



Oil India Limited

November 2011

Investor Presentation

Disclaimer

This presentation contains certain forward looking statements concerning OIL India's future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but not limited to, risks and uncertainties, regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India, ability to attract and retain highly skilled professionals, time and cost over runs on projects, our ability to manage our international operations, government policies and actions with respect to investments, fiscal deficits, regulations, etc., interest and other fiscal costs generally prevailing in the economy. The company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the company.

Oil India Limited – An Overview

Oil India: Brief Overview

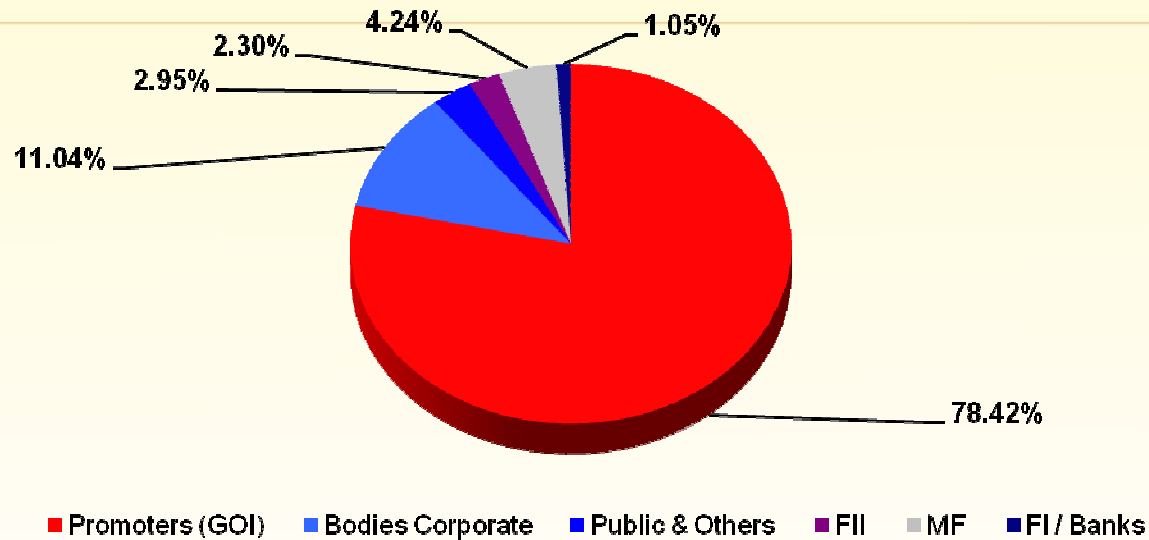
✓	Rich Heritage	<ul style="list-style-type: none">• Independent India's first commercial oil discoveries, with the first made in 1953
✓	Integrated O&G Player	<ul style="list-style-type: none">• Presence across Oil & Gas Value Chain (E&P, Transportation and Downstream)• Infrastructure to support growth
✓	Large Acreage	<ul style="list-style-type: none">• Domestic acreage: 127,260 square kilometers;• International acreage: 38,605 square kilometers
✓	Strong Reserve Base	<ul style="list-style-type: none">• Total 2P reserves of over 944 mboe; with RR ratio of over 142% in FY11
✓	Strong Financials	<ul style="list-style-type: none">• Revenue: ₹ 9,549 Cr (FY11), ₹ 3953 Cr. Q2(FY12)• PAT : ₹ 2,888 Cr (FY11), ₹ 1139 Q2(FY12)• Market cap : ₹ 31235.02 Cr¹

India's premier Oil & Gas "Navratna" company engaged in the exploration, development, production and transportation of crude oil and natural gas in India

Note:

1. As of October 31, 2011

Shareholding pattern



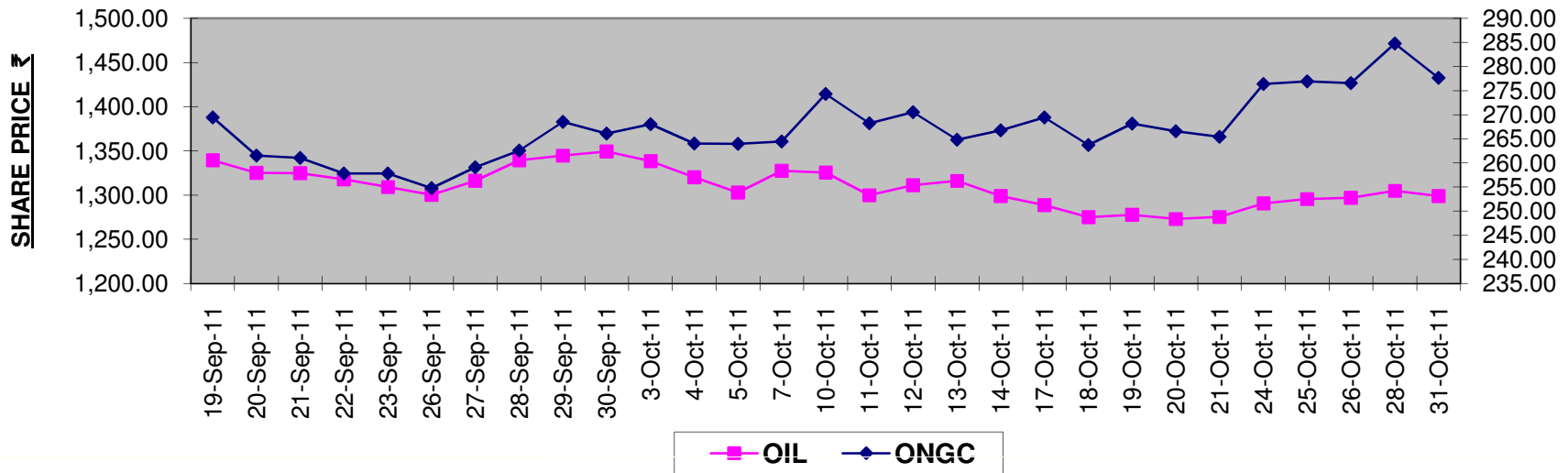
- Listing : Listed on BSE/NSE on 30th Sept 2009
- Number of shares : 240.45 mn
- Dividend :FY11 Interim Dividend/ share : Rs.18.00
:FY 11 Final Dividend/ share : Rs.19.50
- Share price (H/L) :Rs.1635 / Rs.1019 per share
- Market Cap :Rs. 31235.02 cr / USD 6.94 bn

Key shareholders

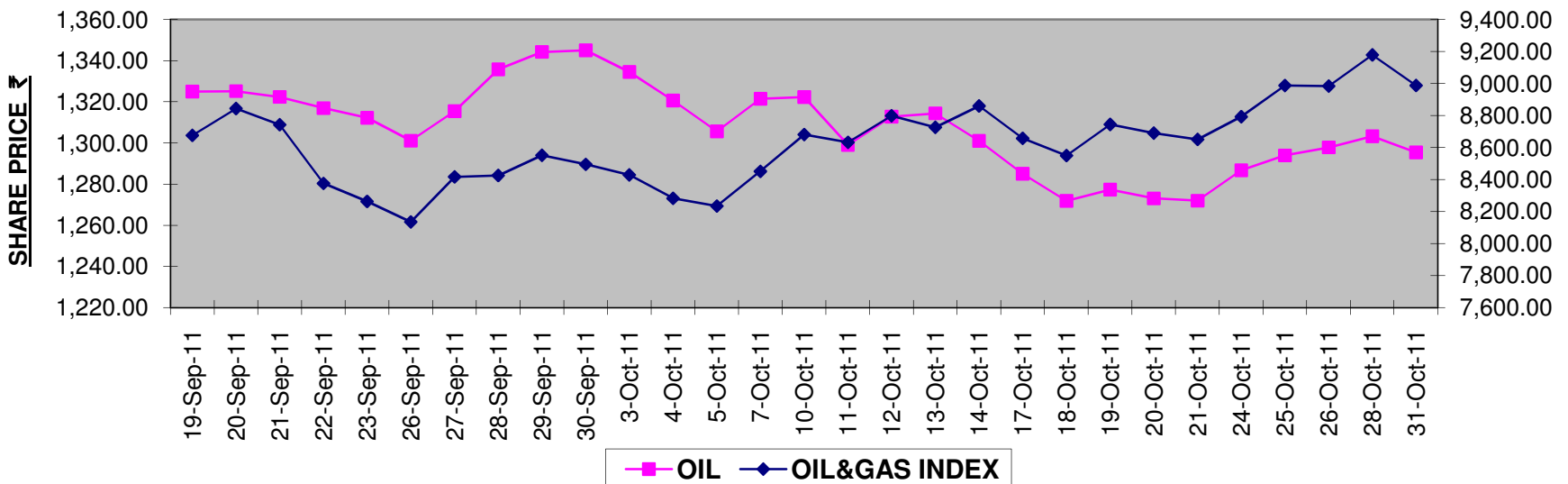
Key shareholders	% Shareholding
Indian Oil Corporation	4.45%
Bharat Petroleum Corporation	2.23%
Hindustan Petroleum Corporation	2.23%
ICICI Prudential Life Insurance	0.78%
HDFC Trustee Company Limited-Top 200 Fund	0.70%
HDFC Trustee Company Limited-Equity Fund	0.61%
HDFC Standard Life Insurance Company Ltd.	0.58%

Performance of OIL's Shares (W.r.t. Sector)

OIL SHARE PERFORMANCE VS. ONGC (FROM 19.09.2011 TO 31.10.2011)

