# Integrated Annual Report
2021-22

EXPLORING hidden depths
ACHIEVING glorious heights

“ THE SEVEN KEY DRIVERS OF INDIA'S ENERGY STRATEGY

Accelerating efforts to move towards a gas-based economy;
Cleaner use of fossil fuels particularly petroleum and coal;
Greater reliance on domestic sources to drive biofuels;
Achieving renewables target of 450 GW by 2030;
Increasing contribution of electricity to de-carbonize mobility;
Moving into emerging fuels including hydrogen; and
Digital innovation across all energy systems. ”

- Narendra Modi
Prime Minister

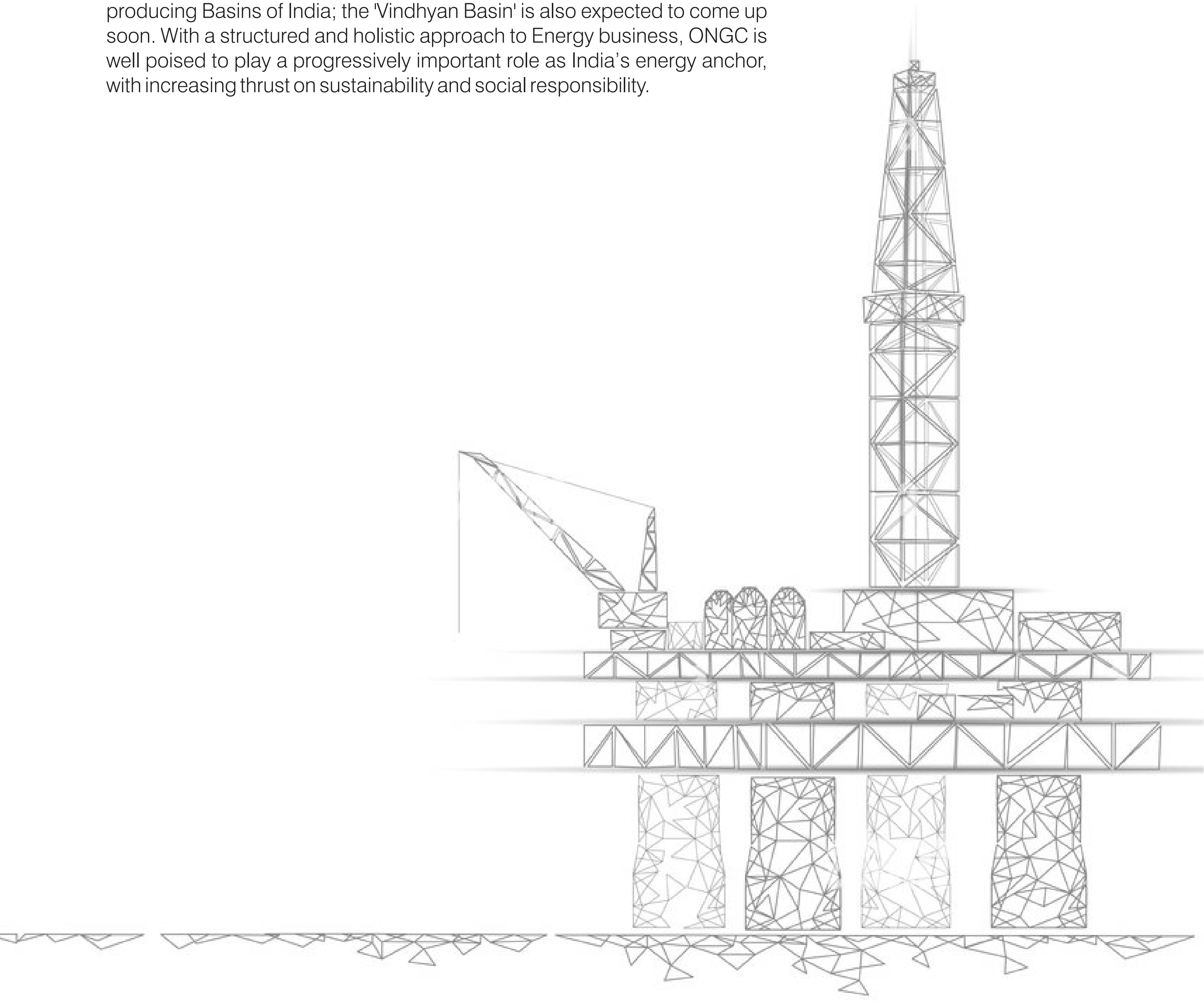
# EXPLORING hidden depths ACHIEVING glorious heights

The year that was, posed a challenge to all of humanity. The world adapted its ways in every conceivable manner. We, at ONGC, were no different; as vulnerable as anyone else but determined to carry on with the work at hand. After all, the Nation was still looking up to us, more than ever before. The Energy Soldiers stayed on the job and kept the nation energized, on the road to recovery.

ONGC

# ENERGY SECURITY
# IN SECURE HANDS

Maharatna ONGC is the largest crude oil and natural gas company in India, contributing around 70 per cent to Indian domestic production. An integrated Oil & Gas Corporate with in-house capability in all aspects of exploration and production business, ONGC has discovered 7 of the 8 hydrocarbon producing Basins of India; the 'Vindhyan Basin' is also expected to come up soon. With a structured and holistic approach to Energy business, ONGC is well poised to play a progressively important role as India’s energy anchor, with increasing thrust on sustainability and social responsibility.



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# Chairperson's **Message**

**"Our resilience helped us adapt to the challenges and register outstanding performance despite all the difficulties, which is a testament of character and resolve of our people to ensure uninterrupted supply of energy"**

**Dear Shareholders,**

It is my privilege to present, on behalf of the Board of Directors of Oil & Natural Gas Corporation Ltd, the first Integrated Report of your Company for the financial year 2021-22, highlighting the Company's performance in operational, financial, social, environmental and human capital aspects.

Over the past two years, the pandemic has dominated every sphere of our life. All of us were severely tested during these trying times but I believe that these challenges have made us more agile, resilient and responsible not only at individual level but at organisational level too.

The collaborative efforts by the medical fraternity, governments, social organisations and industry have facilitated the return to normalcy. Your Company played an important role in ensuring the health, safety & well-being of not only its workforce, but the community at large.

The Russia-Ukraine conflict has now added further uncertainties and constraints across the global supply chain, triggering significant peaks in energy prices, which have direct as well as indirect impact on energy productivity, affordability & cost inflation.

Our resilience however, has helped us adapt to the emerging challenges and register outstanding performance despite all the difficulties, which is a testament of character and resolve of our people to ensure the uninterrupted supply of energy. Your Company ensured operational continuity by reinventing its operational strategies and leveraging its core competencies by giving high impetus to digitalization and automation.

Despite the challenges faced by the your Company during second and third wave of Covid, it marked another year of solid performance in FY'22, reaffirming the Company's proven capabilities in sustainable value creation.

Our top line and bottom-line improved significantly, mainly due to higher realisation on Crude Oil, Natural Gas and Value Added Products (VAPs). Revenue from operations stood at ₹1,103,454 million against ₹681,411 million in FY'21. We posted our highest ever net profit of ₹403,057 million against ₹112,464 million during FY'21. Oil & gas production (inclusive of JV) stood at 43.39 MMTOE versus 45.35 MMTOE of the preceding fiscal.

Your Company declared four oil and gas discoveries during the year and maintained Reserve Replacement Ratio (2P) of more than 1 for the 16th consecutive year.

Under seven OALP Bid Rounds, your Company has been awarded 45 out of 134 exploration blocks awarded to various E&P operators. We have initiated the process of acquiring 70,000 LKM 2D seismic data in Eastern and Western Offshore areas under Govt. of India funding. Also, in order to bring Andaman Basin under accelerated exploration, activities on "National Island Exploration Project" have been initiated by your Company.

Your Company has set up an ambitious target to bring 500,000 sq km of area under active exploration by 2025 as part of its 'Future Exploration Strategy'. Consequently, we have reached out to global majors and plan to leverage collaborations and partnerships with some of them.

Your Company has been making continuous efforts to create a commercial play in newer and frontier areas, and I am happy to share the success of exploratory well, Hatta#3 in Son valley of Madhya Pradesh. The well has confirmed commercial production potential of Vindhyan Basin, which might soon become the ninth producing Basin of India.

Your Company has maintained its continued thrust on development of new fields and redevelopment of matured fields. As on 31 March 2022, twenty major projects (each costing over ₹1,000 million) were under implementation with a total cost of around ₹590,000 million and envisaged lifecycle gain of ~85.5 MMTOE of oil and gas. Your Company's flagship project KG-DWN-98/2 Cluster–II is progressing well amidst several challenges, and one of the fields has already been put on production. With the improved Gas prices, some of our projects which were so far unviable, are now profitable propositions. The Board has recently approved Daman Upside Development project at a cost of ₹41,440 million with estimated life cycle production of 12.5 BCM of gas and 1.80 million cubic meters of condensate.

Your Company is in the process of up-grading existing resources with state-of-the-art technologies to remain competitive in the global E&P business. We have already taken actions to refurbish, upgrade and replace our Onshore/Offshore Drilling Rigs, Workover Rigs, Cementing units, Crisis Management equipment, etc. in phases.

Your Company recognises the key role of technology and digitalisation as enablers to become future-ready and an agile organisation; we have initiated several business process improvements in this direction in 2021-22. Vendor Invoice Management System (VIMS), Linear Asset Management (LAM) & Governance, Risk & Compliance (GRC) systems are some of the important initiatives.

Your Company recognises the need for continuous improvement in safety standards and has engaged M/s DNV GL Energy India Pvt. Ltd. to carry out Safety Management Assessment of ONGC to identify the gaps and to take actions to mitigate these gaps for further improvement. We always carry out our operations keeping 'Zero Harm' to the people and environment in mind. However, despite robust SOPs and trained professionals, the hazardous nature of the industry trigger incidents. In a recent unfortunate incident on 28 June 2022, a chartered helicopter with nine passengers on board, including two pilots, made an emergency landing on the Arabian Sea. The incident resulted in loss of four precious lives. While we deeply mourn such a loss, we strengthen our resolve to further improve the overall safety systems and culture to prevent such mishap.

Your Company aims at recruitment and retention of best talent and skilled manpower. Learning Management System (LMS) is one of the landmark initiatives recently undertaken by us. LMS brings competency-based learning to all ONGCians. With this, we have become the first PSE to on-board Learning Management System under 'Mission Karmayogi' launched by Hon'ble Prime Minister. We have also launched Harvard Manage Mentee – an e-learning management development program covering more than 3100 executives.

Your Company, as a responsible corporate citizen, continued its outreach towards marginalized and deprived sections of local communities, bridging developmental gaps in the thrust areas of healthcare, sanitation, education, skill development, art and culture, disaster management, environmental conservation and other focus areas specified under Section 135 and Schedule VII of the Companies Act, 2013. We spent ₹4,580 million during FY'22 towards our CSR activities and programs across the country.

Our flagship CSR Project Siu Ka Pha Hospital at Sivasagar, Assam is already operational and is providing medical care to thousands of people of north-eastern part of the country. Work is also in progress to expand capacity with many more new specialities in the hospital.

Encouraged by the success of 'Super 30' program at Sivasagar, Assam for preparing meritorious students for professional undergraduate courses, we have rolled out similar programs at Srinagar, Almora and Tripura.

During the second wave of Covid pandemic, your Company provided 6,000 Oxygen Cylinders and Medical Grade Oxygen plants to 11 government hospitals in 4 states. We were also entrusted the responsibility of procurement & supply of one lakh Oxygen Concentrators (OCs) under PM-CARES program. We supported and developed eight domestic vendors from PSU, Private, MSE and start-up sectors to manufacture portable Oxygen Concentrators. With the support and assistance of ONGC, these domestic vendors not only supplied 70,863 OCs, but also started exporting OCs to other countries.

Your Company's overseas arm, wholly-owned subsidiary ONGC Videsh Limited (OVL) delivered a good performance despite various global constraints. Production from overseas assets was 12.330 MMTOE in comparison to 13.039 MMTOE achieved during FY'21. The decline was mainly due to production cuts announced by OPEC+ countries which restricted production from some of our major projects.

Another subsidiary of your Company HPCL, achieved combined refining throughput of 13.97 MMT. With highest-ever LPG Sales of 7.7 MMT in FY'22, HPCL continued to be India's second largest LPG marketer. HPCL recorded a revenue of ₹3,738,967 million and profit after tax (PAT) of ₹63,826 million. HPCL also crossed a key milestone of 20,000 Retail Outlets with commissioning of 1,391 Retail outlets during FY'22.

In a remarkable turnaround, MRPL, the other subsidiary of your Company, registered a standalone turnover of ₹860,637 million and recorded a profit of ₹29,553 million. Refining Net throughput of MRPL during FY'22 increased by almost 31% to 15.05 MMT against 11.50 MMT during FY'21. MRPL achieved highest-ever production of Polypropylene (460 TMT), LPG (1,049 TMT) and MS (1,722 TMT) during FY'22. Further, it successfully commissioned its 30 MLD desalination plant in December 2021, which will reduce its dependence on river water.

As a part of the consolidation of the ONGC Group, OMPL has been merged with MRPL from 1 April 2021, augmenting the business synergy between the two companies. Our other JV companies - OPaL, OTPC, MSEZ, DSEZ, PMHBL, etc. are also doing well within the given circumstances.

In line with the evolving energy landscape, where energy transition is fast becoming a reality, we are making our core activities less energy-intensive. We also making efforts to have significant presence in low-carbon opportunities. Our recent MoUs with SECI, Equinor and Greenko are steps in this direction. Our focused approach on energy efficiency, renewable energy and carbon offset projects has helped reduce our emission intensity by 19.2 per cent over 2015-16. The scope-1 and scope-2 emissions during FY'22 was 9.136 MMTCO2e, a reduction of about 3 per cent from the previous year.

Your Company is well positioned to continue its growth journey in FY'23 and is pivoting towards a more sustainable and value-accretive energy entity, while remaining abundantly relevant to the country's evolving energy ecosystem.

Your Company is committed to conduct its business in a legal, ethical and transparent manner and observes the highest corporate governance practices. Corporate Governance Report forms part of the Annual Report and details out governance practices in the Company along with Certificate of Compliance of conditions of corporate governance.

I would like to acknowledge the crucial support and guidance of the Government of India, especially our administrative Ministry of Petroleum and Natural Gas.

I also place on record my deepest admiration for our employees – each and every ONGCian, who have worked tirelessly, relentlessly and fearlessly during these tough times.

Lastly, on behalf of the Board of your Company, I want to thank all our valued shareholders, for their continued trust and support. I am sure that our association will continue to add value and growth for the Company for years to come.

Jai Hind!

Sd/-
**Dr. Alka Mittal**
Chairman & Managing Director (Addl. Charge)


To be a global leader in integrated energy business through sustainable growth, knowledge excellence and exemplary governance practices


### World Class

- Dedicated to excellence by leveraging competitive advantages in R&D and technology with involved people.
- Imbibe high standards of business ethics and organizational values.
- Abiding commitment to safety, health and environment to enrich quality of community life.
- Foster a culture of trust, openness and mutual concern to make working a stimulating and challenging experience for our people.
- Strive for customer delight through quality products and services.

### Integrated in Energy Business

- Focus on domestic and international oil and gas exploration and production business opportunities.
- Provide value linkages in other sectors of energy business.
- Create growth opportunities and maximize shareholder value.

### Dominant Indian Leadership

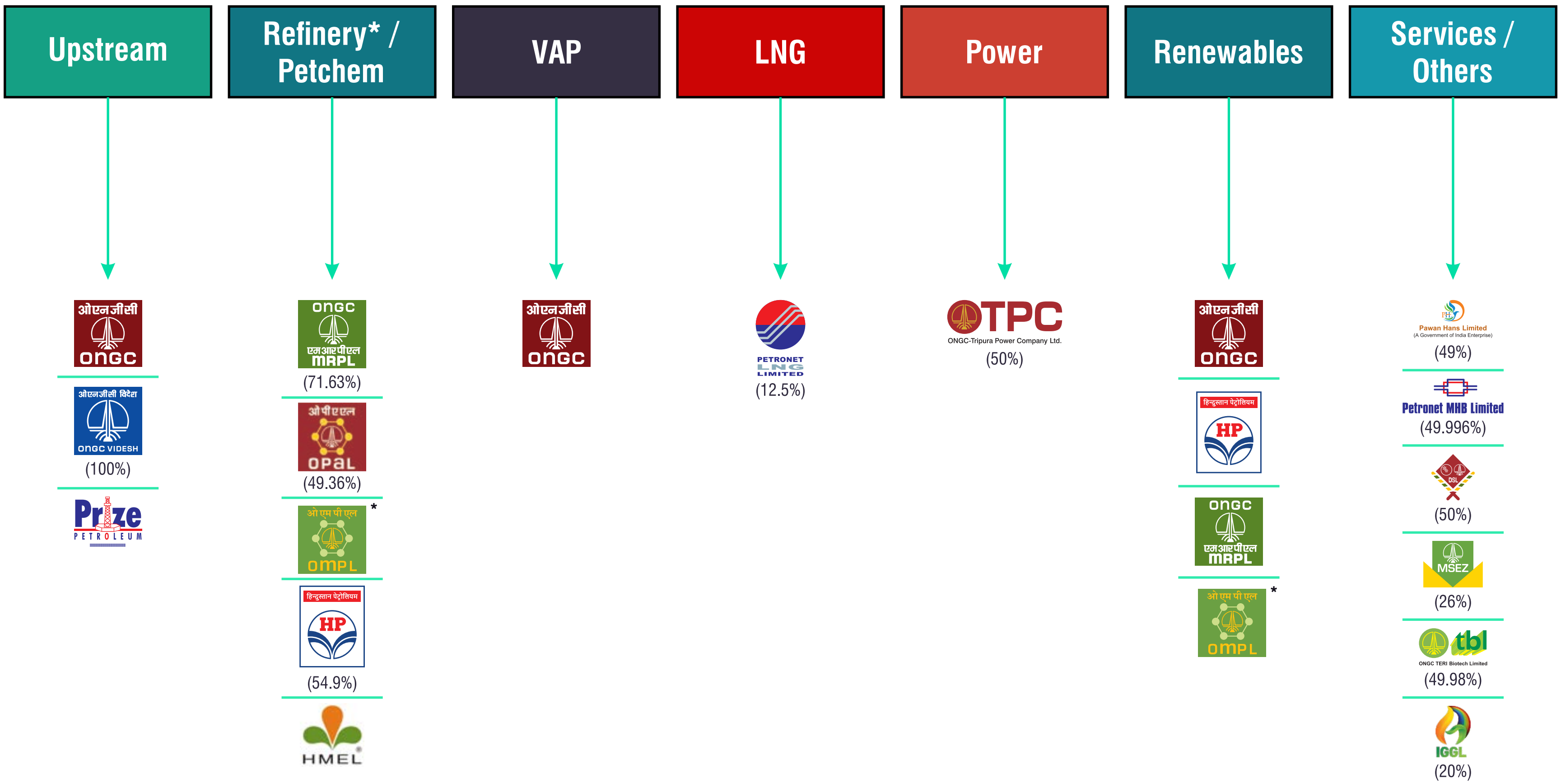
- Retain a dominant position in the Indian petroleum sector and enhance India's energy availability.

### Carbon Neutrality

- Strive to reduce $CO_2$ emissions across the activity chain with the objective of achieving carbon neutrality.

# ONGC Group

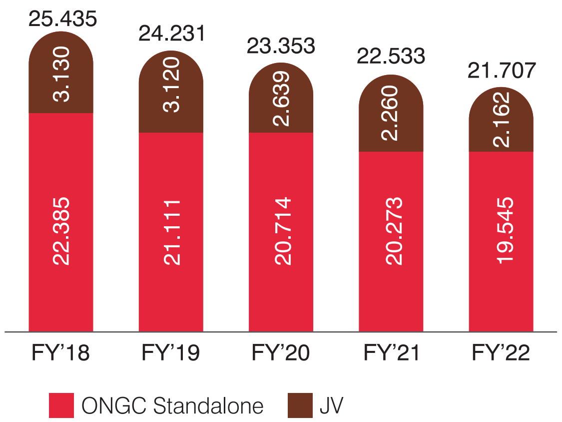
## Integrated Energy Company: Expanding Footprints in Energy Business



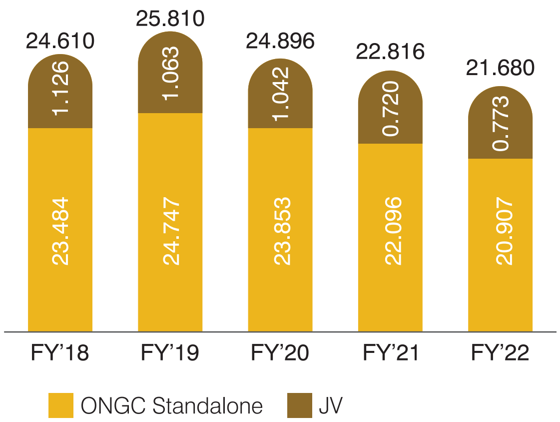

*Amalgamated with MRPL w.e.f. 1 April 2021

# OPERATIONAL HIGHLIGHTS

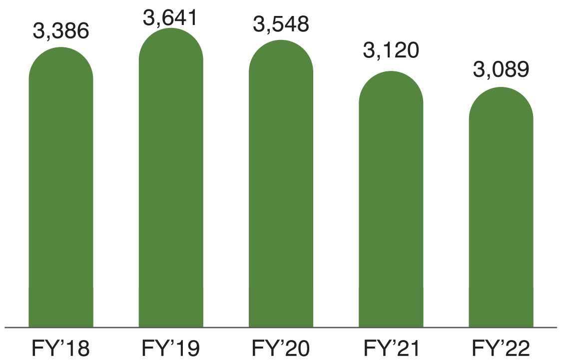
## Crude Oil Production (MMT)



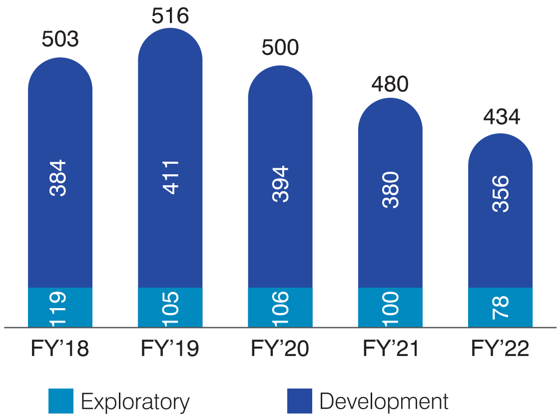

## Natural Gas Production (BCM)



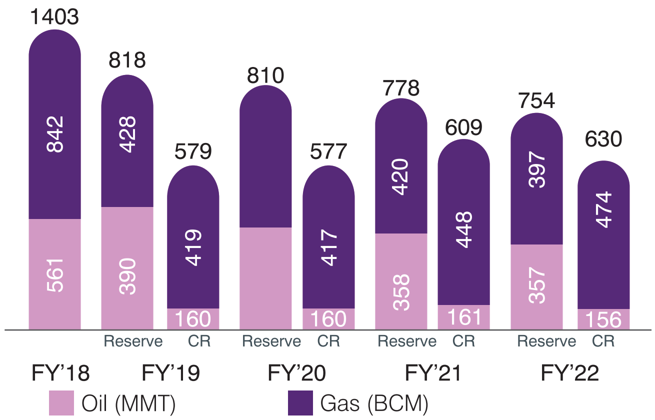

## VAP Production (KT)




## Wells Drilled (Number)

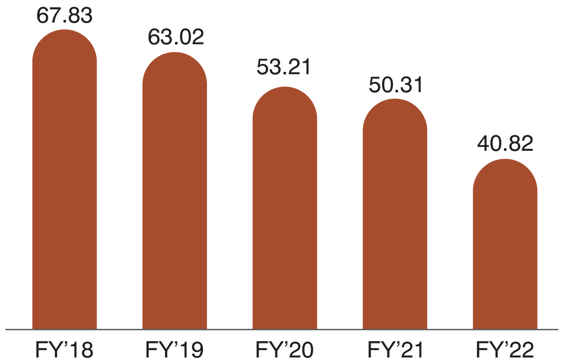



## Reserve & Contingent Resource (3P)




**Note:** FY'19 onwards, ONGC reports its reserves as per PRMS standard, wherein reserves are split into Reserves and Contingent Resource (CR)

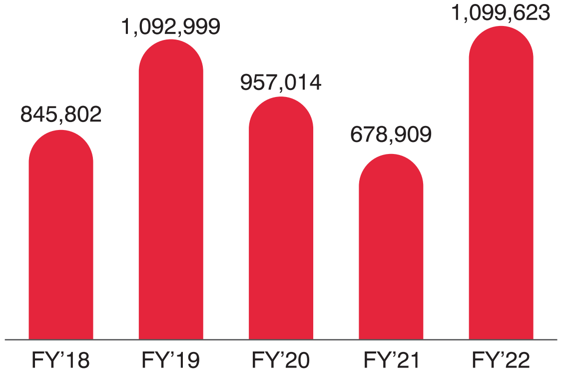
## Reserve Accretion (2P) MMTOE



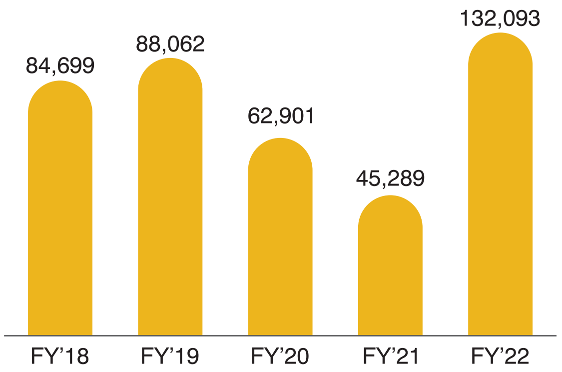

Not to Scale

# FINANCIAL HIGHLIGHTS

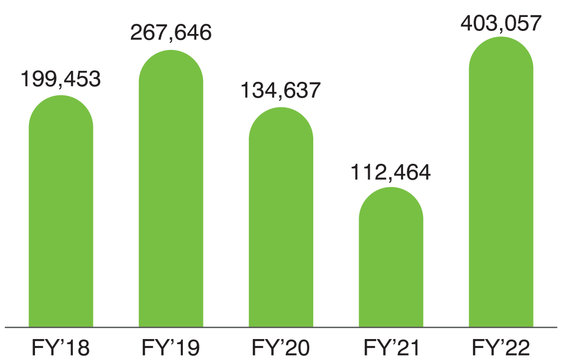
### Income from Sale of Products (₹ in Million)



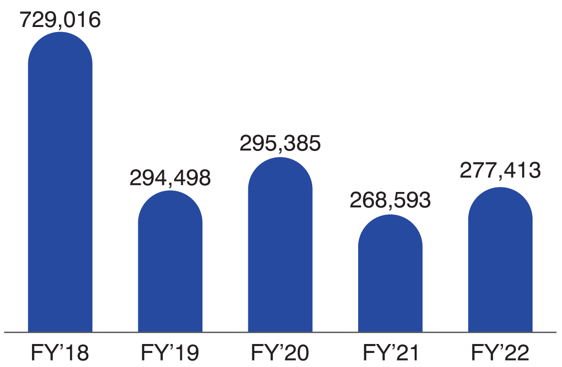

### Dividend (₹ in Million)




### Net Profit (₹ in Million)

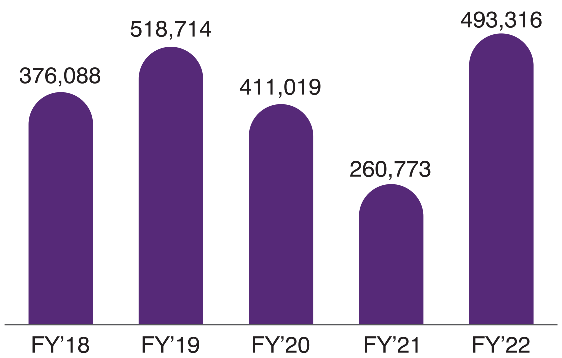



### Capex (₹ in Million)

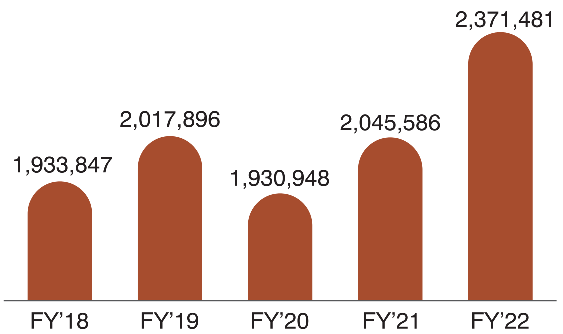



**Note:** In FY'18, capex includes acquisition cost of HPCL and GSPC Block

### Contribution to Exchequer (₹ in Million)




### Net Worth (₹ in Million)

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# Board of Directors

# BOARD OF DIRECTORS

**Dr. Alka Mittal**
CMD (Addl. Charge)/
Director (HR)

**Dr. Alka Mittal** is a post graduate in Economics, MBA (HRM) and a Doctorate in Commerce and Business Studies in the specialized area of Corporate Governance, having rich professional experience of India's Upstream Oil & Gas business. She is also a Non-Executive Director Diploma holder - Pearson SRF BTEC Level 7 Advanced Professional Diploma from FT, UK.

Dr. Mittal is Chairperson, ONGC group of Companies comprising of OVL, MRPL, OPaL, MSEZ and others. She is the President of UN Global Compact Network India and CEO of Hydrocarbon Sector Skill Council, Govt. of India. She is also on the Boards of a number of institutions and professional bodies, including IIM Trichy, RGIPT Amethi and National HRD Network.

Dr. Mittal is recipient of prestigious awards like Energy Woman of the Year Award at the Economic Times Energy Leadership Awards 2022 and Silver Stevie Award in the Woman of the Year category at the International Business Awards 2021.

