties-Exploratory Wells	816.08	970.76	0.00	215.19	472.96	1098.69	816.08
Pre-Producing Properties-Development Wells	236.56	403.93	0.00	333.74	0.00	306.75	236.56
Capital work in progress (Gross)	1563.28	2170.40	0.00	1134.25	472.96	2126.47	1563.28
Less: Provision against Exploratory Wells	431.78	22.98	0.00	0.00	217.07	237.69	431.78
Capital work in progress (Net)	1131.50	2147.42	0.00	1134.25	255.89	1888.78	1131.50

12.1 There are certain wells which have been temporarily abandoned / shut in & the possibility of commercial hydrocarbon discovery from these wells is remote. Hence, a provision for an amount of ₹ 158.71 crore after adjusting the write off (Previous year ₹ 265.53 crore) has been made in the accounts upto 31.03.2013.

12.2 Provision of ₹ 80.06 crore made in the previous year in respect of 2 PEL (Petroleum Exploration Licence) whose licence were expired, has been written off during the current year on account of actual booking of expenditure against well write offs.

12.3 Provision for ₹ 71.59 crore (Previous year ₹ 71.59 crore), and ₹ 7.39 crore (Previous year ₹ Nil) being the company's share of expenditure in Pre Producing Properties in Farsi Block and Egypt Block respectively has been created due to geopolitical instability in respective countries.

NOTE-13**Non-current investments**

(₹ in crore)

	As at 31 st March, 2013	As at 31 st March, 2012
A. Trade Investments (valued at cost)		
Unquoted Equity Instruments		
- Indoil Netherlands B.V	Joint Venture 255.55	195.20
- Numaligarh Refinery Limited	- 483.65	483.65
- Brahmaputra Cracker & Polymer Limited	- 105.79	86.15
- DNP Limited	- 38.46	31.03
- Suntera Nigeria 205 Limited	- 0.01	0.01
B. Other Unquoted Investments (valued at cost)		
Investment in Debentures		
-The East India Clinic Limited, 5% Non Redeemable Debenture Stock 1957 (Carried at a nominal value of ₹ 1/- only)	- -	-
Investment in Capital Fund		
- Contribution to Capital Fund of Petroleum India International	- 5.00	5.00
	888.46	801.04

13.1 The aggregate amount of unquoted investments is ₹ 888.46 crore (Previous year ₹ 801.04 crore).

13.2 The details of investment are as under: -

Name of Body Corporate	31.03.2013		31.03.2012	
	No of Shares	Face Value	No of Shares	Face Value
Numaligarh Refinery Limited	191264202	₹10	191264202	₹10
Brahmaputra Cracker & Polymer Limited	105795019	₹10	86155019	₹10
DNP Limited	38460000	₹10	31030000	₹10
Suntera Nigeria 205 Ltd	62502	Naira 1	62502	Naira 1

13.3 Mode of valuation of investments is given in Note no 31.11.

**NOTE-14****Long-term loans and advances**

(₹ in crore)

	As at 31 st March, 2013	As at 31 st March, 2012
Secured, considered good		
Capital Advance	10.65	23.49
Loans & advances to employees	148.51	153.88
Unsecured, considered good		
Security Deposit	2.27	1.87
Inter Corporate Loans	364.60	131.00
Advance recoverable in cash or kind or for value to be received	0.83	0.76
		.
	526.86	311.00

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

(₹ in crore)

Particulars	Balance as at	
	31.03.2013	31.03.2012
Directors	0.14	0.31
Other Officers	0.25	0.04
Total	0.39	0.35

14.2 Inter Corporate Loans represents loans given to

- (i) M/s DNP Limited of ₹ 114.60 crore for a period of 10 years, which carries an interest of 10% per annum (8% per annum upto 19.04.2011). First instalment of Repayment of loan commenced from 01.04.2013. The Current portion of the loan outstanding is shown under 'Short-term loans and advances'.
- (ii) M/s Brahmaputra Cracker & Polymer Limited of ₹ 250.00 crore for a period of 5 years. The rate of interest is SBI Base Rate plus 0.50% prevailing on the date of signing of the Loan agreement and shall remain valid of one year. The interest on loan will be reset every year thereafter at prevailing SBI Base Rate at that point of time plus 0.50%. Repayment of loan will be commenced after the moratorium period of 2 years.

NOTE-15**Other non-current assets**

(₹ in crore)

	As at 31 st March, 2013	As at 31 st March, 2012
Long term trade receivables		
Unsecured, considered good	2.44	11.39
Others		
Deposit under Site Restoration Scheme	2.42	2.26
Decreed amount paid under appeal	99.05	0.00
	103.91	13.65

15.1 Long term trade receivables represents non-current portion of receivables against lease rent under finance lease arrangement. Refer to note no. 30.5.

15.2 Pursuant to a directive from Hon'ble Court, a sum of ₹99.05 crore has been deposited with the Court in respect of a pending case. However, the Company has preferred an appeal for setting aside the aforesaid order. Management is of the opinion that the appeal will be disposed off in company's favour and the Company will get back the amount deposited as above. Accordingly, no provision has been made in the Accounts. However, the Company has included the said amount under Contingent Liability.

**NOTE-16****Current investments**

(₹ in crore)

	As at 31 st March, 2013	As at 31 st March, 2012
Quoted Investment		
<u>Mutual Funds</u>		
a) Units of Unit Trust of India under Liquid Cash/Plus Plan Institutional	0.00	779.00
b) Units of State Bank of India under Liquid Cash/Plus Plan Institutional	0.00	529.00
c) Units of Industrial Development Bank of India under Liquid Cash/Plus Plan Institutional	0.00	250.00
d) Units of Canara Robeco Mutual Fund under Liquid Cash/Plus Plan Institutional	0.00	34.00
<u>Tax Free Bonds</u>		
a) National Highway Authority of India	123.62	123.62
b) Power Finance Corporation Limited	128.49	28.48
c) Indian Railway Finance Corporation Limited	447.04	87.00
d) Rural electrification Corporation Limited	300.02	0.00
	999.17	1,831.10
16.1 Aggregate market value of quoted investment		
-Mutual Funds	0.00	1597.87
-Tax Free Bonds	1023.56	242.60

16.2 Mode of valuation of investments is given in Note no 31.11.

NOTE-17**Inventories**

(₹ in crore)

	As at 31 st March, 2013		As at 31 st March, 2012	
Finished Goods				
Crude Oil	86.96		59.80	
Liquefied Petroleum Gas	0.40		0.24	
Condensate	0.05	87.41	0.00	60.04
Stores and spares	603.51		520.13	
Less: Provision for slow / non-moving inventory and other stores	47.55	555.96	47.82	472.31
Assets awaiting disposal		0.96		0.97
		644.33		533.32

17.1 Stores and spares includes Goods in transit ₹ 126.70 crore (Previous year ₹ 37.17 crore).

17.2 Mode of valuation of inventories is given in Note no 31.12.

**NOTE-18****Trade receivables**

(₹ in crore)

	As at 31st March, 2013		As at 31st March, 2012	
Outstanding for a period:				
Exceeding six months				
(a) Unsecured, considered good	35.28		54.09	
(b) Doubtful	31.67		58.93	
	<u>66.95</u>		<u>113.02</u>	
Less: Provision for doubtful debts	31.67	35.28	58.93	54.09
Others				
(a) Unsecured, considered good	873.46		997.72	
(b) Doubtful	0.29		0.00	
	<u>873.75</u>		<u>997.72</u>	
Less: Provision for doubtful debts	0.29	873.46	0.00	997.72
	<u>908.74</u>		<u>1051.81</u>	

NOTE-19**Cash and cash equivalents**

(₹ in crore)

	As at 31st March, 2013		As at 31st March, 2012	
(a) Balances with Banks				
Current Accounts	341.31		77.22	
Term Deposits (Maturity of 12 months or less)	11791.62		10856.07	
Cash Credit Account with State bank of India, Kolkata	2.65		1.98	
(b) Cash in Hand	1.08		0.73	
	<u>12136.66</u>		<u>10936.00</u>	

19.1 Current Accounts includes an amount of ₹ 231.10 crore (Previous year ₹ 3.54 crore) in respect of earmarked balances with bank for unpaid dividend.

19.2 Term deposits includes ₹ 1095 crore, pledged as Security against Short Term Loans from Banks.

**NOTE-20****Short-term loans and advances**

(₹ in crore)

	As at 31 st March, 2013	As at 31 st March, 2012
Unsecured, considered good		
Loans & advances to related parties		
Advance against acquisition of Equity Shares	21.10	40.74
Advance to M/s DNPL for corporate guarantee against OIDB loan	0.00	8.45
Loans to M/s Suntera for working capital	64.07	58.34
Loans & advances to others		
Security Deposit	0.86	0.95
Advance recoverable in cash or kind or for value to be received	192.64	149.13
Income Tax paid against Demand	807.59	419.44
Loans & advances to employees	62.35	77.28
Leave Encashment Fund	145.67	113.49
Inter Corporate Loan (PSU) to M/s DNPL	16.40	0.00
Inter Corporate Deposits (PSU) to M/s HPCL	0.00	445.00
Doubtful		
Loans to M/s Suntera for working capital	7.89	7.89
Less: Provision for doubtful loans & advances	7.89	7.89
	0.00	0.00
Advance recoverable in cash or kind	227.92	127.13
Less: Provision for doubtful loans & advances	227.92	127.13
	0.00	0.00
Inter Corporate Deposits (PSU) to M/s IDPL	28.33	28.33
Less: Provision for doubtful loans & advances	28.33	28.33
	0.00	0.00
	1310.68	1312.82

20.1 For Leave Encashment fund refer to note no. 30.1.

20.2 Advance against acquisition of equity shares includes advances amounting to ₹ 21.10 crore (Previous year ₹ 40.74 crore) paid to M/s BCPL respectively pending allotment.