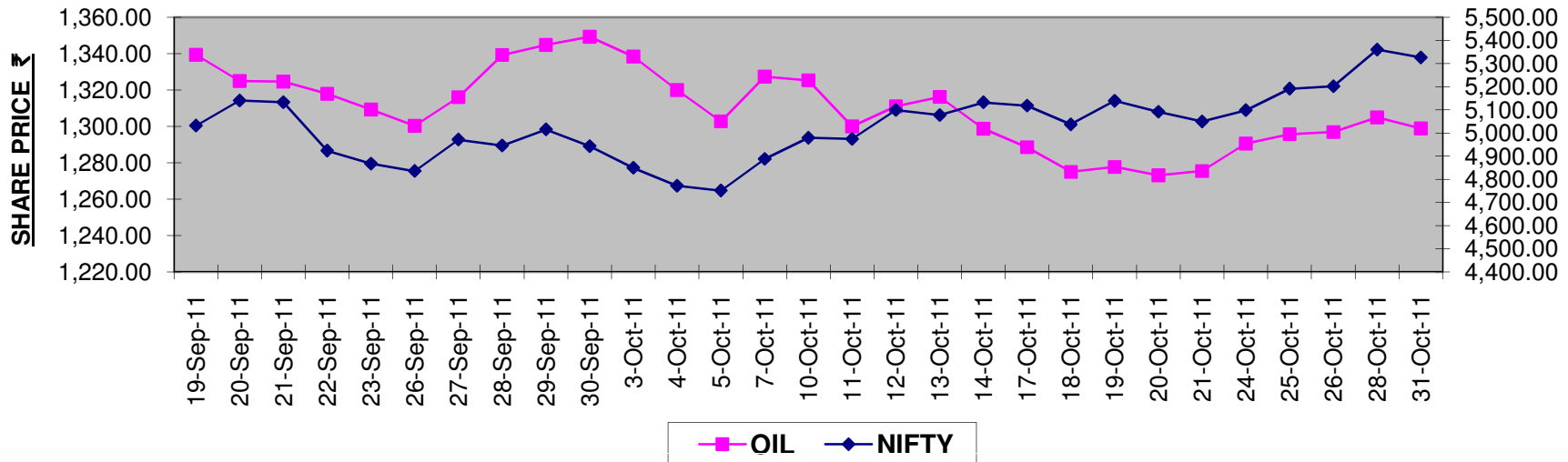


OIL SHARE PERFORMANCE VS. OIL & GAS INDEX (FROM 19.09.2011 TO 31.10.2011)

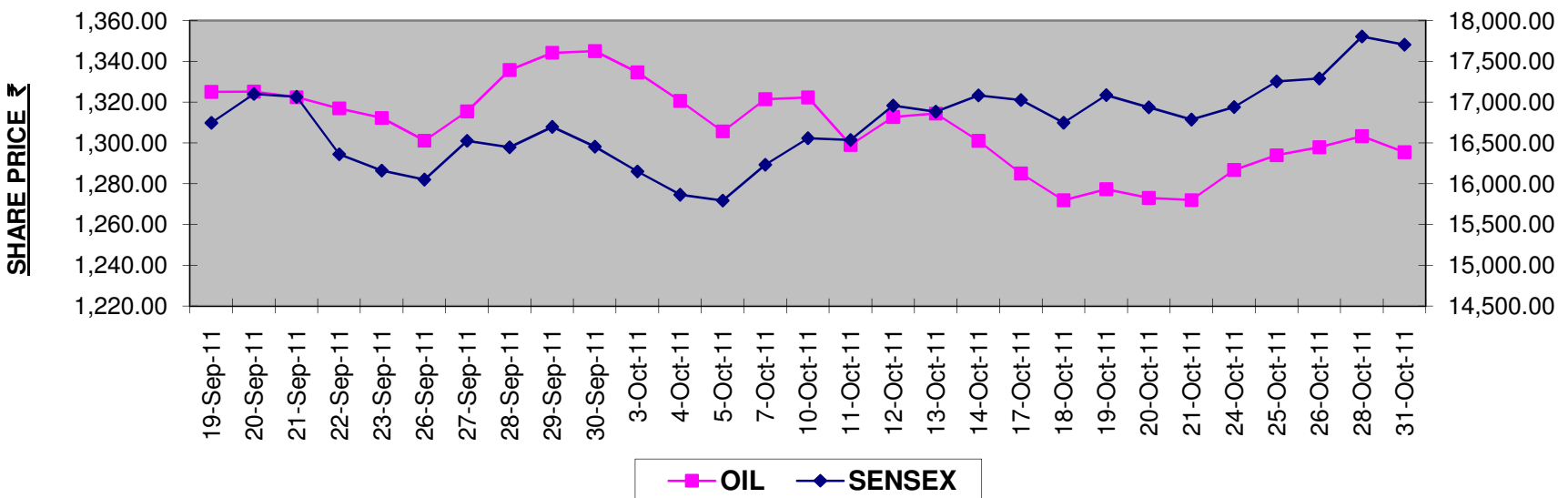


Performance of OIL's Shares (w.r.t. SENSEX / NIFTY)

OIL SHARE PERFORMANCE VS. NIFTY (FROM 19.09.2011 TO 31.10.2011)



OIL SHARE PERFORMANCE VS. SENSEX (FROM 19.09.2011 TO 31.10.2011)



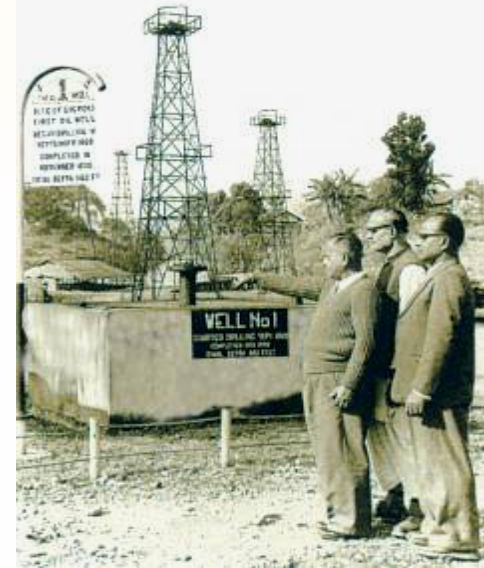
Our Vision

"The fastest growing energy company with a global presence providing value to the shareholder"

- **Fastest growing Energy Company with highest profitability.**
- **Delight customers with quality products and services at competitive prices**
- **Learning Organization, nurturing initiatives, innovations and aspirations with best practices**
- **Team, committed to honesty, integrity, transparency and mutual trust creating employee pride**
- **Fully committed to safety, health and environment**
- **Responsible corporate citizen deeply committed to socio-economic development in its areas of operations**

Rich heritage of building a company

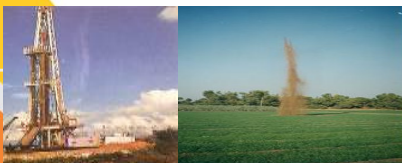
- Independent India's first commercial oil discoveries were made by Assam Oil Company
 - Nahorkatiya, Assam – 1953
 - Moran, Assam – 1956
- Incorporated as Joint Sector Company on 18 February, 1959
 - 2/3rd Owned by Assam Oil Company / Burmah Oil Company
 - 1/3rd Owned by Government of India
- Became a Public Sector Undertaking, GOI on 14 October, 1981
- Five decades of experience in Exploration & Production
- Second largest national oil and gas company in India
- Achieved overwhelming response in its maiden public issue on 30 September 2009



Integrated Oil & Gas Player

Exploration

- **Domestic:** 30 E&P blocks¹
- **International:** Egypt, Gabon, Iran, Libya, Nigeria, Timor Leste, Venezuela and Yemen²
- **Discoveries:** 16 Small to Medium³ size discoveries during last three years (FY'09 – FY'11)



Production

- **50 years** of experience
- **FY' 11 Produced 25.71 mmbbl of Crude oil:**
 - 39 installations
 - 1,544 km pipelines
- **FY' 11 Produced 2.35 bcm of Natural gas**
 - 26 installations
 - 583 km pipelines
- **Advanced Recovery techniques** to maximize production



Transportation

- **Crude Oil:**
 - 1,157 km pipeline ; ~6 MMT capacity
- **Multi-Product:**
 - 660 km pipeline; 1.72 MMT capacity
- **Overseas pipeline:**
 - 10% stake in 741 km pipeline (Sudan)
- **Natural Gas:**
 - 23% stake in 192 km DNPL³ in NE



Downstream

- **Refining and marketing petroleum products:**
 - 26% equity stake in NRL¹
- **Gas cracker project:**
 - 10% equity stake in BCPL²
- **City gas business –** Signed MOU with GAIL, HPCL, IOCL and BPCL/ONGCL
 - Bid for Ludhiana & Jalandar Cities



Note:

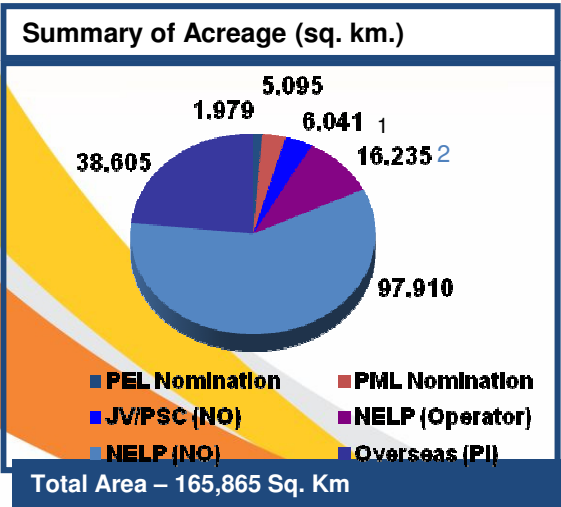
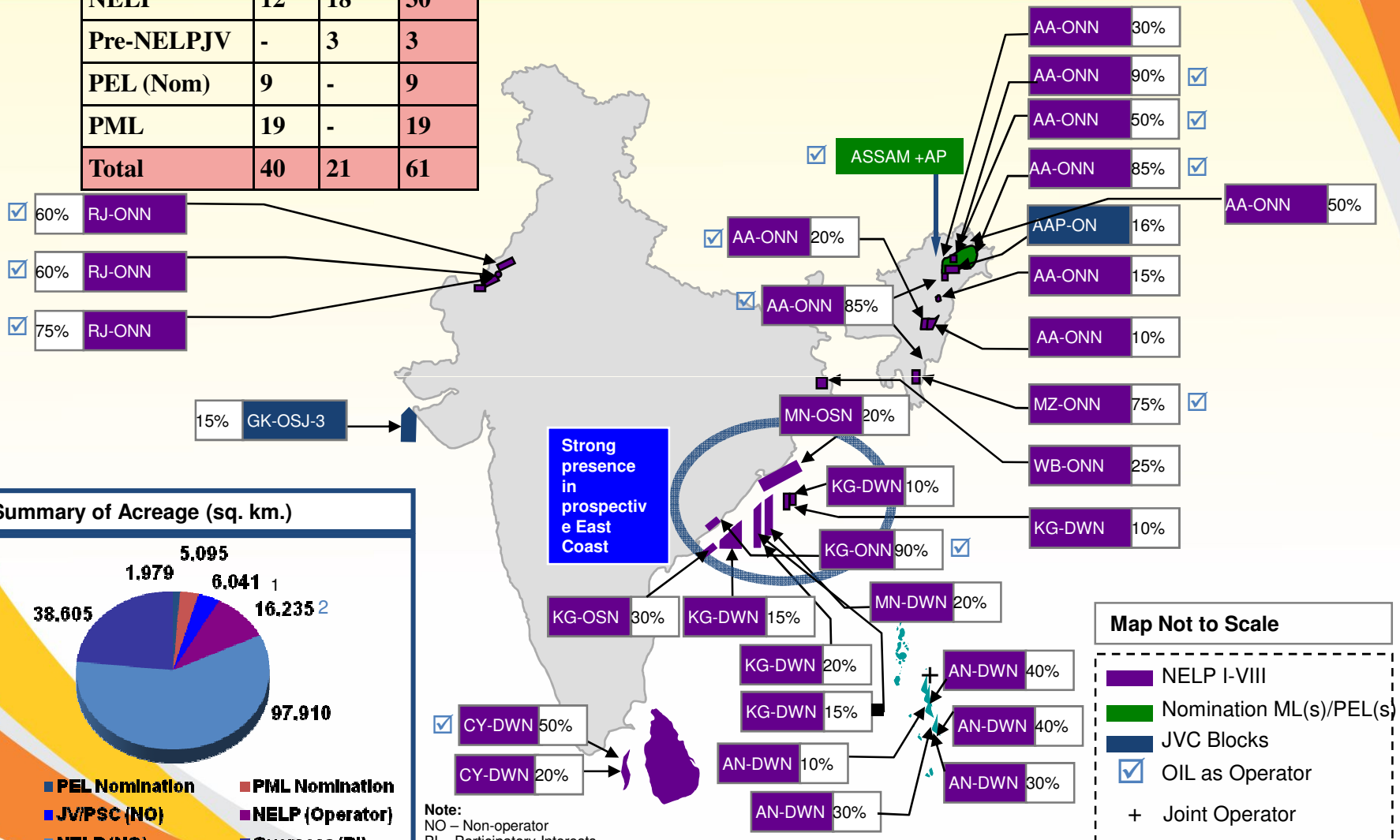
1. 10 blocks have been awarded under NELP IX.
2. Participating interests in exploration and development blocks.
3. Small to Medium size discoveries: Estimated proved plus probable reserves size of less than 30 mn barrels of oil and oil equivalent gas
4. MMBOE – Million Barrels of Oil Equivalent