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**Mr. Rajesh Kumar Srivastava** acquired Master of Science (Geology) from Lucknow University and M. Tech in Engineering Geology from Indian Institute of Technology, Kanpur and has rich experience of over 37 years.

Mr. Srivastava played a key role in the formulation of 'Hydrocarbon Vision-2030 for North East India' and has also evaluated several exploration and development blocks of Egypt and Sudan. As an acknowledgement of his contributions towards field development and hydrocarbon exploration, he was honored with the National Mineral Award in 2009. Mr. Srivastava has also successfully completed the FT Non-Executive Director Diploma Program in 2022. He also is the President of Indian Geological Congress for the tenure 2021 to 2022.

**Rajesh Kumar Srivastava**
Director (Exploration)

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**Om Prakash Singh**
Director (Technology &
Field Services)

**Mr. Om Prakash Singh** is a Mechanical Engineer having more than 34 years of proven management experience across Technical & Commercial roles. He is also a holder of prestigious Non-Executive Director Diploma course with distincion from Financial Times, UK.

He is also a Director on the Board of JVs of ONGC – OTPC and NETC.

A distinguished drilling engineer, Mr. Singh is well versed with national and international Exploration & Production business with extensive experience of both Offshore & Onshore operations. He has played major roles in handling the challenging deep-water drilling projects in India and overseas projects in Vietnam, Iran, Qatar and Brazil.

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**Mr. Anurag Sharma** is a Mechanical Engineering graduate from NIT Allahabad with a Masters Degree in Business Administration from FMS, Delhi. He is also a Non-Executive Director Diploma holder from Financial Times, UK.

Mr. Sharma joined ONGC in 1984 and progressed through a number of domestic and international assignment for ONGC and ONGC Videsh Ltd. With a vast industry knowledge and global business experience, he immensely contributed in Business Development and Project Management for ONGC Videsh in CIS and SE Asia. He handled the challenging offshore Vietnam projects and headed RIG Russia.

Mr. Sharma also spearheaded the flagship 'Make in India' and Start-up India' initiatives in ONGC. He served as Asset Manager, Cauvery prior to taking up the current position of Director (Onshore), ONGC. His ascent signifies his passion, commitment and hard work.

Mr. Sharma also serves as a member on the boards of Dahej SEZ and Manglore SEZ Ltd. He also chairs the board of PMHBL.

**Anurag Sharma**
Director (Onshore)

**Pankaj Kumar**
Director (Offshore)

**Mr. Pankaj Kumar** holds a Bachelor's degree in Chemical Engineering from University of Roorkee (now IIT Roorkee) and Master's degree in Process Engineering from IIT Delhi. He completed Advance Management Program at IIM, Bengaluru and Leadership Development Program at IIM, Calcutta.

Mr. Kumar is a thorough Oil & Gas industry professional with more than 34 years of experience across ONGC's business functions. He immensely contributed in formulation of ONGC's Long Term Growth Strategy: Energy Strategy 2040.

**Mrs. Pomila Jaspal** is a Fellow Member and Gold Medalist of the Institute of Cost Accountants of India. She is a recipient of the Late Mrs Dhanpati Goel Gold Medal from the Institute. She has obtained a degree in B.Com. (Hons) from MCM DAV College, Chandigarh, and M.Com. from Punjab University.

Mrs. Pomila Jaspal was previously Director (Finance) in Mangalore Refinery and Petrochemicals Ltd, listed subsidiary of ONGC since October 2019.

She has 36 years of experience across varied segments of the oil & gas industry, encompassing operating, regulatory and policy aspects of upstream and downstream industry.

**Pomila Jaspal**
Director (Finance)

**G. Srinivas**
Govt. Nominee Director

**Mr. G. Srinivas**, an IAS officer of 1990 batch, is Additional Secretary & Financial Adviser, Ministry of Consumer Affairs, Food & Public Distribution and holding charge of Ministry of Petroleum & Natural Gas. He has done B.Tech. (Civil Engg.), M.E. (Civil Engg.) and Management Programme in Public Policy from Indian School of Business.

Mr. Srinivas has worked both in Central Government and Odisha State Government. He has also worked as Managing Director, Markfed; Project Director, ICDS in the undivided State Government of Andhra Pradesh while on deputation.

Mr. Srinivas also serves on the Boards of Food Corporation of India, Bharat Petroleum Corporation Limited and Indian Strategic Petroleum Reserves Ltd. Earlier he was on the Boards of Hindustan Copper Limited, Hindustan Zinc Limited, Bharat Aluminium Company and Orissa Rail Infrastructural Development Limited.

**Mr. Syamchand Ghosh** has a Master's Degree in Economics and also B.Ed. from North Bengal University. Mr. Ghosh is a social worker and Educationist.

**Syamchand Ghosh**
Independent Director

**V Ajit Kumar Raju**
Independent Director

**Mr. V Ajit Kumar Raju** is a practising Chartered Accountant with more than 21 years of professional experience. He is a Partner at M/s D M Associates, Chartered Accountants.

Mr. Raju is Fellow Member of the Institute of Chartered Accountants of India (ICAI), B Com. (Hons.) with First Division and also FICO in SAP.

**Mr. Manish Pareek** is a practising Advocate, a writer and a dynamic debater. He is a Law Graduate and also Masters in Business Administration from Rajasthan University, Jaipur. In addition, he holds Post Graduation Diploma in Labour Laws.

Mr. Pareek is former Deputy Mayor of Jaipur and has rich experience in law-making.

**Manish Pareek**
Independent Director

**Reena Jaitly**
Independent Director

**Ms. Reena Jaitly** is Graduate of Arts from Gurunanak Dev University, Punjab. She is Ex-Nominee Director/Chairperson of Punjab State Forest Development Corporation Limited, a Punjab State Government Company. She is a social worker.

**Dr Prabhaskar Rai** is a professor of psychology and has experience of teaching graduate and postgraduate students for the last 33 years. Presently, he is principal of LR Degree College Jasrana, Firozabad, UP. His research area is social psychology and psychology of personality.

He is the recipient of two national awards in psychology i.e. Mrs. Varalakshmi and Prof. Rajamancken Veteran Eminent Psychological Award 2016 and A B Vajpayee National Development Award 2017. He has also served as Associate NCC officer for 27 years and received 1 National and 2 State awards in the field of NCC.

**Dr Prabhaskar Rai**
Independent Director

**Dr. Madhav Singh**
Independent Director

**Dr. Madhav Singh** is a practising doctor by profession and also a social worker, a debater and a human resource management coordinator. Dr. Singh completed his MBBS degree from SMS Medical College Jaipur.

Dr. Singh started his career with the Government of Rajasthan in 1991 and took voluntary retirement in 2002. Subsequently, he settled in Shrimadhopur (Sikar) and has been actively involved in social services by providing medical services to underprivileged people.

# 10 Years' Standalone Performance at a Glance

## Standalone Performance at a Glance

| (₹ in million unless otherwise stated) | 2021-22 | 2020-21 | 2019-20 * | 2018-19 * | 2017-18 | 2016-17 | 2015-16 * | 2014-15 | 2013-14 | 2012-13 |
|---|---|---|---|---|---|---|---|---|---|---|
| **PHYSICAL** | | | | | | | | | | |
| **Quantity Sold (Other than Trading)** | | | | | | | | | | |
| -Crude Oil (MMT) | 20.30 | 20.71 | 21.34 | 22.50 | 23.67 | 23.86 | 24.15 | 24.11 | 23.61 | 23.69 |
| -Natural Gas (MMM3) | 16,753 | 17,694 | 19,423 | 20,485 | 19,494 | 17,935 | 17,100 | 17,983 | 19,633 | 20,160 |
| -LPG (000' Tonnes) | 883 | 1,011 | 1,011 | 1,109 | 1,186 | 1,352 | 1,191 | 1,090 | 1,073 | 1,005 |
| -Naphtha/ARN (000' Tonnes) | 964 | 915 | 1,177 | 1,154 | 1,180 | 1,087 | 1,065 | 1,124 | 1,379 | 1,520 |
| -Ethane-Propane (C2-C3)/ Ethane/ Propane / Butane (000' Tonnes) | 1,127 | 1,005 | 1,225 | 1,192 | 914 | 673 | 401 | 337 | 428 | 425 |
| **FINANCIAL** | | | | | | | | | | |
| Revenue from Operations | 1,103,454 | 681,411 | 962,136 | 1,096,546 | 850,041 | 779,078 | 777,417 | 830,935 | 842,028 | 833,090 |
| Dividend Income | 42,519 | 30,630 | 24,664 | 31,054 | 37,810 | 16,969 | 5,712 | 4,890 | 3,744 | 4,615 |
| Other Non Operating Income | 22,637 | 40,795 | 41,438 | 41,598 | 41,026 | 59,794 | 64,382 | 48,775 | 63,388 | 49,752 |
| **Total Revenues** | 1,168,610 | 752,836 | 1,028,238 | 1,169,198 | 928,877 | 855,841 | 847,511 | 884,600 | 909,160 | 887,457 |
| Statutory Levies | 279,322 | 164,237 | 225,708 | 265,004 | 200,984 | 208,658 | 195,306 | 230,993 | 229,607 | 223,614 |
| Operating Expenses ^ | 224,749 | 189,047 | 243,558 | 236,852 | 208,863 | 210,345 | 202,995 | 168,176 | 167,582 | 173,925 |
| Exploration Costs written off | 55,083 | 63,855 | 86,837 | 87,569 | 70,318 | 50,545 | 56,643 | 105,224 | 78,357 | 100,431 |
| Purchases | - | - | - | - | - | 26 | 72 | 44 | 32 | 31 |
| Profit Before Interest, Depreciation & Tax (PBIDT) | 609,456 | 335,697 | 472,135 | 579,773 | 448,712 | 386,267 | 392,495 | 380,163 | 433,582 | 389,456 |
| Depreciation, Depletion, Amortisation and Impairment | 175,457 | 163,274 | 186,169 | 154,561 | 144,702 | 121,895 | 110,999 | 114,583 | 109,259 | 83,736 |
| Profit Before Interest & Tax (PBIT) | 433,999 | 172,423 | 285,966 | 425,212 | 304,010 | 264,372 | 281,496 | 265,580 | 324,323 | 305,720 |
| Finance Cost | 23,599 | 22,145 | 33,097 | 24,921 | 15,085 | 12,217 | 13,242 | 28 | 4 | 277 |
| **Profit before Tax and Exceptional Items** | 410,400 | 150,278 | 252,869 | 400,291 | 288,925 | 252,155 | 268,254 | 265,552 | 324,319 | 305,443 |
| Exceptional items | - | 13,750 | (48,990) | - | - | - | (32,266) | - | - | - |
| **Profit before Tax** | 410,400 | 164,028 | 203,879 | 400,291 | 288,925 | 252,155 | 235,988 | 265,552 | 324,319 | 305,443 |
| Corporate Tax | 7,343 | 51,564 | 69,242 | 132,645 | 89,472 | 73,155 | 74,589 | 88,222 | 103,371 | 96,186 |
| **Net Profit (PAT)** | 403,057 | 112,464 | 134,637 | 267,646 | 199,453 | 179,000 | 161,399 | 177,330 | 220,948 | 209,257 |
| Dividend | 114,481 | 22,015 | 72,337 | 95,952 | 77,642 | 95,180 | 49,194 | 81,277 | 81,277 | 81,277 |
| Tax on Dividend | - | - | 12,014 | 16,845 | 11,521 | 19,354 | 10,005 | 16,256 | 13,807 | 13,012 |
| Share Capital | 62,901 | 62,901 | 62,902 | 62,902 | 64,166 | 64,166 | 42,778 | 42,778 | 42,778 | 42,778 |
| Reserve & Surplus | 2,167,506 | 1,879,201 | 1,789,084 | 1,754,295 | 1,653,940 | 1,544,524 | 1,504,433 | 1,403,232 | 1,324,472 | 1,201,755 |
| Net Worth (Equity) | 2,371,481 | 2,045,586 | 1,930,948 | 2,017,896 | 1,933,847 | 1,855,384 | 1,657,747 | 1,436,229 | 1,356,311 | 1,229,674 |
| Borrowings | 63,969 | 150,226 | 139,491 | 215,936 | 255,922 | - | - | 13,930 | - | - |
| Working Capital | (6,750) | (50,524) | (210,589) | (183,718) | (278,453) | 70,395 | 98,942 | 94,232 | 104,061 | 124,714 |
| Capital Employed | 1,349,661 | 1,159,394 | 1,062,842 | 1,091,861 | 984,459 | 1,185,309 | 1,112,137 | 1,144,995 | 1,094,412 | 1,017,636 |
| Internal Resources Generation | 363,701 | 249,075 | 382,274 | 334,020 | 353,474 | 281,916 | 404,040 | 218,699 | 327,545 | 217,402 |
| Capex | 277,413 | 268,593 | 295,385 | 294,498 | 729,016 | 280,064 | 301,104 | 299,975 | 324,695 | 295,079 |
| Contribution to Exchequer | 493,316 | 260,773 | 411,019 | 518,714 | 376,088 | 387,341 | 345,192 | 421,074 | 405,750 | 408,806 |
| Expenditure on Employees | 110,821 | 101,265 | 115,124 | 121,130 | 113,811 | 115,508 | 86,970 | 86,299 | 104,051 | 103,302 |
| Number of Employees | 27,165 | 28,479 | 30,105 | 31,065 | 32,265 | 33,660 | 33,927 | 33,185 | 33,911 | 32,923 |
| **FINANCIAL PERFORMANCE RATIOS** | | | | | | | | | | |
| PBIDT to Turnover (%) | 55.2 | 49.3 | 49.1 | 52.9 | 52.8 | 49.6 | 50.5 | 45.8 | 51.5 | 46.7 |
| PBDT to Turnover (%) | 53.1 | 46.0 | 45.6 | 50.6 | 51.0 | 48.0 | 48.8 | 45.7 | 51.5 | 46.7 |
| Profit Margin(%)- incl. exceptional item | 36.5 | 16.5 | 14.0 | 24.4 | 23.5 | 23.0 | 20.8 | 21.3 | 26.2 | 25.1 |
| Contribution to Exchequer to Turnover (%) | 44.7 | 38.3 | 42.7 | 47.3 | 44.2 | 49.7 | 44.4 | 50.7 | 48.2 | 49.1 |
| Return on Capital Employed (%) (ROCE) | 29.01 | 12.23 | 24.59 | 36.10 | 27.04 | 20.87 | 24.80 | 22.77 | 29.29 | 29.59 |

| (₹ in million unless otherwise stated) | 2021-22 | 2020-21 | 2019-20 * | 2018-19 * | 2017-18 | 2016-17 | 2015-16 * | 2014-15 | 2013-14 | 2012-13 |
|---|---|---|---|---|---|---|---|---|---|---|
| Return on Capital Employed (%) (ROCE) -incl. exceptional items | 29.01 | 13.42 | 19.98 | 36.10 | 27.04 | 20.87 | 21.90 | 22.77 | 29.29 | 29.59 |
| Net Profit to Equity (%)- incl. exceptional item | 17.0 | 5.5 | 7.0 | 13.3 | 10.3 | 9.6 | 9.7 | 12.3 | 16.3 | 17.0 |
| **BALANCE SHEET RATIOS** | | | | | | | | | | |
| Current Ratio | 0.98 : 1 | 0.86 : 1 | 0.56 : 1 | 0.61 : 1 | 0.44 : 1 | 1.55:1 | 1.72:1 | 1.46:1 | 1.55:1 | 1.72:1 |
| Debt Equity Ratio | 0.03 : 1 | 0.07 : 1 | 0.07 : 1 | 0.11 : 1 | 0.13 : 1 | - | - | 0.0096:1 | - | - |
| Debtors Turnover Ratio(Days) | 32 | 34 | 25 | 27 | 31 | 28 | 45 | 48 | 33 | 30 |
| **PER SHARE DATA** | | | | | | | | | | |
| Earning Per Share (₹) # | 32.04 | 8.94 | 10.7 | 20.9 | 15.54 | 13.95 | 12.58 | 13.82 | 17.22 | 16.31 |
| Dividend (%) | 210 | 72 | 100 | 140 | 132 | 121 | 170 | 190 | 190 | 190 |
| Book Value Per Share(₹) (Restated) # | 189 | 163 | 153 | 160 | 151 | 145 | 129 | 112 | 106 | 96 |

* Restated

** The figures of 2014-15 are given as per requirements of Schedule-III to the Companies Act, 2013, figures for FY 2012-13 and FY 2013-14 are given as per the requirement of revised Schedule VI to the Companies Act, 1956. Figures of FY 2015-16 to FY 2021-22 are given as per requirment of Ind AS Compliant Schedule-III to the Companies Act, 2013.

# In accordance with Ind AS 33 ‘Earnings per Share’, earnings per equity share have been adjusted for bonus issue and split for all years. The book value per share has also been adjusted post bonus & split.

^ Includes Accretion/ Decretion in stock, Provisions & Write-offs.

**Note:**

1. Turnover = Revenue from Operations.
2. Capital Employed = Net Working Capital + Net Non Current Assets excluding Capital work in progress, Exploratory/Developments wells & Investments.
3. Equity (Net Worth) = Equity Share Capital & Other Equity attributable to Owners of the Company.
4. Borrowings = Non-current Borrowings + Current Borrowings.
5. Profit Margin (%) = Profit after tax for the year/Turnover.
6. Working Capital = Current Assets (Excluding Investment) - Current Liablities .
7. ROCE = Profit Before Interest, Dividend Income & Tax (PBIT excluding Dividend income) / Capital Employed.
8. Current Ratio = Current Assets (Including Current Investment) / Current Liablities.
9. Debt Equity Ratio = Total Debt (Non-current & current) / Equity (Net Worth).
10. Net Profit to Equity (%) = Profit after tax for the year / Equity (Net Worth).
11. Debtor Turnover Ratio (days) = (Average Receivables/Revenue from Operaions)*365
12. Earning per share = Profit after Tax attributable to Owners of the Company / No. of Equity Shares.
13. Book vale per share = Equity (Net Worth) / No. of Equity Shares.

Seismic data acquisition in the Arabian Sea; over 70 per cent of ONGC’s production comes from harnessing the high seas

## Statement of Income and Retained Earnings

| (₹ in million) | 2021-22 | 2020-21 | 2019-20 * | 2018-19 * | 2017-18 | 2016-17 | 2015-16 * | 2014-15 | 2013-14 | 2012-13 |
|---|---|---|---|---|---|---|---|---|---|---|
| **REVENUES** | | | | | | | | | | |
| **Sales #** | | | | | | | | | | |
| Crude Oil (Including Condensate) | 836,612 | 479,338 | 648,363 | 775,729 | 603,899 | 548,036 | 511,316 | 536,638 | 525,734 | 533,269 |
| Natural Gas (incl. Gas Marketing Margin) | 124,414 | 114,216 | 193,556 | 188,389 | 137,372 | 139,398 | 182,239 | 187,381 | 183,291 | 165,400 |
| Liquified Petroleum Gas (LPG)-Domestic Market | 46,752 | 31,973 | 36,038 | 43,490 | 40,352 | 37,276 | 34,951 | 34,380 | 30,145 | 31,484 |
| Ethane-Propane (C2-C3)/ Ethane/ Propane / Butane | 36,715 | 23,962 | 32,551 | 32,590 | 24,226 | 17,264 | 9,441 | 10,064 | 14,837 | 13,440 |
| Naphtha | 50,640 | 26,081 | 39,863 | 46,861 | 38,084 | 30,455 | 30,609 | 50,835 | 75,743 | 76,804 |
| Kerosene (SKO) | 880 | 837 | 2,465 | 3,355 | 1,178 | 1,321 | 2,118 | 2,771 | 2,779 | 3,686 |
| HSD | 1,018 | 1,531 | 2,390 | 1,155 | - | 421 | 406 | 312 | 522 | 170 |
| LSHS (Low sulpher heavy stock)/RCO (Residual Crude oil) | 839 | 538 | 747 | 694 | 482 | 562 | 412 | 705 | 1,295 | 1,063 |
| Aviation Turbine Fuel | 1,544 | 336 | 889 | 519 | - | - | - | 286 | 220 | 318 |
| Others | 209 | 97 | 152 | 217 | 209 | 131 | 76 | 56 | 87 | 38 |
| **Sub- Total** | 1,099,623 | 678,909 | 957,014 | 1,092,999 | 845,802 | 774,864 | 771,568 | 823,428 | 834,653 | 825,672 |
| Sale of Traded Products | - | - | - | - | - | 31 | 84 | 60 | 44 | 43 |
| Other Operating Income | 3,831 | 2,502 | 5,122 | 3,547 | 4,239 | 4,183 | 5,765 | 7,447 | 7,331 | 7,375 |
| **Revenue from Operations** | **1,103,454** | **681,411** | **962,136** | **1,096,546** | **850,041** | **779,078** | **777,417** | **830,935** | **842,028** | **833,090** |
| Dividend Income | 42,519 | 30,630 | 24,664 | 31,054 | 37,810 | 16,969 | 5,712 | 4,890 | 3,744 | 4,615 |
| Other Non Operating Income | 22,637 | 40,795 | 41,438 | 41,598 | 41,026 | 59,794 | 64,382 | 48,775 | 63,388 | 49,752 |
| **Total Revenues** | 1,168,610 | 752,836 | 1,028,238 | 1,169,198 | 928,877 | 855,841 | 847,511 | 884,600 | 909,160 | 887,457 |
| EXPENSES | | | | | | | | | | |
| Royalty | 136,057 | 81,354 | 115,076 | 134,600 | 99,090 | 115,748 | 89,591 | 116,079 | 114,890 | 108,094 |
| OIDB Cess | 141,261 | 80,187 | 107,878 | 128,568 | 99,638 | 89,045 | 101,916 | 102,535 | 99,734 | 99,971 |
| Motor Spirit Cess | - | - | - | - | - | - | - | - | 3 | - |
| Natural Calamity Contingent Duty | 974 | 989 | 1,020 | 1,063 | 1,122 | 1,129 | 1,137 | 1,123 | 1,097 | 1,101 |
| Excise Duty | 265 | 539 | 478 | 268 | 410 | 2,093 | 1,990 | 2,206 | 3,076 | 3,093 |
| Road and Infrastructure Cess | 222 | 734 | 910 | 183 | | | | | | |
| Sales Tax # | - | - | - | - | - | - | - | 2,586 | 3,123 | 3,834 |
| Service Tax | - | - | - | - | 334 | 289 | 339 | 290 | 439 | 353 |
| Education cess | - | - | - | - | - | - | - | 91 | 2,348 | 3,111 |
| Octroi and Port Trust Charges # | 543 | 434 | 346 | 322 | 390 | 354 | 333 | 6,083 | 4,897 | 4,057 |
| **Sub-total** | **279,322** | **164,237** | **225,708** | **265,004** | **200,984** | **208,658** | **195,306** | **230,993** | **229,607** | **223,614** |
| Operating Expenses | 217,889 | 189,525 | 215,840 | 226,386 | 206,602 | 210,082 | 197,672 | 163,654 | 165,833 | 153,839 |
| Exchange Loss-Net | 2,984 | - | 16,772 | 4,769 | - | - | 1,033 | 241 | 1,021 | 922 |
| Purchases | - | - | - | - | - | 26 | 72 | 44 | 32 | 31 |
| (Accretion) / Decretion in stock | (1,429) | (4,264) | 2,470 | (1,665) | (630) | (1,329) | 352 | (1,674) | 1,043 | (230) |
| **Exploration Costs written off** | | | | | | | | | | |
| -Survey Costs | 17,644 | 17,245 | 16,879 | 18,514 | 14,801 | 17,549 | 15,274 | 19,146 | 15,912 | 15,668 |
| -Exploratory well Costs | 37,439 | 46,610 | 69,958 | 69,055 | 55,517 | 32,996 | 41,369 | 86,078 | 62,445 | 84,763 |
| **Depreciation, Depletion, Amortisation and Impairment** | 175,457 | 163,274 | 186,169 | 154,561 | 144,702 | 121,895 | 110,999 | 114,583 | 109,259 | 83,736 |
| Provisions and Write-offs | 5,305 | 3,786 | 8,476 | 7,362 | 2,891 | 1,592 | 3,938 | 2,116 | 2,189 | 18,863 |
| Prior Period Expenses (Net) | - | - | - | - | - | - | - | 3,839 | (2,504) | 531 |
| **Total Expenses** | **734,611** | **580,413** | **742,272** | **743,986** | **624,867** | **591,469** | **566,015** | **619,020** | **584,837** | **581,737** |

| (₹ in million) | 2021-22 | 2020-21 | 2019-20 * | 2018-19 * | 2017-18 | 2016-17 | 2015-16 * | 2014-15 | 2013-14 | 2012-13 |
|---|---|---|---|---|---|---|---|---|---|---|
| Operating Income Before Interest &Tax | 433,999 | 172,423 | 285,966 | 425,212 | 304,010 | 264,372 | 281,496 | 265,580 | 324,323 | 305,720 |
| Finance Cost | 23,599 | 22,145 | 33,097 | 24,921 | 15,085 | 12,217 | 13,242 | 28 | 4 | 277 |
| **Profit before Tax and Exceptional Items** | 410,400 | 150,278 | 252,869 | 400,291 | 288,925 | 252,155 | 268,254 | 265,552 | 324,319 | 305,443 |
| Exceptional items | - | 13,750 | (48,990) | - | - | - | (32,266) | - | - | - |
| Profit before Tax | 410,400 | 164,028 | 203,879 | 400,291 | 288,925 | 252,155 | 235,988 | 265,552 | 324,319 | 305,443 |
| **Corporate Tax ( Net)** | 7,343 | 51,564 | 69,242 | 1,32,645 | 89,472 | 73,155 | 74,589 | 88,222 | 1,03,371 | 96,186 |
| **Profit after Tax** | 403,057 | 112,464 | 134,637 | 267,646 | 199,453 | 179,000 | 161,399 | 177,330 | 220,948 | 209,257 |
| Other comprehensive income (OCI) | 37,319 | 24,189 | (124,609) | (17,988) | (31,827) | 1,33,171 | 6,120 | - | - | - |
| **Total Comprehensive Income for the year** | **440,376** | **136,653** | **10,028** | **249,658** | **167,626** | **312,171** | **167,519** | **177,330** | **220,948** | **209,257** |
| **Retained Earnings at beginning of the year*** | 9,191 | (5,525) | 9,779 | 24,831 | 25,704 | 28,692 | (691) | - | - | - |
| Effect of Restatement | - | - | (12,625) | (12,518) | - | - | - | - | - | - |
| Profit after tax for the year | 403,057 | 112,464 | 134,637 | 267,646 | 199,453 | 179,000 | 161,399 | 177,330 | 220,948 | 209,257 |
| Other comprehensive income arising from re-measurement of defined benefit obligation, net of income tax | (271) | (333) | (2,871) | (2,946) | (873) | (2,988) | (297) | - | - | - |
| Dividend | 114,481 | 22,015 | 72,337 | 95,952 | 77,642 | 95,180 | 49,194 | 81,277 | 81,277 | 81,277 |
| Tax on Dividend | - | - | 12,014 | 16,845 | 11,521 | 19,354 | 10,005 | 16,256 | 13,807 | 13,012 |
| Expenses relating to buyback of equity shares | - | - | - | 75 | - | - | - | - | - | - |
| Transfer to General Reserve | 288,576 | 75,400 | 50,094 | 154,362 | 110,290 | 64,466 | 72,520 | 79,797 | 125,864 | 114,968 |
| **Retained Earnings at end of the year** | 8,920 | 9,191 | (5,525) | 9,780 | 24,831 | 25,704 | 28,692 | - | - | - |

* Restated

** The figures of 2014-15 are given as per requirements of Schedule-III to the Companies Act, 2013, figures for FY 2012-13 and FY 2013-14 are given as per the requirement of revised Schedule VI to the Companies Act, 1956. Figures of FY 2015-16 to FY 2021-22 are given as per requirment of Ind AS Compliant Schedule-III to the Companies Act, 2013.

# Sales are presented net of sales tax and Octroi with effect from 2015-16 as per the requirements of Indian Accounting Standards.