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

(₹ in crore)

Particulars	Balance as at	
	31.03.2013	31.03.2012
Directors	0.21	0.23
Other Officers	0.02	0.01
Total	0.23	0.24

NOTE-21**Other current assets**

(₹ in crore)

	As at 31 st March, 2013	As at 31 st March, 2012
Accrued interest on Term Deposits & investments	889.91	701.62
Other Receivables	0.29	0.33
	890.20	701.95

**NOTE-22****Revenue from operations**

(₹ in crore)

	Year ended 31 st March, 2013		Year ended 31 st March, 2012	
Sale of Products				
Crude Oil		7832.00		7931.09
Natural Gas		1151.28		1032.75
Liquefied Petroleum Gas		121.20		16.21
Condensate		121.67		78.38
Sale of Services				
Income from Pipeline Transportation				
Crude Oil - Pipeline	196.00		347.18	
Refined Product	123.03		112.66	
Natural Gas - Pipeline	0.60	319.63	0.54	460.38
Others Operating Revenues				
Claims towards under-recovery of Natural Gas Price		391.55		321.17
Income from Business Development Services		7.50		7.37
Income from Renewable resources		9.77		0.00
Income from Finance Lease		4.32		4.46
Income from OFC Fibre Leasing		9.20		11.42
		<u>9968.12</u>		<u>9863.23</u>

22.1 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.

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

22.3 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.

22.4 In terms of decision of Government of India (GOI), the company has shared under-recoveries of Oil Marketing Companies (OMCs) on price sensitive products viz Crude Oil & LPG for the year 2012-13 by extending the discount in the Crude Oil & LPG based on the rates of discount communicated by Petroleum Planning and Analysis Cell (PPAC), Ministry of Petroleum and Natural Gas (MoP&NG). Sales value of Crude Oil & LPG are shown net of such discount of ₹ 7766.08 crore (Previous year ₹ 7136.38 crore) and ₹ 126.09 crore (Previous year ₹ 215.39 crore) respectively.

NOTE-23

(₹ in crore)

Other income

	Year ended 31 st March, 2013		Year ended 31 st March, 2012	
Dividend from Equity Instruments		19.13		28.69
Dividend from Mutual Funds		50.38		40.22
Interest Income		1400.59		1291.36
Miscellaneous Income		23.71		46.78
Excess provision written back		14.60		9.68
		<u>1508.41</u>		<u>1416.73</u>

**NOTE-24**

(₹ in crore)

Changes in inventories of finished goods

	Year ended 31 st March, 2013		Year ended 31 st March, 2012	
Opening Stock				
Crude Oil	59.80		51.05	
Liquefied Petroleum Gas	<u>0.24</u>	60.04	<u>0.17</u>	51.22
Closing Stock				
Crude oil	86.96		59.80	
Liquefied Petroleum Gas	0.40		0.24	
Condensate	<u>0.05</u>	87.41	<u>0.00</u>	60.04
		<u>(27.37)</u>		<u>(8.82)</u>

NOTE-25

(₹ in crore)

Employee benefits expense

	Year ended 31 st March, 2013		Year ended 31 st March, 2012	
Salaries & Wages		1383.79		1293.94
Provision for Superannuation Defined Contribution Benefit		29.24		325.16
Contribution to provident and other funds		265.32		236.93
Staff Welfare Expenses		68.14		48.57
		<u>1746.49</u>		<u>1904.60</u>
Less: Allocation to Capital account & recoveries		440.63		413.39
		<u>1305.86</u>		<u>1491.21</u>

NOTE-26

(₹ in crore)

Finance costs

	Year ended 31 st March, 2013		Year ended 31 st March, 2012	
Interest expenses				
-Secured loan		2.18		8.41
-Unsecured loan		0.86		0.96
		<u>3.04</u>		<u>9.37</u>

**NOTE-27**

(₹ in crore)

Depreciation, Depletion, Amortization and Impairment

	Year ended 31 st March, 2013	Year ended 31 st March, 2012
Depreciation	164.05	146.63
Depletion	410.30	363.22
Amortisation	3.32	4.35
Exploratory Wells written off	270.49	371.04
	848.16	885.24

NOTE-28

(₹ in crore)

Other expenses

	Year ended 31 st March, 2013	Year ended 31 st March, 2012
Statutory Levies	3045.01	2394.83
Consumption of Stores & spares parts	112.72	110.05
Consumption of Fuel	27.98	28.10
Cost of support services	581.57	419.47
Insurance, rent, rates & taxes	34.87	23.70
Profit Petroleum	15.31	9.92
Exchange Loss/(Gain)-Net	(21.70)	(2.59)
Provisions		
Exploratory Wells	22.98	484.24
Cost of unfinished Minimum Work Programme	58.52	200.31
Well abandonment	0.01	31.84
Loans & advances	75.09	9.17
Inventories	0.15	3.86
Trade receivables	0.43	16.17
Others	5.81	0.00
	162.99	745.59
Sundry Expenses	100.07	72.49
	4058.82	3801.56

28.1 Statutory levies represent Royalty ₹ 1332.55 crore (Previous year ₹ 1355.20 crore) and Cess ₹ 1711.30 crore (Previous year ₹ 1039.63 crore).

28.2 The details of Payment to statutory auditors included under Sundry Expenses:



(₹ in crore)

Particulars	For the year ended 31 st March, 2013	For the year ended 31 st March, 2012
Payments to Auditors (including service tax):		
(a) As Auditor	0.38	0.39
b) For Taxation matters (Tax Audit)	0.09	0.09
c) For company law matters	0.00	0.00
d) For Management services	0.00	0.00
c) For Other Services	0.05	0.02
f) For reimbursement of expenses	0.00	0.02
Total	0.52	0.52

28.3 Value of imports calculate on CIF basis:

(₹ in crore)

Particulars	For the year ended 31 st March, 2013	For the year ended 31 st March, 2012
(a) Components & spare parts	92.52	90.77
(b) Capital goods	51.04	70.46
Total	143.56	161.23

28.4 Expenditure in foreign currency:

(₹ in crore)

Particulars	For the year ended 31 st March, 2013	For the year ended 31 st March, 2012
(a) Professional & Consultation fees	165.07	113.59
(b) Foreign tours	15.86	9.75
Total	180.93	123.34

28.5 Consumption of Stores and Spare parts:

(₹ in crore)

Particulars	For the year ended 31 st March, 2013		For the year ended 31 st March, 2012	
a) Imported	196.23	54.00%	132.49	54.00%
b) Indigenous	148.03	46.00%	112.86	46.00%
Total	344.26	100.00%	245.35	100.00%

28.6 Earnings in foreign currency:

(₹ in crore)

Particulars	For the year ended 31 st March, 2013	For the year ended 31 st March, 2012
Other income	1.63	1.64

**NOTE-29****Earnings per equity share**

	Year ended 31st March, 2013	Year ended 31st March, 2012
Basic & Diluted		
(a) Number of Equity Shares at the beginning of the year	240454382	240454382
Number of Equity Shares at the end of the year	601135955	240454382
Weighted average number of Equity Shares outstanding during the year	601135955	240454382
Face value of each Equity Share (₹)	10.00	10.00
(b) Profit after Tax available for Equity Shareholders (₹ in crore)	3592.05	3446.46
Earning Per Equity Share (₹) - Basic	59.75	57.33
Earning Per Equity Share (₹) - Diluted	59.75	57.33

29.1 Weighted average number of Equity Shares for Previous period figures have been restated for the purpose of computation of Earnings per share in accordance with AS-20. {refer note no 1.3}.

**NOTE-30: Additional Notes (Consolidated Financial Statement)****30.1 Disclosure pursuant to Accounting Standard (AS) 15 (Revised 2005) – Employee Benefits:-****30.1.1 Defined Contribution Plans**

The Company's contribution to Provident Funds for employees and executives is ₹72.36crore (Previous year ₹ 67.38 crore).

30.1.2 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 given rise to additional unit of employee benefits entitlement and measures each unit separately to build up the final obligation. Long Service Award liability as on 31.03.2013 determined by the actuary, has been charged to Statement of Profit and Loss.

The amount recognised in the Balance Sheet as the present value of the defined benefit obligation is net of the fair value of plan assets at the Balance Sheet date.