Note:

1. NRL – Numaligarh Refinery Limited
2. BCPL – Brahmaputra Cracker and Polymer Limited
3. DNPL – Duliajan-Numaligarh Pipeline Limited

Strong Domestic Acreage Base

Blocks	Op	N/Op	Total
NELP	12	18	30
Pre-NELPJV	-	3	3
PEL (Nom)	9	-	9
PML	19	-	19
Total	40	21	61



Note:
 NO – Non-operator
 PI – Participatory Interests
 1. Includes a 40% PI in the Kharsang fields of area 11 sq. km.
 2. Includes 3,992 Sq Km of Joint Operatorship

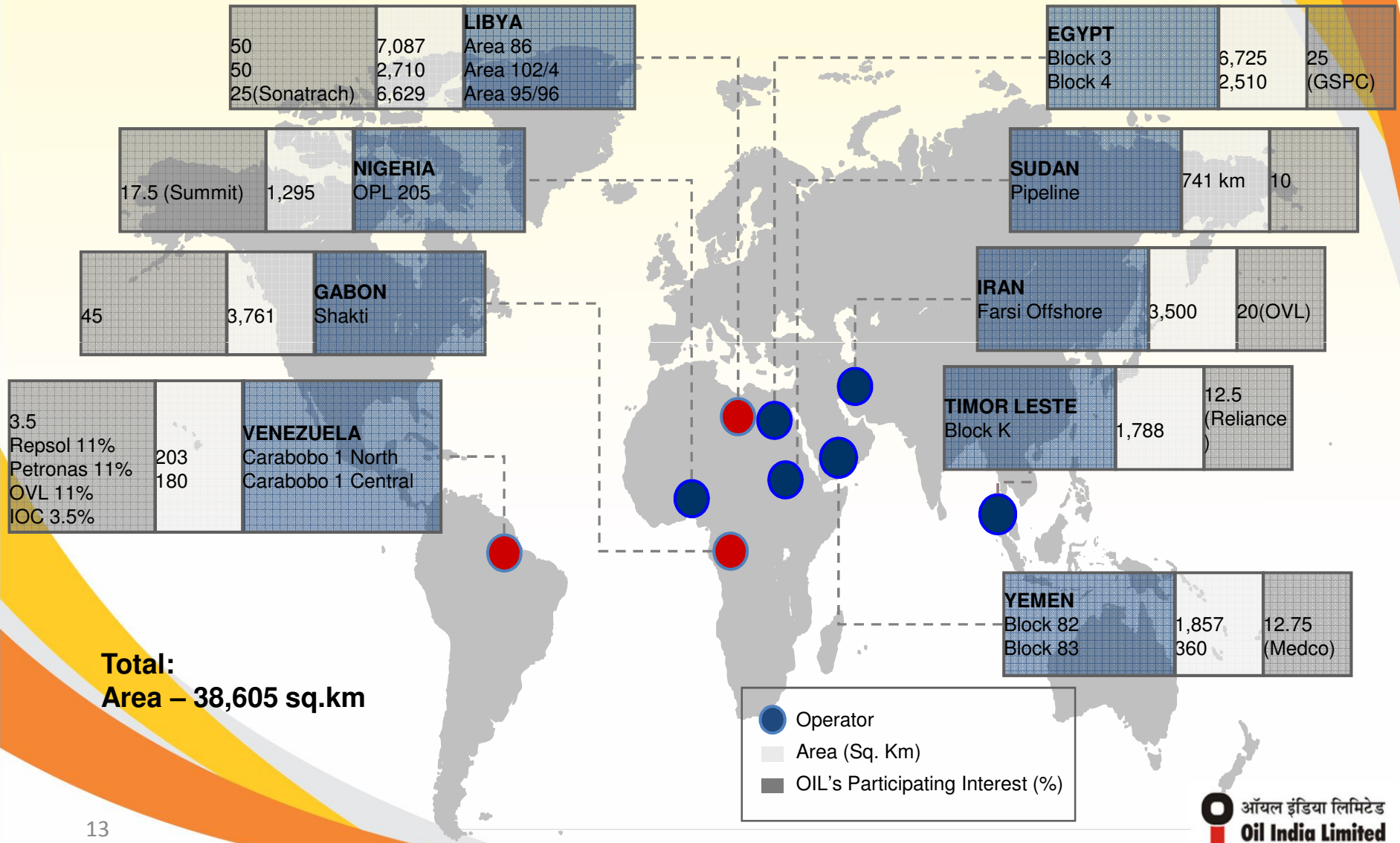
NELP IX: Blocks provisionally awarded

	Name of the Block	Operator	Area	Type	Area (sq. km.)	Investment (US\$ mn)	Consortium Partners (PI)
<input checked="" type="checkbox"/>	AA-ONN-2010/2	OIL (40%)	Assam – Arakan Basin	Onland	396	28.19 (OIL-11.28)	ONGC-30% GAIL- 20% EWP – 10%
<input checked="" type="checkbox"/>	AA-ONN-2010/3	OIL (40%)	Assam – Arakan Basin	Onland	171	8.86 (OIL-3.54)	ONGC-40% BPRL- 20%
<input checked="" type="checkbox"/>	MB-OSN-2010/2	OIL (50%)	Mumbai Basin	Shallow Offshore	3411	24.30 (OIL-12.15)	ONGC-30% BPRL- 20%
<input checked="" type="checkbox"/>	GS-DWN-2010/1	OIL & ONGC (Joint – 40% each)	Gujarat-Saurashtra Basin	Deep Water	8255	1.62 (OIL-0.65)	GAIL-20%
<input checked="" type="checkbox"/>	MB-DWN-2010/2	OIL & ONGC (Joint – 35% each)	Mumbai Basin	Deep Water	7063	1.90 (OIL-0.67)	GAIL-30%
	GK-OSN-2010/1	ONGC (60%)	Gujarat-Kutch Basin	Shallow Offshore	1,361	154.31 (OIL – 46.29)	OIL-30% GAIL – 10%
	KK-OSN-2010/1	ONGC (40%)	Kerala Konkan Basin	Shallow Offshore	2,004	0.85 (OIL – 0.26)	OIL-30% IOC – 30%
	KK-OSN-2010/2	ONGC (40%)	Kerala Konkan Basin	Shallow Offshore	1,860	0.85 (OIL – 0.26)	OIL-30% IOC – 30%
	KK-OSN-2010/3	ONGC (40%)	Kerala Konkan Basin	Shallow Offshore	1,874	0.85 (OIL – 0.34)	OIL-40% HPCL – 20%
	KK-DWN-2010/1	ONGC (40%)	Kerala Konkan Basin	Deep Water	10,019	2.70 (OIL – 1.08)	OIL-40% BPRL – 20%