Hon'ble Minister of Petroleum and Natural Gas & Housing and Urban Affairs Hardeep Singh Puri dedicating to the Nation, ONGC NWIS-R platform and Low salinity water injection facility on the Arabian Sea

ONGC

## Statement of Financial Position

| (₹ in million) | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2020 | As at March 31, 2019 | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
|---|---|---|---|---|---|---|---|
| **RESOURCES** | | | | | | | |
| **A. Own (Net Worth)** | | | | | | | |
| **1) Equity** | | | | | | | |
| i) Equity share capital | 62,901 | 62,901 | 62,902 | 62,902 | 64,166 | 64,166 | 42,778 |
| ii) Other Equity | | | | | | | |
| (a) Reserve for equity instruments through other Comprehensive income | 141,074 | 103,484 | 78,962 | 200,699 | 215,741 | 246,694 | 110,536 |
| (b) Others | 2,167,506 | 1,879,201 | 1,789,084 | 1,754,295 | 1,653,940 | 1,544,524 | 1,504,433 |
| **Total other equity** | **2,308,580** | **1,982,685** | **1,868,046** | **1,954,994** | **1,869,681** | **1,791,218** | **1,614,969** |
| **Net worth (A) #** | **2,371,481** | **2,045,586** | **1,930,948** | **2,017,896** | **1,933,847** | **1,855,384** | **1,657,747** |
| **B.Non-current Borrowings** | **63,969** | **63,275** | **22,451** | **-** | **-** | **-** | **-** |
| C. Deferred Tax Liability (net) | 197,333 | 274,734 | 263,441 | 274,261 | 262,592 | 221,632 | 192,973 |
| **TOTAL RESOURCES ( A+ B + C )** | **2,632,783** | **2,383,595** | **2,216,840** | **2,292,157** | **2,196,439** | **2,077,016** | **1,850,720** |
| **DISPOSITION OF RESOURCES** | | | | | | | |
| **A. Non-current assets** | | | | | | | |
| **1) Block Capital** | | | | | | | |
| a) Oil and Gas Assets ^ | 1,168,778 | 1,106,791 | 1,084,767 | 1,121,178 | 1,102,648 | 955,312 | 856,787 |
| b) Other Property, Plant and Equipment ^ | 97,605 | 90,681 | 92,216 | 96,435 | 92,507 | 91,875 | 85,339 |
| c) Intangible assets | 1,824 | 2,172 | 1,810 | 1,745 | 1,129 | 883 | 665 |
| d) Right-of-use assets | 101,149 | 107,354 | 98,198 | - | | | |
| **Total Block Capital** | **1,369,356** | **1,306,998** | **1,276,991** | **1,219,358** | **1,196,284** | **1,048,070** | **942,791** |
| **2) Financial assets** | | | | | | | |
| a) Loans | 14,471 | 11,761 | 11,825 | 10,461 | 21,335 | 28,071 | 41,488 |
| b) Deposit under Site Restoration Fund Scheme | 246,306 | 233,587 | 221,522 | 180,926 | 159,912 | 145,387 | 135,592 |
| c) Others | 1,672 | 2,684 | 1,504 | 2,649 | 1,647 | 1,418 | 1,486 |
| **Total Financial assets** | **262,449** | **248,032** | **234,851** | **194,036** | **182,894** | **174,876** | **178,566** |
| 3) Other non-current assets (excl, capital advances) | 14,182 | 10,972 | 7,232 | 5,667 | 6,495 | 7,349 | 6,789 |
| 4) Non-current tax assets (net) | 84,270 | 76,558 | 90,431 | 94,272 | 99,464 | 87,763 | 74,316 |
| **Subtotal (A)** | **1,730,257** | **1,642,560** | **1,609,505** | **1,513,333** | **1,485,137** | **1,318,058** | **1,202,462** |
| **B. Non-current Liabilities** | | | | | | | |
| (a) Financial liabilities | 71,677 | 126,887 | 56,294 | 1,181 | 1,494 | 2,583 | 2,313 |
| (b) Provisions | 301,862 | 305,352 | 279,392 | 236,247 | 213,018 | 192,852 | 186,843 |
| (c) Other non-current liabilities | 307 | 403 | 388 | 326 | 7,713 | 7,709 | 111 |
| **Subtotal (B)** | **373,846** | **432,642** | **336,074** | **237,754** | **222,225** | **203,144** | **189,267** |
| **C. Net Non Current Assets (A)-(B)** | **1,356,411** | **1,209,918** | **1,273,431** | **1,275,579** | **1,262,912** | **1,114,914** | **1,013,195** |
| **D. Working Capital** | | | | | | | |
| **1) Current Assets** | | | | | | | |
| a) Inventories | 78,614 | 84,745 | 85,666 | 77,039 | 66,889 | 61,653 | 56,256 |

| (₹ in million) | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2020 | As at March 31, 2019 | As at March 31, 2018 | As at March 31, 2017 | As at March 31, 2016 |
|---|---|---|---|---|---|---|---|
| **b) Financial assets** | | | | | | | |
| i) Trade receivables | 117,885 | 77,973 | 47,774 | 84,400 | 77,726 | 64,762 | 54,314 |
| ii) Cash and Bank Balances | 2,362 | 3,026 | 9,682 | 5,041 | 10,127 | 95,108 | 99,566 |
| iii) Loans | 2,442 | 2,254 | 5,117 | 6,339 | 14,021 | 14,269 | 10,272 |
| iv) Others | 26,770 | 35,480 | 27,739 | 46,175 | 30,418 | 11,347 | 23,202 |
| c) Other current assets | 131,191 | 114,297 | 93,881 | 63,303 | 15,984 | 15,591 | 34,113 |
| **Assets classified as held for sale** | - | - | - | 1,154 | - | - | - |
| **Subtotal (1)** | **359,264** | **317,775** | **269,859** | **283,451** | **215,165** | **262,730** | **277,723** |
| **2) Current liabilities** | | | | | | | |
| **a) Financial liabilities** | | | | | | | |
| i) Current Borrowings | - | 86,951 | 117,040 | 215,936 | 255,922 | - | - |
| ii) Trade payables | 61,547 | 63,767 | 71,136 | 88,250 | 73,345 | 51,548 | 51,264 |
| iii) Others | 235,796 | 180,206 | 262,135 | 122,472 | 122,513 | 94,969 | 95,693 |
| b) Other current liabilities | 35,202 | 23,189 | 18,663 | 24,155 | 22,893 | 18,361 | 16,390 |
| c) Short-term provisions | 33,469 | 13,858 | 10,975 | 15,857 | 12,582 | 21,328 | 7,043 |
| d) Current tax liabilities (net) | - | 328 | 499 | 499 | 6,363 | 6,129 | 8,391 |
| **Subtotal (2)** | **366,014** | **368,299** | **480,448** | **467,169** | **493,618** | **192,335** | **178,781** |
| **Working Capital (D )= (1)-(2)** | **(6,750)** | **(50,524)** | **(210,589)** | **(183,718)** | **(278,453)** | **70,395** | **98,942** |
| **E. CAPITAL EMPLOYED (C+D)** | **1,349,661** | **1,159,394** | **1,062,842** | **1,091,861** | **984,459** | **1,185,309** | **1,112,137** |
| **F. Investments** | | | | | | | |
| i) Current investments | - | - | - | - | - | 36,343 | 30,032 |
| ii) Non-current investments | 851,732 | 813,764 | 790,855 | 848,815 | 857,308 | 505,154 | 368,278 |
| **G. Capital work-in-progress (incl, capital advances)** | 233,087 | 194,089 | 151,833 | 116,253 | 113,835 | 126,122 | 132,686 |
| **H. Exploratory/Development Wells in Progress** | 198,303 | 216,348 | 211,310 | 235,228 | 240,837 | 224,088 | 207,587 |
| **TOTAL DISPOSITION (E+F+G+H)** | **2,632,783** | **2,383,595** | **2,216,840** | **2,292,157** | **2,196,439** | **2,077,016** | **1,850,720** |

* Restated

** The figures of 2014-15 are given as per requirements of Schedule-III to the Companies Act, 2013, figures for FY 2012-13 and FY 2013-14 are given as per the requirement of revised Schedule VI to the Companies Act, 1956. Figures of FY 2015-16 to FY 2021-22 are given as per requirment of Ind AS Compliant Schedule-III to the Companies Act, 2013.

# Includes reserve for equity instruments through other comprehensive income

^ Note: As on transition date 1 April 2015, carrying value of assets pertaining to production & allied facilities have been regrouped from other Property Plant and Equipment to "Oil and Gas Assets" to reflect the aggregate amount of Oil and Gas Assets.

## Statement of Financial Position

| (₹ in million) | As at March 31, 2015 * | As at March 31, 2014 * | As at March 31, 2013 * |
|---|---|---|---|
| **RESOURCES** | | | |
| **A. Own** | | | |
| (a) Equity | | | |
| i) Share Capital | 42,778 | 42,778 | 42,778 |
| ii) Reserves & Surplus | 1,403,232 | 1,324,472 | 1,201,755 |
| **Sub-Total (a)** | **1,446,010** | **1,367,250** | **1,244,533** |
| (b) Less Deferred Revenue Expenditure | 9,781 | 10,939 | 14,859 |
| **Net Worth (a)-(b)** | **1,436,229** | **1,356,311** | **1,229,674** |
| **B. Deferred Tax Liability** | **177,332** | **165,787** | **128,880** |
| **TOTAL RESOURCES ( A+ B )** | **1,613,561** | **1,522,098** | **1,358,554** |
| **DISPOSITION OF RESOURCES** | | | |
| **A. Non-current assets** | | | |
| **1) Block Capital** | | | |
| a). Fixed Assets (Net)* | 314,907 | 302,792 | 274,835 |
| b). Producing Properties (Net)/Oil and Gas Assets* | 667,110 | 657,833 | 524,407 |
| **Total Block Capital** | **982,017** | **960,625** | **799,242** |
| **2) Long-term loans and advances (excl, capital advances)** | **193,177** | **181,718** | **221,454** |
| **3) Deposit under Site Restoration Fund Scheme** | **125,444** | **113,102** | **101,331** |
| **4) Other non-current assets (excl. DRE)** | **4,397** | **3,956** | **4,011** |
| **Subtotal (A)** | **1,305,035** | **1,259,401** | **1,126,038** |
| **B. Non-current Liabilities** | | | |
| 1) Long-term provisions: | | | |
| a) Provision for Abandonment | 227,138 | 228,022 | 177,052 |
| b) Other Long Term provisions | 26,494 | 29,178 | 44,823 |
| 2) Other Non-current liabilities | 640 | 11,850 | 11,242 |
| **Subtotal (B)** | **254,272** | **269,050** | **233,116** |
| **C. Net Non Current Assets (A)-(B)** | **1,050,763** | **990,351** | **892,922** |
| **D. Working Capital** | | | |
| a) Current Assets | | | |
| i) Inventories | 59,623 | 58,825 | 57,044 |
| ii) Trade receivables | 135,783 | 81,657 | 68,637 |
| iii) Cash and Bank Balances | 27,601 | 107,989 | 132,186 |
| iv) Short-term loans and advances | 69,477 | 43,670 | 37,021 |
| v) Other current assets (excl. DRE) | 4,933 | 2,718 | 4,565 |
| **Subtotal (a)** | **297,417** | **294,859** | **299,453** |
| b) Current liabilities | | | |
| i) Short-term borrowings | 13,930 | - | - |
| ii) Trade payables | 55,611 | 63,725 | 53,410 |
| iii) Other current liabilities | 112,867 | 119,262 | 112,227 |
| iv) Short-term provisions | 20,777 | 7,811 | 9,102 |
| **Subtotal (b)** | **203,185** | **190,798** | **174,739** |
| **Working Capital (D )= (a)-(b)** | **94,232** | **104,061** | **124,714** |
| **E. CAPITAL EMPLOYED (C+D)** | **1,144,995** | **1,094,412** | **1,017,636** |
| **F. Investments** | | | |
| i) Current investments | - | - | - |
| ii) Non-current investments | 181,244 | 172,042 | 91,731 |
| **G. Capital work-in-progress (incl, capital advances)** | **128,437** | **116,516** | **144,429** |
| **H. Exploratory/Development Wells in Progress** | **158,885** | **139,128** | **104,759** |
| **TOTAL DISPOSITION (E+F+G+H)** | **1,613,561** | **1,522,098** | **1,358,554** |

## Depreciation and Contribution to Exchequer

| (₹ in million) | 2021-22 | 2020-21 | 2019-20 * | 2018-19 * | 2017-18 | 2016-17 | 2015-16 * | 2014-15 | 2013-14 | 2012-13 |
|---|---|---|---|---|---|---|---|---|---|---|
| **DETAILS OF DEPRECIATION ALLOCATED TO:** | | | | | | | | | | |
| Survey | 773 | 729 | 1,107 | 783 | 550 | 430 | 433 | 589 | 448 | 567 |
| Exploratory Drilling | 10,666 | 17,780 | 15,891 | 2,646 | 4,894 | 4,111 | 2,729 | 3,284 | 2,506 | 1,335 |
| Development | 19,597 | 16,602 | 17,516 | 2,947 | 2,317 | 3,586 | 3,216 | 36,774 | 66,628 | 62,584 |
| Profit & Loss Account | 38,719 | 37,679 | 33,285 | 14,171 | 13,293 | 11,971 | 13,785 | 14,367 | 20,518 | 14,620 |
| Others | 152 | 220 | 530 | 308 | 389 | 768 | 535 | 298 | 162 | 114 |
| **Total** | **69,907** | **73,010** | **68,329** | **20,855** | **21,443** | **20,866** | **20,698** | **55,312** | **90,262** | **79,220** |
| **CONTRIBUTION TO EXCHEQUER** | | | | | | | | | | |
| **CENTRAL** | | | | | | | | | | |
| 1. Excise Duty | 265 | 539 | 478 | 268 | 411 | 2,093 | 1,990 | 2,207 | 3,076 | 3,093 |
| 2. Road and Infrastructure Cess | 223 | 494 | 408 | 183 | - | - | - | - | - | - |
| 3. OID Cess | 141,261 | 80,188 | 107,880 | 128,568 | 99,639 | 89,053 | 101,928 | 102,550 | 99,740 | 99,993 |
| 4. Natural Calamity Contingent Duty | 974 | 990 | 1,020 | 1,063 | 1,122 | 1,129 | 1,137 | 1,123 | 1,097 | 1,101 |
| 5. Royalty | 54,967 | 35,813 | 52,127 | 58,765 | 45,797 | 43,783 | 45,974 | 35,870 | 41,965 | 39,407 |
| 6. Education Cess | - | - | - | - | - | - | - | 91 | 2,349 | 3,112 |
| 7. Corporate Tax | | | | | | | | | | |
| a) On ONGC's Account | 89,760 | 42,050 | 70,487 | 111,423 | 61,331 | 42,915 | 55,843 | 76,152 | 67,646 | 79,285 |
| b) For Foreign Contractors | 6 | 9 | 20 | 14 | 8 | (7) | (38) | 25 | 36 | 11 |
| 8. Dividend # | 69,156 | 13,299 | 43,940 | 62,900 | 52,748 | 65,439 | 33,912 | 56,029 | 56,153 | 56,268 |
| 9. Tax on Dividend # | - | - | 12,014 | 16,845 | 11,521 | 19,354 | 10,005 | 16,256 | 13,807 | 13,012 |
| 10. Customs Duties | 679 | 1,009 | 1,514 | 1,096 | 636 | 2,200 | 151 | 77 | 87 | 75 |
| 11. Port Trust Charges | 1,335 | 1,311 | 914 | 970 | 1,219 | 1,148 | 1,062 | 984 | 884 | 923 |
| 12. Central Goods and Services Tax (CGST) | 4,016 | 2,523 | 3,128 | 3,292 | 2,054 | - | - | - | - | - |
| 13. Integrated Goods and Services Tax (IGST) | 1,903 | 2,254 | 2,519 | 3,842 | 2,411 | - | - | - | - | - |
| **Sub Total** | **364,545** | **180,479** | **296,449** | **389,229** | **278,897** | **267,107** | **251,964** | **291,364** | **286,840** | **296,280** |
| **STATE** | | | | | | | | | | |
| 1. Sales Tax/VAT | 41,640 | 30,212 | 46,942 | 50,180 | 39,117 | 40,212 | 44,006 | 43,765 | 41,344 | 40,144 |
| 2. Royalty | 81,097 | 45,547 | 62,983 | 75,839 | 53,298 | 72,007 | 43,639 | 80,194 | 72,971 | 68,699 |
| 3. Octroi Duties etc. | - | - | - | - | 2,424 | 8,015 | 5,583 | 5,751 | 4,592 | 3,683 |
| 4. Motor Sprit -CESS | - | 36 | 66 | 15 | - | - | - | - | 3 | - |
| 5. State Goods and Services Tax (SGST) | 4,051 | 2,530 | 3,431 | 3,292 | 2,352 | - | - | - | - | - |
| 6. Tripura Road Development Cess | 1,983 | 1,969 | 1,148 | 159 | - | - | - | - | - | - |
| **Sub Total** | **128,771** | **80,294** | **114,570** | **129,485** | **97,191** | **120,234** | **93,228** | **129,710** | **118,910** | **112,526** |
| **Grand Total** | **493,316** | **260,773** | **411,019** | **518,714** | **376,088** | **387,341** | **345,192** | **421,074** | **405,750** | **408,806** |

* Restated

** The figures of 2014-15 are given as per requirements of Schedule-III to the Companies Act, 2013, figures for FY 2012-13 and FY 2013-14 are given as per the requirement of revised Schedule VI to the Companies Act, 1956. Figures of FY 2015-16 to FY 2021-22 are given as per requirment of Ind AS Compliant Schedule-III to the Companies Act, 2013.

# As per Indian Accounting Standards the dividends declared after the balance sheet date is not recognised as a liability at the balance sheet date. Accordingly, the final proposed dividend and tax on dividend thereon has not been included for 2020-21, 2019-20, 2018-19, 2017-18, 2016-17 and 2015-16.


E-1400-M-1
TRIPURA ASSET

# About Integrated Report

## About ONGC's Integrated Annual Report

Oil and Natural Gas Corporation Limited and its Group Companies ( herein referred to as 'ONGC' or 'Company') are pleased to present their first Integrated Annual Report that provides disclosures of the Company's financial and non-financial performance for the fiscal year 2021-22.

### Reporting Principles

The report has been developed in compliance with the guidelines outlined by the International Integrated Reporting Council's (IIRC) Integrated Report <IR> Framework.

The financial and statutory data provided in the report complies with the requirements of the Companies Act, 2013 (including its rules), Indian Accounting Standards (Ind AS), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (SEBI LODR) Regulations, 2015, and the Secretarial Standards (SS) set forth by The Institute of Company Secretaries of India (ICSI).

### Reporting Period

This report covers ONGC's financial and non-financial performance for FY 2021-22.

**Value Creation led by Six Capitals and their interdependencies:** In this report, ONGC provides information on goals and performance across six capitals (IIRC framework) namely;

- Financial Capital
- Manufactured Capital
- Human Capital
- Intellectual Capital
- Social and Relationship Capital
- Natural Capital

### Scope and Boundary

The information provided in the report is pertinent to stakeholders and those interested in getting an objective and transparent view of the Company's operations and related activities that contribute to short, medium, and long-term value creation. The report's scope covers the business and sustainability performance of the Company including:

- Oil and Natural Gas Corporation Limited (ONGC)

Subsidiaries

- ONGC Videsh Limited (OVL)
- Mangalore Refinery and Petrochemicals Limited (MRPL)*

Joint Ventures (JVs)

- ONGC Petro additions Limited (OPaL)
- ONGC Tripura Power Company Limited (OTPC)

*ONGC Mangalore Petrochemicals Limited (OMPL) amalgamated with MRPL by the Ministry of Corporate Affairs on the appointed date of 1 April 2021 and effective from 1 May 2022.

Hindustan Petroleum Corporation Ltd (HPCL), a listed Fortune 500 company releases its own standalone annual Sustainability Report and therefore has been excluded from the boundary of this Integrated Report.

### Responsibility Statement

The information pertaining to ONGC has been reviewed by the Company's senior management. The information related to Group Companies has been vetted by the concerned teams in each company. This ensures the accuracy and completeness of the information disclosed in the Report. Further details on ONGC's sustainable development performance highlights, case studies and sustainability reports can be found on the Company's official website www.ongcindia.com.

### Forward-looking Statements

The report may contain some statements about business activities, which may be considered forward-looking. Regarding a discussion of future operational or financial performance, terms like 'believes,' 'estimates,' 'anticipates,' 'expects', 'will', 'plans', 'outlook', and other words of similar meaning can be characterised as forward-looking statements. These statements are not intended to be a guarantee of future results but rather to represent the Company's current expectations based on reasonable assumptions. Due to different events, risks, uncertainties, and other circumstances, actual results may differ. There is no intent to update or amend any forward-looking statements mentioned in this report as a consequence of new information, future developments, or other factors.

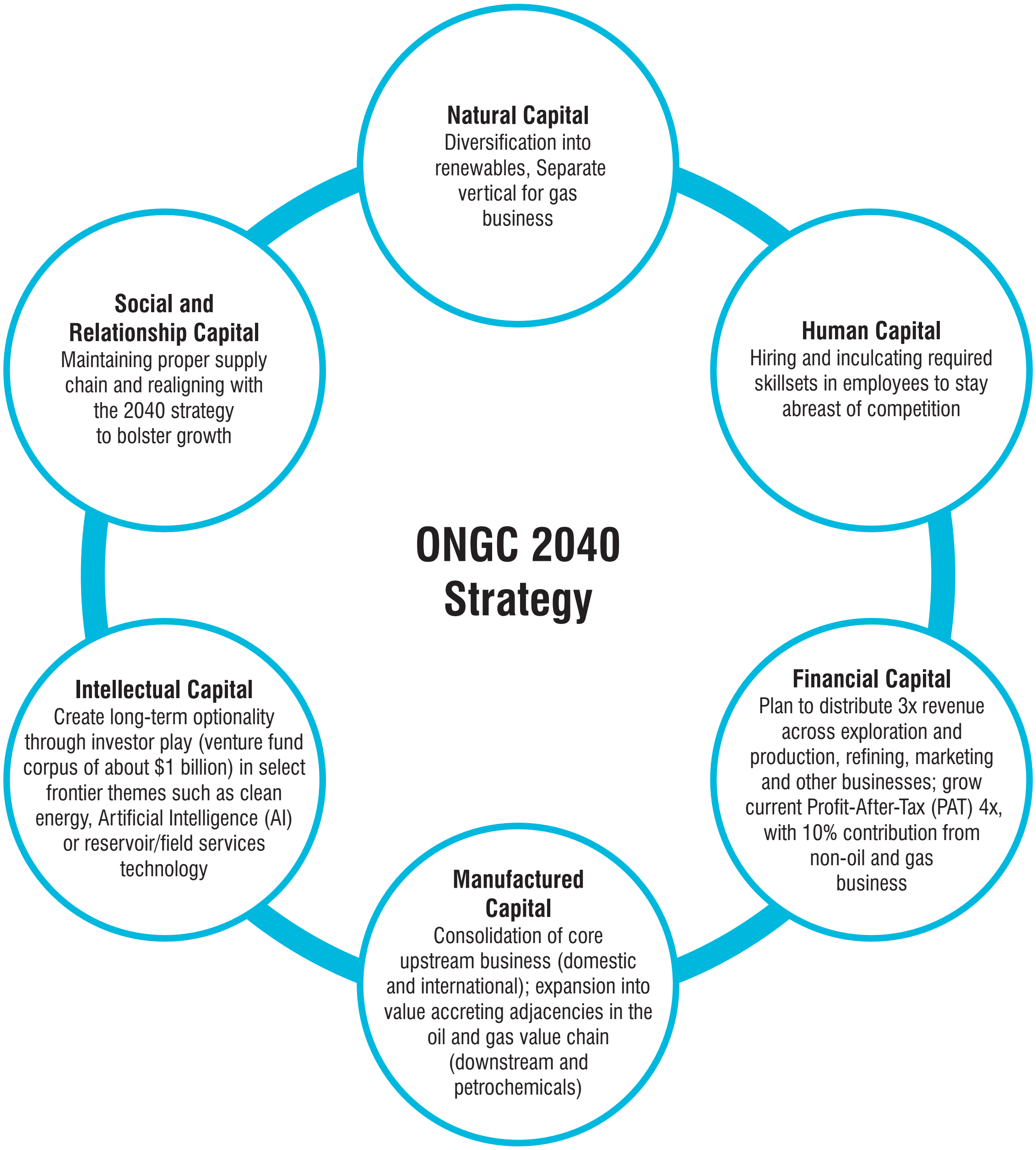
### Introduction to Capitals

ONGC's Integrated Annual Report Highlights the performance of the six capitals that holistically contribute towards providing sustainable energy. The interplay of these six capitals bolsters the Company's growth in a responsible and sustainable manner. The respective sections also show the alignment of our goals and performance with the UN Sustainable Development Goals (UN SDGs) and the interplay of capitals.

| | |
|---|---|
| Natural Capital | This capital talks about ONGC's environmental priorities including energy, emissions, water consumption, waste management and the adaptation and mitigation mechanisms in place to protect the environment. |
| Human Capital | This capital covers the development and empowerment of ONGC's Human Resource the 'Energy Soldiers' who are critical for us to respond to dynamic business challenges. |
| Financial Capital | This capital covers a detailed view of monetary resource allocation, financial resilience of the Company and the value created and generated in monetory terms for shareholders and investors. |
| Manufactured Capital | This capital details the Company's robust production assets and infrastructure that is critical to accelerate operational performance and business growth for long term value creation. |
| Intellectual Capital | This capital focuses on the Company's R&D efforts as well as strategic collaborations to innovate and design path breaking technologies to drive ONGC's inclusive and holistic growth. |
| Social and Relationship Capital | This capital focuses on the relation ONGC maintains with its external stakeholders, including suppliers, vendors, customers and local communities, amongst others in order to create shared value for all. |

### ONGC Energy Strategy 2040 through the lens of the Six Capitals

The Energy Strategy 2040 (ONGC 2040) plays an anchor role in improving India's energy security while maximising stakeholder value creation. ONGC is focusing on creating a diversified energy play in the long run that will holistically address the changing energy scenario and contribute to the country's Net Zero Agenda. The ONGC 2040 blueprint comprehensively details the strategic way forward for consolidating key upstream companies (national and worldwide), expansion into value-adding adjacencies in the oil and gas value chain, diversification into renewables, and exploration of new pathways through venture play. The success of this strategy will be determined by ONGC's ability to incorporate a holistic approach, drawing on the inter-connectedness of the capitals to address complex realities and tap opportunities to achieve future aspirations.




### Creating Value through Stronger Stakeholder Relationships

Stakeholders are defined as entities or individuals that can reasonably be expected to be significantly affected by the reporting organization's activities, products, or services; or whose actions can reasonably be expected to affect the ability of the organization to implement its strategies or achieve its objectives.

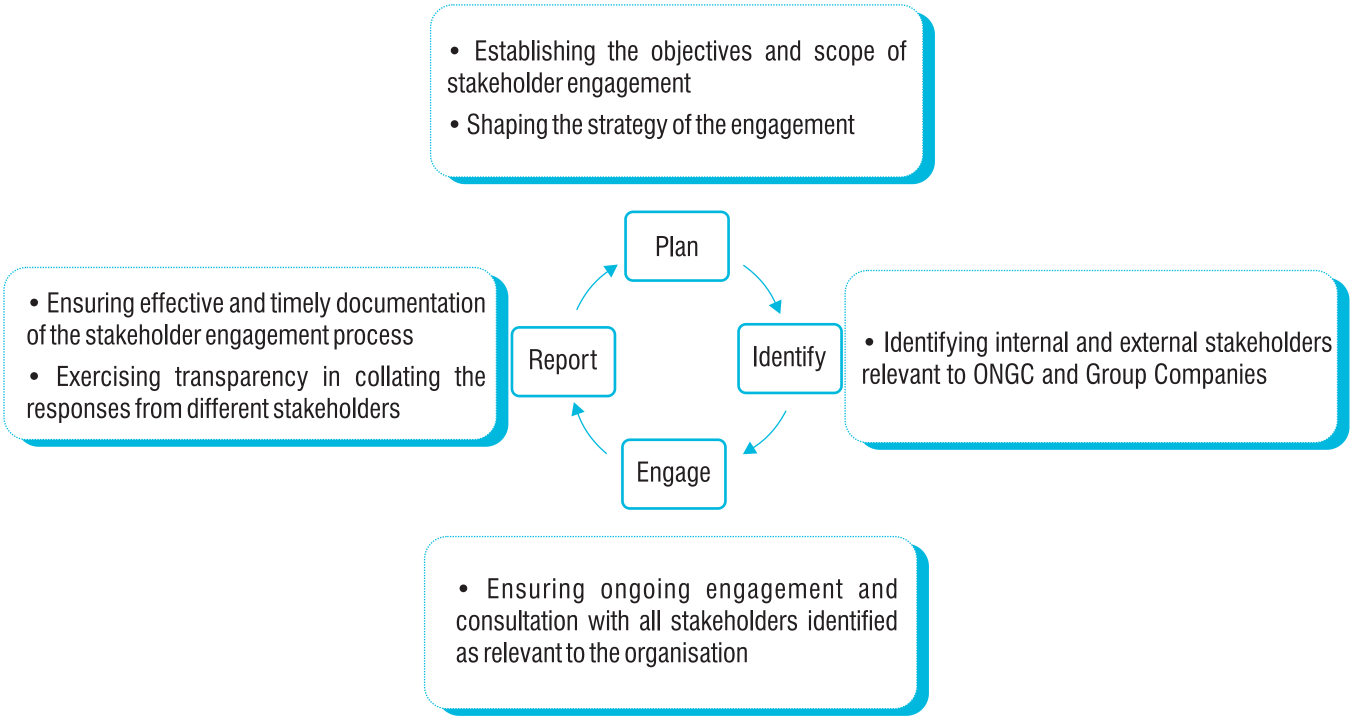
ONGC believes that strengthening stakeholder participation is imperative for seamless operations and fostering collaborations and exchange of ideas across the ecosystem to bolster business growth and operational efficiencies. Engaging with the stakeholders helps the Company identify and monitor their expectations and develop pragmatic solutions to meet those needs. This exercise not only assists ONGC in aligning corporate objectives with future targets but also helps implement result-driven measures in the key areas.

ONGC has always prioritised regular stakeholder interactions that build healthy and long-lasting partnerships, foster mutual trust and generate value. To ensure that all relevant stakeholders are included in decision-making, the Company has a structured process for identifying internal and external stakeholders who impact or are impacted by the organisation's operations in the short, medium and long-term, either directly or indirectly.

The Company uses several mechanisms to maintain regular communication with stakeholder groups and strengthen the integration of sustainability into its business practices. These include customer grievance mechanisms, customer and employee feedback surveys, Annual General Meeting (AGM), investor meetings, marketing meets, vendor meets, and ESG engagements.