30.1.3 Certified Actuarial Data:-

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

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

(₹ in crore)

	Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post Retirement Medical Benefits
Present Value of obligation at the end of the year	342.88 (322.04)	389.13 (377.40)	801.46 (689.26)	179.77 (157.82)	71.82 (66.66)
Fair Value of Plan Asset at the end of the year	319.96 (299.04)	339.64 (377.57)	708.20 (628.29)	145.67 (113.49)	(0.00) (0.00)
Fund Status at end of the year {Net Assets(-)/Net liability}	22.92 (23.00)	49.49 (-0.17)	93.26 (60.97)	34.10 (44.33)	71.82 (66.66)

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

(₹ in crore)

	Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post Retirement Medical Benefits
Present Value of obligation at the beginning of the year	322.04 (309.41)	377.40 (361.10)	689.26 (592.50)	157.82 (113.00)	66.65 (57.88)
Interest Cost	24.53 (24.64)	27.20 (28.18)	52.86 (48.41)	11.66 (8.71)	4.92 (4.52)
Current Service Cost	22.55 (19.63)	15.29 (15.96)	62.22 (53.51)	42.66 (40.99)	15.65 (14.52)
Benefits Paid	-30.91 (-39.04)	-74.79 (-58.95)	-57.16 (-45.87)	-24.10 (-21.00)	-10.45 (-9.44)
Actuarial (gains)/loss on obligations	4.67 (7.39)	44.03 (31.11)	54.28 (40.71)	-8.27 (16.12)	-4.95 (-0.83)
Present Value of obligation at the end of the year	342.88 (322.04)	389.13 (377.40)	801.46 (689.26)	179.77 (157.82)	71.82 (66.66)



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

(₹ in crore)

	Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post Retirement Medical Benefits
Fair Value of Plan Asset at Beginning of the year	299.04 (326.82)	377.58 (335.42)	628.29 (609.37)	113.49 (0.00)	NA*
Expected Return on Plan Assets	23.92 (26.15)	30.20 (26.83)	50.26 (48.75)	9.08 (0.00)	NA*
Contributions	36.06 (9.43)	7.25 (60.12)	66.78 (3.68)	44.33 (134.01)	NA*
Benefits Paid	-30.91 (-39.04)	-74.79 (-58.95)	-57.16 (-45.87)	-24.10 (-21.00)	NA*
Actuarial gain/(loss) on Plan Assets	-8.15 (-24.32)	-0.60 (14.16)	20.03 (12.36)	2.87 (0.49)	NA*
Fair Value of Plan Asset at the end of the year	319.96 (299.04)	339.64 (377.58)	708.20 (628.29)	145.67 (113.49)	NA*

NA*: Not Applicable as Scheme is unfunded

D. Expenses Recognised in Statement of Profit / Loss:

(₹ in crore)

	Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post Retirement Medical Benefits
Current Service Cost	22.55 (19.63)	15.30 (15.96)	62.22 (53.51)	42.66 (41.00)	15.65 (14.52)
Interest Cost	24.53 (24.64)	27.20 (28.19)	52.85 (48.41)	11.66 (8.71)	4.92 (4.52)
Expected Return on Plan Assets	-23.92 (-26.15)	-30.21 (-26.83)	-50.26 (-48.75)	-9.08 (0.00)	0.00 (0.00)
Actuarial (gain)/loss	12.82 (31.71)	44.63 (16.95)	34.25 (28.33)	-11.14 (15.63)	-4.95 (-0.83)
Expense Recognized in Statement of Profit/Loss Account	35.98 (49.83)	56.92 (34.27)	99.07 (81.50)	34.10 (65.34)	15.62 (18.21)

E. Investment of Superannuation Funds

Nature of Investment	Percentage of Investment					
	Gratuity Fund		Pension Fund (OIPF)		Pension Fund (OIEPF)	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Central Govt.	33.82	30.67	36.61	34.98	34.99	31.62
State Govt.	14.67	14.94	23.64	20.41	18.21	17.41
PSU	40.13	42.36	35.84	41.30	46.36	50.48
Others	11.38	12.03	3.91	3.31	0.44	0.48
Total	100.00	100.00	100.00	100.00	100.00	100.00

**F. Actuarial assumptions:**

	Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post Retirement Medical Benefits
Mortality Table (LIC)	1994/96	1994/96	1994/96	1994/96	1994/96
Superannuation Age	60 (60)	60 (60)	60 (60)	60 (60)	60 (60)
Early Retirement & Disablement (10 Per Thousand P.A)					
-age above 45	6 (6)	6 (6)	6 (6)	6 (6)	6 (6)
-age between 29 and 45	3 (3)	3 (3)	3 (3)	3 (3)	3 (3)
-age below 29	1 (1)	1 (1)	1 (1)	1 (1)	1 (1)
Discount Rate	8.00% (8.50%)	8.00% (8.50%)	8.00% (8.50%)	8.00% (8.50%)	8.00% (8.50%)
Inflation Rate	5.00% (5.00%)	5.00% (5.00%)	5.00% (5.00%)	5.00% (5.00%)	0.00% (0.00%)
Expected Rate of Return on plan assets	8.00% (8.00%)	8.00% (8.00%)	8.00% (8.00%)	8.00% (0.00%)	0.00% (0.00%)
Remaining working life	11 (11)	8 (11)	11 (11)	10 (11)	11 (11)

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

(₹ in crore)

	Gratuity Fund	Pension Fund (OIPF)	Pension Fund (OIEPF)	Leave Encashment	Post Retirement Medical Benefits	Long Service Award
Current Liability	22.92 (23.00)	49.49 (-0.17)	93.26 (60.97)	29.46 (27.32)	6.80 (6.31)	5.03 (0.66)
Non-current Liability	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	150.31 (130.50)	65.02 (60.35)	19.03 (6.03)
Total	22.92 (23.00)	49.49 (-0.17)	93.26 (60.97)	179.77 (157.82)	71.82 (66.66)	24.06 (6.69)

Note : Figures in parentheses represent corresponding previous years figure.**30.2 Information as per Accounting Standard (AS) 16 "Borrowing Costs"**

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

30.3 Consolidated Segment Revenue, Results Assets and Liabilities for the year ended 31st March, 2013 :

(₹ in Crore)

	Year ended 31 st March, 2013	Year ended 31 st March, 2012
Revenue		
External sales		
Crude Oil	7953.67	8009.47
Natural Gas	1542.83	1353.92
LPG	121.20	16.21
Pipeline Transportation	319.63	460.38
Others	1539.20	1439.98
Total Revenue	11476.53	11279.96
Results		
Crude Oil	3237.55	3436.67
Natural Gas	711.03	502.78
LPG	80.16	-30.97



Pipeline Transportation	74.65	207.64
Others	1515.62	1429.78
Segment Results	5619.01	5545.90
Less: Unallocated expenses	327.95	435.13
Operating profit	5291.06	5110.77
Interest expense	3.04	9.37
Profit before tax	5288.02	5101.40
Tax expenses	1695.97	1654.94
Profit after tax	3592.05	3446.46
Segment Assets		
Crude Oil	5063.76	4305.46
Natural Gas	3198.66	2694.27
LPG	65.52	71.51
Pipeline Transportation	349.71	433.99
Unallocated assets	16750.30	15612.49
Total Assets	25427.96	23117.72
Segment Liabilities		
Crude Oil	2110.63	1086.23
Natural Gas	844.51	546.02
LPG	31.39	37.18
Pipeline Transportation	81.77	128.98
Unallocated liabilities	22359.67	21319.31
Total Liabilities	25427.96	23117.72

Note:

Revenue and expenses directly identifiable to the segments have been allocated to the relative primary reportable segments.

Segment revenue and expenses which are not directly identifiable to the primary reportable segments have been disclosed under others which primarily includes interest and dividend income and revenue from other miscellaneous activities.

Assets and liabilities which are directly identifiable to the segments have been allocated to relative segments.

Assets and liabilities which are not directly identifiable to the segments have been disclosed under unallocated.

There are no reportable geographical segments.

30.4 Information as per Accounting Standard (AS) 18 "Related Party Disclosures"

(a) Related party relationships

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

(i) Joint Ventures (Unincorporated):

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



ii) Key Management Personnel

Whole time Functional Directors:

a)	Mr. S.K.Srivastava	Chairman and Managing Director(w.e.f. 01.05.2012)
b)	Mr. N.M. Borah	Chairman and Managing Director(upto 30.04.2012)
c)	Mr. T.K. Ananth Kumar	Director (Finance)
d)	Mr. B.N. Talukdar	Director (Exploration & Development)
e)	Mr. N.K. Bharali	Director (HR & BD)
f)	Mr. S. Rath	Director (Operations)

Part-time Directors:

a)	Mr. Anup Mukerji	Independent Director (w.e.f 16.09.2012)
b)	Mr. Suresh Chand Gupta	Independent Director (w.e.f 16.09.2012)
c)	Mr. Bhaskar Ramamurthi	Independent Director (w.e.f 16.09.2012)
d)	Mr. Shekhar Chaudhuri	Independent Director (w.e.f 16.09.2012)
e)	Mr. Gautam Barua	Independent Director (w.e.f 16.09.2012)
f)	Mr. Ghanshyambhai Hiralal Amin	Independent Director (upto 15.09.2012)
g)	Mr. Pawan Kumar Sharma	Independent Director (upto 15.09.2012)
h)	Mr. Alexander Koipuram Luke	Independent Director (upto 15.09.2012)
i)	Mr. Vinod Kumar Misra	Independent Director (upto 15.09.2012)
j)	Mr. Sushil Khanna	Independent Director (upto 15.09.2012)

Other Officers

- a) Mr. S.R. Krishnan Company Secretary

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

(₹ in crore)

Sl. No.	Particulars	Joint Ventures/Associates	Key Management Personnel	Total
1.	Sales Proceeds received from Joint Venture	170.92 (144.13)		170.92 (144.13)
2.	Expenses reimbursed to Joint Ventures and Associates	147.36 (135.53)		147.36 (135.53)
3.	Remuneration to Functional Directors		3.57 (1.99)	3.57 (1.99)
4.	Sitting Fees to Part-time Directors		0.15 (0.17)	0.15 (0.17)
5.	Amount outstanding		0.35 (0.55)	0.35 (0.55)

Note: Figures in parenthesis represent corresponding previous year figure.