OIL's Investment – US\$ 76.52 mn

OIL as Operator / Joint operator

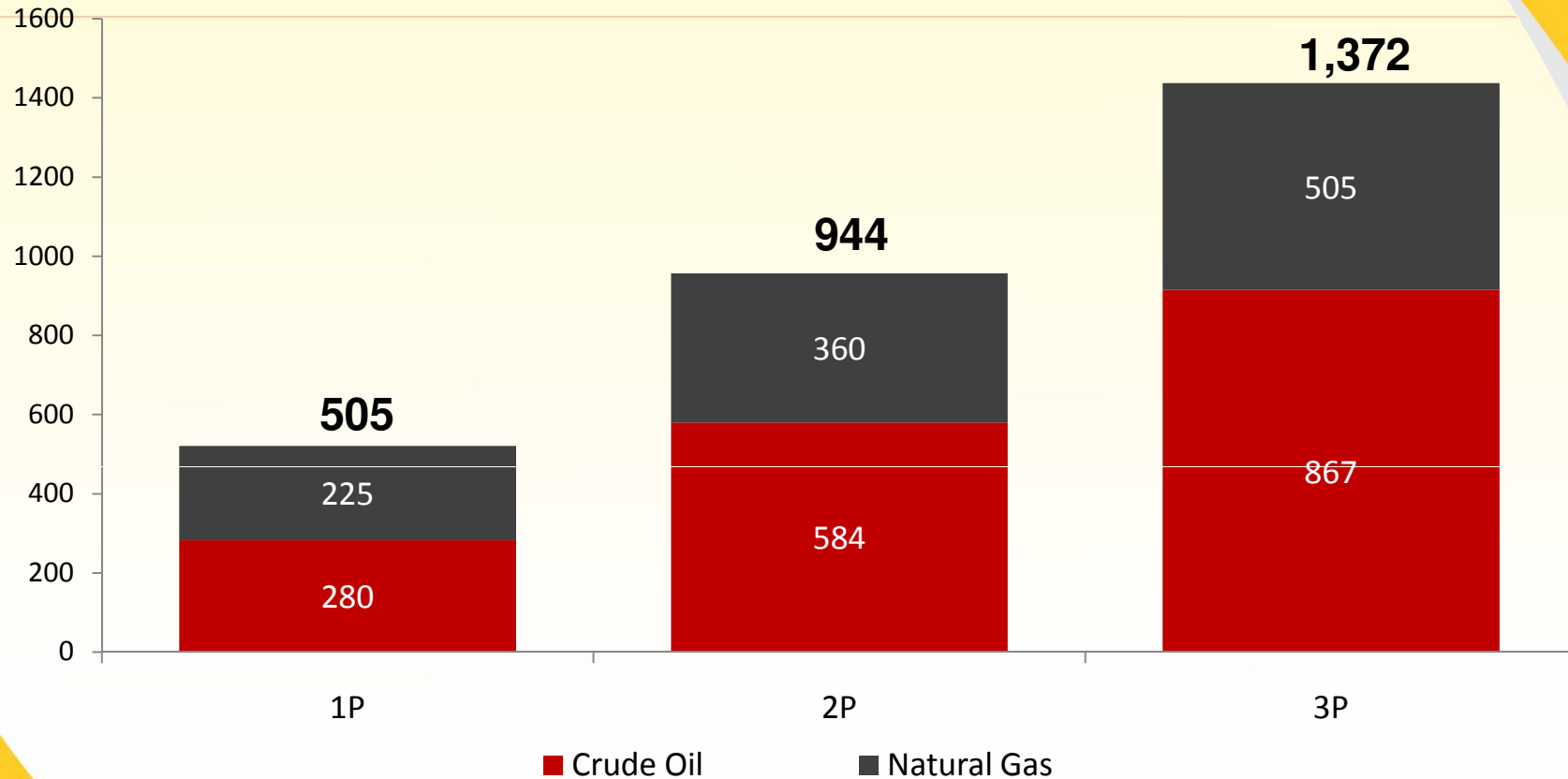
With Dominant International Footprint



Strong Reserve Base with Significant Growth Potential

In MMBBL

As on 01/04/2011



1P Reserves represent:

- ≥ 11 Years current production of Crude Oil
- ≥ 15 Years current production of Natural Gas
- ≥ 12 Years current production of O+OEG

Healthy and Consistent Reserve Replacement Ratio

Reserve Replacement Ratio (x)

2.04

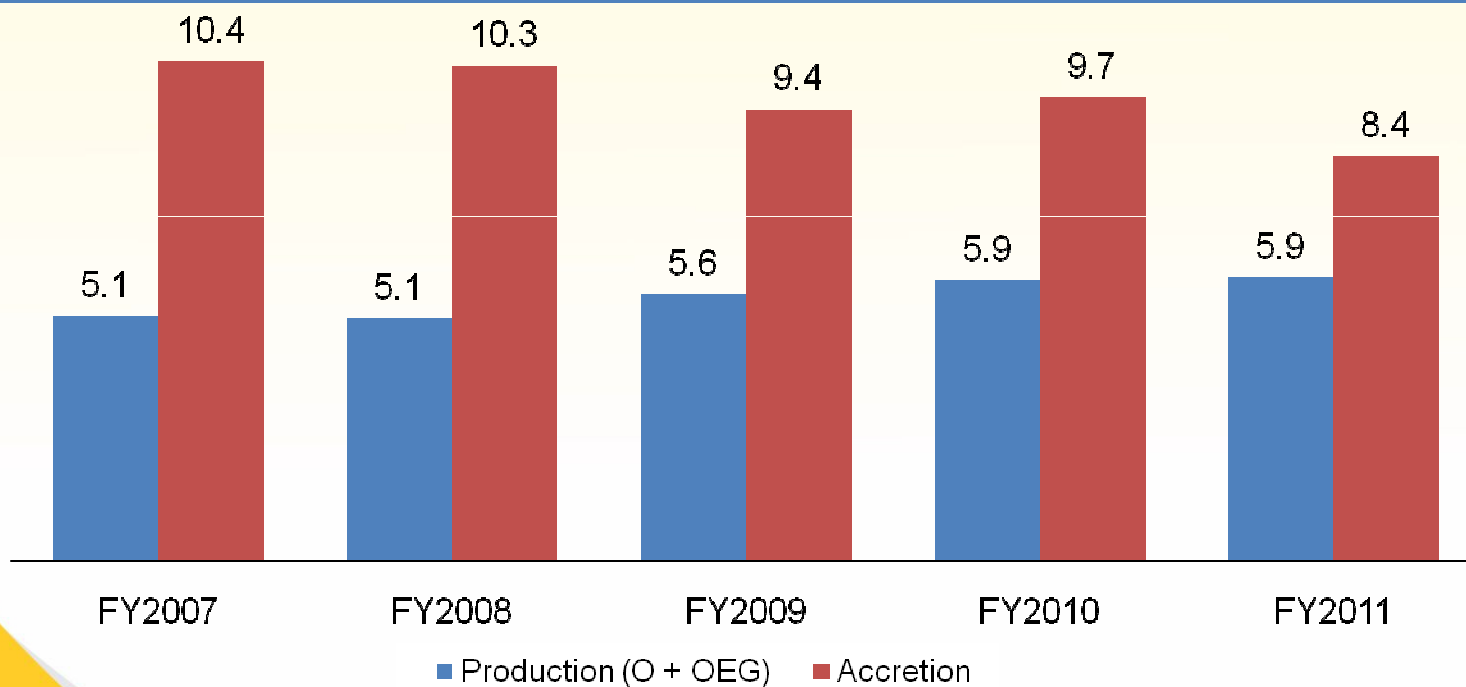
2.04

1.69

1.65

1.42

Crude Oil and Natural Gas (O+OEG) Production and Reserve Accretion (in MMTOE)



Adequate reserve replenishment

Integrated In-house E&P Infrastructure To Support Growth

Infrastructure to Support E&P Activities



Two 2D and
One 3D Seismic
Crew



Six Logging
Trucks



14 W/over Rigs



11 Drilling Rigs

Production & Storage Facilities



72 Production
Installations



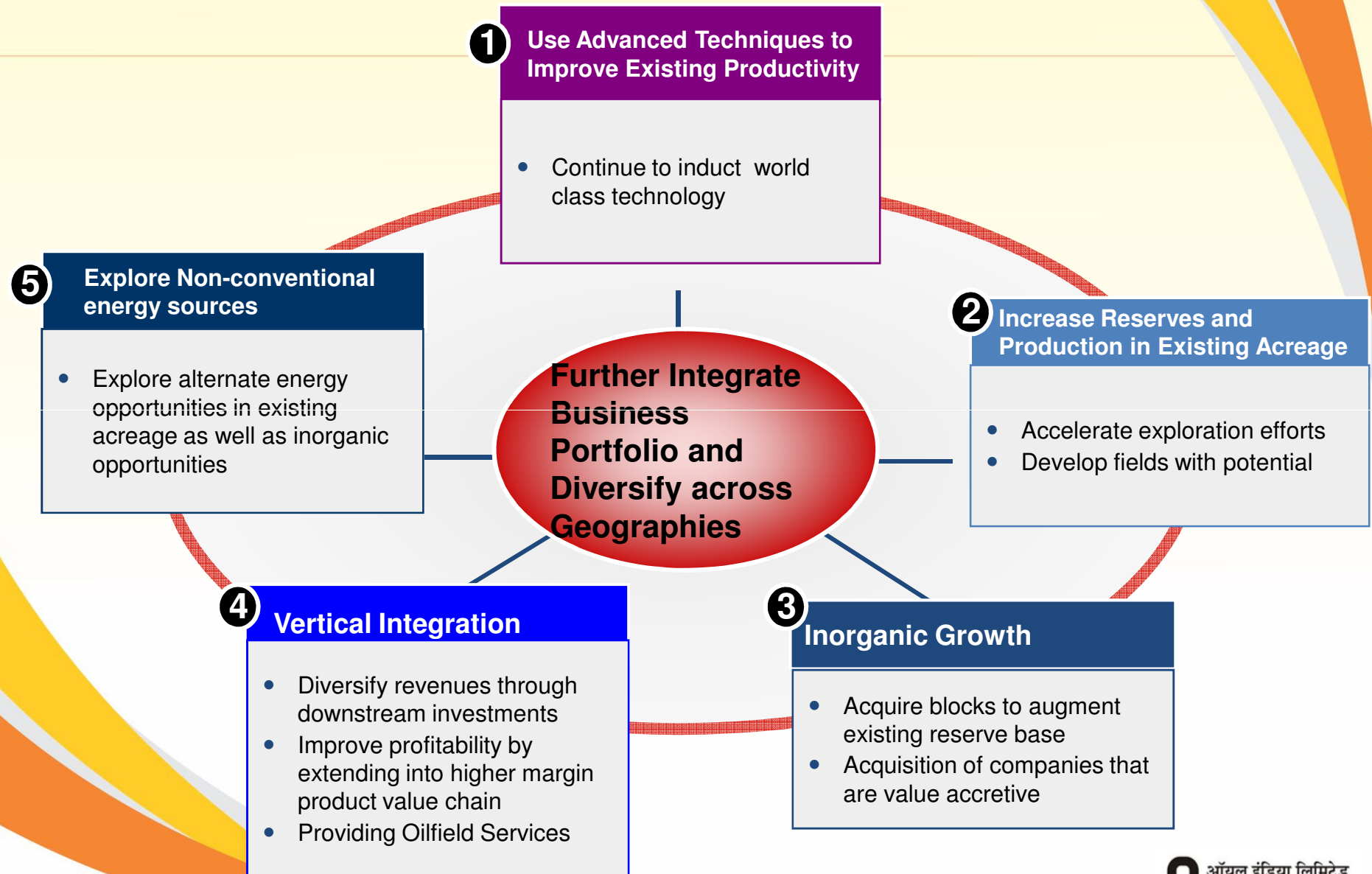
5,000 Km
O&G
Pipelines



~150k KL
Crude Storage

In house Expertise and Integration across Energy Infrastructure

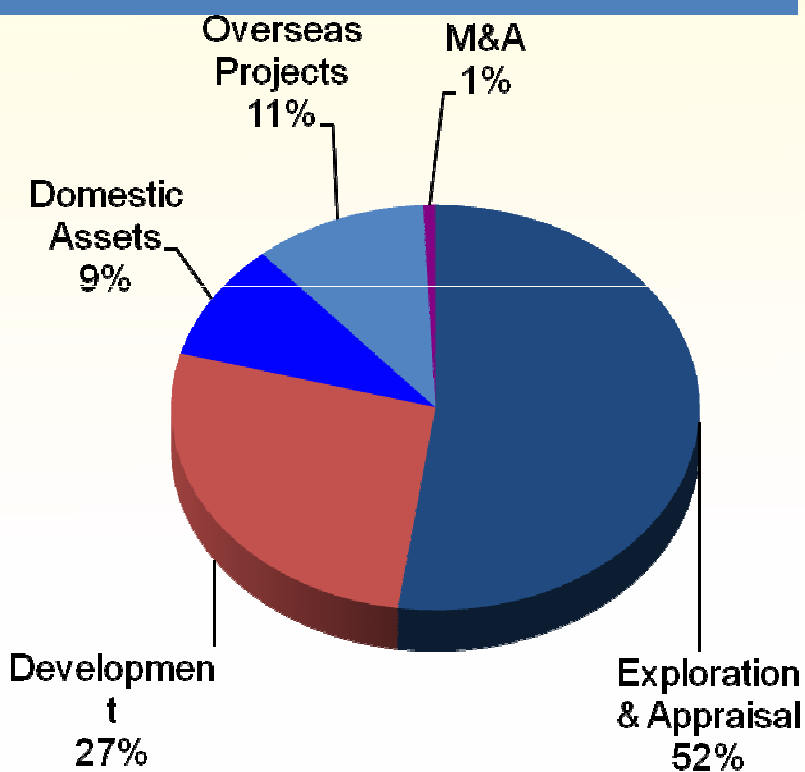
Strategy to Deliver Long Term Growth and Shareholder Value