#### Stakeholder Engagement Process

ONGC follows a well-integrated stakeholder engagement process. It leverages formal and informal modes of dialogue to identify the requirements and expectations of stakeholders. This process involves four key phases:




| Stakeholder groups | Engagement channels | Expectations of stakeholders | Key topics and concerns of stakeholders |
|---|---|---|---|
| **Shareholders and Investors**<br>ONGC focuses on creating and distributing wealth for its shareholders. The expectations of investors can influence the Company's financial strategy.<br>Capital Influenced:<br>Financial Capital | • Investor and Analyst meets<br>• Annual General Meeting<br>• Investor Conferences<br>• Group meetings<br>• Corporate website<br>• Press releases/press conference<br>• External Stakeholders meet | • Business growth and stability<br>• Better quarterly reports<br>• Corporate reputation<br>• Transparency in corporate governance<br>• Enhanced dividends | • Financial performance<br>• Risk Management<br>• Entry into new markets<br>• Corporate governance and anti-corruption |
| **Customers**<br>Customers are the source of wealth creation and their satisfaction is essential to ensure the Company's long-term success.<br>Capital Influenced:<br>Social and Relationship Capital | • Structured engagement through Crude Oil Sales Agreement (COSA) and Gas Sale Agreement (GSA)<br>• Regular/ periodic meetings with B2B partners and external stakeholders meet | • Ethical and fair marketing<br>• Product quality | • Prompt resolution of customer complaints<br>• Quality and pricing of products |
| **Suppliers, Contractors and Vendors**<br>Suppliers are critical business partners for ensuring sustainable growth.<br>Capital Influenced:<br>Social and Relationship Capital | • Pre-bid conference<br>• Vendor Meets<br>• Contract agreement<br>• Training and awareness programmes<br>• Expression of Interest (EOI) | • Fair and accountable transactions<br>• Transparency in tendering process | • Pricing, quality, and safety of services<br>• Issues related to human rights<br>• On-time payments<br>• Preference towards local suppliers/MSMEs |

| Stakeholder groups | Engagement channels | Expectations of stakeholders | Key topics and concerns of stakeholders |
|---|---|---|---|
| **Employee/Contract Workers**<br>The capabilities and welfare of the employees influence ONGC's operational performance. Employees leave a significant footprint on the work culture.<br>Capital Influenced:<br>Human Capital | • Vichar-Manthan, Vichar-Dhara, Vichar-Vishleshan, Mantrana<br>• Open House<br>• Coffee-Connect<br>• Employee Web portals<br>• Corporate emails<br>• MySpace<br>• Grievance Mechanisms<br>• Welfare Associations such as WDF, RWAs, EWCs<br>• Regular bilateral meetings with employee unions and associations<br>• Safety training and the Sahayog scheme | • Perks, benefits, and facilities<br>• Training and Development<br>• Transfers and postings<br>• Career growth<br>• Reward & Recognition<br>• Respect & Trust<br>• Positive Work Culture<br>• Transparency & Communication<br>• Work Life Balance | • Health and Safety<br>• Human Rights<br>• Welfare measures |
| **Local Communities and NGOs**<br>Strong and healthy relationships with the local communities are essential in identifying their needs and addressing their concerns. A good environmental and social performance strengthens the ties with communities.<br>Capital Influenced:<br>Social and Relationship Capital | • Participating in collaborative activities with NGOs<br>• Roundtable conferences with residents<br>• Inviting local communities to ONGC's events | • Minimum environmental impact on the communities<br>• Recruitment of people from the local community<br>• Supporting the local economy | • Social concerns in the region<br>• Minimising negative cultural impacts |
| **Regulatory Authorities**<br>Stakeholders can influence regulatory authorities regarding the deployment of new legislation or updating existing legislation.<br>Capitals Influenced:<br>Financial Capital<br>Social and Relationship Capital | • Structured engagement through meetings with administrative representatives, MoPNG, DPE, HI & PE, DGH, DGMS, OISD, OIDB, etc.<br>• Meetings with the Central and State Pollution Control Boards, MoEF&CC<br>• Public hearings | • Compliance with applicable Acts, Rules and Regulations<br>• Compliance with national and regional policies | • Regulatory compliance<br>• Operational efficiency<br>• Development of communities<br>• Management of Environmental Impact |
| **Joint Venture Partners**<br>Expectations of investors can influence the financial strategy.<br>Capitals Influenced:<br>Manufactured Capital<br>Intellectual Capital<br>Social and Relationship Capital | • Newsletter<br>• Magazines<br>• Meetings organised at regular intervals | • Business growth and stability<br>• Better quarterly reports<br>• Corporate reputation | • Financial and operational performance<br>• Risk Management<br>• Entry into new markets<br>• Corporate governance and anti-corruption |

## Material Matters

ONGC recognises the importance of conducting materiality assessments for identifying key areas that require its focus and response. Materiality assessments play a fundamental role in determining the ESG performance of the Company. ONGC conducted an in-depth materiality assessment to identify and update material issues that can potentially impact the Company and its stakeholders.

The materiality assessment exercise was carried out by identifying key stakeholders who directly or indirectly influence or are influenced by the Company's business operations. These stakeholders were identified based on the following criteria:

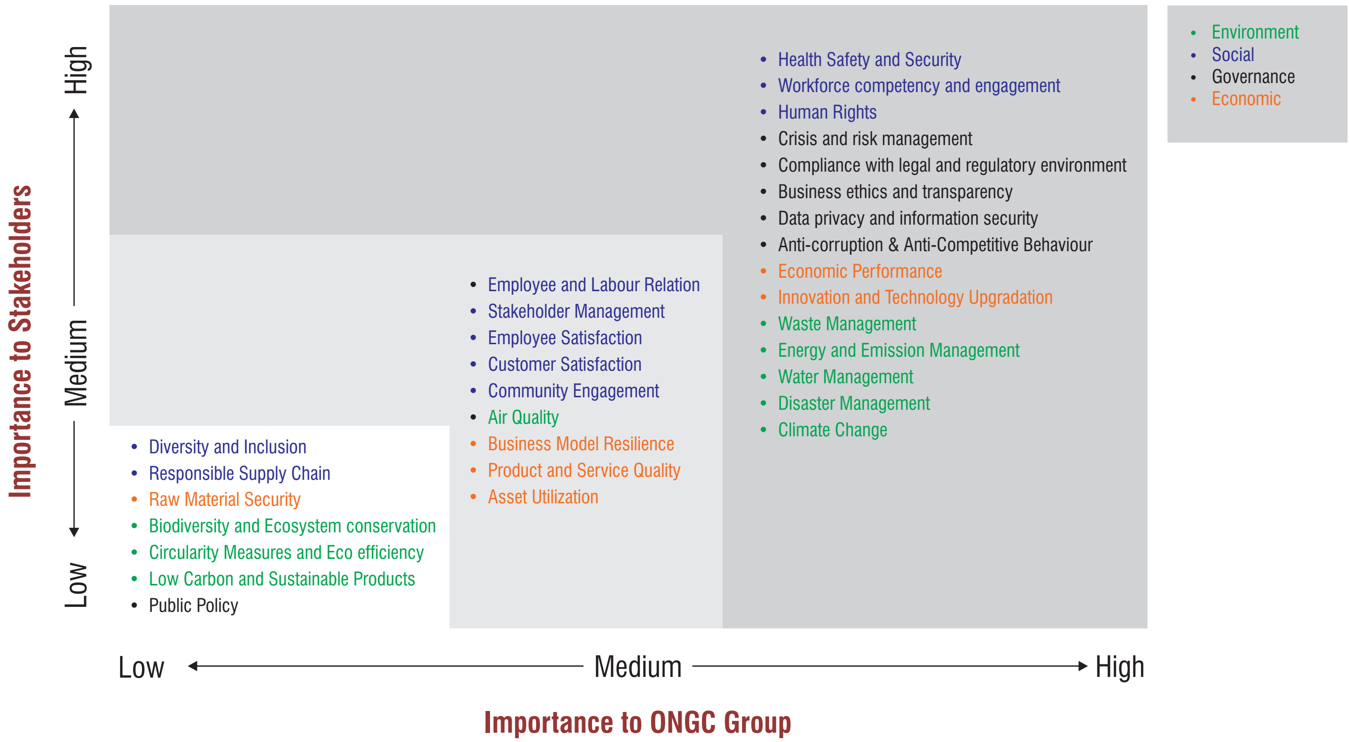
- Stakeholders to whom ONGC has or in the future may have legal, financial, and operational responsibilities
- Stakeholders who may impact the ability of ONGC to meet its goals in the future
- Stakeholders who are affected directly by ONGC's activities or interact with the Company the most
- Stakeholders who are most dependent on ONGC

**Materiality Process:**

ONGC adopted a four-step approach for its materiality assessment:

**Identification of universe of material issues** → **Refinement and categorisation of material topics** → **Conducting materiality survey and stakeholder interactions** → **Analysis of responses and development of materiality matrix**

### Material Topics



## INPUT

### Financial Capital
Equity: INR 2,833,278.4 Million
Debt: INR 1,077,758.1 Million

### Manufactured Capital
Wells drilled : 434 wells (78 Exploratory & 356 Development)
Drilling cycle speed : 102%

### Intellectual Capital
Total expenditure incurred on R&D across ONGC group INR 890+ million, R&D investments to promote green and clean technologies

### Natural Capital
Partnership: MoU signed to develop renewable energy, Implemented 15 Clean Development Mechanism (CDM) Projects, Expenditure on environmental protection: 0.81 Million

### Human Capital
Workforce in ONGC Group: 30,000+
Women Employees: 2,300+
Training clocked in ONGC Group: 6,25,000+ person hours

### Social & Relationship Capital
CSR Spend in last 5 years: INR 27,360 Million (~INR 5,000 Million/ annum)
New suppliers added: 6,674

## EXTERNAL ENVIRONMENT

**ONGC's Governance**
Good Governance is the key to ensure business resilience which ONGC has demonstrated every time in any difficult situation

**Mapping Risk & Opportunities**
For a company like ONGC where operations may get influenced by financial and non financial risks alike proper risk mapping and mitigation plan is of utmost importance

**Measuring our performance**
All our performances are mapped in our 6 capitals

**Our Future Outlook**
ONGC looks forward to be leader in integrated energy sector providing best in class offerings

Group Companies

ONGC ONGC Videsh MRPL OMPL OPaL OTPC

**VALUE CREATION APPROACH**

### ONGC 2040 Strategy

Consolidation of our core upstream business (domestic and international); expansion into value accreting adjacencies in the oil and gas value chain (downstream and petrochemicals)

3 times revenue distributed across exploration and production, refining, marketing and other businesses; 4 times current Profit-After-Tax (PAT), with 10% contribution from non-oil and gas business; and 5-6 times current market capitalization,

Make investments in renewables energy sources with a target to create 10 GW portfolio with a focus on offshore wind power

Create long term optionality through investor play (venture fund corpus of about USD 1 billion) in select frontier themes such as clean energy, artificial intelligence (AI) or reservoir/field services technology

## OUTPUT

### Financial Capital
Highest ever Revenue from operations: INR 5,317,618.3 Million;
PAT: INR 492,941 Million

### Manufactured Capital
O+OEG production: 43.387 MMTOE (received "Exploration Company of the Year" award at FIPI); Refinery throughput: 1,221.48 MMTOE; Onshore oil production for last 5 years: 6 MMT
2 Gas fields monetized

### Intellectual Capital
Patents filed: 35+, Patents Granted: 17+, Group Synergy: Naphtha Exchange between MRPL and OPaL
Development and commercialisation of bio CBM technology

### Natural Capital
Total Wind Energy generated:227.36 MU
Total Solar energy generated: 37.48 MU
Savings due to energy efficiency initiatives: 340.74 Million units
Saplings planted: 24,000+

### Human Capital
Women Directors: 3
Women representation: Nearly 7.5%
Attrition Rate: <1%
ONGC in 'Great Place to Work' list of India's Best Employers among Nation-Builders

### Social & Relationship Capital
Leader in CSR spending among CPSEs
1,200+ CSR projects undertaken
2 Million+ number of CSR beneficiaries; 36.79% input material sourced from MSME Suppliers

## Our Impact on SDGs

**Financial Capital**
8

**Manufactured Capital**
12

**Intellectual Capital**
9

**Natural Capital**
6, 7, 12, 13, 14, 15

**Human Capital**
3, 5, 8, 10, 16

**Social & Relationship Capital**
1, 2, 3, 4, 5, 6, 7, 8, 10

## Outcome for ONGC's Stakeholders

1. Resilient business performance, assured shareholder returns
2. Pan India Operations: Providing livelihood opportunities across the nation
3. Funding, enabling startups to flourish
4. Generating hundreds of indirect jobs every year through business partners and supply chain partners
5. Thousands of lives impacted through strategic CSR ventures
6. Ensuring Energy Security for all consumers

## Outcome for ONGC

1. Resilient Business Model
2. Value Led Organization
3. Enhanced employee Safety and Well being
4. Creating a pool of skilled employees
5. Most Gender Diversified Maharatna Board
6. Global footprint-has 35 projects across 15 countries.
7. Enhanced Research and Development-Local and Global Strategic Collaborations
8. Credit Rating AAA by India Ratings Agency

## Human Capital

ONGC's growth can be attributed to the strong focus of its policies on encouraging human talent, as its workforce is the cornerstone of the Company's success. Employee centricity and inclusivity are at the core of ONGC's growth aspirations.

**Management Approach**

ONGC is an equal opportunity organisation that provides employees with the requisite facilities to effectively perform their duties. The Company has enforced strategic initiatives that help nurture human talent, boost morale, support career progression, upskill employees through training, provide an inclusive and fair workplace and ensure health and safety for all. ONGC's remuneration and incentive packages are best-in-class and match industry standards.

### Key Highlights

| | |
|---|---|
| ₹30,000+ strong workforce across the ONGC Group | Women Employees: 2,310 or 7.5% of the workforce |
| Freshers hired: 719 | Total number of professionals in research role: 536 |
| Training: 610,216 person-hours across the ONGC Group | Attrition Rate <1% |
| ONGC featured in the 'Great Place to Work' list that covered India's Best Employers among Nation-Builders | |

### Key Material Issues

Work Force Competency and Engagement | Diversity and Inclusion | Health, Safety and Security | Human Rights | Employee and Labour Relations | Employee Satisfaction

### UN SDG Alignment


**Financial Capital**
Total Provident Fund (PF) given to employees: ₹ 4,489 Million
Employee Training Expenditure: ₹ 2,817 Million

**Intellectual Capital**
Digitisation of several high-risk manual processesTechnology enhancement to facilitate Work From Home (WFH)

**Manufactured Capital**
Infrastructure development that ensures zero accidents

**Natural Capital**
Employee participation in tree plantations across locations
Upskilling and exposure to technologies for environmental conservation

**Social and Relationship Capital**
Pandemic response that extended vaccination drives to employees and their families. Development of facilities like Gymnasium, Sports Complex to ensure employee wellness

**Interlinkage with Other Capitals**

**Guiding Policies**

Employee Welfare Schemes: The company offers best in class welfare benefits to the employees like House Building Advance, Education Loan, Medical Benefits, Contributory Provident Fund (CPF), Gratuity, Conveyance Advance, Post Retirement Benefit Scheme (PRBS), Composite Social Security Scheme (CSSS), Maternity-Paternity leaves, Performance Related Pay (PRP). Company also initiated steps to enhance the support amount under the ONGC Composite Social Security Scheme, extended medical facilities to parents of both employee and spouse working in the Company, enhanced benefits to tenure and term-based field employees, contingent employees, etc.

The measures taken to ensure employee safety during the pandemic earned ONGC the Silver Stevie Award for Great Employers for COVID-19 response in the Asia-Pacific category.

### Workforce Competency and Management

ONGC emphasises employee-focused initiatives at every stage of the employment cycle, from benefits extended during hiring to providing multiple growth opportunities during the service period. The leadership is committed to creating a favourable environment for its 27,165 strong team of committed employees.

### Capability Development

- **Learning Management System (LMS)** offers competency-based, self-paced learning on an ongoing basis and currently has more than 300 employees pursuing programmes. ONGC is the first Public Sector Enterprise (PSE) to onboard LMS in 2022, under 'Mission Karmayogi' launched by the Hon'ble Prime Minister

- **Harvard Manage Mentor (HMM):** The HBSP e-learning product comprises of 42 modules and has been rolled out to 3,150 executives from E2 to E9 levels

| | ONGC | ONGC Videsh | MRPL | OMPL | OPaL | OTPC |
|---|---|---|---|---|---|---|
| Training Hours | 610,216 | 7,104 | 30,042 | 669.83 | 10,584 | 1,492 |

### Digitalisation Initiatives

- Given the pandemic related challenges, there was a renewed focus on medical facilities. These included:
  - A centralised SAP-based medical board
  - Settlement of invoices through the new Vendor Invoice Management System (VIMS)
  - The Bandhan portal was used for online medical reimbursement for OPD claims (retired employees)
  - ONGC Clinical Assistance and Referral e-System (ONGCAReS)- a paperless medical referral system using Smart Cards that onboarded 45,000 beneficiaries (regular/ retired employees, dependents)

- Other initiatives included digital portals for the transfer review and recruitment processes, training nominations, and feedback and certifications

### Employee Engagement

- People Connect Calendar, a dedicated communication platform that hosted 55 sessions

- The annual business games aimed at strengthening business acumen was organised virtually. The event saw the participation of approximately 270 multi-disciplinary teams of three to four executives each

- Abhivyakti engagement exercises saw more than 250 employees (E0 and staff level) participate for active learning covering communication, team building and innovation, and developing a digital mindset

- ONGC organised the Innovation Challenge – 2022 for employees to seek solutions and ideas to bring about a transformation to improve asset productivity and reliability, increase efficiency, improve safety and incorporate smart solutions into the organisation

- ONGC Mentor-Mentee exercise is an ongoing programme focussing on mentoring youngsters. During the year, more than 650 mentors have been inducted into the mentoring journey

- More than 300 parents (employees and spouses) participated in Master Counsellor Workshops that addressed critical parenting challenges. As part of the programme, 100 wards of employees also attended the career guidance programme

- Innovation awards to foster a zest for ideapreneurship are given at individual and group levels. These awards are a way to encourage collaboration in addition to the hosting of regular training programmes on innovation and creativity. Employees are also encouraged to submit technical papers on various critical issues and focus areas

### Diversity and Inclusion

At ONGC, Diversity and Inclusion (D&I) go beyond policies, programmes, or headcounts. The Company has zero tolerance for discrimination of any kind. It believes that D&I at the workplace contributes immensely towards reinforcing employee trust and commitment and creating an agile workforce. The Company policies effectively encourage growth for the women employees. With operations spread across all corners of the country, cultural diversity at ONGC is amply evident. The annual inter-location transfers lead to nurturing a rich socio-cultural diversity across centres.

ONGC offers requisite facilities and infrastructure to enable Persons with Disabilities (PwD) to continually create impact in the organisation. Apart from preference in recruitment, they are provided with special facilities and amenities in terms of suitable job assignments, assistive devices, choice of transfers/postings, accommodation, special casual leave, accessible and a barrier-free environment at the workplace.

| Employee Diversity | | | | | | | |
|---|---|---|---|---|---|---|---|
| Company | Employee Category | Total Strength as on 31-03-2022 | Gender | | Age Group | | |
| | | | Male | Female | < 30 yrs. | 30-50 yrs. | > 50 yrs. |
| ONGC | Executives | 16,414 | 15,013 | 1,401 | 2,826 | 6,525 | 7,063 |
| | Non-Executives | 10,751 | 10,108 | 643 | 1,445 | 6,986 | 2,320 |
| | **Grand Total** | **27,165** | **25,121** | **2,044** | **4,271** | **13,511** | **9,383** |
| | | | **92%** | **8%** | **16%** | **50%** | **35%** |

| Employee Diversity | | | | | | | |
|---|---|---|---|---|---|---|---|
| Company | Employee Category | Total Strength as on 31-03-2022 | Gender | | Age Group | | |
| | | | Male | Female | < 30 yrs. | 30-50 yrs. | > 50 yrs. |
| ONGC Videsh | Executives | 271 | 242 | 29 | 18 | 143 | 110 |
| | Non-Executives | 11 | 6 | 5 | 1 | 10 | 00 |
| | **Grand Total** | **282** | **248** | **34** | **19** | **153** | **110** |
| | | | **88%** | **12%** | **7%** | **54%** | **39%** |
| MRPL | Executives | 923 | 878 | 45 | 78 | 550 | 295 |
| | Non-Executives | 1,177 | 1,076 | 101 | 218 | 867 | 92 |
| | **Grand Total** | **2,100** | **1,954** | **146** | **296** | **1,417** | **387** |
| | | | **93.0%** | **6.9 %** | **14.0%** | **67.4%** | **18.4%** |
| OMPL | Executives | 179 | 162 | 17 | 43 | 127 | 9 |
| | Non-Executives | 293 | 227 | 66 | 72 | 209 | 12 |
| | **Grand Total** | **472** | **389** | **83** | **115** | **336** | **21** |
| | | | **82%** | **18%** | **24%** | **71%** | **4%** |
| OPaL | Executives | 731 | 705 | 26 | 126 | 573 | 32 |
| | Non-Executives | 242 | 237 | 5 | 86 | 155 | 1 |
| | **Grand Total** | **973** | **942** | **31** | **212** | **728** | **33** |
| | | | **96.8%** | **3.2%** | **21.7%** | **74.8%** | **3.4%** |
| OTPC | Executives | 56 | 52 | 4 | 1 | 46 | 12 |
| | Non-Executives | 16 | 14 | 2 | 0 | 12 | 1 |
| | **Grand Total** | **72** | **66** | **6** | **1** | **58** | **13** |
| | | | **91.6%** | **8.3%** | **1.4%** | **80.5%** | **18.0%** |

| | ONGC | ONGC Videsh | MRPL | OMPL | OPaL | OTPC |
|---|---|---|---|---|---|---|
| New Hires | 719 | | 194 | 0 | 48 | 4 |
| Attrition Rate | 0.35% | 0% | 1.76% | 0.42% | 6.04% | 7.10% |

**Diversity and Inclusion Highlights**

• In line with its commitment to fostering a culture of inclusivity, ONGC has hired 424 PwD in its workforce

• Mosaic Online Games for PwD aim to create an equitable environment through connections and building a sense of community through sports. The second edition of the Games held over November and December 2021 saw the participation of 139 PwD employees across ONGC and ONGC Videsh

• URJASVINI - Developing Women Leaders is a flagship leadership programme launched in 2021 to mentor and groom women executives to take up senior leadership positions. The first batch of 25 high potential women executives completed their 6 months journey of Urjasvini in March 2022

• Voice of Oil Women (VOW) programme organised by the ONGC women cell conducts monthly online sessions for knowledge sharing, learning and networking amongst the female fraternity

• A new portal exclusively for ONGC Women Development was launched on International Women's Day 2022. This digital platform facilitates knowledge sharing to support the professional growth of women employees

• Preparing women for leadership roles aimed to equip the growing number of women opting for field assignments in technical competencies with critical skills essential for future leadership positions

• ONGC has a robust leadership development programme (LDP) for its women employees hosted annually in prestigious institutions such as the Indian Institute of Management ( IIM)

Other programmes to enable and empower women talent, including WILL Agile Women Leaders: 2020, Enabling Working Women, Virtual Women in Energy Sector and others, were organised throughout the reporting year.

**Health, Safety and Security**

Given the inherent health and safety risks of the oil and gas industry, the Company has a comprehensive Health, Safety, and Environment (HSE) strategy in line with its vision and mission. To ensure that the plants and equipment are safe, dependable, secure, and efficient to operate and that accidents are minimised, ONGC has a well-placed Quality, Health, Safety, and Environment (QHSE) Management system, based on ISO 9001, ISO 14001, and ISO 45001 certifications at all its installations. ONGC Videsh is also certified for Integrated QHSE Management System (IMS), in line with standards ISO 9001:2015 (Quality Management), ISO 14001:2015 (Environment Management) and ISO 45001:2018 (Occupational Health & Safety Management).

To check the conformity of activities and processes with existing management system: Internal Safety Audits (ISAs) are conducted by multi-disciplinary teams regularly, External Safety Audit was conducted by Oil Industry Safety Directorate (OISD).

Preventive measures are taken by reporting of Near Miss incidents and timely actions to reduce the accidents in operations.

Launched an award scheme to encourage the employees to be more safety conscious in operations and improve the safety culture.

The HSE Committee of the Board reviews the HSE performance on a quarterly basis.

Implemented SAP based e-PTW (Electronic Permit to Work), which removes physical approvals and maintains system based checks and balances.

Mock drills are conducted at installations/rigs to check the efficacy of preparedness against defined emergency scenarios.

Mines Vocational Training (MVT), a mandatory training as per Mines Act, is being imparted to both employees and contract personnel through in-house training centres.

**Safety performance by ONGC and Group Companies**

| Parameter | ONGC | ONGC Videsh | MRPL | OMPL | OPaL | OTPC |
|---|---|---|---|---|---|---|
| Fatal Accidents | 4 | 0 | 0 | 0 | 0 | 1 |
| Lost Time Injury Frequency (LTIF) | 1.07 | 0.17 | 0 | 0 | 0.14 | 1.07 |
| Recordable Incident | 460 | 29 | 0 | 3 | 4 | 1 |
| Total Recordable Incident Rate | 1.13 | 0.49 | 0 | 0.26 | 0.97 | 2.5 |
| Near Miss | 14,023 | 269 | 787 | 314 | 774 | 239 |
| Lost Days | 1,628 | 18 | 0 | 0 | 6,000 | 21 |

**POSH framework**

ONGC has set up an Internal Complaints Committee (ICC) to deal with complaints of Sexual Harassment in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act & Rules 2013. ONGC has launched a dedicated webpage which includes Policy on Sexual Harassment, Learning Modules on POSH, Gender Sensitisation, Handbook, Case Studies, details of ICC members, etc.

**Details of POSH complaints (FY 2021-22):**

| | ONGC | ONGC Videsh | MRPL | OMPL | OPaL | OTPC |
|---|---|---|---|---|---|---|
| Lodged in FY 2021-22 | 04 | 0 | 0 | 0 | 0 | 0 |
| Pending as of 31 March 2022 | 03 | 0 | 0 | 0 | 0 | 0 |

**Human Rights and Labour Relations**

ONGC is committed to human rights protection and has a robust policy in place to minimise associated consequences across the organisation. It recognises Freedom of Association and Collective Bargaining. Details of Associations or Unions recognised by the company are listed in Essential Indicator of Principle 3 of Business Responsibility & Sustainability Report.


The Company's strong corporate governance mechanism ensures fairness, accountability, responsibility, and transparency. There are well-established practices in place, such as an Online Grievance Management System and Whistle Blower Policy/Vigil Mechanism. Strict adherence to laws is mandated, including labour rights, health and safety, zero discrimination, freedom of association and collective bargaining, human rights, contract management, and POSH. While discharging its functions, each department is guided by the Book of Delegated Powers, manuals, policy and guidelines, which are periodically reviewed and updated. The conduct of employees is regulated by the Employees Conduct, Discipline and Appeal Rules and Standing Orders. In addition, ONGC has an independent Chief Vigilance Officer reporting to the Government of India's Chief Vigilance Commission. Robust monitoring systems ensure compliance with all labour regulations.

ONGC believes that all members of the ONGC Group, including labour, contractors, manufacturers, and suppliers, should be treated equally. To comply with all legal wage obligations, the Company ensures fair compensation, which is at least the minimum wage as mandated by regulations or the applicable prevailing salary, whichever is higher. ONGC also ensures compliance with the Payment of Wages Act, 1936; Minimum Wages Act, 1948; Equal Remuneration Act, 1976; Industrial Dispute Act, 1947; ESI Act, 1948; Employees Provident Fund and Miscellaneous Act, 1952, among others.

**Employee Grievance and Employee Satisfaction**

A structured four-tier Grievance Management System is in place to address employee grievances. Grievance channels include the Reporting Authority of the employee, Sectional In-charge, Key Executive, and the Appeals Committee. The Appeals Committee has external professionals as members and is empowered to suggest measures to prevent similar grievances in the future. The Chairman and Managing Director (CMD) takes the final decision regarding the grievances of employees with inputs from the Director (HR) if required.

The mechanism allows employees to escalate their grievances to the level of the Director (HR) of the Company and, in some cases, even to the Executive Committee for justifiable redressal of issues & concerns. Collectives and Officers associations are engaged at every stage to discuss and negotiate policy issues and address concerns. An Executive Director level leader oversees Employee Relations and Industrial Relations (ER&IR) and is responsible for maintaining a cordial, motivated and spirited work atmosphere. All the employees have access to the CMD and Directors through e-mails. ONGC has introduced an e-Grievance handling mechanism for quick redressal of grievances, which can be accessed on https://grievance.ongc.co.in/.

| Category | Grievances Lodged | Grievances Closed | Grievances Pending |
|---|---|---|---|
| Employee | 17 | 1 | 16 |
| Ex- Employee | 50 | 9 | 42* |

*One complaint pending from FY 2020-21

**Note:** In addition to the number of 'Grievances Closed', almost all the grievances have been replied/resolved. However, due to an ongoing system updatio, the exact status of closed grievances has not been reflected in the portal.

**Future Outlook**

As the world transitions to a new era of clean and sustainable energy, the employee skillsets are also evolving and have to be commensurate with the changing scenario. ONGC has taken several steps to equip its employees with the fast-evolving needs of their roles. It also takes equal cognisance of maintaining both the physical and mental health of employees. ONGC, regarded as one of the best places to work, continues to embrace best-in-class Human Resource practices that will enable it to enhance employee satisfaction and emerge as a preferred employer for current and potential talent.

## Financial Capital

ONGC believes in the judicious use of its financial resources and maximising returns for shareholders and investors. The Company's investments, done after a thorough evaluation of opportunities and its capital allocations, are focused on R&D, inclusive growth, and promotion of new businesses. While undertaking new and incremental investments, ONGC is led by national and global priorities, including environmental and social goals. It is also critical for Company to invest in a way that operations can be carried out in the most sustainable and energy-efficient manner.