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

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

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



Disclosures related to Finance Lease in line with AS 19

(₹ in crore)

(i)	Gross investment in the lease being Minimum Lease Payment (MLP)	31.03.2013		31.03.2012			
	Investment made	54.01		54.01			
	Lease rental receivable	45.75	99.76	45.21	99.22		
(ii)	Present value (PV) of MLP receivable as on 31.03.2013 (inclusive of exchange rate fluctuation)		12.11		19.92		
(iii)	Finance lease future installments receivable		16.73		28.31		
(iv)	Minimum lease payments receivable (converted at period end exchange rate) :						
		Gross Receivable		Unearned Lease Income		PV of MLP	
	Receivable :	31.03.2013	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012
	a) not later than one year	13.38	12.58	3.71	4.05	9.67	8.53
	b) later than one year but not later than 5 years	3.35	15.73	0.91	4.34	2.44	11.39
	c) later than 5 years	0.00	0.00	0.00	0.00	0.00	0.00
	Total :	16.73	28.31	4.62	8.39	12.11	19.92

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

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

30.7.1 Company executed various JVCs/PSCs in India as Jointly Control Assets as on 31.03.2013, the details of which are given below:

Jointly controlled Assets in India

A. As Operator/Joint Operator

Sl. No.	Block No.	Company's Participating interest
1.	AA-ONN-2002/3	30% (20%)
2.	AA-ONN-2003/3	85% (85%)
3.	MZ-ONN-2004/1	85% (75%)
4.	AA-ONN-2004/1	85% (85%)
5.	AA-ONN-2004/2	100% (90%)
6.	RJ-ONN-2004/2	75% (75%)
7.	KG-ONN-2004/1	90% (90%)
8.	RJ-ONN-2005/2	60% (60%)
9.	AA-ONN-2009/4	50% (50%)
10.	CY-OSN-2009/2	50% (50%)
11.	AN-DWN-2009/3	40% (40%)
12.	AA-ONN-2010/2	40% (40%)
13.	AA-ONN-2010/3	40% (40%)
14.	MB-OSN-2010/2	50% (NA)



The Financial position of the above blocks are as under:

(₹ in crore)

Sl. No.	Block No.	Net Fixed Assets	Net Producing Property	Capital Work in Progress	Pre Producing Property	Net Current Assets (+)/ Current Liabilities(-)	Income	Expenditure	Write Off EXP. - Dry & Abandoned Exploratory Wells
Operators – Audited Accounts									
1.	RJ-ONN-2004/2 (CY)	0.00	0.00	0.00	11.92	3.72	0.00	1.70	-1.92
	(PY)	0.00	0.00	0.00	0.13	0.01	0.00	1.74	14.43
2.	RJ-ONN-2005/2 (CY)	0.00	0.00	0.00	0.00	73.73	0.00	56.60	0.00
	(PY)	0.00	0.00	0.00	0.00	-1.41	0.00	1.21	0.00
3.	CY-OSN-2009/2 (CY)	0.00	0.00	0.00	0.00	1.27	0.18	3.31	0.00
	(PY)	0.00	0.00	0.00	0.00	-10.19	2.28	30.18	0.00
4.	AN-DWN-2009/3 (CY)	0.00	0.00	0.00	0.00	-42.46	0.04	42.10	0.00
	(PY)	0.00	0.00	0.00	0.00	-2.95	0.00	2.31	0.00
	Total (CY)	0.00	0.00	0.00	11.92	-20.31	0.22	103.71	-1.92
	(PY)	0.00	0.00	0.00	0.13	-14.54	2.28	35.44	14.43
Operators – Un-Audited Accounts									
1.	AA-ONN-2002/3 (CY)	0.00	0.00	0.00	1.40	2.64	0.00	1.44	0.00
	(PY)	0.00	0.00	0.00	0.10	-5.18	0.00	4.50	0.00
2.	AA-ONN-2003/3 (CY)	0.00	0.00	0.00	0.00	-18.77	0.00	2.53	0.00
	(PY)	0.00	0.00	0.00	0.00	-16.22	0.00	0.01	0.00
3.	MZ-ONN-2004/1 (CY)	0.19	0.00	0.00	13.51	-49.74	0.00	56.68	0.00
	(PY)	0.00	0.00	0.00	5.61	-9.93	-0.72	9.25	0.00
4.	AA-ONN-2004/1 (CY)	0.00	0.00	0.00	0.00	-14.17	0.00	3.78	0.19
	(PY)	0.00	0.00	0.00	0.01	-12.04	-0.01	11.49	25.50
5.	AA-ONN-2004/2 (CY)	0.00	0.00	0.00	27.57	-0.39	0.00	1.66	0.00
	(PY)	0.00	0.00	0.00	26.80	-0.35	0.01	2.15	0.00
6.	KG-ONN-2004/1 (CY)	0.36	0.00	0.00	15.69	-0.25	0.03	22.68	0.00
	(PY)	0.35	0.00	0.00	6.13	6.70	1.12	24.38	0.00
7.	AA-ONN-2009/4 (CY)	0.00	0.00	0.00	0.00	5.70	0.00	5.92	0.00
	(PY)	0.00	0.00	0.00	0.00	0.30	0.00	0.24	0.00
8.	AA-ONN-2010/2 (CY)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	(PY)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9.	AA-ONN-2010/3 (CY)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	(PY)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10.	MB-OSN-2010/2 (CY)	0.00	0.00	0.00	0.00	0.38	0.00	-0.02	0.00
	(PY)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total (CY)	0.55	0.00	0.00	58.17	-74.60	0.03	94.67	0.19
	(PY)	0.35	0.00	0.00	38.65	-36.72	0.40	52.02	25.50
	Grand Total (CY)	0.55	0.00	0.00	70.09	-94.91	0.25	198.38	-1.73
	(PY)	0.35	0.00	0.00	38.78	-51.26	2.68	87.46	39.93

B. As non-operator

Sl. No.	Block No.	Company's Participating interest
1.	Kharsang PSC	40% (40%)
2.	AAP-ON-94/1	16.129% in Expl Phase with additional 30% carrying interest [(16.129%) in Expl Phase with additional 30% carrying interest]
3.	MN-OSN-2000/2	20% (20%)
4.	AA-ONN-2001/3	15% (15%)
5.	AA-ONN-2002/4	10% (10%)
6.	KG-DWN-2002/1	20% (20%)



7.	MN-DWN-2002/1	20% (20%)
8.	KG-DWN-2004/5	10% (10%)
9.	KG-DWN-2004/6	10% (10%)
10.	AA-ONN-2005/1	30% (30%)
11.	AN-DWN-2005/1	10% (10%)
12.	WB-ONN-2005/4	25% (25%)
13.	AA-ONN-2009/3	50% (50%)
14.	AN-DWN-2009/1	30% (30%)
15.	AN-DWN-2009/2	40% (40%)
16.	AN-DWN-2009/18	30% (30%)
17.	KG-DWN-2009/1	15% (15%)
18.	KG-OSN-2009/4	30% (30%)
19.	GK-OSN-2010/1	30% (30%)
20.	AS-CBM-2008/IV-CBM	40% (NA)

The Financial position of the above blocks are as under:

(₹ in crore)

Sl. No.	Block No.	Net Fixed Asset	Net Producing Property	Capital Work in Progress	Pre Producing Property	Net Current Assets (+)/ Current Liabilities(-)	Income	Expenditure	Write Off EXP. - Dry & Abandoned Exploratory Wells
Non-Operators – Audited Accounts									
1	MN-OSN-2000/2 (CY)	0.00	0.00	0.00	112.16	-11.74	0.00	8.09	0
	(PY)	0.00	0.00	0.00	0.00	-15.06	0.00	2.13	40.49
2.	MN-DWN-2002/1 (CY)	0.00	0.00	0.00	0.00	-88.00	0.00	5.80	10.18
	(PY)	0.00	0.00	0.00	0.00	-126.88	0.00	13.57	168.97
3.	KG-DWN-2004/5 (CY)	0.00	0.00	0.00	0.00	-0.20	0.00	1.53	0.00
	(PY)	0.00	0.00	0.00	0.00	0.63	0.06	3.30	0.00
4.	KG-DWN-2004/6 (CY)	0.00	0.00	0.00	11.48	-6.65	0.00	1.78	0.00
	(PY)	0.00	0.00	0.00	0.00	-0.37	0.00	0.89	0.00
5.	AN-DWN-2005/1 (CY)	0.00	0.00	0.00	0.00	-2.88	0.00	3.41	0.00
	(PY)	0.00	0.00	0.00	0.00	-0.44	0.00	0.95	0.00
6.	WB-ONN-2005/4 (CY)	0.00	0.00	0.00	0.00	-5.67	0.00	7.99	0.00
	(PY)	0.00	0.00	0.00	0.00	-5.07	0.00	7.16	0.00
7.	AN-DWN-2009/1 (CY)	0.00	0.00	0.00	0.00	-11.94	0.00	13.03	0.00
	(PY)	0.00	0.00	0.00	0.00	-2.64	0.00	2.64	0.00
8.	AN-DWN-2009/2 (CY)	0.00	0.00	0.00	0.00	-27.14	0.00	27.36	0.00
	(PY)	0.00	0.00	0.00	0.00	-3.10	0.00	3.10	0.00
9.	AN-DWN-2009/18 (CY)	0.00	0.00	0.00	0.00	-1.29	0.00	2.52	0.00
	(PY)	0.00	0.00	0.00	0.00	-2.95	0.00	2.95	0.00
	Total (CY)	0.00	0.00	0.00	123.64	-155.51	0.00	71.51	10.18
	Total (PY)	0.00	0.00	0.00	0.00	-155.88	0.06	36.69	209.46
Non-Operators – Un-Audited Accounts									
1.	Kharsang PSC (CY)	7.04	63.83	2.16	38.28	30.74	171.24	61.45	0.00
	(PY)	6.50	47.24	1.65	40.20	34.43	144.66	52.45	0.00
2.	AAP-ON-94/1 (CY)	0.00	0.00	0.00	38.39	1.17	0.00	1.62	0.00
	(PY)	0.00	0.00	0.00	31.77	-4.39	0.00	1.71	1.28
3	AA-ONN-2001/3 (CY)	0.00	0.00	0.00	0.09	0.41	0.00	0.06	0.00
	(PY)	0.00	0.00	0.00	0.09	0.41	0.00	0.04	0.00
4.	AA-ONN-2002/4 (CY)	0.00	0.00	0.00	0.00	-0.08	0.00	0.06	0.00
	(PY)	0.00	0.00	0.00	0.00	-0.02	0.00	0.04	0.00
5.	KG-DWN-2002/1 (CY)	0.00	0.00	0.00	0.00	13.24	0.00	4.35	88.76
	(PY)	0.00	0.00	0.00	0.29	44.64	0.00	16.62	88.47
6.	AA-ONN-2005/1 (CY)	0.00	0.00	0.00	0.00	-0.03	0.00	0.09	0.00