Significant Investment Lined Up

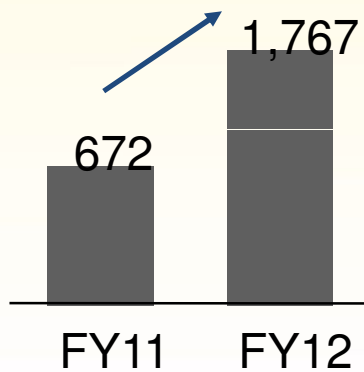
- ✓ Significant focus on Exploration and Development of existing acreage potential

2011-2012: ₹ 31,803 mn

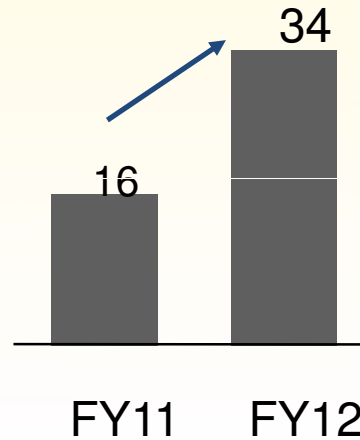


Planned Activities in FY12

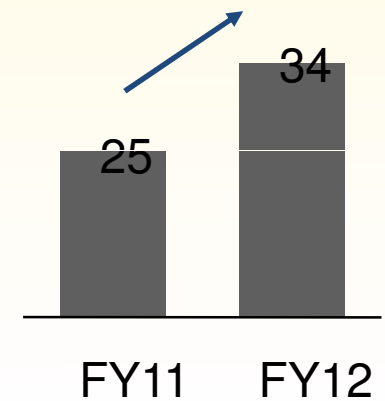
3D Seismic Surveys



Exploratory Drilling



Development Drilling



Substantial Increase in 3D Surveys, Exploratory and Development Drilling Planned.

Recent Developments

Select Highlights

- Achieved the highest daily rate of crude oil production of 3.93 MTPA (> 27.96 mmbbls/Year)
- Achieved the highest daily rate of natural gas production of 6.96 MMSCMD in North East and potential of 0.93 MMSCMD in Rajasthan
- Performance up to 31/03/2011 :

Parameter	Unit	2009-10	2010-11
Crude Oil Production	MMT	3.572	3.612
Natural Gas Production	BCM	2415	2349

A total loss of 0.127 MMT due to NRL shut-down. However, Highest ever quarterly production of 0.951 MMT achieved in Q2, 2010 .

**** Low upliftment by customers of NE & Rajasthan, non-withdrawal by NRL (1 MMSCMD).**

- Hydrocarbon discoveries in Assam - 06 Nos. in FY'11
- Entry in Offshore as Operator and Deep Water Block as Joint Operator
- Entry in CBM Block (Assam)
- Examining Shale Gas potential of Assam-Arakan Basin
- Successful commissioning of Duliajan-Numaligarh Pipeline (DNP) w.e.f 28-02-2011

Select Highlights (Contd.)

- Completed Preliminary Activities in order to Develop CNG Network in Assam.
- MOUs with BPCL, IOCL & ONGCL executed for CGD. Submitted bids for two cities.
- Received **Greentech Environment Excellence Award 2011 in Gold category.**
- Received Golden Peacock "**Special Commendation Award**" for "**Excellence in Corporate Governance for the year 2010-11**" under PSU Sector by IOD.
- Received Environmental Excellence Award from Indian Chamber of Commerce (ICC).
- Recognised as "**Company of the Year in Navratna Category**" by ICC.
- "OIL's Assam Asset won **OISD Award** in the Oil & Gas Assets (onshore) for the year 2009-10.
- Identified Business opportunity in Bangladesh (Pipeline).
- HDD, Telecommunication work & AMC for IOCL's Guwahati-Siliguri Pipeline.
- Cathodic Protection work for DNPL Pipeline.
- ODC Project for PDO, Oman.
- Marketing of Telecommunication Service.

Production Update

Parameter	Unit	Apr- Oct 2011	Apr- Oct 2010	Variance (%)
Crude Oil Production	MMT	2.263 (3.89 MTPA)	2.036 (3.49 MTPA)	11
Natural Gas Production	MMSCM	1550 (7.28 MMSCMD)	1342 (6.30 MMSCMD)	15

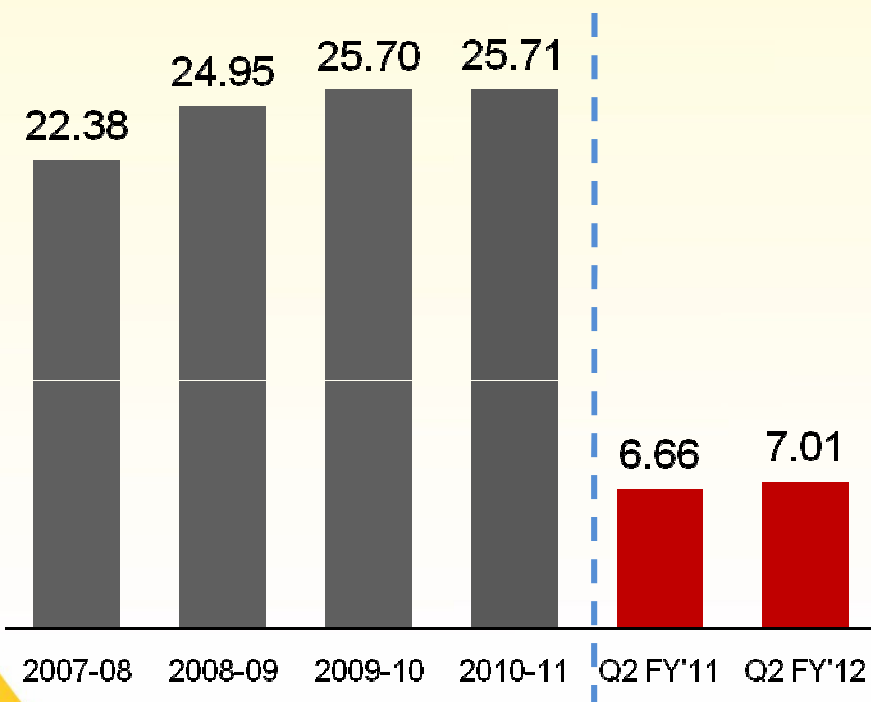
Overseas Update

- **Libya** – Operations kept in abeyance due to Political unrest.
- **Gabon** – Interpretation of 3D data in progress.
- **Venezuela** – Mixed Company Contract signed on 12th May, 2010 and company incorporated on 25.06.2010. Action initiated for early production by Mixed Company.
- **Nigeria** – OML awarded by Nigerian Government. 3D Surveys & one Well drilling programme
- **Yemen** – Action initiated to commence Seismic Survey. Operations kept in abeyance due to political unrest.
- **Egypt** – Signing of PSC awaited
- **Iran (Farsi block)** – Negotiation for DSC are in progress.

Operating Performance

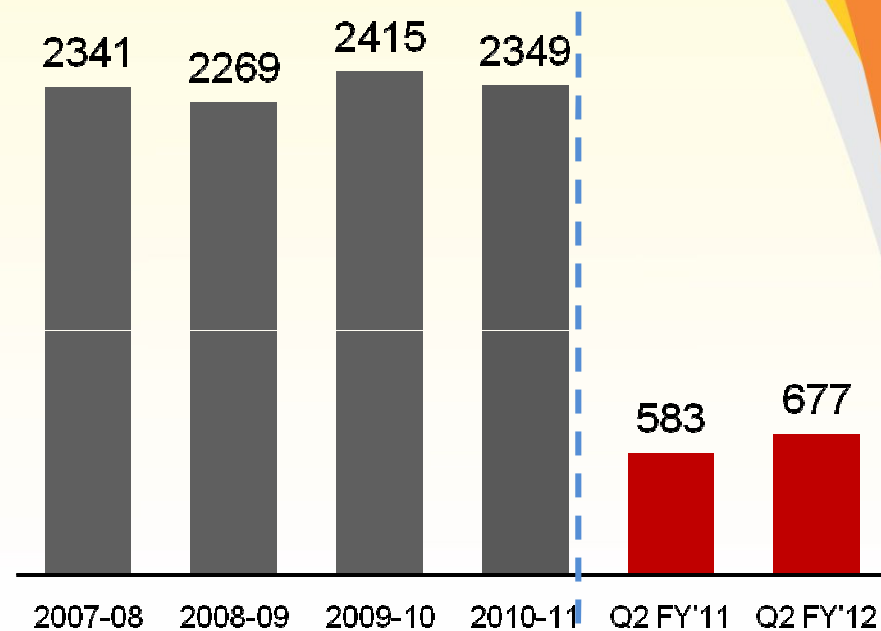
Crude Oil and Natural Gas Production

Crude Oil Production (mm bbl)



• ~5.25% increase over last year (QTQ)