### Key Highlights

| | |
|---|---|
| Dividend: ₹ 10.50 per share Highest ever total dividend of 210% | Total pay-out: ₹ 132,093 Million |
| Revenue: ₹ 1,168,610 Million | PAT: ₹ 403,057 Million (up by 258%) |
| Economic Value Retained: ₹ 288,576.09 Million | Attrition Rate <1% |

**Consolidated Performance for ONGC Group (FY 2021-22)**

| | |
|---|---|
| Revenue: ₹ 5,317,618 Million | PAT: ₹ 492,941 Million (2.3 times that of FY 2020-21) |

### Key Material Issues

Economic Performance | Business Resilience | Asset Utilisation

**UN SDG Alignment**


**Human Capital**
Total spends on employee benefits of **₹ 110,821 Million**
Training expenditure of **₹ 2,817 Million**

**Natural Capital**
**₹ 10,335 Million** spent on solar and wind energy projects to accelerate the transition to clean energy

**Manufactured Capital**
Capex for FY 2021-22 stood at **₹ 27,7412.6 Million**

**Intellectual Capital**
Investment of **₹ 5,130 Million** for R&D and promotion of new businesses

**Social and Relationship Capital**
Investment of **₹ 4,580 Million** in activities to strengthen external stakeholder partnerships, including CSR activities

**Interlinkage with Other Capitals**

**Management Approach**

ONGC is committed to building a relationship of trust with investors, shareholders, and providers of capital. It practices financial prudence and aims to optimise capital allocation. Investments in manufacturing, infrastructure, technology, marketing, and human talent are evaluated and made judiciously. These investments drive business growth by providing quality products to the end customers. The Company firmly believes that a robust balance sheet and free cash flows are essential prerequisites for ensuring long-term value, not only for investors but to all stakeholders

**Business Performance**

| Economic Performance Highlights of the ONGC Group | | |
|---|---|---|
| **Parameter** | **FY 2020-21 (₹ in Million)** | **FY 2021-22 (₹ in Million)** |
| Total Income (Revenue + Other Income) | 3,697,959 | 5,391,995 |
| EBITDA | 588,057 | 873,113 |
| PAT | 213,602 | 492,941 |
| Total Debt | 1,190,612 | 1,077,758 |
| Total Equity (includes minority interest) | 2,425,968 | 2,833,278 |
| Total Capitalisation | 3,616,580 | 3,911,040 |
| Debt/Total Capitalisation | 32.9% | 27.56% |
| Debt / EBITDA | 2.0X | 1.2X |

ONGC efficiently uses assets and funds for stable growth and financial reliability. It also strives to maximise profits through the optimum use of working capital by reducing idle or inefficient fixed assets and directing investments towards potential growth areas.

1. **ONGC** generated a revenue of ₹ 1,103,454 Million from operations in FY 2021-22, which is 62% higher than the previous financial year's revenue of ₹ 681,411 Million. With PAT up by 258%, the Company awarded the highest ever dividend to its shareholders in the reporting year. The expenditure incurred on environmental protection measures (statutory and others) was ₹ 0.81 Million.

2. **ONGC Videsh Limited (OVL)** generated revenues from operations of ₹ 173,220.32 Million in FY 2021-22, as against ₹ 119,557.54 Million in FY 2020-21. The Company registered a PAT of ₹ 14,939 Million in FY 2021-22, against a PAT of ₹ 18,910 Million in the previous financial year. The economic value retained in FY 2021-22 stood at ₹ 85,764.9 Million.

3. **Mangalore Refinery and Petrochemicals Limited (MRPL)** the Economic Value Generated in FY 2021-22 stood at ₹ 861,664.51 Million compared to ₹ 508,964.19 Million in FY 2020 -21. MRPL posted a net profit of ₹ 29,552.74 Million in FY 2021-22 against a loss after tax of ₹ 7,611.65 Million in the previous fiscal year. As a part of a reorganisation of the Group, OMPL, the erstwhile JV Company of ONGC (49%) and MRPL (51%), has been amalgamated with MRPL to get synergistic benefit and value addition.

4. **ONGC Petro-additions Limited (OPaL)**, registered revenues from its operations and other assets at ₹ 160,652.05 Million in FY 2021-22 as compared to ₹ 115,336.9 Million in FY 2020-21. A significant player in the polymer industry, OPaL has reported an EBIDTA of ₹ 25,608.21 Million in FY 2021-22.

5. **ONGC Tripura Power Company Limited (OTPC)** has earned a revenue of ₹ 12,630 Million and a PAT of ₹ 1,070 Million during FY 2021-22. Effective from 04th January 2022, GAIL India Limited has become a shareholder of OTPC, replacing IL & FS Group Companies through a 26% equity stake acquisition.

| Economic Performance Highlights for ONGC and Group Companies FY 2021-22 | | | | | |
|---|---|---|---|---|---|
| **Economic Performance FY 2021-22 (₹ in Million)** | **ONGC** | **ONGC Videsh** | **MRPL** | **OPaL** | **OTPC** |
| **Direct Economic Value Generated (A)** | | | | | |
| Revenues — net sales, revenue from investments, and sale of assets | 1,168,609.81 | 186,077.07 | 861,664.51 | 160,652.05 | 13,768.72 |
| **Economic Value Distributed (B)** | | | | | |
| Operating costs | 421,908.65 | 55,149.00 | 652,165.83 | 147,098.55 | 11,139.89 |
| Employee wages and benefits | 28,877.14 | 2,659.40 | 6,976.16 | 1,648.06 | 204.83 |
| Payments to providers of capital a) Dividend<br>b) Finance Cost (as per PL both short term and long term) | a) 114,481.28<br>b) 23,598.62 | a) 6,000.00<br>b)12,170.60 | a) 0.0<br>b) 12,073.09 | a) 0.0<br>b) 18,554.0 | a) 784.00<br>b) 1,107.70 |
| Payments to government (Contribution to Exchequer) | 286,664.86 | 24,332.80 | 163,366.09 | 32,518.40 | 201.96 |
| Community investments | 4,503.17 | 0.30 | 0.00 | 4.94 | 46.44 |
| **Economic Value Retained = (A - B)** | **288,576.09** | **85,764.90** | **27,083.34** | **(39,166.97)** | **283.90** |

**Business Resilience**

ONGC continues to diversify into new business segments such as renewable energy in line with its Energy Strategy 2040. The key thrust areas for its investments are to build a resilient future model, including intensification of exploration campaigns with dedicated CAPEX budgets, aggressive diversification into renewables, and exploration of pathways through venture play. ONGC is proactively leveraging international collaborations with reputed global majors. On the other hand, the Company's internal programmes are focused on the re-exploration of Mature Basins, consolidation of Emerging Basins, and probing of Emerging and New Basins.

**Future Outlook**

ONGC aspires to accelerate the momentum of growing capabilities for digital, new commerce, new energy, and new material businesses. The Company will continue to make short-term investments focused on minor modifications, initiatives and sustainable projects. Going forward, ONGC is committed to maintaining operational excellence, achieving significant growth in its core E&P business, and extending its non-E&P investments by leveraging existing and new relationships with industry leaders through Group companies.

## Intellectual Capital

Over the years, ONGC has invested significantly in expanding its R&D activities and upskilled innovation capabilities amongst its employees. This has enabled the Company to improve its operational efficiency and grow sustainably. ONGC has a capable and accomplished R&D team focused on fundamental and applied research for improving and developing commercially viable energy mediums and sources.

The Company's mission, 'Dedicated to excellence by leveraging competitive advantages in R&D and technology with involved people', demonstrates its commitment to driving intellectual value.

### Key Highlights

| | |
|---|---|
| 500+<br>people in R&D | R&D expenditure<br>₹850+ Million |
| 13 Patent<br>applications filed | 4 Patents<br>granted |

### Key Material Issues

Innovation and Technology Upgradation
Data Security and Information Privacy

The Company's mission, 'Dedicated to excellence by leveraging competitive advantages in R&D and technology with involved people', demonstrates its commitment to driving intellectual value.

### UN SDG Alignment


**Financial Capital**
- Total R&D expenditure of more than ₹850 Million

**Human Capital**
- 500+ researchers
- Entrepreneurial organisation culture

**Manufactured Capital**
Implementation of state of art technologies across the value chain

**Natural Capital**
- R&D investments to promote clean and green indigenous hydrogen generation technology
- $CO_2$ methanation process to produce Synthetic Natural Gas (SNG) ($CH_4$ yield 64-84%)
- Development of renewable energy-based power for achieving green energy objectives

**Interlinkage with Other Capitals**

The organisation has established specialised research hubs like the ONGC Energy Centre (OEC) under the aegis of the OEC Trust to work on various clean energy options. Similarly, it has also set up a dedicated Gas Hydrate Research and Technology Centre (GHRTC) in Mumbai. ONGC is an active participant and a forerunner in Gas Hydrates exploration, more so in the formulation and execution of National Gas Hydrate Programmes (NGHP).

**Management Approach**

ONGC is committed to using its strong intellectual property base and harnessing science and technology in a sustainable manner to meet the national energy demands of tomorrow. In this endeavour, a key focus has been exploring alternate energy forms leveraging innovation methodologies and cutting-edge technology. In addition to its in-house R&D capabilities, the Company actively collaborates with leading national and international academic and research institutions. Several developments in the areas of green hydrogen, geothermal and low carbon fuel technologies have been curated through this collaborative approach.

**Innovation and Technology Upgradation**

ONGC believes that innovation and technology upgradation are key pillars of growth. The Company's R&D investments in FY 2021-22 have resulted in several breakthrough technologies across the hydrocarbon value chain as well as new energy arenas, as listed below:

**1. ONGC**

- $CO_2$ Valorisation has been taken in collaboration with a research institute to develop a $CO_2$ methanation process to produce Synthetic Natural Gas (SNG) with a high $CO_2$ conversion rate ($CH_4$ yield 64-84%).
- R&D undertaken for the development of a microbial process for bioconversion of unrecovered oil to methane.
- OEC has taken steps to develop a 2 MW solar thermal power plant at Mehsana to integrate it with the green hydrogen generation technology of OEC.

**2. ONGC Videsh**

• ONGC Videsh's innovation capabilities hinge on its in-house potential for technically evaluating acreages for hydrocarbon prospects, initiated by its pool of 40 well-trained reservoir engineers and geoscientists. Collaboration of ONGC Videsh and ONGC institutes such as GEOPIC, KDMIPE, IRS, and RCC Processing centres helps conduct R&D activities. The Centre of Excellence in Houston facilitates independent evaluation of Technical Studies with globally experienced Geoscientists for ONGC. During FY 2021-22, ONGC Videsh focused on using emerging technologies like Artificial Intelligence and Machine Learning to evaluate Geoscientific data to reduce time and cost. Technical studies focussing on E&P opportunities in hotspots in Latin America, Africa, and Russia were undertaken by applying new technologies in production enhancement.

**3. Mangalore Refinery and Petrochemicals Limited (MRPL)**

During FY 2021-22, MRPL had an R&D expenditure of ₹ 10.09 Million focusing on the technology development of niche chemicals, batteries, green hydrogen and fuel cells. One patent was filed in FY 2021-22 from MRPL and a patent was granted this year. The following value additions were made in the operations department:

**a.** To predict the Melt Flow Index (MFI) and Xylene Solubility (XS) of the polypropylene powder at the reactor outlet from the operating parameters so that real-time action is taken to adjust the reactor parameters.

**b.** To utilise low-value captive hydrocarbon streams for producing diesel lubricity improver. A proof of concept (POC) has been demonstrated in FY 2021-22 and will be scaled up in the coming years.

**4. ONGC Petro additions Limited**

• OPaL's Product Applications and Research Centre (PARC), which is part of the marketing group, is mainly involved in application-based research activities. It provides technical support for OPaL's products and customers.

**Fostering a culture of innovation**

• ONGC has signed a Memorandum of Understanding (MoU) with Saudi Aramco, which will bolster both companies' capabilities by leveraging in-house competencies while creating value for all stakeholders. The MoU offers a framework for expanding cooperation in energy-related areas.

• ONGC has signed an MoU with Solar Energy Corporation of India (SECI) on 2nd December 2021 in New Delhi to develop renewable energy-based power for achieving its green energy objectives.

• GHRTC and ONGC, Panvel signed an agreement with the Indian Oil Corporation's (IOC) R&D Centre in Faridabad for the synthesis and evaluation of suitably functionalised nanomaterials for their use as Kinetic Inhibitors (KHI) for Gas Hydrates.

• OEC is in the process of developing a Helium pilot plant using hybrid Pressure Swing Adsorption and cryogenic technology to produce helium grade with 99.9% purity. This is a step towards making the country self-reliant in Helium.

• Geothermal for Carbon Neutral Ladakh is the first step to putting India on the Geothermal World Map. The MoU for the same was signed with the Ladakh Autonomous Hill Development Council, Leh, on 6 February 2021. Phase-I of the initiative will involve exploratory cum production drilling of wells up to 1000 m depth and the setting up of a Pilot Plant of up to 1 MW power capacity. The drilling operation is expected to begin by August 2022.

**Hydrogen Generation at Closed Loop experimental facilities**

• A bioprocess has been developed in association with TERI to enhance the production of Coal Bed Methane which was successfully tested in the poor and marginally producing CBM wells of ONGC's Bokaro oil field.

**Safety Enhancement for the Foundation of a Process Platform**

• IEOT applied the new and advanced method for the computation of axial capacity of pile foundation. The technique was developed based on the results of an international Joint Industry Project (JIP) using CPT (i.e., an in-situ soil test carried out offshore using an instrumented cone). The method has been used for the life extension of offshore process platform ICG in the Mumbai High field. This has helped establish the required level of safety for the foundation of the process platform and avoid costly alternatives like strengthening the foundation by installing additional piles.

• ONGC Energy Centre (OEC) has established the Hydrogen Generation at Closed Loop experimental facilities at the Indian Institute of Technology, Delhi (IIT-D). The next priority is to scale up to pilot scale demonstrations in 2025. Value addition includes the generation of Hydrogen indigenously by the convergence of R&D activities in the area of Solid Oxide Fuel Cells, Hydrogen storage, Membranes, Molten salts/CSP (Concentrated Solar Power), Materials of Construction (MOC), alternate electrodes, energy storage back up, oil field water purification, safety systems and process intensification to achieve the goals of the National Hydrogen Mission during and beyond energy transitions.

• A novel combination of bimetallic catalysts for the $CO_2$ methanation process has been developed in collaboration with the Institute of Chemical Technology (ICT) Mumbai, which showed better $CO_2$ conversion ($CH_4$ yield 64-84%) and stability (up to 4000 hrs of reaction time).

**Intellectual Property for strong market positioning**

The Company's robust internal Intellectual Property (IP) governance framework ensures that its patents align with the organisation's business goals. In addition, an IP governance framework helps it adhere to compliance requirements. During the year 2021-22, 13 patents were filed by ONGC and 04 patentes were granted.

**Technology Upgradation and adoption for process efficiency**

Key R&D initiatives at MRPL leading to process efficiency:

**1. Real-Time Optimisation of Petro Fluidized Catalytie Cracking (PFCC) unit**

The model has been developed to predict the yields of different products from the feed properties and operating parameters. The model predicts key properties of the product streams and provides recommendations for optimising unit operations based on market prices to maximise revenue. The predictions and the recommendations are planned to be integrated into the Distributed Control Systems (DCS) by FY 2022-23.

**2. Deodorising Photocatalytic Reactor**

A Deodorising Photocatalytic Reactor was designed to treat the odorous gases emitted from the Wet Air Oxidation unit. The odorous gases are routed to the deodorising reactor, where the chemicals are decomposed through UV radiation. The reactor arrangement is developed as a package. The basic design package was developed in-house. The implementation of the reactor system will be carried out in FY 2022-23.

**Future Outlook**

ONGC has been pursuing opportunity-specific alliances with many players over the years and has immensely benefitted from such partnerships. This has helped the Company in not only enhancing value for itself but also releasing its resources to pursue more promising technology leadership. ONGC and its group companies have well-laid out strategic priorities and plans of innovation in the upcoming years. These include:

• Commercialisation of developed processes/products: Development of bio-alternative fuels, integration of solar thermal energy with developed green hydrogen technologies, Membrane-less electrolytic processes, waste to energy, materials development for high-temperature applications, etc. are some of the initiatives that ONGC plans to commercialise

• Commercialisation of developed Bio CBM technology: Essar Oil and Gas Exploration and Production Limited (EOGEPL) has contacted OEC & TERI to deploy the said technology in its CBM wells

• Commercialisation of Rare Earth Elements (REEs): Elements identified in the cores retrieved during the drilling of wells for Uranium and Helium exploration were commercially exploited

• New plant set-up: A pilot project was taken up through the set-up of a Helium plant

• Achieving 2040 Energy strategy targets: Induction of the latest technologies for enhancing the reserves portfolio through organic accretion and new acquisitions

• Production enhancement: Operated and non-operated assets saw production enhancement through exploratory/appraisal activities and implementation of innovative technologies

• Development of emerging technologies: Aimed at developing in-house applications and processes to save time and costs

• Debottlenecking and expansion: Existing Units and the C4 Hydrogenation Unit were the focus for hydrogenating the C4 raffinate stream

## Manufactured Capital

As the largest energy company in India, ONGC has a wide range of operations spanning the integrated oil and gas sector, from exploring, producing, and processing oil and gas to developing Value Added Products (VAPs) like Liquefied Petroleum Gas (LPG), Naphtha, Ethane, Propane, Butane and Superior Kerosene Oil, amongst others. It is one of the sector's highest profit-making and dividend paying organisation. Over the years, the Company has expanded and strengthened its footprint across the whole hydrocarbon value chain in line with its goal of becoming an integrated energy provider by expanding activities and building forward linkages and downstream value additions beyond E&P.

### Key Highlights

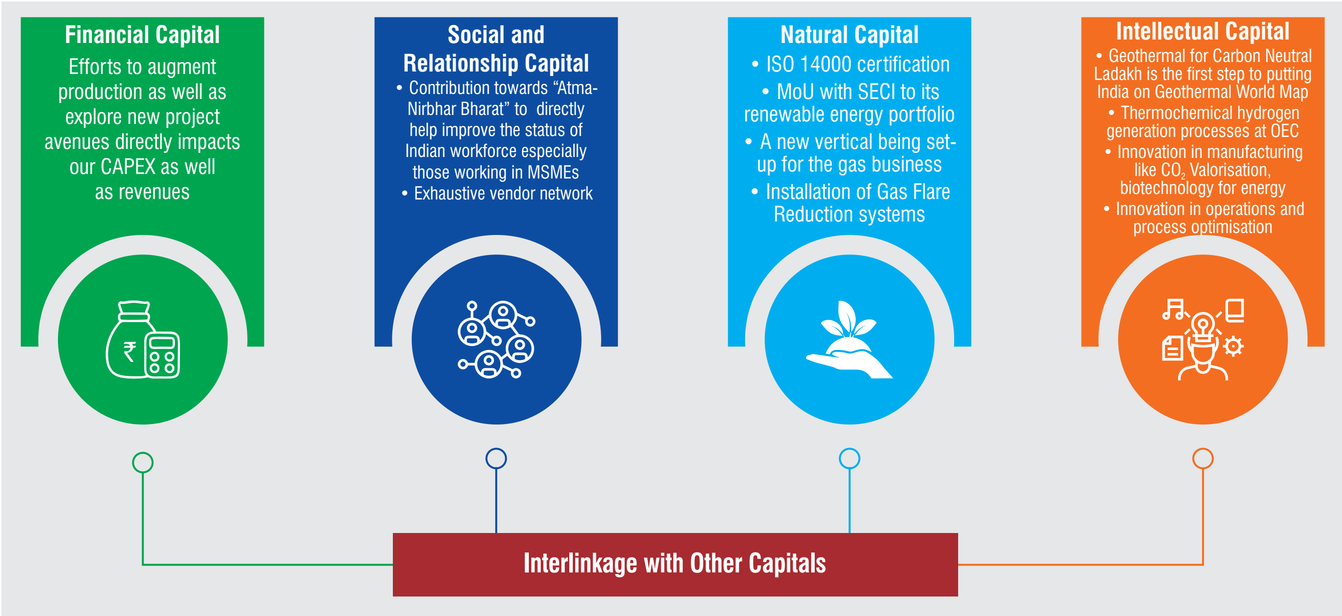
Total Oil and Gas production including JV's :
43.387 MMTOE
Oil: 21.707 MMT | Gas: 21.680 BCM

| | |
|---|---|
| Value Added Products: 3,089 KT | Discoveries Made-4 (2-onshore, 2-offshore) |
| Discoveries Monetised-6 (2-onshore, 4-offshore) | Wells drilled: 434 (ONGC standalone) |
| 2D Data acquired: 1,805 LKM | 3D Data acquired: 3,963 SKM |

### Key Material Issues

Product Quality and Safety
Asset Utilisation

### UN SDG Alignment




**Management Approach**

ONGC has aligned with the country's mission of improving hydrocarbon prospects and ensuring energy security. The Company is expanding its exploration footprints in new geographies. It is actively participating in the Open Acreage Licensing Policy (OALP) bidding process, has won 18 Blocks out of 21 in round VI, and is expecting to win 3 Blocks out of 8 blocks in round VII. The expected blocks will have a total acreage of 43,494 km$^2$ (about 85%) of the total 51,111 km$^2$. The Company is committed to acquiring acreages across all categories of basins, focusing on expanding exploration in unexplored Category-II and III basins and Drilling Wells (DW).

**Key Strategic Developments**

• ONGC's subsidiary Mangalore Refinery and Petrochemicals Limited (MRPL) and ONGC Mangalore Petrochemicals Limited (OMPL) have merged into a single unit, with MRPL acquiring a 100% stake in the latter during Q4 of FY 2020-21.

• The Company signed a new Gas Sale and Transportation Agreement (GSTA) with the Gas Authority of India Limited (GAIL) for a 5-year duration effective from 7 July 2021. Post this agreement, around 90% of ONGC's total gas production from domestic fields is being sold to GAIL at the domestic gas price.

• ONGC signed another Gas Transportation Agreement (GTA) with GAIL on 3 December 2021. This will ensure undisputed pipeline tariff realisation and allow the Company to gain experience in operating a GTA with Capacity Tranche (CT) agreement and Operating Code. This move will benefit its new business ventures in areas such as Liquefied Natural Gas (LNG).

• L&T was awarded a mega-contract worth USD 490.54 Million by ONGC for the largest Pipeline Replacement Project, PRP-VII. The contract for the mega project was awarded on 24 January 2022 in a minimum tender processing time with an overall completion schedule by 15 May 2024.

• ONGC and Assam Hydrocarbon & Energy Company Limited (AHECL) signed an MoU on 24 September 2021 to evaluate E&P investment opportunities in India's North-Eastern region.

• The Assam Asset of ONGC and Assam Gas Company Limited (AGCL) have formalised Gas Sale Agreements (GSA) for Sibsagar town's gas supply on 24 June 2021 at the prevailing domestic gas price of US$ 1.79/MMBTU.

**Ensuring Product and Service Quality**

**On a journey towards digitalisation**

In line with the Government of India's plan of a Digital India, ONGC is accelerating its digitalisation journey and rapidly integrating digital technologies in its operation. This will enable the Company to ensure the quality of its products and increase operational efficiency. Some of the major digitalisation initiatives taken this year include:

• e-tendering Portal - Integrated Trading Desk (ITD)

• Induction of Electronic Auto Driller System at 5 different locations

• E-auctioning for domestic gas

**Promoting "Atma-Nirbhar Bharat"**

For India to achieve sustainable development and ensure product and service quality in future, it is important to be a self-reliant nation or an Atma-Nirbhar Bharat. ONGC fully aligns itself with the country's goals. Toward this end, it has simplified its business procedures for procurement from local ventures to promote an Atma-Nirbhar Bharat. The Company has also made a commitment for procurements worth ₹ 300,000 Million in FY 2021-22 with a focus on promoting local ventures. ONGC organised a special online Business Partners Meet, titled 'Building Bridges in ONGC's Supply Chain: Atma-Nirbhar Bharat: Prosperous India', on 3 July 2021 to raise awareness about upcoming opportunities with ONGC, enhancing transparency and streamlining contracting practices to support local businesses.

## Asset Utilisation

### Business-wise performance

ONGC and its group companies serve the nation with a broad portfolio of products like:

| ONGC | ONGC Videsh | MRPL | OMPL | OPaL | OTPC |
|---|---|---|---|---|---|
| •Crude Oil<br>•Natural Gas<br>•LPG<br>•Naptha<br>•C2-C3 | •Crude oil & Condensate<br>•Natural Gas | •LPG<br>•Naphtha<br>•Gasoline<br>•ATF<br>•HSD<br>•Fuel Oil<br>•Poly Propylene<br>•Mixed Xylene<br>•Bitumen<br>•Pet Coke<br>•Sulphur | •Paraxylene<br>•Benzene<br>•DECBL<br>•Fuel Gas<br>•Hydrogen<br>•Paraffinic-Raffinate | •HDPE<br>•LLDPE<br>•PP<br>•Benzene<br>•Butadene<br>•Pygas<br>•CBFS | •Natural Gas based Power Generation |

### ONGC

The premier crude oil and natural gas organisation hold the distinction of being India's only fully integrated oil and gas firm, with a presence across the entire hydrocarbon value chain. ONGC accounts for around 71% of the country's total crude oil and natural gas output.

#### Production data

| Description | Type of production | Unit | Production Quantity | |
|---|---|---|---|---|
| | | | FY 2021-22 | FY 2020-21 |
| Crude oil | Offshore | MMT | 13.619 | 14.250 |
| | Onshore | | 5.833 | 6.023 |
| | Total | | 19.451 | 20.273 |
| Natural Gas | Offshore | BCM | 15.943 | 17.238 |
| | Onshore | | 4.686 | 4.858 |
| | Total | | 20.629 | 22.096 |
| Value Added Products (VAP) | | KT | 3,089 | 3,120 |

In FY 2021-22, the Company witnessed a decline of 3.9% (0.8 MMT) and 5% (1.1 BCM) in oil and gas production, respectively, compared to the last fiscal year. This resulted in a total decline in oil and gas production by 2.0 MMTOE.

#### Establishing India's energy security

ONGC is working towards establishing India's energy security. The Company has taken various initiatives to explore new avenues of oil and gas while augmenting its existing production capabilities:

Synergy amongst ONGC Group Companies

As a display of synergy amongst the ONGC's group, the Uran Plant supplied 5 lakh MTs Naphtha to OPaL, thereby earning a cumulative revenue worth over ₹ 20,000 Million on 25 March 2022. The supply of Uran Naphtha commenced when MT MARIA GLORY sailed with the first cargo to OPaL on 29 January 2020.

Wheels that fuel the Nation: ONGC kept the country fuelled notwithstanding the challenges

**ONGC**

| New Production Capabilities | Augmented existing capabilities |
|---|---|
| Deep-water gas well, U1B in KG-DWN 98/2: Initial production of 0.65 MMSCMD. | Oil production from Lakhmani Area in Assam Asset reaches a 14-year high, achieving 550 TPD due to successful infill drilling and work-over operations. |
| WSV Lewek Altair: A third vessel joined the fleet of stimulation vessels of Well Services Mumbai with its maiden trip for stimulation operations in the western offshore fields of ONGC. | Rajahmundry Asset surpassed the 600 TPD milestone due to the successful drilling and fast-track monetisation of the Gopavaram Deep discovery. The well presently flows around 45 $m^3$ of condensate and 70,000 SCM of gas per day. |
| ONGC has made four discoveries in FY 2021-2022, namely South Velpuru-2, Gopavaram Deep-1, VGN-1 and SD-4-4. Amongst them, the South Velpuru-2 and Gopavaram Deep-1 have already been monetised in the reporting year. | Development of marginal field discoveries under the Cluster-8 scheme increased Mumbai High Asset Production of Cluster-7 and 8 fields from 5,700 BOPD on 1 April 2021 to 16,800 BOPD on 28 January 2022. |
| The Mehsana Asset finalised the award of an important EOR scheme within a record time of 40 days. This will help in the early realisation of 110 TPD of incremental oil over the next 27 months. In Phase-I, 550 $m^3$/day of polymer injection facilities will be hired. | AAFB Exploratory Asset, Silchar monetised a well more than 32 years old, BK#1, in Banaskandi field on 17 September 2021 after activation with compressor job. |
| Hand over of fields awarded under Production Enhancement Contract (PEC), Marginal Nomination Fields (MNF): Out of 64 fields with 17 contract areas, 19 fields with 5 contract areas have been handed over. Two fields with one contract area are ready to be handed over. | ONGC has released a Notice Inviting Offer (NIO) seeking partners for enhancement of production from its balance of 43 marginal nomination fields with an O+OEG volume of about 160 MMTOE. |
| The Tripura Asset commissioned Gojalia GCS after completing the Performance Guarantee Test Run (PGTR) on 31 July 2021. The plant has a designed capacity of 0.5 MMSCMD. | ONGC enhanced the oil reserve in the L-I reservoir in the MH North field from the estimated oil In-place volumes of 10.31 MMT (2004) to the revised estimates of 20.86 MMT by utilising various phases of field development schemes and the use of advanced technologies. |
| | ONGC carried out 38 Hydro-Fracturing jobs in FY 2021-22, resulting in an oil gain of more than 100 TPD. |

**Major projects undertaken in FY 2021-22**

| Projects | Ongoing | Completed | Approved |
|---|---|---|---|
| Total no of projects | 17 (9 onshore, 8 offshore) | 2 | 6 |
| Total Investment (₹ in Million) | 606,400 | 38,070 | 57,400 |
| Envisaged gains (MMTOE) | 82 | 8.04 | 3.56 |

**ONGC confirms the first production potential of a Proterozoic Basin in India**

After detailed testing, ONGC has successfully established the commercial potential of well "Hatta #3" located in the Sone valley of Madhya Pradesh. During the testing phase, the well produced over 62,044 m3 of gas per day. This will enable ONGC to commercialise its ninth Basin- the Vindhyan Basin, as ninth producing Basin in India. Notably, the eighth Indian Basin – the Bengal Basin was also dedicated to the nation by ONGC on 20 December 2020.

**ONGC Videsh**

ONGC Videsh contributed about 27.3% of oil and 19.4% of oil and natural gas to India's domestic production FY 2021-22. The subsidiary has stakes in 35 oil and gas projects in 15 countries. The total production of ONGC Videsh for FY 2021-22 stands at 12.33 MMTOE with 8.099 MMT of oil and 4.231 BCM of gas, accounting for a 12% share of India's domestic gas market.