		(PY)	0.00	0.00	0.00	0.00	-0.05	0.00	0.19	0.00
7.	AA-ONN-2009/3	(CY)	0.00	0.00	0.00	0.00	-3.59	0.00	9.16	0.00
		(PY)	0.00	0.00	0.00	0.00	-2.35	0.00	3.55	0.00
8.	KG-DWN-2009/1	(CY)	0.00	0.00	0.00	0.00	-0.07	0.00	0.08	0.00
		(PY)	0.00	0.00	0.00	0.00	-0.05	0.00	0.05	0.00
9.	KG-OSN-2009/4	(CY)	0.00	0.00	0.00	0.00	-0.08	0.00	0.54	0.00
		(PY)	0.00	0.00	0.00	0.00	-0.63	0.00	-1.28	0.00
10.	GK-OSN-2010/1	(CY)	0.00	0.00	0.00	0.00	-0.24	0.00	0.47	0.00
		(PY)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11.	AS-CBM-2008/IV-CBM	(CY)	0.00	0.00	0.00	0.00	-0.66	0.00	0.66	0.00
		(PY)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	(CY)	7.04	63.83	2.16	76.76	40.81	171.24	78.54	88.76
	Total	(PY)	6.50	47.24	1.65	72.35	71.99	144.66	73.37	89.75
	Grand Total	(CY)	7.04	63.83	2.16	200.40	-114.70	171.24	150.05	98.94
		(PY)	6.50	47.24	1.65	72.35	-83.89	144.72	110.06	299.21

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

(₹ in crore)

Sl. No.	Particulars	Net Fixed Asset	Net Producing Property	Capital Work in Progress	Pre Producing Property	Net Current Assets (+)/ Current Liabilities(-)	Income	Expenditure	Write Off EXP. - Dry & Abandoned Exploratory Wells	
1.	As operator (14 Blocks)									
	(CY)	0.55	0.00	0.00	70.09	-94.91	0.25	198.38	-1.73	
	(PY)	0.35	0.00	0.00	38.78	-51.26	2.68	87.46	39.93	
2.	As Non-operator (20 Blocks)									
	(CY)	7.04	63.83	2.16	200.40	-114.70	171.24	150.05	98.94	
	(PY)	6.50	47.24	1.65	72.35	-83.89	144.72	110.06	299.21	
	Total	(CY)	7.59	63.83	2.16	270.49	-209.61	171.49	348.43	97.21
	Total	(PY)	6.85	47.24	1.65	111.13	-135.15	147.40	197.52	339.14

Note:

- i. Amount recoverable from M/s. Suntera Resources Ltd. against the expenditure incurred in 6 no. of NELP Blocks stands at ₹53.22 crore (Previous year ₹53.22 crore). M/s Suntera Resources Ltd. has not paid the amount despite reminders and provision has been made in books of accounts for the entire amount. The Company applied to Directorate General of Hydrocarbon (DGH) under Ministry of Petroleum and Natural Gas (MOP&NG), New Delhi for acquiring the Participating Interest (PI) of M/s Suntera Resources Ltd in these NELP Blocks. Approval from DGH has since been received to acquire the participating interest of M/s Suntera Resources Ltd in these NELP Blocks. No further expenditure pertaining to these NELP Blocks has been debited to M/s Suntera Resources Ltd and no cash calls have been raised on M/s Suntera Resources Ltd. The revised PSC in this regard is yet to be executed.
- ii. The required disclosures under AS 27 related to relinquished JVCs against which full provision has been made are not disclosed since it does not affect the related disclosures made above materially. However against 6 no. of relinquished blocks, expenditure including write off is affected during the current Financial Year amounting to Rs.26.97 crore.



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

Sl. No.	Block/Area No	Country of Origin	Company's Participating interest
1.	Farsi (offshore) Block	Islamic Republic of Iran	20% (20%)
2.	Area 86	Libya	50% (50%)
3.	Block 102/4	Libya	50% (50%)
4.	Shakthi	Gabon	45% (45%)
5.	Area 95/96	Libya	25% (25%)
6.	Timor Leste-Block 'K'	East Timor	12.50% (12.50%)
7.	Block 82,	Yemen	12.75% (12.75%)
8.	Block 83,	Yemen	12.75% (12.75%)

The Financial position of the above blocks are as under:

(₹ in crore)

Sl. No.	Block No.	Net Fixed Assets	Net Producing Property	Capital Work in Progress	Pre Producing Property	Net Current Assets (+)/ Current Liabilities(-)	Income	Expenditure	Write Off EXP. - Dry & Abandoned Exploratory Wells
Overseas Blocks – Audited Accounts									
1.	Shakthi,Gabon (CY)	0.00	0.00	0.00	28.11	36.77	0.00	4.51	58.13
	(PY)	0.00	0.00	0.00	22.78	-1.87	0.00	8.09	0.00
2.	Block 82,Yemen (CY)	0.01	0.00	0.02	5.34	0.41	0.00	1.89	0.00
	(PY)	0.01	0.00	0.00	5.34	-0.46	0.00	1.38	0.00
3.	Block 83,Yemen (CY)	0.01	0.00	0.01	7.62	-0.40	0.00	8.89	0.00
	(PY)	0.01	0.00	0.00	7.62	-0.80	0.00	1.79	0.00
	Total (CY)	0.02	0.00	0.03	41.07	36.78	0.00	15.29	58.13
	Total (PY)	0.02	0.00	0.00	35.74	-3.13	0.00	9.40	0.00
Overseas Blocks – Un-Audited Accounts									
1.	Farsi (offshore) Block (CY)	0.00	0.00	0.00	72.51	-71.33	0.00	0.00	0.00
	(PY)	0.00	0.00	0.00	71.72	-71.55	0.00	0.46	0.00
2.	Area 86,Libya (CY)	0.00	0.00	0.00	0.00	-10.22	-0.91	3.93	0.60
	(PY)	0.00	0.00	0.00	0.00	-6.97	0.00	1.06	0.00
3.	Block 102/4,Libya (CY)	0.00	0.00	0.00	0.00	0.12	-0.35	1.48	0.10
	(PY)	0.00	0.00	0.00	0.00	-0.02	0.00	0.41	0.00
4.	Area 95/96,Libya (CY)	0.23	0.00	0.20	38.91	-27.17	0.00	10.41	0.00
	(PY)	0.36	0.00	0.00	14.61	-6.52	0.00	13.93	0.00
5.	Timor Leste-Block 'K', (CY)	0.00	0.00	0.00	0.00	-0.08	0.00	0.14	-0.86
	(PY)	0.00	0.00	0.00	0.00	-0.81	0.00	4.15	0.16
	Total (CY)	0.23	0.00	0.20	111.42	-108.68	-1.26	15.96	-0.16
	Total (PY)	0.36	0.00	0.00	86.33	-85.87	0.00	20.01	0.16
	Grand Total (CY)	0.25	0.00	0.23	152.49	-71.90	-1.26	31.25	57.97
	Grand Total (PY)	0.38	0.00	0.00	122.07	-89.00	0.00	29.41	0.16

*CY – Current Year

PY – Previous Year

Figures under parenthesis represent corresponding previous year figure.

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

30.8 Disclosure pursuant to clause 32 of the Listing Agreement:



(₹ in crore)

Particulars	Outstanding as at 31.03.2013	Maximum Amount Outstanding during the year 2012-13	Outstanding as on 31.03.2012	Maximum Amount Outstanding during the year 2011-12
Loans & Advances in the nature of Loan to :				
a) Subsidiaries*				
i) Oil India Sweden AB	Nil	Nil	Nil	Nil
ii) Oil India Cyprus Ltd	Nil	Nil	Nil	Nil
iii) Oil India USA INC.	1.53	1.53	Nil	Nil
b) To Associates	Nil	Nil	Nil	Nil
c) Where there is no repayment schedule	Nil	Nil	Nil	Nil
d) Having repayment schedule of beyond seven years: to employees	127.54	127.79	117.63	122.08
e) Where no interest or interest below Section 372A of Companies Act	0.00	0.00	0.00	0.00
f) In the nature of loans to Firms/companies in which directors are interested:				
DNP Ltd	131.00	131.00	131.00	131.00
BCPL	250.00	250.00	Nil	Nil
g) Investment by Loanee in Parent or other subsidiary company	Nil	Nil	Nil	Nil

* Excludes Current account transactions

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

The Company has identified Micro, Small and Medium Enterprises (MSMEs) to whom the Company owes dues, which are outstanding as at 31.03.2013.