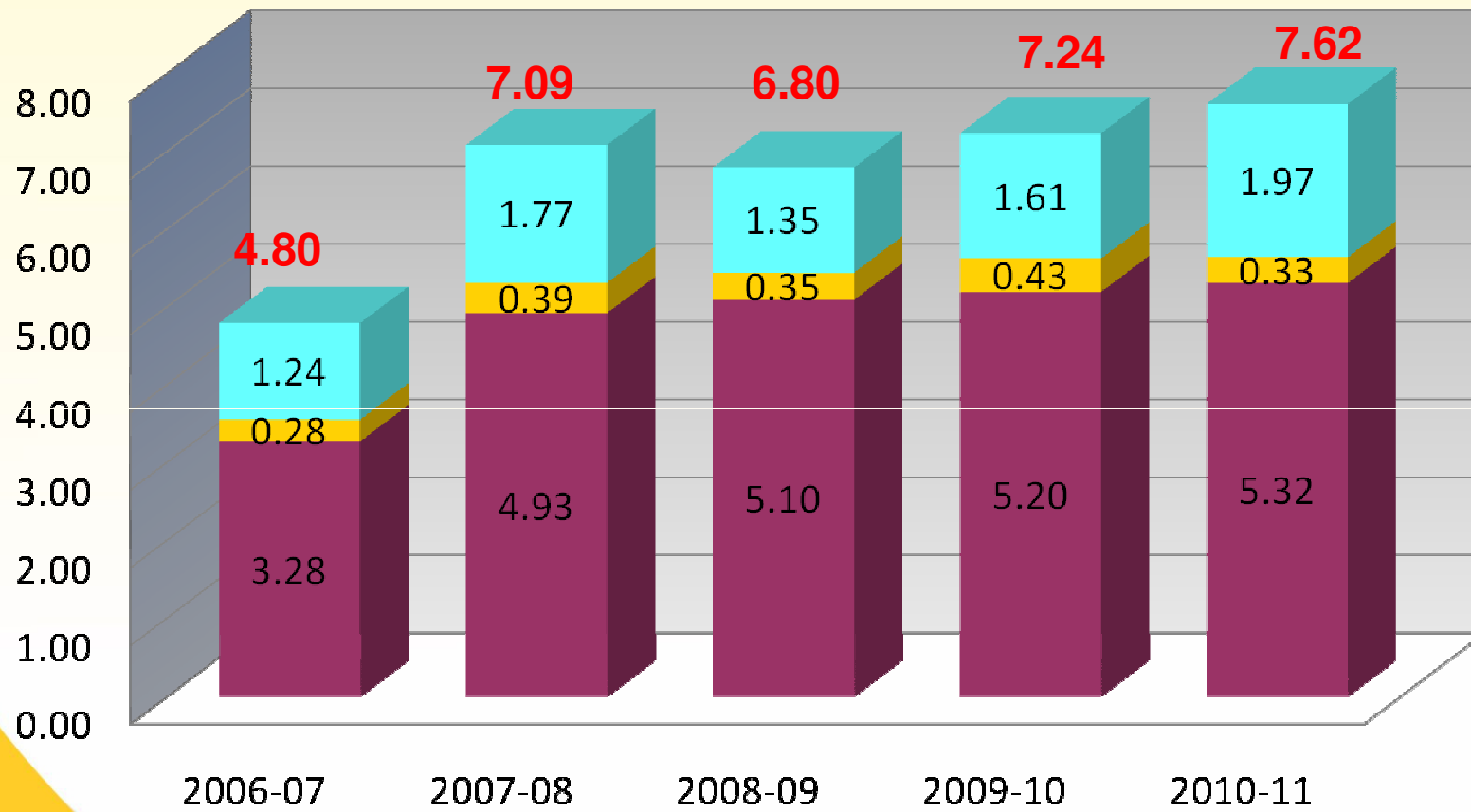
Natural Gas Production (mm scm)



• ~16% increase over last year (QTQ)

Crude Oil Production Cost

USD/ Barrel



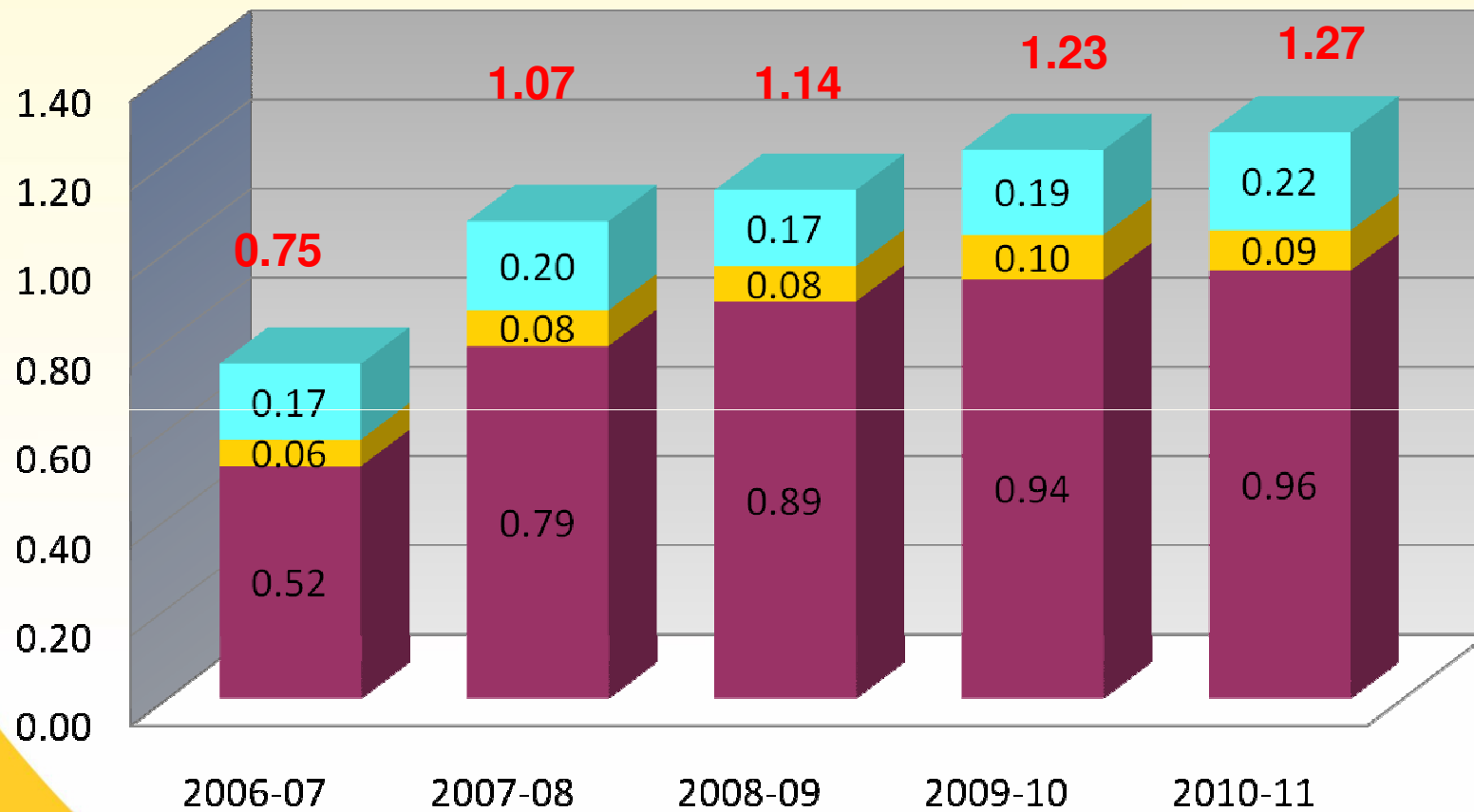
Depletion

Depreciation

Raising Cost

Natural Gas Production Cost

USD/ MMBTU



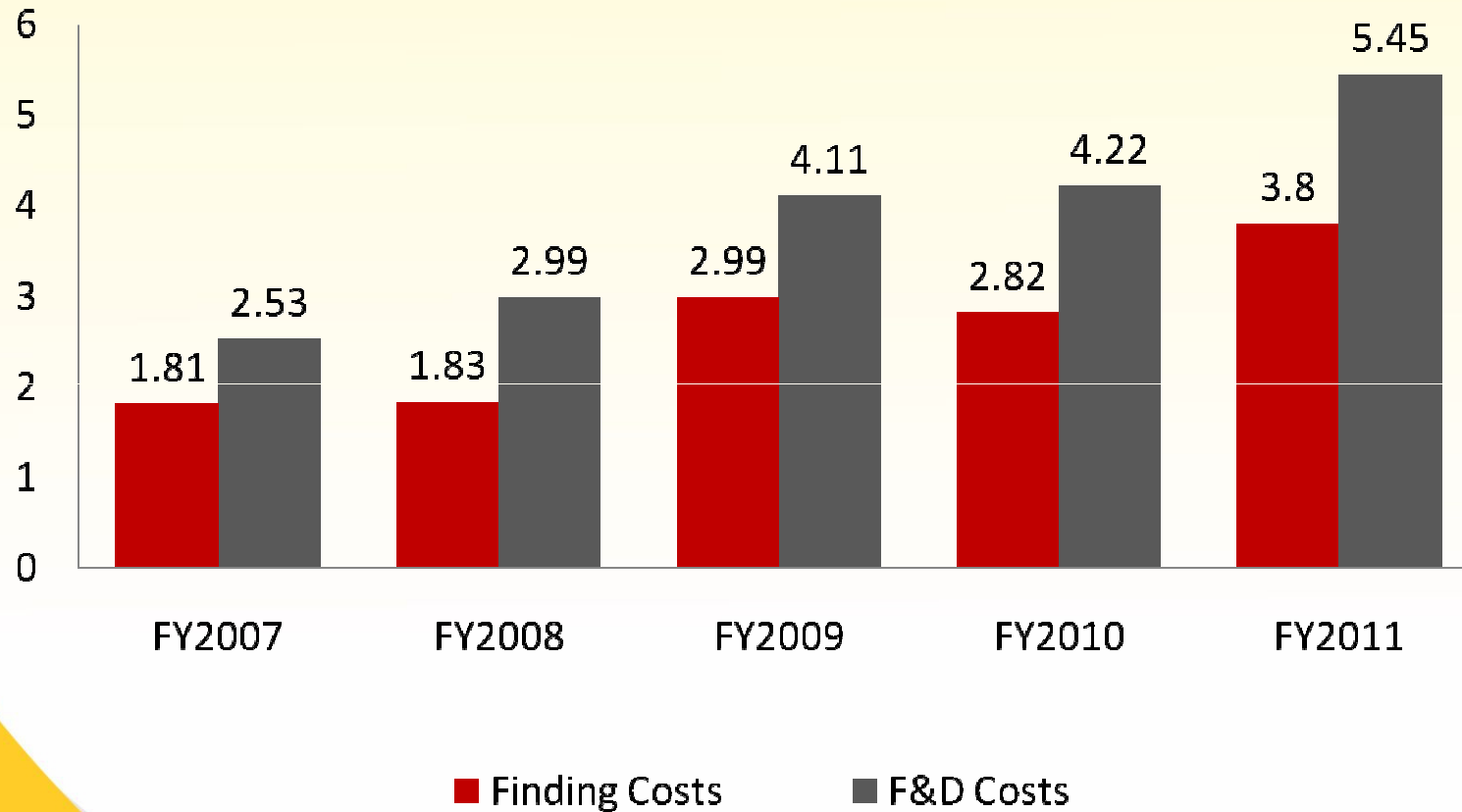
Depletion

Depreciation

Raising Cost

Low Finding & Development Costs

Finding and Development Costs (USD / bbl)



OIL has the Advantage of Low Finding & Development costs.