Furthermore, in line with the 2040 vision of the Company that aims to invest in hydrocarbon projects outside India, ONGC Videsh undertook the discovery and establishment of a new hydrocarbon play, LS-3, in Block CPO-5, Colombia, which resulted in the production of 21,000 BOPD of oil in FY 2021-22. Moreover, the Company has submitted a Declaration of Commerciality (DoC) for block BM SEAL-4 to Brazil's regulator and is working with Petrobras, an operator, to formulate field development plans in the country. The Company also evaluated business development opportunities in Kenya, intending to venture into Kenya's first commercial hydrocarbon development.

ONGC Videsh has implemented a cloud-based system for remote access to workstations, a unique setup in the Indian hydrocarbon industry. The system has enabled global connectivity and accessibility for all key stakeholders of the Company facilitating seamless data transfer and studies, thereby reducing significant time and cost.

**Mangalore Refinery and Petrochemicals Limited (MRPL)**

MRPL has a total crude oil processing capacity of 15 MMTPA. During FY 2021-22, it had a net production of valuable refinery products of 13.4 MMT compared to 10.12 MMT in FY 2020-21. The total raw material utilised by MRPL during the year stands at 14.9 MMT. The subsidiary has recently commissioned the BS VI project that enables the production of better grades of fuel and improves the product slate. In addition, MRPL has also commissioned a Desalination Plant, FCC Gasoline Treatment Unit (FGTU) and a new Sulfur Removal Unit (SRU) in FY 2021-22. Furthermore, the refinery has joined hands with Mitsui Corporation, Japan, for the development of the 2G Ethanol Project. MRPL has an existing Joint Venture with Shell for ATF sales in Airports. A vessel with a parcel of 35,000 Metric Tons (MT) of Naphtha has been flagged off from MRPL for delivery to ONGC Petro-additions Limited (OPaL) on 28th September 2021. OMPL, a subsidiary of MRPL got amalgamated with MRPL w.e.f. 1 April 2021.

**ONGC Petro-additions Limited (OPaL)**

OPaL is a multi-billion joint venture company incorporated in 2006. It is promoted by ONGC and co-promoted by GAIL and GSPC. During FY 2021-22, OPaL's total production was 1.83 MMT, the raw material used in production was 2.29 MMT, while the revenue from operations stands at ₹ 160,480 Million. The market share of OPaL for installed capacity of Polyolefin is 13%. OPaL recorded a

40% increase in sales value to ₹ 16,050 Million FY 2021-22, up from ₹ 11,490 Million in FY 2020-21.

**ONGC Tripura Power Company Limited (OTPC)**

OTPC is the power generation arm of ONGC, with a 726.6 MW Combined Cycle Gas Turbine (CCGT) thermal power plant at Palatana, Tripura. For FY 2021-22, OTPC's total power generation stood at 4,124 Million units, and the Company's operating revenue amounted to ₹ 12,630 Million. OTPC has installed Chlorine Neutralisation Pits to mitigate chlorine leak emergencies and reduce accident risk levels.

**Future Outlook**

Ensuring India's energy security from a national perspective is paramount. ONGC fully recognises this and is committed to this goal by maintaining operational excellence and sustainable growth in its core business of E&P and non-E&P investments. This is in line with its Energy Strategy 2040. The Company hopes to achieve these goals through collaborations with Group entities and other leading industry players. ONGC's aspiration is to be a future-ready organisation with a strategic action plan that identifies a few key pillars that will be critical in guiding its expansion. It is concentrating on expanding its business and also understands the importance of doing so in a sustainable way with a focus on the climate-related areas of its operations to remain relevant in future clean energy ecosystems.

## Natural Capital

'Climate change is one of the most pressing issues that the world is grappling with, and effective resource management can help mitigate the impact of climate change.'

As a responsible corporate citizen, ONGC strives to achieve sustainable growth by promoting and implementing energy-efficient measures and leveraging environment-friendly technologies. The Company is focussed on tackling climate change due to the risk it poses to the sector, people and the planet. To this end, ONGC has developed and placed robust climate change strategies and is working on a roadmap that will assist the Company in transitioning to a low carbon economy.

### Key Highlights

| | |
|---|---|
| 340.74 MU of energy saved due to energy efficiency initiatives | 107,197+ LED lights installed in FY 2021-22 for ONGC group of companies |
| 184 MW (153 MW Wind and 31 MW Solar) cumulative renewable capacity installed | 264.84 MU saved due to renewable energy |
| 2.96 % reduction achieved in GHG emissions (Scope 1 and 2) | 37.48 MU of solar energy is generated |

### Key Material Issues

Climate change | Energy and Emission Management | Water Management | Biodiversity and Ecosystem Conservation | Waste Management | Disaster Management | Air Quality Management

### UN SDG Alignment


**Social and Relationship Capital**

- Under 'Saksham' conducted 1,334 energy conservation initiatives with a participation of 0.44 million people and 1,376 activities with a participation of 0.4 million people in FY 2021-22
- Responsible water management initiatives to recycle and reuse helped save 8.14 Million litres of water daily
- A bioprocess has been developed in association with TERI to enhance the production of Coal Bed Methane

**Intellectual Capital**

- In FY 2021-22, ₹ 10,335.6 Million were invested in innovation and R&D, in the areas of clean fuel and production.
- To support start-ups through start-up fund of INR 444.21 Million.

**Manufactured Capital**

- MRPL and OMPL have improved their operational efficiency and process optimisation to reduce total energy consumption by 803,913.76 GJ and 50,683 GJ, respectively
- Adopting new renewable energy sources. 0.6 MW of renewable capacity installed in FY 2021-22.

**Financial Capital**

- Expenditure incurred on environment protection (statutory and others) was ₹ 0.81 Million

**Interlinkage with Other Capitals**

**Management Approach**

ONGC has a well-established Carbon Management and Sustainability Group (CM&SG), which manages its commitments and implements initiatives for emission reduction and related disclosures. In addition, the Company is guided by a framework of well-articulated and updated policies like the Integrated Quality, Health, Safety and Environment Policy, E-Waste Policy etc. ONGC complies with all the regulations prescribed by the respective State Pollution Control Boards (SPCBs).

ONGC has developed robust strategies and a roadmap that aims to mitigate operational and strategic risks associated with climate change based on a study conducted with The Energy and Resources Institute (TERI) and other sector companies in 2016 on the climate change risks to oil and gas infrastructure and the preparedness of the sector in India.

As one of the key players of future energy in India, ONGC is committed to supporting the Government of India's (GoI) COP-26 announcement of 'five goals or Panchamrit' (Net Zero by 2070, increasing non-fossil energy capacity to 500 GW by 2030, meeting 50% of the country's energy requirements from renewables by 2030, reducing the carbon intensity of the economy by 45% and reducing total projected carbon emissions by one billion tonnes till 2030) .

ONGC's overall climate change strategy is aligned to its "Energy Strategy 2040" and is multi-pronged in nature. It aims to reduce process emissions through a dedicated approach that includes implementing energy efficiency measures, process optimisation, increasing renewable energy capacity to 10 GW by 2040, using electric vehicles and employing afforestation measures.

**Energy and Emissions Management**

'Clean and Green energy is the ultimate convertible currency for sustainable and profitable operations.'

ONGC acknowledges that its business activities are energy intensive. As a Maharatna company and a forerunner in the Oil and Gas industry, the Company understands its responsibility towards climate related risks and is strongly focused on achieving efficiency in its operations. To this end, all large installations/plants of the Company are certified under ISO 50001 for efficient energy management.

Over the years, the Company has successfully installed the best available technologies to ensure benchmarking of energy consumption and taken several initiatives to reduce the same across sites, some of the key initiatives in FY 2021-22 are:

• Periodic Energy Audits – ONGC conducted 314 energy audits during the fiscal year.

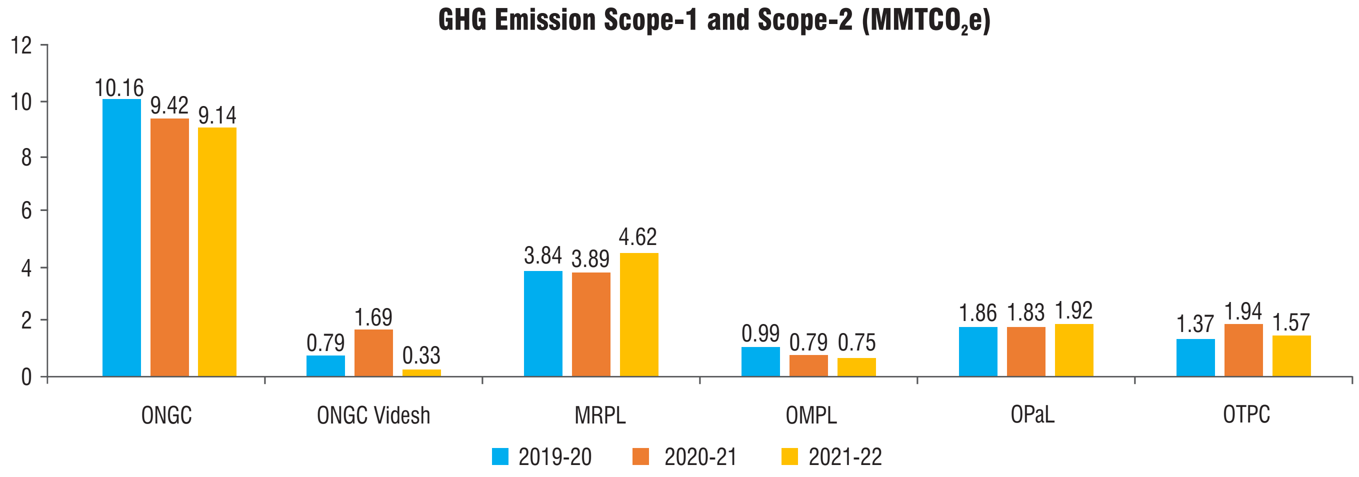
• Energy saving measures like process optimisation, installation of flare gas recovery systems, micro-turbines and Variable Frequency Drives (VFDs), Dynamic Gas Blending (DGB), adopting energy efficient motors and Airconditioners and installing around 351,000 LED lights.

• ONGC's energy intensity has reduced to 3,315.95 TJ/MMT in FY 2021-22 compared to 3,342.34 TJ/MMT in FY 2020-21 and The energy intensity of ONGC Videsh stands at 2208.071 TJ/MMT for FY 2021-22.

Trends in energy consumption of the ONGC group of companies during the last three financial years:

| Energy Consumption in (TJ) | | | |
|---|---|---|---|
| | FY 2019-20 | FY 2020-21 | FY 2021-22 |
| ONGC | 161,960.34 | 151,574.97 | 141,756.68 |
| ONGC Videsh | 11,527.40 | 8,648.63 | 9081.97 |
| MRPL | 55,851.00 | 55,362.00 | 60,289.48 |
| OMPL | 14,406.00 | 11,400.30 | 11,439.99 |
| OPaL | 39,356.71 | 38,483.05 | 39,870.54 |
| OTPC | 25,754.00 | 33,874.00 | 28,033.28 |
| **Total** | **308,855.45** | **299,342.95** | **2,90,471.93** |

ONGC regularly measures, monitors and reports its Scope 1 and Scope 2 emissions in accordance with the guidelines of the World Business Council for Sustainable Development (WBCSD), World Resource Institute (WRI) and GHG Protocols. It also follows sector-specific guidance provided in the Compendium of Greenhouse Gas Emissions Estimations Methodologies for the Oil and Gas industry developed by the American Petroleum Institute (API). In FY 2021-22, ONGC's emissions, both Scope 1 and Scope 2, have reduced compared to the last fiscal year, as depicted in the chart below:



Select key highlights of Renewable Energy (RE) capacity development during the reporting year are outlined below:

**ONGC**

• A total of 264.84 MU of RE generated through wind (227.36 MU) and solar power (37.48 MU)

• RE target capacity to be increased by 5 MW at Hazira in FY 2022-23. Initiatives are underway to identify locations to install solar plants to produce about 100 MW of power

**ONGC Videsh**

• ONGC Videsh's initiative "Project Lightning" in Abu Dhabi in the Lower Zakum Concession region has been undertaken to supply electricity from clean energy sources (solar and nuclear) to offshore platforms of Lower Zakum

**Mangalore Refinery and Petrochemicals Limited (MRPL)**

• A total of 7.89 MU of RE generated and 8.08 MU of solar power consumed in FY 2021-22

• A total of 0.529 MU of energy savings achieved by installing 56,277 LED lights

**ONGC Mangalore Petrochemicals Limited (OMPL)**

• A total of 2.79 MU of RE generated and consumed through solar power

• A total of 1.5 MU of energy savings contributed by installing 5,800 LED lights

**ONGC Petro additions Limited (OPaL)**

• Formation of Apex Energy committee under chairmanship of President OPaL

• Periodic survey of steam trap system, hot insulation and compressed air network by in house cross functional team

• A total of 0.45 MU of energy savings contributed by installing 4,120 LED lights

• ISO 50001:2018 certification of the Energy Management System

• A study is in progress for installing a 20 MW solar power generation plant

• MoU discussion in progress with Solar Energy Corporation of India (SECI)

**ONGC Tripura Power Company Limited (OTPC)**

• Conventional lighting was replaced with LED lights at non-plant and plant area for energy efficiency, resulting in energy saving of 374,052 KWh/Year

• Improved heat rate and efficiency on account of replacement of gas turbines inlet air filters both the units, resulting in saving of 20-30 Kcal/KWh at base load condition

• OEM conducted inspection as part of scheduled maintenance of Gas Turbine-1 (major inspection) and Steam Turbine-2 (medium inspection), resulting in better performance of the machines

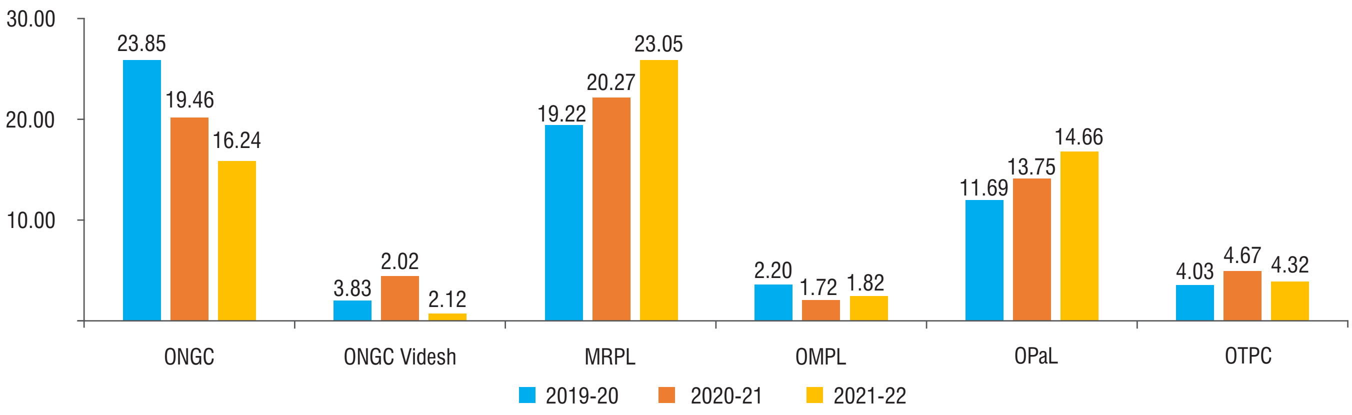
**Responsible Water Management**

'Water is one of the most precious resources available on earth'.

At ONGC, efficient water management is imperative to ensure business continuity as water is a key resource for all its operational activities. The Company treats wastewater generated from plants and refineries and focuses on effectively utilising produced water for operational purposes. The Company mainly relies groundwater, surface water and municipal water to meet its needs.

ONGC's operations, including crude oil extraction, natural gas exploration and production activities, are highly water intensive. The Company has significantly invested in sustainable water management practices over the last decade to effectively recycle and reuse treated water. Its practices include analysing site-wise risks and impacts related to water security and managing the quality of water returned to the environment.

**Water Consumption (in Billion Litres)**



Select initiatives taken by the ONGC group in FY 2021-22 for sustainable water management are outlined below:

| Entity | Highlights of water management initiatives |
|---|---|
| ONGC | • Around 1,660 $m^3$ of water recycled by Drilling Services Bokaro, resulting in a monetary saving of around ₹ 0.037 Million/ annum<br>• Change of boiler blowdown practice from IBD to CBD through SWAS unit has resulted in water savings of 3 Tons/Hr approximately at the Hazira plant |
| ONGC Videsh | • In the GPOC Oilfield in South Sudan, produced water is treated through bioremediation reed bed method at each Field Processing facility for the discharge in accordance with the regulations of the South Sudan Government and international standards<br>• Produced water is treated and injected in the disposal wells at PCB - Venezuela and Imperial - Russia |
| MRPL | • A new 30 MLD Seawater desalination plant was commissioned to conserve river water |
| OMPL | • A new 8" line constructed to take the desalinated water from MRPL |
| OPaL | • Participation in 100 MLD desalination plant by GIDC as 3rd reliable source other than the Narmada river and Sardar Sarovar canal<br>• Stringent patrolling of raw water pipeline coming from Rahiyad for any theft and other risks<br>• Installation of flow meter on raw water pipeline for identifying any leakages |
| OTPC | • A Rain Water Harvesting project installed and operational with a capacity of 1,267 Million litres per annum. |

**New technology adoption for generation of potable water in offshore at NBP-B well Platform of B&S Asset**

Atmospheric Water Generator (AWG) that converts atmospheric water vapor into fresh and clean drinking water has been installed at NBP-B well platform. Unmanned platforms are not equipped with the utilities for longer stay. One of the main challenges is to arrange potable water at these unmanned well platforms, which has now been overcome by adopting this technology.

The installed AWG is of 1,000 LPD capacity having small footprint of 1. 5X1.2X2.6 Mts (L-W-H). It can operate efficiently between 15 - 50°C temperatures with 25 – 99 percent relative humidity. When the atmospheric air is passed through the cooling chambers, water vapor is condensed and water droplets are formed. Produced water is drinking grade, free of pathogens, organic and chemical impurities which was validated by testing in laboratory.


Atmospheric Water Generator

This technology has been introduced for the first time in ONGC Offshore by installing at NBP-B Platform of B&S Asset and can have multiple applications in offshore. This has resulted in substantial savings in logistic cost. The new AWG would ensure availability of water even during monsoon and rough sea conditions, when potable water is to be transported from FPSO to well platforms.

The NBP (erstwhile D1) Field is situated around 200 km South-West of Mumbai in Deep Continental Shelf at a water depth of 85 – 90 m. NBP field consists of 5 Well Platforms viz. NBP-A, B, C, D & E, which are connected to FPSO. FPSO "Armada Sterling" has been taken on lease to process the well fluid of NBP field before evacuation of stabilized crude through tankers. FPSO is moored by internal turret system at 1.5 kms from NBP-B Platform.

The NBP is a unique field and first of its kind in entire ONGC where all the wells are completed with Electrical Submersible Pump (ESP). ESPs, having technologically intricate systems, require vigorous monitoring to ensure enhanced run-life. NBP Field is remotely located and hence in-field movements are restrictive due to which people have to stay at well platforms during trouble shooting of ESPs & other surface equipment.

Procurement was done through the Government e-procurement Management (GeM) portal. Installed AWG is Made in India making another step towards Aatmanirbhar Bharat and Make in India initiatives.

**Wastewater Management**

ONGC is investing in wastewater management for an effective treatment system to reduce its footprint and dependency on fresh water for operations. For the Company, it is a challenge that offers great scope for recycling and reuse. Due to the complex characteristics of wastewater, its management is challenging. It requires skilled operations to produce quality treated water for reuse in compliance with prescribed regulations. The Company always aims to go beyond the prescribed compliance limits of wastewater treatment by the Central and State Pollution Control Board ( CPCB & SPCB).

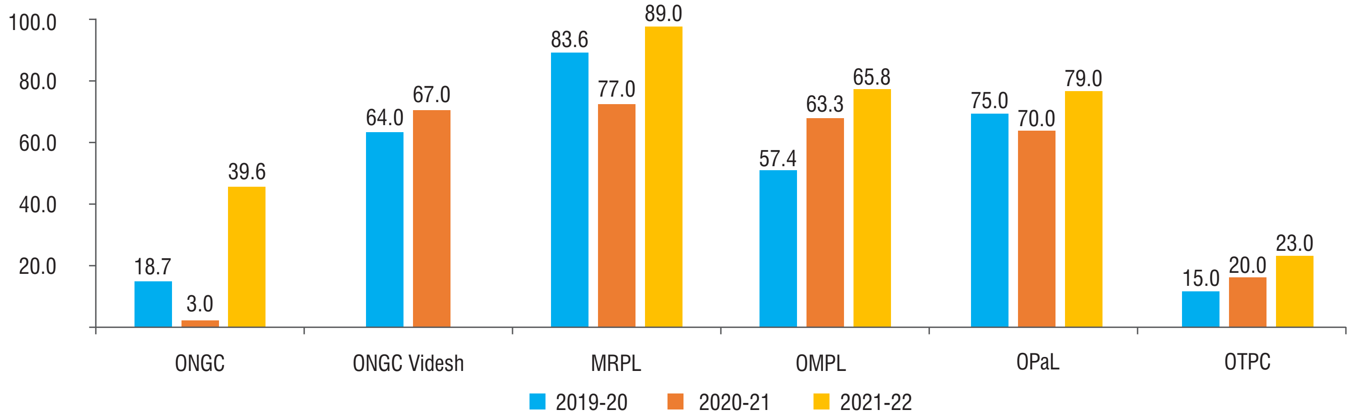
The company's wastewater management measures are outlined below:

| Entity | Wastewater management initiatives |
|---|---|
| ONGC | ONGC operates high performance Effluent Treatment Plants (ETP) using advanced technology with a lower footprint. The Company recycled and reused 39.6% of produced water in FY 2021-22<br><br>A total of 9,988 $m^3$ of effluent water was treated and recycled by two Mobile ETP units at Rig E-1400-7 and Rig E-1400-5. The treated water was re-used at Central Mud Plants (CMPs) and the Ankleshwar rigs<br><br>A total of 1,226 $m^3$ of work-over fluid was recycled at both the CMPs as per the required specific gravity and supplied to different rigs for reuse in operations |
| ONGC Videsh | Implementation of a Bio-remediation system in the oil fields of South Sudan significantly reduced environmental pollution |
| MRPL | A total of 4.67 Billion litres of water has been recycled through ETP |
| OMPL | The Impeller size of the treated effluent recycle transfer pump to the Cooling tower at the plant's ETP was increased from approximately 213 mm to 230 mm, leading to an increase in treated effluent flow capacity to the Cooling Tower from 240,996 $m^3$ in FY 2020-21 to 362,504 $m^3$ in FY 2021-22 |
| OPaL | 3.16 Billion litres of wastewater recycled and reused in the reporting year. Treated wastewater discharged into the sea stood at 0.84 Billion litres |
| OTPC | A total of 0.402 Billion litres of water recycled through ETP |

Trends in wastewater generation and recycling/reuse across entities during the last three years:

| Wastewater Generation (in Billion Litres) | | | |
|---|---|---|---|
| | **FY 2019-20** | **FY 2020-21** | **FY 2021-22** |
| ONGC Videsh | 0.003 | 0.010 | - |
| MRPL | 5.81 | 4.56 | 5.24 |
| OMPL | 0.434 | 0.437 | 0.62 |
| OPaL | 3.45 | 3.21 | 3.16 |
| OTPC | 0.47 | 0.64 | 0.402 |
| **Total** | **10.167** | **8.857** | **9.4282** |

**% of wastewater recycled/reused**



### Waste Management

The Company primarily focuses on waste management through structured waste segregation based on its characteristics, storage and disposal, waste to energy recovery and converting it into a saleable product as feasible. ONGC follows all applicable regulations for proper waste management, including its handling, storage, transportation and disposal. The Company has developed a robust system with comprehensive detailing of each waste from the source of generation to disposal or recycling and reuse. The Company is fully committed to environment-friendly disposal of hazardous and non-hazardous waste, ensuring that it does not deteriorate any resources. Waste with high calorific value is used for co-processing as a fuel in the cement industry, reducing the pollution created if it was disposed of through incineration.

Following are a few initiatives taken in FY 2021-22 by the ONGC Group:

| Entity | Highlights of waste management initiatives |
|---|---|
| ONGC | Approximately 26,360 MT of Oil Contaminated Waste or Oily Sludge was bio-remediated |
| ONGC Videsh | About 32.22 MT of waste was recycled or diverted from landfills |
| MRPL | About 474.22 MT of co-processing waste was disposed to authorised cement industries for utilising as alternate fuel and raw material in cement kiln through manifest and authorized transportation<br>751 MT of spent catalyst is recycled in spent catalyst re-cycler<br>2,530 MT of oily sludge is reprocessed in the DCU unit |
| OMPL | About 673.47 MT of co-processing waste was disposed to authorised cement industries for utilising as fuel in cement kiln through manifest and authorised transportation, and 226.703 MT of waste was sent to designated recyclers |
| OPaL | Total ₹ 10 Million revenue was generated through the recycling of waste |
| OTPC | 10.82 MT Used Oil and hazardous waste sent for recycling |

Trends in waste generation and recycling/reuse across entities:

| Waste Generation (in MT) | | | |
|---|---|---|---|
| | **FY 2019-20** | **FY 2020-21** | **FY 2021-22** |
| ONGC | 77,013.79 | 135,566 | 46,769 |
| ONGC Videsh | 298.02 | 314.07 | 373.70 |
| MRPL | 3,702.00 | 2,361.28 | 11,725.00 |
| OMPL | 3,337.52 | 1,580.99 | 915.84 |
| OPaL | 1,290.00 | 1,174.93 | 869.97 |
| OTPC | 9.29 | 1.81 | 12.02 |
| **Total** | **85,650.62** | **82,713.08** | **61,166.25** |

### Environment Management and Disaster Preparedness

The Company always aims to achieve standards going beyond compliance for environmental and resource management. All its units are ISO 14001 – 'Environment Management System' certified. The group complies with all regulatory norms and adheres to the guidelines of the Ministry of Environment Forest and Climate Change (MoEF&CC), CPCB and SPCB.

In FY 2021-22, Environmental Impact Assessment (EIA) studies were carried out for the following initiatives and projects:

#### Tripura

• Conversion of 37 Exploratory wells to Development Wells, Tripura Asset

• Onshore Development & Production from 105 wells in 12 nomination PML blocks in Sepahijala

• 10 wells and Khubal GCS in the NELP PML of North Tripura district

#### West Bengal

• Drilling of 15 Development Wells & Construction of QPS at Ashoknagar, West Bengal

#### Andhra Pradesh

• Development and Production of gas from 11 wells in the Offshore blocks, KG-OSN 2004/1(NELP) & GS-49-2(PML)

• Establishment of 2 unmanned platforms & onshore production facility at Odalarevu

• Laying of a 116.68 km pipeline, KG-Basin, East Godavari district, Andhra Pradesh

ONGC has a robust Health, Safety and Environment (HSE) management system to pre-visualise possible threats and strengthen resilience to minimise or prevent disasters. The Company has documented plans for emergency and disaster management. The Offshore Security coordination committee headed by DG Coast Guard, Regional Contingency Committee, comprising of the Indian Navy, Coast Guard, Indian Air Force and other central and state government agencies, also play a major role in the emergency response to disasters. Regular drills are conducted on all scenarios of ERP and DMP including oil spills. The crisis management team with skilled, abled and trained personnel is well-equipped to cater to any adverse eventuality.

### Ambient Air Quality Management

One of the major focus areas of ONGC has been to monitor and maintain ambient air quality, which is done as per the National Ambient Air Quality (NAAQ) standards. It is undertaken as stipulated in the project's Environment Clearance (EC) conditions at the concerned work centre. The report is submitted every six months to the concerned Integrated Regional Office, MoEF&CC. The Company's Uran, Hazira, C2 and C3 plants have an online continuous air quality monitoring system in place. The monitored data is uploaded to the CPCB and SPCB servers. Volatile Organic Compounds (VOCs) are monitored every six months by the work centres as stipulated in EC conditions.

### Biodiversity and Ecosystem Conservation

ONGC Group has always taken pioneering steps in protecting and conserving nature, flora & fauna, and biodiversity. The Company has a systematic approach, which comprises of smart tools, digitalisation, and environment-friendly concepts to evaluate risks and assess their impact. The organisation's commitment is reflected in its operational excellence, which protects the biodiversity and local habitat from harm.

Some of the initiatives taken in this regard in FY 2021-22 are outlined below:

#### ONGC

• Community plantation in Ghotaru, Jaisalmer Rajasthan to create a natural habitat and support local biodiversity. More than 6,500 native and drought-tolerant species of trees were planted on 8 hectares of land. The project is estimated to sequester 792 tonnes of carbon dioxide annually.

#### ONGC Videsh

• In 2021 MECL, the JV of ONGC Videsh in Colombia, managed the socioenvironmental impacts in the supply chain in line with ISO 20400 standards for sustainable sourcing as a management strategy framework. The Company implemented phase II of the biodiversity project to strengthen the ecological structure and connectivity of the forest remnants (fragmented forests) in the Moriche and Jazmin fields.

**MRPL**

- MRPL is converting 41 acres of marshy land into a full-fledged biodiversity park containing native species of trees belonging to the western ghats that will attract birds, insects etc., to create a vibrant ecosystem.
- A vermicompost facility has been commissioned in FY 2021-22 and two more are under construction. During the reporting year, approximately 13 MT of vermicompost has been harvested.
- Green belt development on 50 acres of land in the Pilikula Biodiversity Park and 25 acres at Bengre near Thannirbhavi seashore by planting 8,000 saplings. Financial support is being provided for the development and maintenance of the green belt.
- Biodiversity conservation efforts were scaled by initiating the adoption of wild animals in the Pilikula Biological Park, Mangaluru. Financial support has been provided for food, veterinary care and healthcare of the adopted animals.