(₹ in crore)

Particulars	2012-13	2011-12
a) Principal amount remaining unpaid but not due as at year end	1.86	1.76
b) Interest due thereon as at year end	0.00	0.00
c) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year	0.00	0.00
d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	0.00	0.00
e) Interest accrued and remaining unpaid as at year end	0.00	0.00
f) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	0.00	0.00

30.10 Income Tax

- (a) For Assessment Year (AY) 2003-04 to 2007-08, the appeal is pending for disposal before the Hon'ble Income Tax Appellate Tribunal (ITAT) with respect to the Company claim of benefit u/s 80-IB / 80-IC of the Income Tax Act, 1961, herein after called as the Act.
- (b) For AY 2009-10 the Commissioner of Income Tax (Appeal), "CIT(A)", has disposed off the appeal and confirmed the disallowances of Company claim u/s 80-IC of the Act. The Company will prefer a 2nd appeal before Hon'ble ITAT.
- (c) For AY 2008-09, 2010-11 and 2011-12 the appeal is pending for disposal before the CIT(A) with respect to the Company claim of

benefit u/s 80-IC of the Act.

- (d) The resulting interest, whether receivable or payable, shall be accounted for on finalization of the matter by an appellant authority.

The benefit u/s 80-IC of the Act has not been considered to make the provisions of tax in the books.

30.11 Disclosure under Section 441A of the Companies Act:

Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies



Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

30.12 Details of charge:

- (a) The company has created charge against Current Assets to the tune of ₹ 377.45 crore for availing Bank Guarantee.
- (b) The company has created further charge against Current Assets to the tune of ₹ 150 crore for availing Letter of Credit.
- (c) The company is having Cash Credit facility against the security of its current assets to the tune of ₹1000 crore.

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

I. Contingent Liabilities and commitments

(i) Contingent Liabilities

(a) Claims against the Company not acknowledged as debts:

- (i) In respect of claims under Sales Tax Act : ₹ 5.58 crore (Previous year ₹ 5.58 crore)
- (ii) In respect of claims under Central excise Acts : ₹ 43.66 crore (Previous year ₹ 26.19 crore)
- (iii) In respect of claims under Other Acts : ₹ 41.51crore(Previous year ₹ 36.91 crore)
- (iv) Claims by contractors pending decision in Arbitration / Courts. : ₹ 110.97crore (Previous year ₹ 128.53 crore).
- (v) In respect of share of claim on JVC/ PSC account : ₹ 30.11crore (Previous year ₹ 31.80 crore)

(b) In respect of Guarantees :

- (i) Bank Guarantee issued for ₹ 702.02 crore to Superintendent of Taxes, Naharkatia, Assam, in relation to demand raised by the Department under Assam Taxation (on specified lands) Act 1990.(Previous year ₹ 702.02crore)
- (ii) Guarantee to OIDB against

Loan by M/S BCPL from OIDB: ₹36.34crore(Previous year ₹ 36.34crore)

- (iii) Guarantee to OIDB against Loan by M/S DNPL from OIDB: ₹38.02crore(Previous year ₹ 38.02crore)
- (iv) Counter Guarantee to GAIL against Loan by M/S BCPL from OIDB:₹ 27.78crore(Previous year Nil)
- (v) Irrevocable Standby Letter of Credit to CARRIZO OIL AND GAS INC. of 23 Million USD, ₹126.29crore under Purchase and Participating agreement. (Previous year Nil)
- (vi) Guarantee to Citibank NA., New York against Loan by OIL INDIA (USA) INC. for USD 50 million ₹ 274.55 crore(Previous year Nil)

II. Commitments:

- (i) The estimated amount of contracts remaining to be executed on Capital Account and not provided for in the accounts: - ₹ 364.13 crore (Previous year ₹ 256.97 crore).
- (ii) Company's share in the amount of contracts remaining to be executed on Capital Accounts and not provided for in the account as on 31.03.2013 in respect of the Joint Ventures is ₹ 0.09 crore (Previous year ₹ 0.02 crore).
- (iii) Balance of Minimum Work Program Commitment (MWP) by OIL under Production Sharing Contracts (PSCs) entered for NELP Blocks with Govt. of India is ₹ 3094.53 crore. (Previous year ₹ 3248.68 crore).

30.14 Reclassification/Regrouping:

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

31. SIGNIFICANT ACCOUNTING POLICIES (CONSOLIDATED FINANCIAL STATEMENTS)

31.1 Principle of Consolidation

The consolidated financial statements comprise the financial statement of the Company (Oil India Limited) and its' subsidiary. The Consolidated Financial Statement is prepared in accordance with Accounting Standard (AS) 21 "Consolidated Financial Statement" as notified by the Central



Government of India under the Companies (Accounting Standard) Rules, 2006.

The Financial Statement of the Company and its' subsidiary are combined on a line-by-line basis by adding together the book values of the items of assets, liabilities, income and expenditures after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits & losses in accordance with AS 21.

The consolidated financial statement are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the manner as the Company's separate Financial Statements.

31.2 Accounting Convention

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

31.3 Classification of Assets & Liabilities

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

31.4 Exploration Costs, Development Expenditure and Abandonment Costs

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

31.4.1 Exploration Costs and Development Expenditure

- (a) Geological and Geophysical expenditure, including the depreciation on the cost of Tangible Assets deployed in relation thereto, charged as expense when incurred.

- (b) Lease carrying costs including license fees are charged as expense when incurred.
- (c) Cost of unsuccessful/dry exploratory wells or parts thereof including allocated depreciation on support equipment and facilities, which do not lead to discovery of/accretion to hydrocarbon reserves, are charged as expense on determination.
- (d) All Acquisition costs, exploration costs involved in drilling and equipping exploratory and appraisal wells and cost of exploratory-type drilling stratigraphic test wells are initially shown as pre-producing property under capital-work-in-progress till the time these are either transferred to Tangible Assets as producing properties or charged as expense in the year when determined to be dry or of no further use.
- (e) Cost of incomplete wells/wells under production testing/completed exploratory wells pending determination of commercial viability including allocated depreciation on support equipment and facilities, are classified as pre-producing properties.
- (f) Cost of exploratory wells included in pre-producing Properties are not carried over for more than two years from the date of completion of the drilling of the well and written off, unless it is reasonably determined that the well has proved reserves and development of the field in which the well is located has been planned.
- (g) Cost of successful exploratory wells and completed development wells including allocated depreciation on support equipment and facilities after completion of production testing are capitalized as producing properties.

31.4.2 Abandonment Costs

- (a) Estimated liability towards costs relating to dismantling, abandoning and restoring well sites in respect of complete wells (net of salvage value), other than those relating to Joint Ventures, are recognised as cost of Producing property/Pre-producing property. The abandonment cost on exploratory dry well is charged as expense when incurred. Liability for abandonment cost is updated annually based on the technical assessment available at current costs.
- (b) The actual cost incurred on abandonment is



adjusted against the liability and the ultimate gain or loss is recognised in the Statement of Profit and Loss, when the designated oil/gas field or a group of oil/gas fields ceases to produce.

- (c) In respect of Joint Ventures, the recognition of abandonment cost is specified in Policy No 31.9 (a).

31.5 Fixed Assets :

- (a) All costs relating to acquisition of tangible assets till the time of commissioning are capitalized.
- (b) Cost of Freehold & Leasehold land used for project including the Right of Use (ROU) which are perpetual in nature are not amortized.
- (c) Cost of land acquired for drilling wells are booked under pre-producing/producing properties depending on the status of the wells.
- (d) Any Tangible asset, when determined of no further use, is deleted from the Block. The deleted assets are carried as Inventories at lower of ₹ 1000 or 5% of the original cost and the balance Written down Value, is charged off.

31.6 Depreciation/Depletion/Amortisation/Write off

31.6.1 Depreciation

- (a) Depreciation on Tangible Assets other than "Producing Properties" is provided for under the "Written Down Value Method", at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.
- (b) Depreciation on Tangible Assets deployed in exploration and development drilling activities is capitalized with the cost of well.
- (c) Capital assets costing up to ₹ 5000 each are fully depreciated in the year of acquisition.

31.6.2 Depletion

- (a) Producing Properties are depleted using the "Unit of Production Method", with reference to ratio of production and the related Proved Developed Reserves.
- (b) Proved Developed Reserves of oil and gas are technically assessed and reviewed in-house at the end of each year by following International practices. Rate of depletion is computed on a consistent basis with

reference to designated Oil / Gas field or a group of Oil/Gas fields, which are aggregated either based on a common geological feature or for operational purpose.

- (c) Cost of land forming part of the Pre-producing/producing properties are either charged off or carried forward depending on the status of the wells as per Accounting Policy No: 31.4.1 (d).
- (d) Costs of land forming part of the producing properties are depleted on Units of Production Method (UOP).

31.6.3 Amortisation

Depreciation rate under W.D.V method as prescribed under Schedule XIV to the Companies Act, 1956 for Computer is adopted for amortization of software.