Financial Performance

Sharing of Subsidy by Upstream Companies

Rs. in Crores

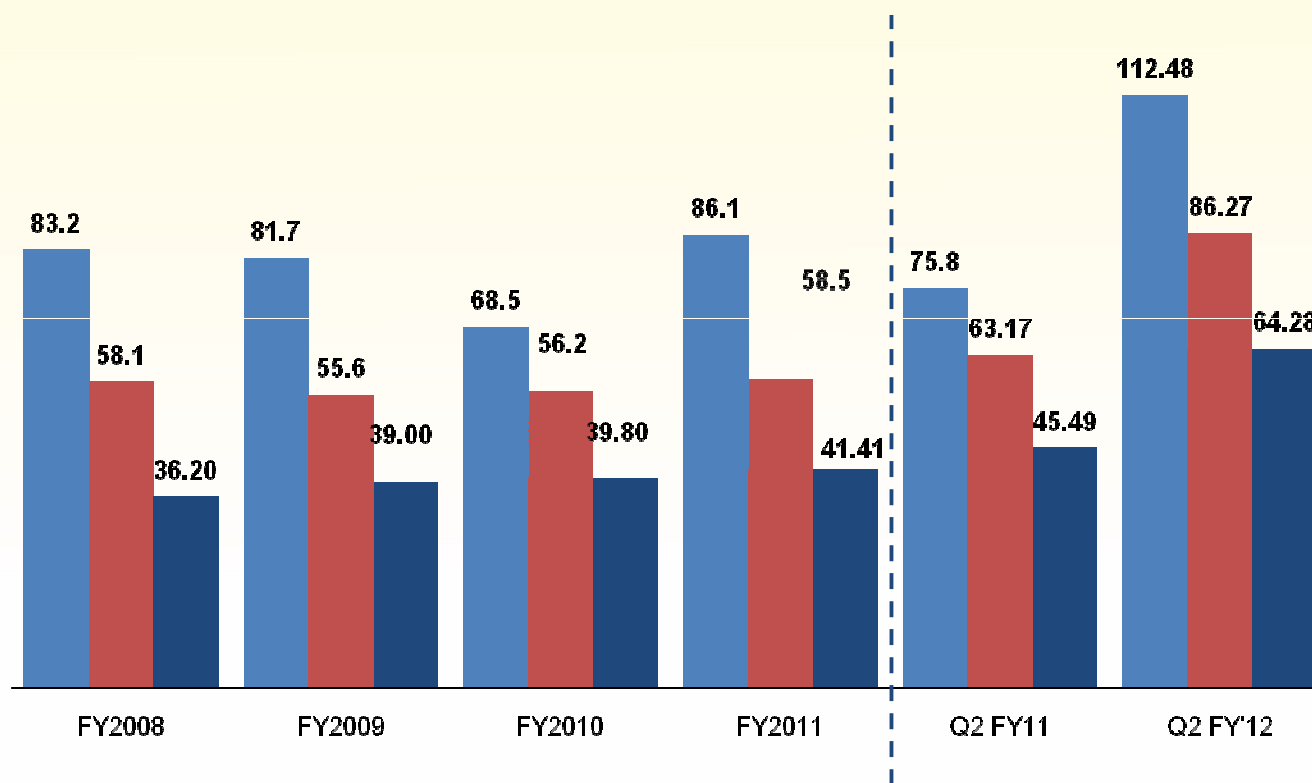
	2007-08	2008-09	2009-10	2010-11	Q2 FY'11	Q2 FY'12
ONGC	22,001	28,226	11,554	24893	3019	5713
OIL	2,307	3,023	1,549	3293	399	844
GAIL	1,401	1,694	1,326	2111	346	567
Total	25,709	32,943	14,430	30297	3765	7124

% SHARING

	2007-08	2008-09	2009-10	2010-11	Q2 FY'11	Q2 FY'12
ONGC	86%	86%	80%	82%	80%	80%
OIL	9%	9%	11%	11%	11%	12%
GAIL	5%	5%	9%	7%	9%	8%
Total	100%	100%	100%	100%	100%	100%

Realized Price

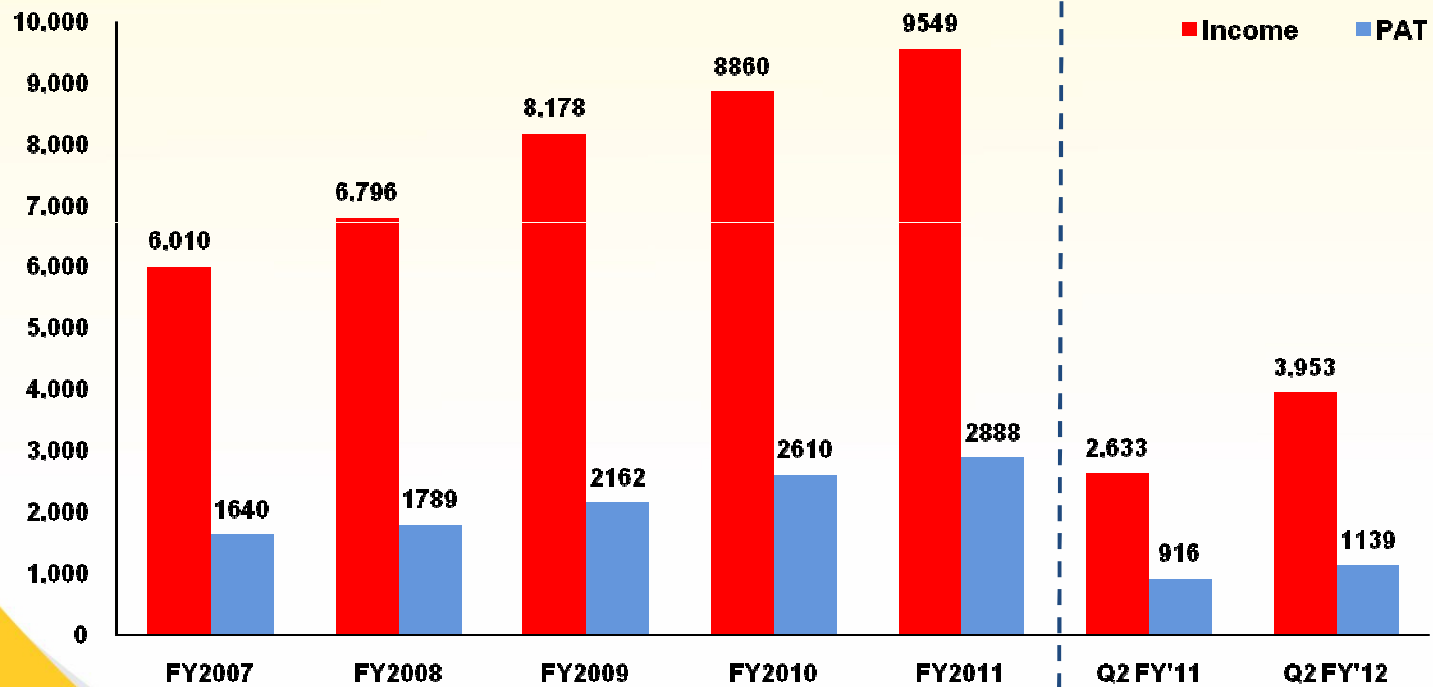
(USD/barrel)



■ Gross Realized Price ■ Realized Price after Subsidy/Discount ■ Net Realized Price

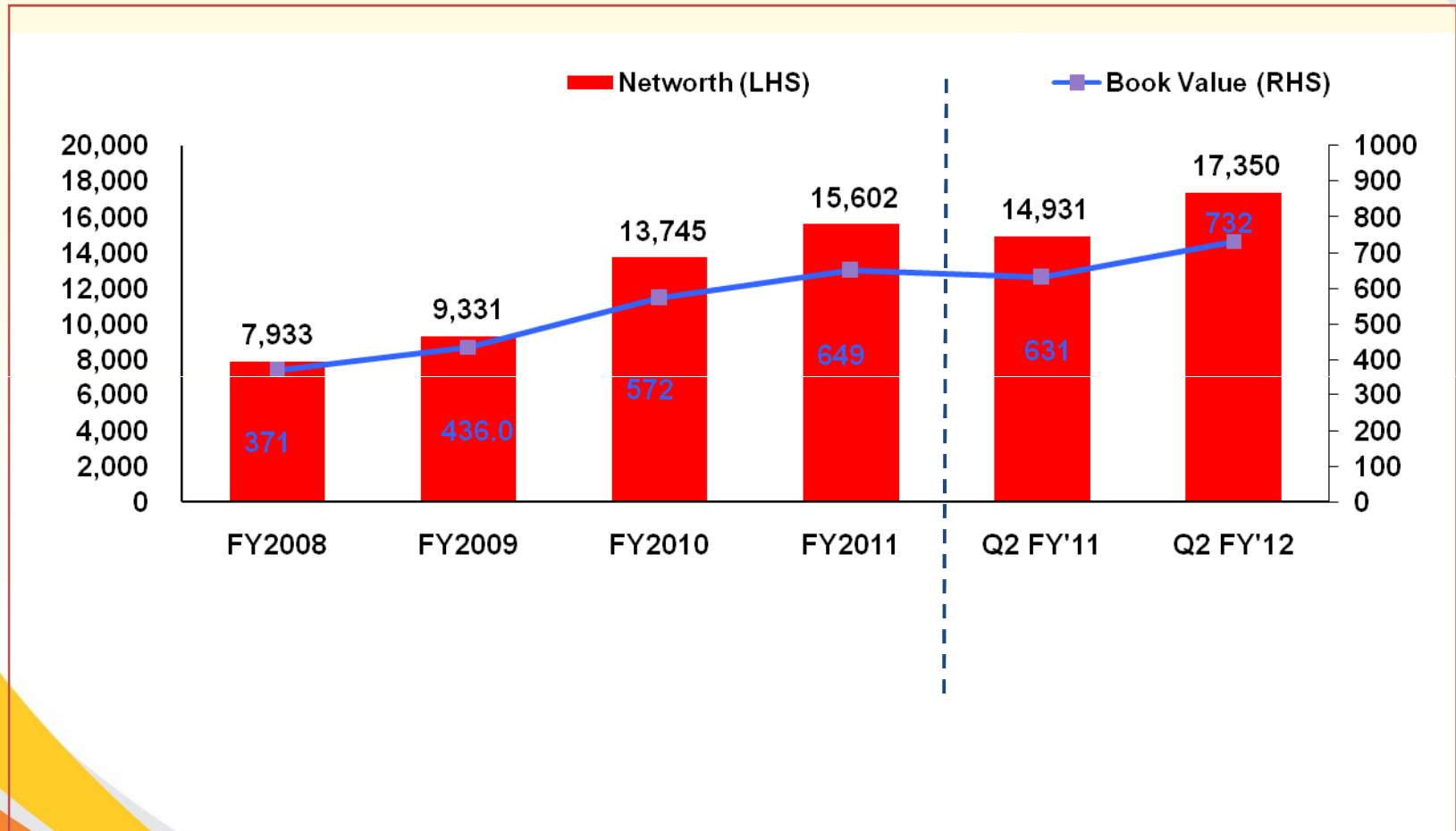
Revenue and Profitability

Revenue and profitability analysis (Rs Crore)