**Future Outlook**

ONGC is accelerating the transition towards a clean and green future by moving away from conventional production to resource efficiency and cleaner energy. The coming years will be extremely crucial for the entire Group as it sharpens its focus on adopting new technologies and innovations to strengthen its entire value chain. Various innovations and ideas have helped the Company in reducing emissions and improving the mitigation of adverse impacts of climate change. This shift will play an increasingly important role in charting future policies and strategies aligned with ONGC's Energy Strategy 2040, which provides a strategic blueprint for a sustainable future.

## Social and Relationship Capital

### Key Highlights

| | |
|---|---|
| CSR expenditure: ₹ 4,580 Million | ₹ 700 Million contributed to PMCARES Fund |
| 1,200+ CSR projects undertaken | 2 Million+ CSR beneficiaries |
| 203,812 Existing Supplier base | 6,674 new suppliers in FY 2021-22 |
| 36.79% of input material by value sourced from MSMEs/ Small producers in FY 2021-22 | |

ONGC is constantly focused on supporting the development of social infrastructure and sustainable communities to create a long-term positive impact. The Company creates value through a strong trust-based relationship with its business partners, customers, regulators, and NGOs. ONGC's initiatives are designed to expand the impact of its sustainability endeavours by raising environmental awareness and deepening social impact.

**Management Approach**

Over the years, ONGC has reached out to vulnerable sections of local communities through its CSR programmes to bridge developmental gaps. It has made investments in community development, aligning its social interventions with the United Nation's Sustainable Development Goals (UN SDGs). The Company's developmental focus is intertwined with its sustainability commitments and go]al to collaborate constructively with its stakeholders and improve long-term performance.

**Community Engagement**

ONGC's CSR programmes cover 15 states and are delivered across 26 work centres. It has a strong monitoring framework to evaluate the ongoing progress of the programmes.

**Key Material Issues**

Community Engagement | Customer Satisfaction | Responsible Supply Chain

**Supporting Policy**

Corporate Social Responsibility and Sustainability Policy

**Financial Capital**
CSR expenditure of ₹ 4,580 Million.

**Human Capital**
24 projects worth ₹ 480.2 Million to tackle COVID-19 outbreak with benefitting more than 0.2 Million people.

**Natural Capital**
221 CSR activities undertaken during 'Swachhta Pakhwada' across 492 locations with a spend of ₹ 34.2 Million benefitting 300,993 people.

**Manufactured Capital**
Purchase preference towards MSME bidders (up to 25% of the total procurement) includes:
- 4% for Schedule Caste and Tribe (SC/ST) entrepreneurs
- 3% earmarked for women entrepreneurs

**Interlinkage with Other Capitals**

**UN SDG Alignment**


**Key Focus Areas**

**An Innovative intervention to eliminate manual scavenging**

ONGC, in partnership with the ONGC Foundation and with support from Genrobotics Pvt Ltd., an Original Equipment Manufacturer (OEM), helped restore dignity to manual scavengers by installing 12 manual scavengers by installing 12 robotic scavengers in Ariyalur, Chennai, Vizag, Kakinada, Vijayawada and other places. This helped eliminate the need to manually clean sewage pits, a physically dangerous, unhygienic and socially demeaning activity.

**Efforts to tackle COVID-19 Pandemic Outbreak**

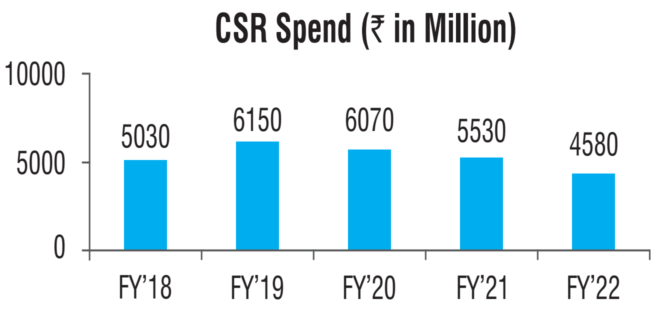
ONGC has undertaken 24 projects worth ₹ 480.2 Million to tackle the COVID-19 outbreak benefitting over 0.2 Million people.

**Education**

**ONGC Merit Scholarship Scheme:** This initiative provides scholarships to deserving students to pursue MBBS, Geosciences, MBA, and Engineering courses. Each student is awarded an amount of ₹ 48,000 per year under this scheme. ONGC has supported 891 students from the SC/ST categories, 912 students from Other Backward Classes (OBC)/MOBCcategories, and 938 students from the Economically Weaker Section (EWS) categories in FY 2021-22.

**ONGC Super 30:** This initiative helps 30 children prepare for engineering and medical entrance exams.

- In Sivasagar, the Super 30 initiative helped students prepare for the engineering entrance exams.
- In Srinagar, Kashmir, medical entrance coaching enabled 27 students to secure admissions in FY 2021-22.




Not to Scale

**Skill development at Baramullah, Kashmir:** This one-of-a-kind effort, spearheaded in collaboration with the Indian Army and REACHA (NGO), is aimed to empower the youth of Baramulla. The initiative delivers skills training in retail sales, hospitality, fashion design, cutting and sewing, art, music, and culture. In FY 2021-22, 488 youth were trained in nine different trades. Of these, 345 have been placed in jobs, while 90 participants are still undergoing training.

### Environmental Sustainability

### CSR initiatives conducted to enhance environmental sustainability include:

• Providing financial assistance for purchasing four Hopper Tippers for Sonari and Moran Municipal Councils for carrying waste from their respective municipalities.

• Executed solid waste management project in the Nagapattinam district.

• 5,000 trees were planted in the Pudhukottai district. Several bore wells were installed in Thiruvarur, Nagapattinam and Thanjavur districts.

### CSR initiatives to accelerate rural development include:

• 221 CSR activities undertaken during 'Swachhta Pakhwada' across 492 locations with a spend of ₹ 34.2 Million benefitting 300,993 people. 152,579 people participated in various activities associated with the programme.

• Promoting local art and culture through 6 handicraft projects launched as part of Azadi ka Amrit Mahotsava promoting Lac craft, Dokra art, wool weaving, handloom, bamboo crafts and block printing.

• 20 Aspirational Districts adopted in 11 states where projects amounting to ₹ 141.4 Million have been implemented, benefitting over 2 Million rural people.

### Responsible Supply Chain

Multiple tiers of suppliers, contractors, and joint venture partners make up ONGC's diversified supply chain, which spans its business operations. The Company follows a rigorous approach to ensure compliance with applicable labour practice laws, including child labour and human rights issues, throughout its supply chain. All service contract agreements with suppliers follow applicable legal and Health, Safety and Environment (HSE) standards throughout the execution process. In FY 2021-22, only five supplier complaints were received and resolved successfully.

### Managing Supplier Network

At ONGC, the suppliers are chosen by inviting tenders on GeM, an e-procurement portal, and by requesting for proposals through advertisements or direct requests. Its supplier base stands at around 203,812, all of whom follow the Supplier Code of Conduct to ensure transparency, enhanced governance, and fair business practices across the value chain. The Company aims to extend its sustainability efforts by sensitising its suppliers on Environmental, Social and Governance (ESG) performance parameters in a bid to encourage them to improve their non-financial performance.

ONGC complies with all regulations and compliances concerning community engagements to ensure that its actions do not consciously have any negative impact on local communities. The Company gives purchase preference to Micro, Small and Medium Enterprises (MSME) bidders for up to 25% of the total procurement that includes 4% earmarked for SC or ST entrepreneurs and 3% for women entrepreneurs.

### Customers

ONGC interacts with its B2B customers regularly to gain their feedback on product quality and pricing. These interactions improve customer satisfaction and provide an avenue to understand and address their concerns. In FY 2021-22, ONGC received only 48 customer complaints, and they were all resolved satisfactorily.

### Case Study: Rajasthan Kutch-Onland Exploratory (RKOE) Asset Jodhpur organises Gas Consumers Meet

The RKOE Asset Jodhpur, in association with the Corporate Marketing Group Delhi, organised a Gas Consumers Meet in the city in December 2021 related to monetisation or gas sale of Chinnewala Tibba Field. The meet was designed to help understand the prospective consumers and sensitise them on business opportunities available related to the production of gas from the ROKEA Asset. Seven companies including gas pipeline operators, direct industrial consumers, ceramic industries, city gas operators and downstream companies participated.

### Future Outlook

ONGC will continue strengthening its engagement and two-way communications with internal and external stakeholders to develop a long-term roadmap focused on strengthening the larger ecosystem beyond operational imperatives. It aims to lead national CSR efforts and define new paradigms that will accelerate societal transformations and build a sustainable future for the Company, India and all Indians.

# Board's Report

# Board's Report

**Dear Shareholders,**

On behalf of the Board of Directors of your Company, it is my pleasure to present the 29th Annual Report of Oil And Natural Gas Corporation Limited (ONGC/ the Company) and its Audited Financial Statements for the year ended March 31, 2022 (FY'22), together with the Auditors' Report and Comments on the Financial Statements by the Comptroller and Auditor General (CAG) of India.

As the global economy recovers from the stress of COVID-19 pandemic, supply chain disruptions, extreme weather events, energy supply crunch and geo political upheavals have caused turbulence in energy sector. With global demand rebounding and outpacing supply, energy prices have increased substantially from the last years level. Years of inadequate financial returns coupled with low commodity prices and surge in net zero aspirations have depressed investments in fossil fuels. The whittled down spare capacity has contributed to the present demand supply mismatch and the same is not expected to moderate in 2022.

Your Company, on its part, has been maintaining the pace of capital spending and project execution, sustaining its production, optimizing operating costs to improve the value proposition for all stakeholders while looking for cleaner ways of doing its business.

Your Company, along with its group companies, has registered yet another year of robust performance and made substantial progress on most of the priority areas.

Despite the challenges faced by the Company during the second wave of pandemic and the consequent logistic constraints, your Company's standalone production during the year was 40.453 Million Metric Tonnes of oil and oil equivalent gas (MMTOE) (against FY'21 production of 42.369 MMTOE ).

- Crude oil production, including share of JV production, was 21.707 Million Metric Tonnes (MMT) during FY'22 against 22.533 MMT during the previous year.
- Natural gas production, including share of JV production, was at 21.680 Billion Cubic Metres (BCM) against 22.816 BCM during FY'21.
- Value Added Products (VAP) production during FY'22 was 3.089 MMT against 3.120 MMT during FY'21.

Backed by an intensive and continuous exploration programme, your Company declared four oil and gas discoveries (two on-land and two offshore) during FY'22.

During FY'22, accretion of In-place volume and EUR (Estimated Ultimate Reserves) in 2P category from ONGC operated areas in India has been 90.50 MMTOE and 40.82 MMTOE respectively. Reserve Replacement Ratio (RRR – 2P EUR) from domestic fields was 1.01 with respect to 2P reserves. Your Company has maintained Reserve Replacement Ratio (2P) of more than 1 for the 16th consecutive year.

Your Company has four direct subsidiaries, namely ONGC Videsh Limited (OVL), Mangalore Refinery and Petrochemicals Limited (MRPL), Hindustan Petroleum Corporation Limited (HPCL) and Petronet MHB Limited (PMHBL).

Your Company also has nine Associates/ Joint Ventures, namely ONGC Petro additions Limited (OPaL), ONGC Tripura Power Company Limited (OTPC), ONGC TERI Biotech Limited (OTBL), Dahej SEZ Limited (DSL), Mangalore SEZ Limited (MSEZL), Indradhanush Gas Grid Limited (IGGL), Pawan Hans Limited (PHL), Petronet LNG Limited (PLL) and Rohini Heliport Limited (RHL).

## 1. Major Highlights: FY'22

The major highlights during FY'22 are:

**i.** Revenue from operations in FY'22 stood at ₹1,103,454 million against ₹ 681,411 million in FY'21.

**ii.** Net profit in FY'22 was ₹403,057 million against ₹112,464 million during FY'21 mainly due to higher realisation on Crude Oil, Natural Gas and VAPs.

**iii.** Exploratory well Hatta#3 in Son valley sector of Madhya Pradesh produced gas@62,044 m3/day on testing and confirmed commercial production potential of Vindhyan Basin. With development and production, this would be the ninth producing Basin of India.

**iv.** Production of Cluster-7 & 8 fields of Mumbai High Asset increased from 5,700 bopd on 1 April 2021 to 16,800 bopd on 28 January 2022.

**v.** Production commenced from the second deep-water gas well, U1B, the deepest well of the Cluster- II KG-DWN 98/2 on 28 August 2021 with initial production of ~ 0.65 MMSCMD.

**vi.** Cambay Asset achieved the highest ever production level of 763 TPD on 9 and 30 March, 2022. It also achived highest ever annual oil production of 0.241 MMT during FY'22.

**vii.** Cauvery Asset achieved the highest gas production of 33.1 LCMD after a span of 3 years on 1 October 2021 with the peak production of 15.9 LCMD of gas from Kanjirungudi field.

**viii.** Assam Asset scaled up oil production in Lakhmani Area (consisting of Lakhmani, Laiplingaon, Kuargaon and Demulgaon Field) to the level of 550 TPD, a production milestone achieved after a long gap of 14 years.

**ix.** Institute of Engineering and Ocean Technology received a patent on "Process of Preparation of corrosion inhibited completion fluids for Oil and Gas Wells" on 7 April 2021.

**x.** Regional Geoscience Laboratory, Vadodara received a national patent for Formulation of Viscosity Reducer and Flow Improver for Asphaltic and Waxy Crude Oil Emulsions.

**xi.** Gas Hydrate Research & Technology Centre, ONGC, Panvel signed an agreement with IOC R&D Centre for synthesis and evaluation of suitably functionalized nano-materials for use as Kinetic Inhibitors for Gas Hydrates.

**xii.** ONGC eases business procedures and committed procurement worth ₹30,0000 million In support of 'Aatmanirbhar Bharat' initiative during FY'22.

**xiii.** First exploratory well in OALP Block CB-ONHP-2018/2 awarded under new HELP regime drilled for exploring the deeper new Mesozoic play from Cambay basin. Two appraisal wells in DSF-II contract areas of RJ/ONDSF/ Chinnewala /2018 & MB/OSDSF/ CA/2018 were also drilled during the year.

**xiv.** Launching of an online platform to digitalize trading for Integrated Trading Desk of group companies, on 1 October 2021.

**xv.** MoU with Saudi Aramco on 18 November 2021 during Dubai Expo 2020 for collaboration and cooperation in energy-related areas.

**xvi.** MoU with Solar Energy Corporation of India (SECI) to develop renewable energy-based power, ESG (Environment, Social, and Governance) projects, for achieving green energy objectives on 2 December 2021 in New Delhi.

**xvii.** ONGC started e-auctioning for domestic Gas on 12 April 2021.

**xviii.** ONGC obtained Proprietary membership for trading of natural gas at Indian Gas Exchange (IGX) on 26 March 2022.

**xix.** Contract signed for largest pipeline replacement project PRP-VII at a project cost of USD 490.54 MM on 9 March 2022.

**xx.** Spent ₹5,316 million on Research & Development activities and another ₹3,001 million on various innovative initiatives during FY'22 that included technologies and processes like Low Salinity Water Injection, Managed Pressure Drilling, Casing While Drilling, Micro Bubble Technology, Auto Driller, Micro Tubines, LED lighting, Dual gas Blending, Plunger Lift in Gas Wells, Hydraulic SRPs and large scale real-time monitoring of wells on SRPs and PCPs etc. These initiatives resulted in improved operational efficiencies and cost optimization for your Company.

### 2. Global Recognitions

Your Company has been recognised at various national and international forums, list of Awards and Accolades is annexed as **Annexure – A**.

### 3. Details of discoveries

During the year, your Company has notified four new discoveries in acreages operated by it.

Details of exploratory efforts made by your Company were as under:

| Sr. No | Basin/Block | Discovery well | Acreage | Discovery Type | Hydrocarbon Type |
|---|---|---|---|---|---|
| 1 | KG Onland | South Velpuru-2 | PML Godavari | Prospect | Oil |
| 2 | KG Onland | Gopavaram Deep-1 (GMD-AA) | PML Sirikattapalli -Pasarlapudi 24-Gopavaram | Pool | Gas |
| 3 | Mumbai Offshore (SW) | VGN-1 (VGN-A) | PML Ratna | Prospect | Oil & Gas |
| 4 | Mumbai Offshore (SW) | SD-4-4 (SD-4-D) | PML C Series in Daman Tapti area | Prospect | Oil & Gas |

- Exploratory well Hatta-3 in Son valley sector of Madhya Pradesh produced gas @62,044 m3/day on testing and confirmed the potential of commercial production of Vindhyan Basin.
- A total of 1803.86 LKM of 2D seismic data and 3962.99 SKM of 3D seismic data was acquired. Out of this quantum, a total of 1504.66 LKM 2D and 2265.57 SKM of 3D seismic data was acquired in OALP blocks.
- Testing results from well South Velpuru-2 (SVL-2) proved presence of commercial oil in Tirupati play for the first time and gave a impetus for further exploration of the corridor with focus on Tirupati play.
- Oil reserve below L-I reservoir in MH North field enhanced In-place volume of oil by 20.86 MMT.

### 4. Reserve Accretion and Reserve Position

Accretion of in-place hydrocarbons and EUR by ONGC in its operated areas and in Non-Operated (JV Share) during FY'22 along with position of in-place hydrocarbons and EUR established as on 01.04.2022 is as follows:

**In-Place Hydrocarbon volumes and Estimated Ultimate Recovery** (MMTOE)

| | | Accretion during the year 2021-22 | | | Position as on 01.04.2022 | | |
|---|---|---|---|---|---|---|---|
| | | Domestic (Operated) | JV-Domestic (ONGC Share) | Total | Domestic (Operated) | JV-Domestic (ONGC Share) | Total |
| In-place Hydrocarbon | 3P | 89.03 | 0.60 | **89.63** | 9,334.45 | 698.51 | **10,032.96** |
| | 2P | 90.50 | 0.60 | **91.10** | 8,326.77 | 675.21 | **9,001.98** |
| EUR | 3P | 36.70 | 0.83 | **37.53** | 3,310.86 | 92.87 | **3,403.73** |
| | 2P | 40.82 | 0.83 | **41.65** | 3,096.56 | 92.36 | **3,188.92** |

**Position of Reserves and Contingent Resources as on 01.04.2022** (MMTOE)

| As per PRMS | Category | Company Operated | JV Operated | Total |
|---|---|---|---|---|
| Reserves | 2P | 710.19 | 16.42 | **726.61** |
| | 3P | 754.04 | 16.93 | **770.97** |
| Contingent Resources | 2C | 460.01 | - | **460.01** |
| | 3C | 630.46 | - | **630.46** |

### 5. Award of Blocks

During FY 2021-22, your Company participated in the OALP rounds VI & VII and emerged as the highest bidder winning an acreage measuring 34,097 Sq. Km. in OALP Round VI against the total offered area of 35,346 Sq. Km. ONGC emerged as sole bidder in 3 blocks in OALP-VII and is expecting an addition of more than 9300 Sq. Km.

Currently, all the awarded OALP blocks are in exploratory phase. As on 1 April 2022, a total 3,047.66 LKM of 2D seismic data and 8,965.05 SKM of 3D seismic data has been acquired and one exploratory well drilled in OALP Blocks.

### 6. EOR Proposals

Your Company has been consistently expanding its EOR portfolio. Under the Enhanced Recovery (ER) policy, 211 fields of ONGC located in onshore and offshore areas were considered for screening, 33 ER proposals were submitted and approvals for 17 have already been received.

ONGC for the first time executed a Pilot polymer flood project in heavy oil field of Mehsana. The Pilot was completed on 15 September 2020 and was successful in achieving all its objectives. The incremental gain is 5,057 m3 in 13 Months against FR envisaged 4,960 m3. The closure report was approved by DGH on 8 November 2021.

### 7. Monetization of Discoveries

Out of four new discoveries made during the financial year, two on-land discoveries viz. South Velpuru-2 and Gopavaram Deep-1 (GMD-AA) were monetized. Besides, four (4) other discoveries of previous years i.e. B-59-1, WO-24-3, D-30/ D-30-2 (D-30-A) and GS-71-2 were also monetized.

### 8. Major Projects Completed

During the FY'22, following two major projects (1 Development & 1 Infrastructure) with an investment of around ₹ 38,071.13 million were completed:

| Sl. No | Project Name | Completion Date | Actual Cost (₹ million) | Oil gain (MMT) | Gas Gain (BCM) |
|---|---|---|---|---|---|
| 1 | Ratna R Series | 31.05.2021 | 35,270.54 | 7.07 | 0.97 |
| 2 | Geleki Pipeline | 30.11.2021 | 2,800.59 | NA | NA |
| | **Total** | | **38,071.13** | **7.07** | **0.97** |

### 9. Drilling of Wells

Your Company drilled 434 wells during FY'22 against 480 wells during FY'21. 78 of these wells were exploratory wells, while the balance 356 wells were development wells including side-track wells. Second wave of Covid pandemic, Cyclones Tauktae & Yaas and LAQ issues in CBM and Karaikal impacted the drilling activities of your Company. The major highlights of Drilling operations during the year were:

- Drilling Rig IPS-M700-II of Ahmedabad Asset created a new milestone and completed well #AMLO(TD-1622m) with a commercial speed of 8224 M/RM, highest ever by any drilling rig of ONGC since inception.
- Implemented Casing While Drilling (CWD) successfully in five wells of Mumbai to mitigate the issues of drilling for 20" casing after 30" conductor piling.
- Tested two Ultra Deep wells in water depth of more than 2800m - #UD-AF (Qgas-765,625 m3/d thru 26/64" choke) & #UD-AG (Qgas-742,634 m3/d thru 28/64" choke) in Cluster-III of KG-DWN-98/2 Block in East Coast.
- Completions of two gas wells #U-1-B (WD 1407m) & #U-1-A-Shift (WD 1250m). Production from #U-1-B commenced from 27 Aug 2021.

### 10. Oil, Gas & VAP Production

Product wise details of Production, Sales and Value, during FY'22 with comparison of FY'21 are as under:

| Description | Unit | Production Qty | | Sales Qty | | Value ( ₹ in million) | |
|---|---|---|---|---|---|---|---|
| | | FY'22 | FY'21 | FY'22 | FY'21 | FY'22 | FY'21 |
| Crude Oil | (MMT) | 21.71 | 22.53 | 20.29 | 20.71 | 8,36,612 | 4,79,338 |
| Natural Gas | (BCM) | 21.68 | 22.82 | 16.75 | 17.69 | 1,24,414 | 1,14,216 |
| **Value Added Products (VAP)** | | | | | | | |
| Liquefied Petroleum Gas | 000 MT | 882 | 1,014 | 883 | 1,011 | 46,752 | 31,973 |
| Naphtha | 000 MT | 932 | 941 | 964 | 915 | 50,640 | 26,081 |
| Ethane-Propane | 000 MT | 315 | 242 | 315 | 241 | 9,078 | 4,963 |
| Ethane | 000 MT | 499 | 483 | 500 | 483 | 10,815 | 9,741 |
| Propane | 000 MT | 199 | 187 | 197 | 183 | 10,637 | 6,051 |
| Butane | 000 MT | 116 | 97 | 116 | 97 | 6,185 | 3,207 |
| Superior Kerosene Oil & MTO | 000 MT | 23 | 36 | 23 | 36 | 1,086 | 934 |
| Others* | 000 MT | 123 | 120 | 62 | 62 | 3,404 | 2,405 |
| Sub Total (VAP) | 000 MT | 3089 | 3,120 | 3,060 | 3,028 | 1,38,597 | 85,355 |
| **Total** | | | | | | **10,99,623** | **6,78,909** |

*Others include ATF, Sulphur-P, Sulphur-C, LSHS, HSD 11. Production from Overseas Assets - ONGC Videsh Ltd

### 11. Production from overseas assets - ONGC Videsh Limited

Your Company's overseas operations are carried out exclusively through its wholly owned subsidiary, ONGC Videsh Limited (OVL), which in turn conducts its operations either directly or through its subsidiaries. Production from overseas assets during FY'22 was 12.330 MMTOE in comparison to 13.039 MMTOE achieved during FY'21; a decrease of approx. 5.4%. The oil production during FY'22 was 8.099 MMT; 4.8% less compared to the production of 8.510 MMT during FY'21. The gas production of 4.231 BCM during the year was 6.6% less compared to FY'21 production of 4.529 BCM..

### 12. Other Exploration Initiatives/Activities

#### a) National Seismic Programme (NSP):

To accomplish its mandate of 2D seismic data Acquisition, Processing & Interpretation (API) in un-appraised areas of Indian sedimentary basins grouped in 11 on-land sectors, your Company completed data acquisition of 41,714.37 LKM and data processing and interpretation of 41,745.7 LKM. The program has been completed and all API deliverables have been submitted to NDR, DGH. This data in turn would contribute in augmenting domestic production of oil and gas.

#### b) Basement Exploration:

As a part of concerted excploration efforts for Basement Play, a total of 12 wells were drilled , which included 3 wells (BH-80, SD-15 & HR-1) in Mumbai Offshore, 2 wells (Charali-53 & Borhola-67) in Assam Shelf and 7 wells (Padra-150, Padra-152, Padra-155, Padra-158, Padra-161, Padra-163 and CBONH182A-1) in WON Basin.

Out of these, five wells (Padra-152, Padra-158, Padra-161, BH-80, HR-1) proved oil bearing and one well (SD-15) proved gas bearing. In addition, six wells drilled during FY'21 (2 in WON Basin, 4 in Mumbai Offshore) were tested during the year. Out of these, well Padra-146 (WON Basin) proved to be oil bearing in Basement section (Trap) and HC indications were observed in wells BH-81 & BH-82 (Mumbai Offshore) in Basement section.

#### HP-HT Exploration:

High pressure- High Temperature (HP-HT) and Tight reservoirs have been an exploration and development challenge for your Company. Your Company is striving hard in the field of HP-HT due to bore hole complications, fluid design, high-cost drilling technology including HP-HT cementing, well construction and other reservoir engineering issues. In ONGC operated areas, HP-HT regime is encountered in areas like Periyakudi, Bhuvanagiri in Cauvery Onland, Kottalanka, Nagyalanka, Bantumilli South and Malleswaram in KG Onland. Yanam in KG Shallow offshore, G-4-6, D-33 and GS-OSN-2004/1 in Western Offshore were also classified as HP-HT reservoirs. Additionally, high pressure regime is often encountered in certain areas of Assam Arakan Fold Belt.

During recent campaign of high-tonnage hydro-fracturing (HF) in Malleswaram field, significant gain in oil production could be achieved.

### 13. Exploration and Production from Unconventional Sources

#### a) Coal Bed Methane (CBM):

Of the 9 original blocks that the Company was awarded as part of the CBM bidding rounds including nomination, your Company relinquished 5 blocks on the basis of data generated from exploratory efforts and has been operating 4 blocks (Jharia, Bokaro and North Karanpura in Jharkhand and Raniganj in West Bengal) where exploration activities have been completed. Developmental activities are at an advanced stage in three of these blocks viz. Bokaro, Jharia and North Karanpura.

#### b) Gas Hydrate Exploration Program

Your Company has been an active contributor on gas hydrates exploratory research under National Gas Hydrate Program (NGHP) of Govt. of India. ONGC, as a Consortium Member of National Gas Hydrate Program of GoI has played a significant role in G&G studies for the identification of sites for NGHP-01 and NGHP R&D Expedition-02. Based on the results of NGHP-02 and subsequent studies and review by international experts, KG-DWN-98/5 has been found suitable for pilot production test. Various studies like sand control measures, well design, reservoir and production simulation modelling as prerequisite for the pilot production have been completed. Your Company would undertake pilot production test in deep waters for gas hydrate.

ONGC had signed an MoU with initial validity of five years on 02.03.2021 with Skolkovo Institute of Science and Technology (Skoltech), Moscow for Collaborative Studies to establish cooperation in the Gas Hydrate Research & Technology applicable to Indian Basins. ONGC has also signed an MOU with IOC R&D for development of nanoparticles as kinetic inhibitors in the dissociation of gas from gas hydrates under reservoir conditions.

### 14. Drilling Services

There has been continuous induction of new technologies in Drilling Services. Some of these new technologies, which are now being used extensively are:

**a)** Managed Pressure Drilling (MPD): MPD, used to precisely control the annular pressure profile throughout the wellbore, was inducted first time in ONGC at Tripura Asset for mitigation of down-hole complications. Two more wells ROAH_Sub, ADAT were successfully completed with this technology during FY'22.

**b)** Casing While Drilling: In view of 30" conductor piling issues and further drilling for 20" casing, implemented Casing While Drilling (CWD) in five wells of Mumbai.

**c)** Auto-Driller: Automatic bit feeding system (eWildcat TM 2.0) implementated in 5 drilling rigs (Type-II & above rigs of ONGC) to enhance the drilling efficiency.

**d)** Introduction of Micro Bubble technology: Eco-friendly Micro Bubble technology developed by IDT is used to drill reservoirs with low pressure (4.5-6.0 ppg). Same has been used in wells of Assam, Cambay and Mumbai.Since this technology is indigenous and found to be cost effective, it is planned to be used extensively in sub-hydrostatic reservoirs.

**e)** Introduction of System LCM: For controlling of mud losses in Reservoir and Non-reservoir sections, "System LCM" Drillezy and Fracseal were introduced on pilot scale to drill loss prone zone. Based on the success, Fracseal is being used to drill non reservoir loss prone zone as a preventive measure. Barablend LCM pill was used to successfully remediate Activity/Lost circulation problem and enabled testing of the basement formation Western Offshore Basin.

Your Company is also implementing technologies like Liner While Drilling, Axial Oscillation Tool for friction reduction & improved axial force transfer in drill string, SoftSpeed-II and E-Drilling predictive analysis.

### 15. Infrastructure Up-gradation:

Your Company is in the process of up-gradation of existing resources with State-of–Art equipment to remain competitive in the global E&P business. It has already taken actions to refurbish, upgrade and replace its Onshore/Offshore drilling rigs, Workover rigs, Cementing units, Crisis Management equipment in phases.