31.6.4 Write off

- (a) Any Intangible assets when determined of no further use, is written off.
- (b) The discrepancies, when noticed on physical verification are adjusted in the accounts.

31.7 Foreign Currency Translation

- (a) Foreign currency transactions are initially recognised and accounted for at the exchange rates prevailing at the dates of transactions.
- (b) Foreign Currency monetary assets & liabilities outstanding at the close of the year, are translated at the rates of exchange prevailing at the date of Balance Sheet. Resultant gains or loss is accounted for during the year.
- (c) Foreign currency transactions in relation to Joint Venture (Overseas) are treated in the following manner:-
 - (i) Foreign currency transactions are initially recognised and accounted for at the exchange rates prevailing at the dates of transactions. However, the average exchange rate of relevant month is taken for the transactions of that month, where actual rate of transaction is not available or at the rate as agreed otherwise.
 - (ii) Foreign Currency monetary assets & liabilities outstanding at the close of the year, are translated at the rates



of exchange prevailing at the date of Balance Sheet. Resultant gains or loss is accounted for during the year.

31.8 Impairment of Assets

At the end of each balance sheet date, the carrying amount of assets are assessed so as to calculate there is any indication of impairment. Tangible Assets forming part of a "Cash Generating Unit" are reviewed for impairment at each Balance Sheet date. In case events and circumstances indicate any impairment, recoverable amount of these assets is determined. An impairment loss is recognized, whenever the carrying amount of such assets exceeds the recoverable amount by writing down such assets to their recoverable amount. The recoverable amount is its 'value in use'. In assessing the value in use, the estimated future cash flows from the use of assets are discounted to their present value at appropriate rate. An impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased. Impairment loss/reversal thereof is adjusted to the carrying value of the respective assets. Subsequent to Impairment, depletion/ depreciation is provided on the revised carrying value of the assets.

31.9 Joint Ventures

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

- (a) The financial statements reflect the share of the Company's assets, liabilities and also the income and expenditure of the Joint Venture in proportion to the participating interest of the Company as per the terms of the PSCs, on a line by line basis. Depreciation, depletion and impairment and value of Stock of Crude Oil are accounted for as per the relevant accounting policies of the Company whereas provision for abandonment is created as per terms of PSC. Proved Developed Reserve of Oil & Gas in such concessions are also considered in proportion to participating interest of the Company.
- (b) Consideration recoverable from new Joint Venture Partners for the right to participate in operations are:

- (i) Reduced from respective assets and/or expenditure to the extent of the new partners contribution towards past cost,
- (ii) Balance is considered as miscellaneous receipts/expenses.

31.10 Income Tax

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

31.11 Investments

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

31.12 Inventory

- (a) Finished goods of Crude Oil, Liquefied Petroleum Gas and LPG condensate are valued at cost or net realizable value, whichever is lower. Cost of finished goods is determined on absorption costing method.
- (b) Crude oil in unfinished condition in the flow line up to Group Gathering Station and Natural Gas in Pipeline are not valued, as quantity of the same is not determinable.
- (c) Stores and spare are valued at weighted average cost or net realizable value whichever is lower. Obsolete / unserviceable items, as and when identified, are written off. Any item of stores and spares not moved for last four years as on date of Balance Sheet are identified as slow moving items for which a provision of 95% of the value is made in the accounts.



31.13 Employee Benefits

- (a) All short-term employee benefits are recognised as an expense at the undiscounted amount in the accounting period in which the related service is rendered.
- (b) Employee benefits under defined contribution plan such as provident fund is recognised based on the undiscounted obligations of the company to contribute to the plan.
- (c) Employee benefits under defined benefit plans such as gratuity, leave encashment, post retirement medical benefits, pension are recognised based on the present value of defined benefit obligation, which is computed on the basis of actuarial valuation using the projected unit credit method. Actuarial liability in excess of respective plan assets is recognised during the year and in case the plan assets exceed the Actuarial Liability, no further provision is considered. Actuarial gain and losses in respect of post employment and other long-term benefits are recognised during the year.

31.14 Revenue Recognition

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

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

31.15 Grants

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

31.16 Borrowing Costs

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

31.17 Segment Accounting

- (a) 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.
- (b) 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.

31.18 Provisions, Contingent Liabilities And Contingent Assets

- (a) Provisions in respect of which a reliable estimate can be made, are recognised where there is a present obligation as a result of past events and it is probable that there will be an outflow of resource.
- (b) Contingent assets are neither recognised nor disclosed in the financial statements.

31.19 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.

31.20 General

a) All revenue expenditure, incurred for

- Research & Development Projects / Schemes, net of grants-in-aid if any, are charged to the Statement of Profit & Loss.
- b) Assets given on finance lease are accounted as per Accounting Standard 19 "Leases". Such assets are included as a receivable at an amount equal to the net investment in the lease. Initial direct costs incurred in respect of finance leases are recognized in the statement of profit and loss in the year in which such costs are incurred.

For SRB & Associates
Chartered Accountants
Firm Reg No- 310009E

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

For and on behalf of the Board of Directors

Sd/-
(S.C. BHADRA)
Membership No: 017054

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

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

Sd/-
(T.K.ANANTH KUMAR)
Director (Finance)

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

Place: New Delhi,
Date:25th May, 2013



OIL INDIA LIMITED
Cash Flow Statement for the year ended 31st March, 2013

(₹ in crore)

	Year ended 31 st March, 2013	Year ended 31 st March, 2012
Operating Activity		
Net Profit Before Tax and Exceptional items	5288.02	5101.40
Depreciation, Depletion & Amortisations	577.67	514.20
Dividend Income	(69.51)	(68.91)
Interest Income	(1400.59)	(1291.36)
Interest Expenses	3.04	9.37
Foreign Exchange Loss/(Gain)- Net	(21.70)	(2.59)
Provision for employee benefits	73.74	380.23
Well abandonment provisions	10.27	38.65
Total	(827.08)	(420.41)
Cash flow from Operating Activity Before Changes in Assets and Liabilities	4460.94	4680.99
Changes in Working Capital		
Inventories	(111.01)	(32.96)
Trade Receivables, Other current and non current assets	52.85	(113.96)
Long term and short term Loans and Advances	236.90	(93.84)
Long term and short term provisions	(162.39)	545.82
Trade payables, Other current and non current liabilities	(852.52)	73.44
Total	(836.17)	378.50
Cash flow from Operating Activity before Income tax	3624.77	5059.49
Income tax Payment (Net of Refund)	(2458.84)	(1896.78)
Net Cash generated from / (used in) Operating Activity (A)	1165.93	3162.71
Investing Activity		
Capital Expenditure	(1516.20)	(926.00)
Investment-Current & Non current (Net)	744.51	(1747.48)
Inter Corporate Deposits	445.00	55.00
Inter Corporate Loan	(250.00)	0.00
Interest Income	1212.30	1064.58
Dividend Income	69.51	68.91
Net Cash generated from / (used in) Investing Activity (B)	705.12	(1484.99)
Financing Activity		
Proceeds from borrowings/(Repayment of Loan)	1250.80	(1004.16)
Payment of Dividend	(1683.17)	(1310.47)
Corporate Dividend Tax	(273.06)	(212.61)



Interest Expenses		(3.04)	(9.37)
Foreign Exchange Loss/(Gain)- Net		21.70	2.59
Net Cash generated from / (used in) Financing Activity (C)		(686.77)	(2534.02)
Net Increase in Cash and Cash Equivalents (A+B+C)		1184.28	(856.30)
Cash and Cash equivalents at the beginning of the year		10936.00	11769.57
Add: Other Adjustments to Cash and Cash equivalents*		16.38	22.73
Cash and Cash equivalents at the end of the year		12136.66	10936.00

Notes:

a. Cash and cash equivalents (Refer to Note 19) represents:

i) Cash in hand		1.08	0.73
ii) Current accounts & Term Deposits in Scheduled Banks		12135.58	10935.27
		12136.66	10936.00

(*) Adjustment on account of increase in shareholding in Subsidiary Companies.

b. The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard (AS) - 3

c. Figures in parentheses represent cash outflows.

d. Previous year's figures have been rearranged, regrouped, recast wherever necessary to conform current year's classification.