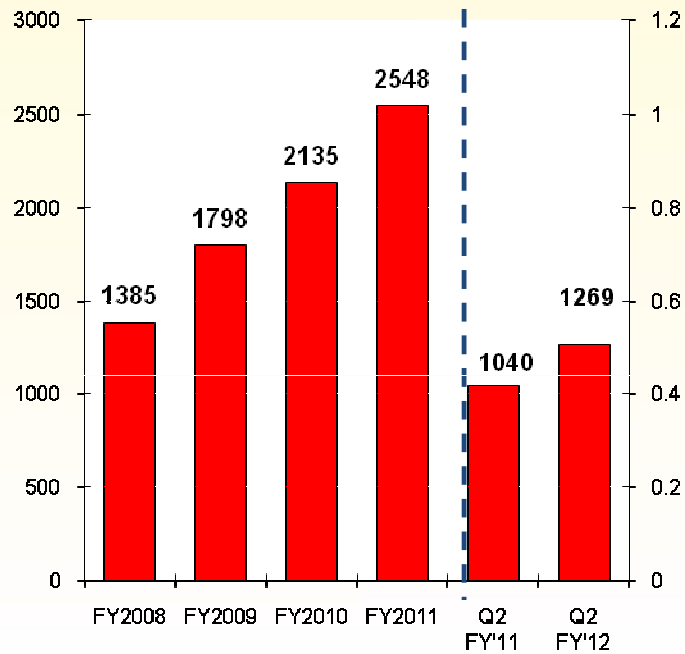
Networth and Book Value

Networth (Rs crores) and Book Value Analysis (Rs)



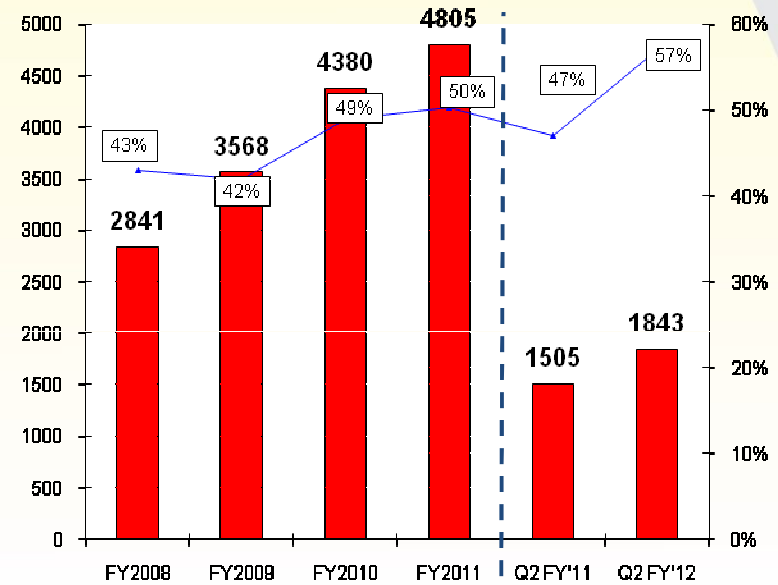
Cash Flow and EBITDA Margin

Cash Flow (Rs Crores)



Consistent and Attractive Cash Flow

EBITDA (Rs Crores) and EBITDA MARGIN (%)

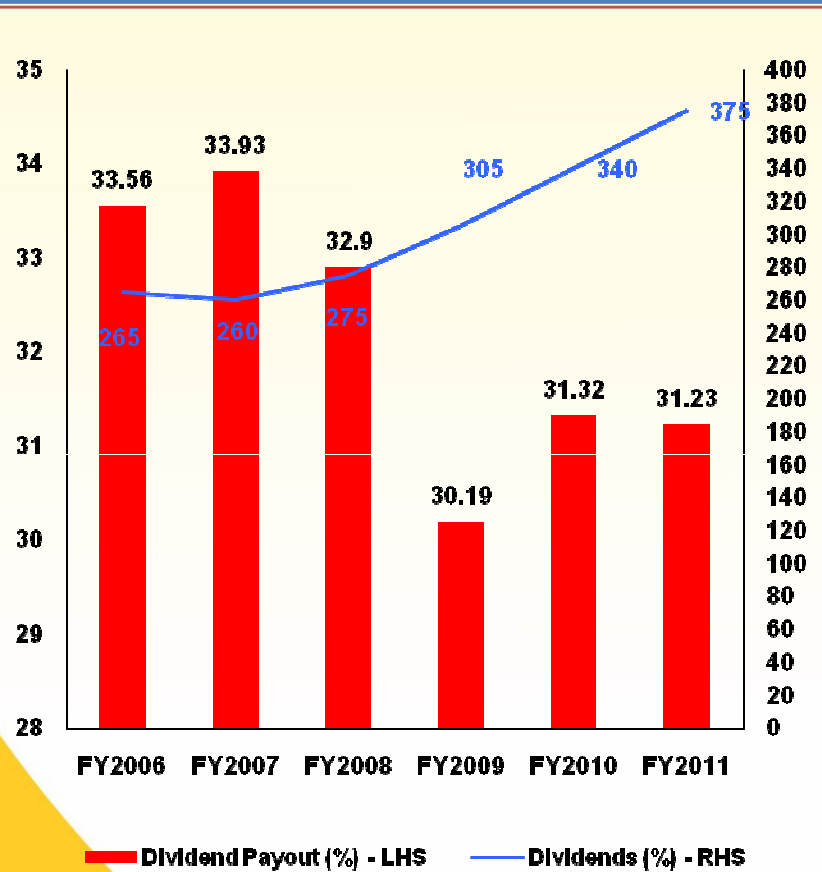


EBITDA

EBITDA MARGIN

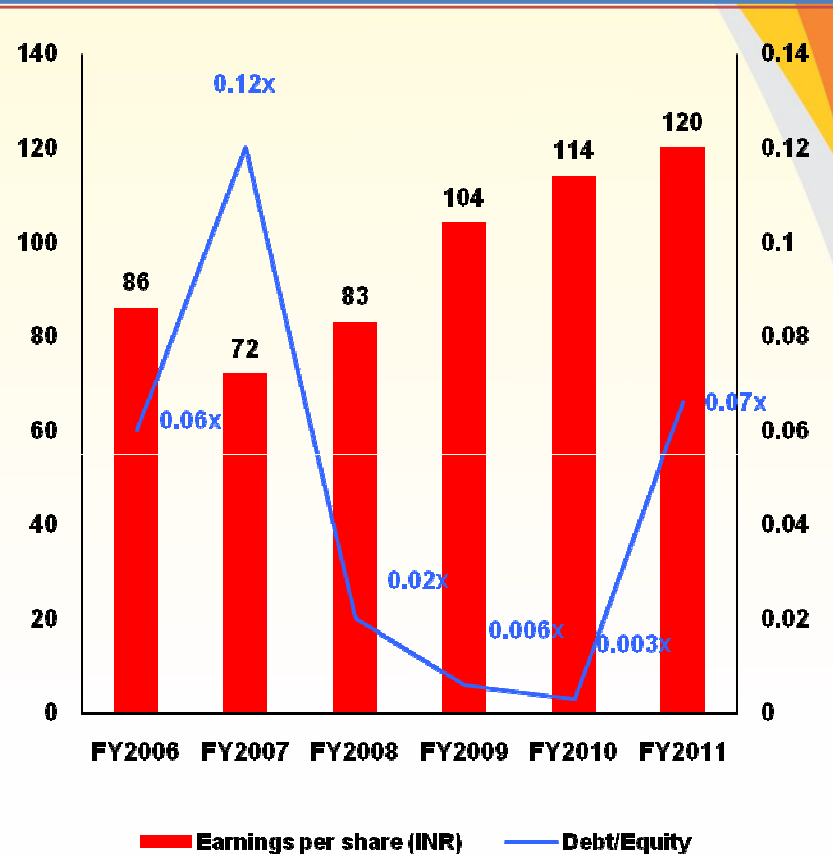
Dividends distribution and Earnings per share highlights

Dividends distribution



The dividend per share has shown a consistent uptrend

Earnings per share and Debt-Equity ratio



Steady increase in EPS and minimal debt on the balance sheet

Guidance: FY'12

	2009-10	2010-11	2011-12 (Target)
Crude oil production	3.57 mmt	3.61 MMT	3.76 MMT
Natural gas production	2,415 mmscm	2,349 mmscm	2,633 mmscm

- ✓ Increase in Exploratory and Development Drilling Meterage
- ✓ Increase in Work Overs
- ✓ Enhanced Water Injection
- ✓ Endeavour to Enhance LPG production through NGL Recycling
- ✓ Endeavour to Reduce Gas Flaring by Inducting LNG Technology

Conclusion

- ✓ Stable Operations, Looking for Growth
- ✓ Company with Good Operating Track Record
- ✓ Sound Financial Health
- ✓ Company with more than 5 Decades of E&P Expertise
- ✓ Large Prospective E&P Acreage
- ✓ Entry into Deepwater/Offshore Blocks as Operator
- ✓ Entry into discovered assets in Venezuela, Acquisition Thrust continues
- ✓ Spreading its Wings : NE → Pan India → Global
- ✓ Diversifying into New Areas

Thank You