For SRB & Associates

Chartered Accountants
Firm Reg No- 310009E

For Saha Ganguli & Associates

Chartered Accountants
Firm Reg No- 302191E

For and on behalf of the Board of Directors

Sd/-
(S.C. BHADRA)
Membership No: 017054

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

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

Sd/-
(T.K.ANANTH KUMAR)
Director (Finance)

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

Place: New Delhi,
Date:25th May, 2013



**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956
RELATING TO COMPANY'S INTEREST IN THE SUBSIDIARY COMPANY**

Name of the Subsidiary Company		Oil India Sweden AB	Oil India Cyprus Limited	Oil India USA Inc.
1	The Financial Year of the Subsidiary Company ended on	31 st March, 2013	31 st March, 2013	31 st March, 2013
2	Date from which it became Subsidiary Company	26 th February, 2010	21 st October, 2011	26 th September, 2012
3 (a)	Number of shares held by Oil India Limited alongwith its nominees in the Subsidiary at the end of the financial year of the Subsidiary Company	3334140 Equity Shares of EURO 11.1945 each fully paid up	760 Equity Shares of EURO 1 each fully paid up	3000 Equity Shares of \$0.01 each fully paid up
(b)	Extent of interest of Holding Company at the end of the financial year of the Subsidiary Company	100%	76%	100%
4	The net aggregate amount of the Subsidiary Company's Profit/(Loss) so far it concerns the members of the Holding Company.			
(a)	Not dealt within the Holding Company's accounts	Nil	Nil	Nil
(i)	For the financial year ended 31 st March, 2013			
(ii)	For the previous financial year(s) of the Subsidiary Company since it became the Holding Company's Subsidiary.			
(b)	Dealt within the Holding Company's Accounts			
(i)	For the financial year ended 31 st March, 2013	(0.63) crore	(0.08) crore	3.42 crore
(ii)	For the previous financial year(s) of the Subsidiary Company since it became the Holding Company's Subsidiary.	(4.47) crore	(0.05) crore	Nil

Sd/-
(S.R.KRISHNAN)
COMPANY SECRETARY

Sd/-
(T.K.ANANTH KUMAR)
DIRECTOR (FINANCE)

Sd/-
(S.K.SRIVASTAVA)
CHAIRMAN & MANAGING DIRECTOR

Place: New Delhi

Date: 25th May, 2013

Summary of Financial Information of Subsidiary Companies for the Financial Year 2012-13

The Ministry of Corporate Affairs vide its Circular No. 2/2011 dt. 8th February 2011, has granted general exemption under Section 212 (8) of Companies Act, 1956 to companies from attaching the accounts of Subsidiary Companies with the Annual Report of the Company. However, companies are required to provide summarised financial information of the subsidiaries.

Accordingly, Oil India Limited is providing a summary of financial information of its subsidiary companies in lieu of attaching the annual accounts of its subsidiary companies with the Annual Report for the year 2012-13. The Annual Accounts of the Subsidiary Companies are available with the Company Secretary, Oil India Limited and are open for inspection by any shareholder at the Registered Office and Corporate Office of the Company during working days. The copy of Annual Accounts shall also be made available to any shareholder of Oil India Limited or its subsidiary on request in writing.

The same will also be available on the Company's website "www.oil-india.com".

The summary of financial information of subsidiary companies for the financial year 2012-13 is as given below:

Sl. No.	Particulars	Oil India Sweden AB		Oil India Cyprus		Oil India USA Inc	
		31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013
	Financial Year ending on	₹ in crore	EURO	₹ in crore	USD	₹ in crore	USD
	Reporting Currency						
	Exchange Rate	70.42	70.42	54.91	54.91	54.91	54.91
	(As on 31.03.2013)						
	Exchange Rate	70.86	70.86	54.75	54.75	54.42	54.42
	(Average Rate 2012-13)						
1.	Share Capital	257.86	36617270	0.01	1380	0.00	30.00
2.	Share Application Money	0.00	0	0.00	0	54.91	9999970
3.	Reserves	(2.37)	(336361)	(0.16)	(28252)	3.46	623987
4.	Liabilities	0.24	33770	0.15	26872	211.08	38447678
5.	Total Liabilities	255.73	36314679	0.00	0	269.45	49071665
6.	Total Assets	255.73	36314679	0.00	0	269.45	49071665
7.	Investments						
8.	Turnover	0.00	0	0.00	0	20.56	3776210
9.	Profit Before Taxation	(0.63)	(88791)	(0.10)	(18951)	5.50	1005987
10.	Provision for Taxation	0.00	0	0.00	0	(2.08)	(382000)
11.	Profit After Taxation	(0.63)	(88791.00)	(0.10)	(18951.00)	3.42	623987
12.	Proposed Dividend	0.00	0	0.00	0	0.00	0



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

Regd. Office : Duliajan, Distt. Dibrugarh, Assam – 786602

54TH ANNUAL GENERAL MEETING : 21.09.2013

ATTENDANCE SLIP

(THIS ATTENDANCE SLIP DULY FILLED IN BE HANDED OVER AT THE MEETING)

Name of the Member (in Block Letters) : _____

Member's Folio Number : _____

Client ID* : _____ DP ID* : _____

Name of proxy(s) (in Block Letters) : _____

(to be filled in, if a Proxy attends _____

instead of the member)

No. of Shares held : _____ Email : _____ (as per MCA circular
No. 18/2011 dtd. 29.04.2011)

I hereby record my presence at the 54th Annual General Meeting of the Company held at Bihutoli, Duliajan, Distt. Dibrugarh, Assam on Saturday, the 21st day of September, 2013 at 11.00 AM.

Member's / Proxy's
Signature

*Applicable for investors holding share(s) in electronic form.





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

Regd. Office : Duliajan, Distt. Dibrugarh, Assam – 786602

54TH ANNUAL GENERAL MEETING : 21.09.2013

FORM OF PROXY

(To be filled and signed by the Shareholder)

I/We _____ Resident of _____ in the district of _____ in the State of _____ being a shareholder / shareholders of the Oil India Limited, hereby appoint Shri/Smt _____ resident of _____ in the district of _____ in the State of _____ or failing him / her , Shri/Smt _____ resident of _____ in the district of _____ in the State of _____ as my / our proxy to vote for me/us and on my / our behalf at the 54th Annual General Meeting of the Shareholders of Oil India Limited to be held on Saturday the 21st September, 2013 at 11:00 a.m. at Bihutoli, Duliajan, Distt. Dibrugarh, Assam –786 602 and at any adjournment thereof.

Signed this _____ day of _____ 2013

Regd. Folio No./Client ID : _____

No. of Shares : _____

Signature of Proxy

Name & Address : _____

Affix
Revenue
Stamp

Signature of the first named / sole shareholder

INSTRUCTIONS FOR SIGNING AND LODGING THE PROXY FORM

- No instrument of proxy shall be valid unless.
 - in the case of an individual shareholder, it is signed by him/her or his/ her attorney, duly authorised in writing,
 - in the case of joint holders, it is signed by the shareholder first named in the register or his / her attorney, duly authorised in writing,
 - in the case of a body corporate signed by its officer of an attorney duly authorised in writing.
- An instrument of proxy shall be sufficiently signed by any shareholder, who is, for any reason, unable to write his / her name, if his/her mark is affixed thereto and attested by a Judge, Magistrate, Registrar or Sub-Registrar of Assurance or other Government Gazetted Officer or an Officer of Oil India Limited.
- The proxy together with
 - the power of attorney or other authority (if any) under which is signed, or
 - a copy of the power of attorney or authority, certified by a Notary Public or a Magistrate, should be deposited with Oil India Limited, Regd. Office Duliajan, Distt. Dibrugarh, Assam - 786 602 not less than 48 hours before the time fixed for commencement of the meeting.
- In case the relevant Power of Attorney is already registered with Oil India Limited or Share Transfer Agent, the registration Number of Power of Attorney and the date of such registration may be mentioned.



IMPORTANT COMMUNICATION TO MEMBERS

Ministry of Corporate Affairs has taken a "Green initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued Circulars stating that service of documents including Annual Report to the members can be made through electronic mode. In order to support the said initiative, Oil India has sent the copy of the Annual Report for the year 2012-13 alongwith the notice convening the Annual General Meeting through email to those members who have registered their email-id with the DPs / R&T Agent and have opted not to receive the Annual Report in physical form.

MEMBERS WHO HAVE NOT YET REGISTERED THEIR EMAIL ID ARE REQUESTED TO DO SO AT THE EARLIEST WITH THEIR RESPECTIVE DP (FOR SHARES HELD IN DEMAT / ELECTRONIC FORM) OR WITH THE REGISTRAR & TRANSFER AGENT / COMPANY (FOR SHARES HELD IN PHYSICAL FORM).



Registered Office

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

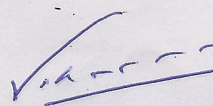
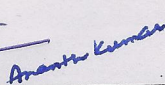
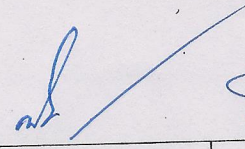
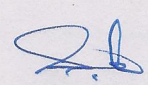
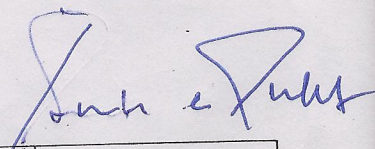
Corporate Office

Plot No. 19, Sector - 16A, Noida, Distt. G.B. Nagar (U.P) 201301
Ph : 0120-2488333-47, Fax : 0120-2488310

FORM A

**(FORM FOR SUBMISSION OF UNQUALIFIED AUDIT REPORT ALONG WITH ANNUAL REPORT
AS REQUIRED UNDER CLAUSE 31 (a) OF THE LISTING AGREEMENT)**

1.	Name of the Company:	OIL INDIA LIMITED
2.	Annual financial statements for the year ended	31 st March 2013
3.	Type of Audit observation	<p>Emphasis of Matter</p> <p>Quote</p> <p>We draw attention to Note 15.2 to the financial statements which describes the uncertainty related to the outcome of the appeal filed by the Company against the order of Hon'ble Delhi High Court and consequential payment of decreed amount of Rs. 99.05 crores and shown under 'other non-current assets'. Our opinion is not qualified in respect of this matter.</p> <p>Unquote</p>
4.	Frequency of observation	First

 (S.K.Srivastava) CMD	 (T.K.Ananth Kumar) Director (Finance)	 (S.C.Bhadra) SRB & Associates	 (S.K.Saha) Saha Ganguli & Associates	 (S.C.Gupta) Chairman – Audit Committee
--	---	--	--	--



Place : Noida
Date : 26.08.13