Major Infrastructure Up-gradations during the year were as under:

- 38 new Well Stimulation units inducted thereby enhancing the Frac Setups at Rajahmundry, Assam and Ahmedabad.
- Twenty seven (27) drilling rigs are being replaced by new generation hi-tech rigs in phased manner. Three new generation hi-tech drilling were commissioned during 2021-22 while 4th rig was commissioned in April 2022. Further, six new generation rigs are under different stages of commissioning.
- 4 Rigs out of 20 Automated Hydraulic Workover rigs are under various stages of commissioning at Mehsana, Ahmedabad, Assam and Ankleshwar.
- Acquisition of new 24 Well Stimulation units for onshore (16 Replacement and 8 new) in progress.
- 9 cementing units and 9 batch-mixtures replaced till 31st March 2022. Further, 24 cementing units are under procurement.

## 16. Information Technology

Your Company has carried out several Business Process improvements in the field of IT in FY'22. Major Process improvements were as follows:

Vendor Invoice Management (VIM): End-to-end invoice processing system including capturing/extracting the information from hardcopies/ softcopies of Invoices using OCR technology with minimal manual intervention.

Governance, Risk & Compliance (GRC): GRC module is implemented with complete RM module with fresh identification of Risks, Risk Analysis and Risk Response-Planning & monitoring.

Enterprise-wide SCADA System implemented in ONGC covering production installations and drilling rigs. Following two upgrades are being implemented with latest hardware and software with enhanced cyber security features:

Production SCADA upgrade covering all onshore & offshore installations and is near completion

Real Time Data Monitoring and Management (RTDMM) system for onshore drilling rigs on subscription basis. The new system will enable Real time data acquisition, aggregation and transmission from various production installations and drilling rigs to central location, Delhi and Disaster Recovery Centre, Vadodara for visualization through webservices. The system has well control feature also for offshore wellhead platforms. Solution implemented in 46 rigs of 48 rigs notified.

OSI-PI Historian is also established which will enable various advanced analytical tools to access historical and real time data thereby ensuring safe operation of these installations.

Block chain solution implemented to streamline contract management for Gas Sales. This solution has enabled monitoring the Gas Supply Agreements in real-time with an automated agreement management turn-key system covering all existing 130 contracts with provision for integrating future contracts. This has resulted in increased transparency and mutual trust amongst all stakeholders.

Digital transformation journey has been accelerated with the identification of 68 digital initiatives. In the initial phase, 6 initiatives are being taken up for implementation. Digital Centre of Excellence has been setup which will act as the change catalyst for the digital journey of your company on a long-term basis. Simultaneously your company has taken a head-start with implementation of AI/ ML based Common Analytics platform, which provides predictive and perspective cross domain analytics across various data sources in ONGC.

## 17. Information Security:

In order to strengthen the information security system, your Company has implemented following systems during FY'22:

- Enterprisewide Access Control System (EACS) for strengthening physical security covering 324 sites spread across the country.
- Information Security Operations Center (ISOC) for securing the digital infrastructure.

## 18. Financial Highlights:

Your Company earned Profit After Tax (PAT) of ₹ 403,057 Million, up by 258.39% over FY'21 (₹112,464 Million) and registered Revenue from Operations of ₹1,103,454 Million, up by 61.94% over FY'21 (₹681,411 Million).

**Highlights – Standalone Financial Statements**

- Revenue from Operations : ₹1,103,454 Million
- Profit After Tax : ₹403,057 Million
- Contribution to Exchequer : ₹493,316 Million
- Return on Capital Employed : 29.01%
- Debt-Equity Ratio : 0.03:1
- Earnings/ Share : ₹ 32.04
- Book Value/ Share : ₹ 189

| Particulars | ₹ in Million | |
|---|---|---|
| | 2021-22 | 2020-21 |
| Revenue from operations | 1,103,454 | 681,411 |
| Other Income | 65,156 | 71,425 |
| Total Revenue | 1,168,610 | 752,836 |
| Profit Before Interest Depreciation & Tax (PBIDT) | 609,456 | 335,697 |
| Profit Before Tax (PBT) | 410,400 | 164,028 |
| Profit After Tax | 403,057 | 112,464 |
| Transfer to General Reserves | 288,576 | 75,400 |

## 19. Change in Share Capital:

During the year under review, there is no change in capital structure of the Company.

## 20. Dividend

Your Company has paid interim dividend of ₹5.50 per share of ₹5 each (@110%) in November 2021 amounting to ₹69,192 million and ₹1.75 per share of ₹5 each (@35%) in February 2022 amounting to ₹22,015 million. The Board of Directors has recommended final dividend of ₹ 3.25 per share of ₹5 each (@65%) amounting to ₹40,886 million subject to approval of shareholders. The total dividend pay-out for FY'22 would be ₹ 132,093 million with pay out ratio of 32.77%.

The revised Dividend Distribution policy may be accessed at the web link: https://www.ongcindia.com/wps/wcm/connect/en/investors/policies.

Revision in the said policy was made considering that ONGC is currently having only one class of equity shares as also to provide more flexibility to the Board w.r.t. decisions regarding declaration of dividend.

## 21. Financial Accounting and Secretarial Standards

The Financial Statements of the Company for FY'22 have been prepared in compliance with the applicable provisions of the Companies Act, 2013 including Indian Accounting Standards (Ind AS) and Guidance Note on Accounting for Oil and Gas Producing Activities issued by the Institute of Chartered Accountants of India.

### Secretarial Standards:

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

## 22. Loans, Guarantees or Investments

Your Company is engaged in Exploration & Production (E&P) business which is covered under the exemption provided under Section 186(11) of the Companies Act, 2013. Accordingly, the details of loans given, investments made or guarantee or security given by the Company to subsidiaries and associates were not reported.

## 23. Deposits:

Your Company has not accepted any deposit during the year. Further, there was no outstanding deposit and/or unpaid or unclaimed principal amount or interest against any deposit either at the beginning or at the end of FY'22.

## 24. Credit Rating of Securities:

Details of the Credit Ratings of Debt Securities of the Company as on 31 March 2022:

| Sl. No. | Particulars | Details | | | | | |
|---|---|---|---|---|---|---|---|
| 1 | Name of Debt Security | International Bonds (Senior unsecured notes) issued by the Company and subsidiaries which are guaranteed by the company | International Bonds (Senior unsecured notes) issued by the Company and subsidiaries which are guaranteed by the company | International Bonds (Senior unsecured notes) issued by the Company and subsidiaries which are guaranteed by the company | Commercial Paper up to ₹ 10,000 Crore outstanding at any point of time | Non- Convertible Debenture upto ₹ 5,000 Crore | Non- Convertible Debenture upto ₹ 7,500 Crore |
| 2 | Credit Rating obtained | Rating : Baa3 (Stable)<br><br>[Including for Issuer Rating] | BBB- (Stable)<br><br>[Including for Issuer Rating] | BBB- (Negative)*<br><br>[Including for Issuer Rating] | [ICRA]A1+,<br><br>CARE A1+ | [ICRA] AAA (Stable),<br><br>IND AAA (Stable) | [ICRA] AAA (Stable),<br><br>CARE AAA (Stable) |
| 3 | Name of the credit rating agency | Moody's Investors Service | S&P Global Ratings | Fitch Ratings | ICRA Limited (ICRA), CARE Ratings Limited (CARE) | ICRA Limited (ICRA), India Rating and Research Private Limited(IRRPL) | ICRA Limited (ICRA), CARE Ratings Limited (CARE) |
| 4 | Date on which the credit rating was obtained | February 2005 and annual surveillance thereon every year. | November 2012 and annual surveillance thereon every year. | July 2021 | ICRA: 18.06.2018 and periodical surveillance and revalidation from time to time.<br>CARE: 25.06.2018 and periodical surveillance and revalidation from time to time. | ICRA : 17.07.2020 and periodical surveillance and revalidation from time to time.<br>IRRPL: 3.07.2020 and periodical surveillance and revalidation from time to time. | ICRA: 07.09.2021 and periodical surveillance and revalidation from time to time.<br>CARE: 29.07.2021 and periodical surveillance and revalidation from time to time. |
| 5 | Revision in the credit rating | No change in rating, however rating outlook was upgraded to Stable from Negative on 6th October, 2021 | Not Applicable | Not Applicable | Not Applicable | Not Applicable | Not Applicable |
| 6 | Reasons provided by the rating agency for a downward revision, if any | Not Applicable | Not Applicable | Not Applicable | Not Applicable | Not Applicable | Not Applicable |

* Fitch Ratings vide Press release issued on 14 June 2022 has revised ONGC's rating outlook to Stable from Negative. The rating action follows the revision of India's sovereign rating outlook to Stable from Negative on 10 June 2022.

### 25.Investor Education and Protection Fund (IEPF)

Details of transfer of unclaimed dividends and eligible shares to IEPF have been placed in the Corporate Governance Report, which forms part of the Annual Report.

### 26. Related Party Transaction

Particulars of contracts or arrangements with related parties as referred to in Section 188 of the Companies Act, 2013 provided in specified form AOC-2 is enclosed as **Annexure - B**.

### 27. Subsidiaries:

#### A. ONGC Videsh Limited

ONGC Videsh Ltd, the wholly-owned subsidiary of your Company for carrying on E&P activities outside India, had participation as on 1 April 2022 in 35 oil and gas projects in 15 countries., viz. - Azerbaijan (2 projects), Bangladesh (2 Projects), Brazil (2 projects), Colombia (7 projects), Iran (1 project), Iraq (1 project), Libya (1 project), Mozambique (1 Project), Myanmar (6 projects), Russia (3 projects), South Sudan (2 projects), Syria (2 projects), UAE (1 project), Venezuela (2 projects) and Vietnam (2 projects).

ONGC Videsh portfolio comprised of 14 producing, 4 discovered/ under development, 14 exploration and 3 pipeline projects. ONGC Videsh was Operator in 12 projects, Joint Operator in 6 projects and non-operator in the remaining 17 projects. ONGC Videsh share in production of oil and oil equivalent gas (O+OEG) is provided under the heading 'Production from Overseas Assets by ONGC Videsh' in para 11 above.

Gross consolidated revenue of ONGC Videsh for FY'22 was ₹173,220 million (against ₹119,558 million during FY'21) and the PAT registered was ₹15,892 million during FY'22 as against ₹18,910 million during FY'21. The decrease in profit is mainly on account of higher impairment.

Significant events in the area of Exploration & Operations:

**a. CPO-5 Block:**

Development wells Indico-4 & Indico-5 drilled in January and March 2022 respectively and both wells are now producing. Thus a total of 11 exploratory wells have been drilled, with 5 wells commercially producing hydrocarbons. CPO-5 block ended the year with a production of 21,000 bopd, making it a significant exploratory success for ONGC Videsh . DOC (Declaration of commerciality) for Indico Field submitted to ANH on 19 August 2021 & Field Development Plan on 18 November 2021.

**b. Lower Zakum Concession:**

To achieve production of 450 KBD by 2025 and 500 KBD by 2028, execution of 34" New Main Gas Line (NMGL) project to accommodate excess gas beyond capacity of existing 18" Main Gas Line has been taken up. The line is expected to be ready by end of 2023.

**c. ACG Azerbaijan:**

ACG achieved milestone of 4 billionth barrel of oil production on 18 September 2021. Chirag Gas Lift Project under Chirag Turnaround completed on 23 December 2021 in 23 days and put on full production 2 days ahead of the Schedule.

**d. GPOC/SPOC South Sudan:**

After a prolonged shutdown since December 2013, First Oil achieved from SPOC on 30 May 2021. Export to Port Sudan and blending into Nile Blend started on 24 July 2021.

**e. BM-SEAL-4 Brazil:**

BM SEAL-4 Project Development timeline which was earlier postponed by 03 years has been advanced by about 02 years bringing the first oil from June 2029 to March 2027. The DoC of BM-SEAL-4 block was submitted to the regulator (ANP) on 30 December 2021.

**f. MECL Colombia:**

Nare contract Association has expired on 4 November 2021.

**g. Imperial Energy Russia:**

Start-up of Associated Petroleum Gas (APG) utilization Plant, Snezhnoye Field: In sync with APG Plant start-up in March 2021, opening of closed high Gas-Oil Ratio( GOR) wells of Snezhnoye field led to increase in oil production by about 1,000 bopd. Booster Compressor was integrated with APG Plant in June 2021.

**h. Rovuma Area-1:**

Due to the insurgency activities that took place near the project site since 24 March 2021 onwards, operator on 22 April 2021 declared Force Majeure (FM) under Joint Operating Agreement. Subsequently, Area 1 consortium declared FM under Exploration Production Concession Contract on 11 May 2021. Further Area 1 Project also declared FM under other key agreements viz. Area 4 Interface agreements, EPC and EPCI contracts, LNG Sale Purchase Agreements (SPAs), Marine Concessions, Assignments of Exploitation agreements etc.

- The Project site is currently in Preservation mode with no Project personnel permanently allowed on site. Counter insurgency operations by Southern African Development Community forces and Rwandan Security Forces were in progress in coordination with Host Govt Security Forces.
- Operator in December 2021 concluded discussions with EPC & EPCI contractors and agreed on project stoppage and storage costs. Operator indicated confidence to restart the project in H2 of CY 2022.

**i. Myanmar A1 & A3:**

Mahar Appraisal & Exploration program: Discovery in Mahar prospect, under new exploration program in Block A-3, has added GIIP 1,056 BCF (2C). Currently Reserve estimation of Mahar is in progress. The first gas from Mahar is planned in 2027.

**j. Vietnam Block 06.1:**

PSC Extension: PSC is expiring on 18 May 2023. Foreign partners are in negotiation with the regulator/Govt. of Vietnam to extend the PSC for further 16 years to exploit clastic reserves.

**k. Bangladesh Blocks:**

SS-04: Drilling of onshore exploratory well, Kanchan-1X (spudded on 29 September 2021) with a TD of 4230m was successfully completed in line with PSC commitment. The well is plugged & abandoned due to poor hydrocarbon prospectivity.

#### B. Hindustan Petroleum Corporation Limited (HPCL)

Your Company held 54.90% equity shares in HPCL on 31 March 2022 and HPCL is a Schedule 'A', Maharatna, and listed entity. HPCL owns and operates 2 major refineries – one at Mumbai (9.5 million metric tonnes per annum - MMTPA) and the other one at Visakhapatnam (8.3 MMTPA). It also owns and operates the largest Lube Refinery in the country with a capacity of 428 TMT (thousand metric tonne). HPCL has a vast marketing network of Supply & Distribution infrastructure comprising of Terminals, Installations, Tap Off Points, LPG Bottling Plants, Aviation Service Facilities, Lube

Blending plants, Lube depots and various customer touchpoints across the country. HPCL has its Research & Development Centre named ‘HP Green R&D Centre’ in Bengaluru.

During FY’22, HPCL refineries at Mumbai and Visakhapatnam achieved combined refining thruput of 13.97 MMT. HPCL achieved sales volume of 39.14 MMT compared to previous year’s sales of 36.59 MMT. With Highest ever LPG Sales of 7.7 MMT during FY22, HPCL continued to be India’s second largest LPG marketer registering a growth of 4.4% over FY’21. During the year, HPCL crossed a key milestone of 20,000 Retail Outlets with commissioning of 1,391 Retail outlets during FY22 taking the total Retail Outlets to 20,025. Further, 51 new LPG distributorships were commissioned during the year taking the total number of distributors to 6,243 as of 31 March 2022.

The combined Gross Refining Marging (GRM) for HPCL Refineries for FY’22 worked out to USD 7.19 /bbl compared to USD 3.86 /bbl in the corresponding previous year.

During FY’22, HPCL recorded profit After Tax (PAT) of ₹63,826 million as compared to ₹106,639 million for the previous year. Revenue from operations for the FY’22 was ₹3,738,967 million as compared to ₹2,703,263 million during the previous year. HPCL has proposed a final dividend of ₹ 14 per share for approval of shareholders for FY’22.

**C.Mangalore Refinery and Petrochemicals Limited (MRPL)**

Your Company held 71.63 % equity shares in MRPL, a Schedule ‘A’ Mini Ratna company and listed entity, which is a single location 15 MMTPA Refinery. Further, HPCL, also holds 16.95% equity shares in MRPL.

MRPL’s refinery is established with a versatile design with complex secondary processing units and a high flexibility to process Crudes of various API, delivering a variety of quality products. Refining Net throughput of MRPL during FY’22 increased by almost 31% to 15.05 MMT against 11.50 MMT during FY’21.

In a remarkable turnaround, MRPL registered a standalone turnover of ₹ 860,637 million (₹ 507,958 million in FY’21) and recorded profit of ₹ 29,553 million (against loss of ₹7,612 million in FY’21) during FY’22.

In FY’22, GRM for MRPL was USD 8.72 /bbl against USD 3.71/ bbl during FY’21. MRPL also achieved a 100.17% capacity utilization against capacity utilization of 76.55% in FY’21.

Highest ever production of Polypropylene (460 TMT), LPG(1049 TMT) and MS ( 1722 TMT) were achieved during FY22. Further, it successfully commissioned its 30 MLD desalination plant in Dec. 2021 which would reduce its dependence to river water.

**Amalgamation of ONGC Mangalore Petrochemicals Limited (OMPL) with MRPL:**

As a part of reorganization of the Group, OMPL has been merged with MRPL with effect from April 1, 2021 (‘the appointed date’) in terms of scheme of Amalgamation approved by the Ministry of Corporate Affairs vide order dated 14 April 2022.

**D. Petronet MHB Ltd (PMHBL)**

Your company, together with its subsidiary HPCL, hold equity shares of 49.996% each in PMHBL. With your Company’s holding of 54.9% in HPCL, the extent of its holding in PMHBL comes to 77.44% and makes PHMBL a subsidiary of ONGC. PMHBL owns and operates Mangalore – Hassan – Bengaluru JV pipeline (362.3 Km) to transport MRPL’s petroleum products to various parts of Karnataka State.

PMHBL achieved a thruput of 2.841 MMT in FY’22 against 2.139 MMT in FY’21and reported total revenue of ₹1,282 million in FY’22 (₹1,113 million in FY’21) and recorded a net profit (PAT) of ₹603 million in FY’22 (₹518 million in FY’21).

**Associates and Joint Ventures:-**

**E. ONGC Petro additions Limited (OPaL)**

OPaL is a mega petrochemical project established in Dahej SEZ and incorporated in 2006 for utilizing in-house production of C2-C3 and Naphtha from Hazira and Uran units of your Company. Your Company, GAIL and GSPC held 49.36%, 49.21% and 1.43% of equity shares of OPaL respectively on 31 March 2022.

During FY’22, Revenue from operations of OPaL was ₹160,475 million (₹114,860 million in FY’21) and posted loss after tax of ₹5,347 million against loss of ₹ 7,974 million in FY’21.

**F. ONGC Tripura Power Company Limited (OTPC)**

OTPC was incorporated in 2004 as a joint venture of your Company. Your Company held 50% of its shares as on 31 March 2022.

OTPC has a 726.6 MW gas based Combined Cycle Power Plant at Palatana, Tripura with two generating units with equal capacity. The basic objective of the project is to monetize idle gas assets of your Company in landlocked Tripura State and to boost exploratory efforts in the region.

Average Plant load factor for FY’22 was about 65% as unit I was under planned shutdown for annual inspection for 104 days and there was a drop in power generation from 5,090 Million Units (MU) in FY’21 to 4,124 MU in FY’22.

Consolidated revenue from operations during FY’22 was ₹12,632 million (₹16,456 million in FY’21) and consolidated profit after tax (PAT) was ₹1,108 million during FY’’22 (₹2,241 million during FY’21).

**G. ONGC TERI Biotech Limited (OTBL)**

OTBL is a JV incorporated in 2007 by your Company (49.98%) along with The Energy Research Institute (TERI) (48.02%) and the remaining 2% shares are held by individuals. OTBL has developed various Biotechnical Solutions for oil and gas Industry through collaborative researches involving the Company and TERI.

Revenue from operations of OTBL during FY’22 was ₹188 million (₹270 million in FY’21) and profit after tax (PAT) was ₹86 million during FY’22 (₹88 million during FY’21).

**H. Dahej SEZ Limited (DSL)**

DSL, a 50:50 JV of your Company along with Gujarat Industrial Development Corporation (GIDC), was incorporated in 2004 for establishing a multi-product SEZ at Dahej. Your Company has set up C2-C3 Extraction Plant as a value-chain integration project in this SEZ, which serves as feeder unit to OPaL, JV of your Company.

Revenue from Operations of DSL during FY’22 was ₹671 million (provisional) against ₹624 million in FY’21 (audited) and PAT was ₹470 million during FY’22 (provisional) against ₹345 million (audited) during FY’21.

**I. Mangalore SEZ Limited (MSEZL)**

MSEZ is a JV, under Special Economic Zone and was promoted by your Company with an equity stake of 26%. MSEZ, was incorporated in 2006 for development of necessary infrastructure to facilitate and locate industrial establishments. MSEZ is operational since April 2015.

Total Revenue from operations of MSEZ during FY'22 was ₹1,924 million (₹1,651 million in FY'21) and loss after tax of ₹ 199 million during FY'22 (Net loss of ₹ 321 million during FY'21).

### J. Pawan Hans Limited (PHL)

PHL, is an Associate of the Company, with 49% holdings, and the Government of India holding remaining 51%. PHL was formed primarily for catering to the logistic requirements of offshore and other remote area oil fields. PHL is a Mini Ratna-I Category PSU, having fleet of 43 helicopters. The Government of India is in the process of identifying a strategic investor for sale of its entire holding and hence your Company has also decided to exit from PHL along with the Government.

### K. Petronet LNG Limited (PLL)

Petronet LNG Limited (PLL), an associate of your Company, which was incorporated in 1998 with 12.50% equity holding along with identical stakes held by other Oil PSU co-promoters viz., IOCL, GAIL and BPCL, is a listed Company. PLL, the largest company in the country in LNG business, has set up the country's first LNG receiving and regasification terminal at Dahej, Gujarat, and another terminal at Kochi, Kerala. While the plant at Dahej terminal has 17.5 MMTPA capacity, the Kochi terminal has capacity of 5 MMTPA.

During FY'22, PLL recorded revenue from operations of ₹431,686 million and Profit after tax (PAT) of ₹33,524 million. PLL paid a special dividend of ₹ 7 per share and has proposed a final dividend of ₹4.50 per share for FY'22.

### L. Indradhanush Gas Grid Limited (IGGL)

Your Company has subscribed 20% equity capital in IGGL, a JV company promoted by your company in association with IOCL, GAIL, OIL and NRL. IGGL was incorporated in 2018 for the purpose of laying 1,656 KM pipeline covering north-east states with a Capex of ₹ 92,650 million. MoPNG has approved Viability Gap Funding (VGF) of ₹ 55,590 million which is 60% of the project cost. Surveying, ROU acquisition and Pipeline laying in various sections is under progress. Physical progress of 42.94% has been achived till 31 March 2022 with a cumulative financial expenditure of ₹19,060 million. Financial progress of 20.57% has been achieved till FY'22 as against the schedule of 20.54%

### M. Rohini Heliport Limited (RHL):

Your Company has subscribed 49% equity capital in Rohini Heliport Limited with Government of India's stake as 51%, RHL is a mirror company of Pawan Hans Limited, incorporated in 2019 for enabling disinvestment of PHL.

### N. Companies Which Have become/ ceased to be Company's Subsidiaries, Joint Ventures And Associates Companies during FY'22

**a)** Companies which have become subsidiaries: NIL.

**b)** Companies which have ceased to be subsidiaries: NIL.

Your Company sold its entire equity stake in OMPL to MRPL in December 2020 to facilitate merger of OMPL with MRPL. During FY'22, OMPL merged with MRPL w.e.f. 1 April 2021 (Appointed Date) vide order of MCA dated 14 April 2021.

**c)** Companies which have become a joint venture or associate: NIL.

**d)** Companies which have ceased to be a joint venture or associate: NIL

## 28. Make in India

To promote "Atmanirbhar Bharat", ONGC has introduced Development Order Policy in December 2020 for goods and services after delinking it from routine tender process to make the process easier and continuous. The policy enables vendor to offer product at any point of time.

Two rounds of Expression of Interest were floated in January 2021 and January 2022 respectlively. ONGC has localized 14 products through 11 successful development orders, another 16 products are in development by 12 Indian manufacturers. Local vendors have been developed for products like Premium casings and tubing, Solid Control Equipment and Drill Pipes, amounting to annual offtake of nearly ₹8,200 million.

### Oxygen Concentrators

During the second wave of pandemic, ONGC was entrusted with the responsibility of procurement & supply of 1 lakh Oxygen Concentrators under PM-CARES in the month of May 2021. While 28% (28,337 nos.) were sourced from abroad, balance 72% of Oxygen Concentrators were manufactured by domestic manufacturers (70,863 nos.) There was no domestic manufacturing capacity of Oxygen Concentrators in India at that time. ONGC supported eight domestic manufacturers from PSU, Private, MSE and start-ups sectors to manufacture Oxygen Concentrators of 5 LPM and 10 LPM oxygen discharge capacity. Manufacture and Supply of all 70,863 nos. were completed by these eight manufacturers.

## 29. ONGC Start-Up Initiative

'ONGC Start-up Fund', conceptualized in line with the 'Start-up India' initiative, launched by the Hon'ble Prime Minister of India, was established to foster, nurture and incubate new ideas related to energy sector. The Fund supports and promotes an ecosystem in the Energy Sector for entrepreneurship among the younger Indians.

ONGC Start-Up Fund supported 15 start-ups from energy sector. The financial commitment to these Start-Ups was ₹486 million .

## 30. Health, Safety and Environment (HSE)

ONGC accords topmost priority to the Health, Safety and Environmental (HSE) management by carrying out its operations ensuring zero harm to the people or the environment. Operations of ONGC, mainly exploration and production activities, are highly hazardous and risky. HSE in ONGC's operations is guided by HSE Policy and HSE management system. In addition there is also dedicated Environment Policy and e-waste policy.

ONGC in order to maintain highest standards, goes beyond the Regulatory requirements and practices proactive HSE Management System. The HSEMS is based on International Standards, ISO 9001, ISO 45001 and ISO 14001.

### HSE Initiatives:

**a)** Compliance to HSE management systems, as well as to prevalent rules, regulations, guidelines and standards is checked during internal audits, being conducted by multi-disciplinary teams of the Company. The same are also checked by external authorities like Oil Industry Safety Directorate (OISD) and Directorate General of Mines Safety (DGMS).

**i.** Despite COVID-19 challenges, 292 ISAs were conducted in 2021-22, against a target of 274. The overall compliance status of ISA observations as on 31 March 2022 was 94.19 per cent.

**ii.** OISD, conducted audits at 76 Installations in 2021-22. The overall compliance status of the observations raised by OISD as on 31 March 2022 was 92.02 per cent.

**iii.** DGMS, carried out inspections at 81 Installations in 2021-22. The overall Compliance status for the contraventions raised by DGMS as on 31 March 2022 was 97.38 per cent.

**b)** DNV GL Energy India Pvt. Ltd. has been engaged to advise ONGC on HSE Management. The objective of this project is to identify the current gaps in the safety management system, assessment of the overall safety culture of the organization and take actions to mitigate these gaps and improve the safety culture. The pan ONGC project shall be carried out in three phases during a period of eighteen months. The first phase was completed on 6 February 2022 and the second phase has already commenced.

**c)** As part of employee engagement program, ONGC conducted a Safety Perception Survey from 1 to 31 December 2021. Nearly 14,217 ONGC employees and 6,396 secondary workforce participated in the survey. Based on feedbacks of the participants, steps are being taken to further strengthen the safety management system and safety culture of the organization.

**d)** During 2021-22, 17,154 mock drills were conducted, including 17130 ERP (Emergency Response Plan), 9 Onsite DMP (Disaster Management Plan), 12 Offsite DMP and 3 RCP (Regional Contingency Plan) mock drills.

**e)** Mines Vocational Training (MVT), a mandatory training as per Mines Act, is being imparted to both employees and contract personnel through in-house training centres. MVT was provided to 3,973 personnel (1,912 Company Employees and 2,061 Contract Personnel) in 2021-22.

**f)** In order to give impetus to near miss reporting and timely closures, awards are conferred for the best performing work centres, for motivating the Near Miss Reporting and their timely closure, every month.

**g)** Every quarter, Safety Champion and Safe Installation awards are being declared by Assets/ Plants/ Basins.

**h)** Implemented SAP based E-PTW (Electronic Permit to Work) which maintains system based checks & balances, eliminates possibility of bypass of procedures and creates trail of documentation for data analysis.

**i)** HSE Benchmarking of all ONGC installations has been done on various HSE parameters in SAP by designing a HSE Index.

**j)** The processes of MoC (Management of Change) has been streamlined and SAP based MoC module has been developed for ensuring adherence to MoC procedures.

**k)** Environmental Clearances: ONGC received 9 Environment Clearances (ECs) & 4 EC validity extensions for drilling of 55 exploratory wells, 33 exploratory/development wells and Conversion of 37 exploratory wells to development wells.

**l)** Waste Management

**I.** Waste Water Management: ONGC monitors the waste water usage and maintains the quality of effluent discharged conforming to statutory requirements specified for discharge of treated effluent at surface/ subsurface. The Company has 41 number of Effluent Treatment Plants across onshore work centres to treat approx. 104,000 m3/day of waste water produced during E&P operations. For Offshore effluent treatment, Produced Water Conditioners (PWCs) have been installed at process platforms. Sewage Treatment Plants for treatment of sewage water generated are also provided at offshore facilities.

**II.** Solid Waste Management: The Solid Waste generated in the form of oily sludge/oil contaminated soil are treated using bio-remediation technique in which oil eating consortium of bacteria is used to break down hazardous substances into non-toxic substances, thereby ensuring environmentally safe disposal of waste. It is ensured that the Total Petroleum Hydrocarbon (TPH) of the treated oily sludge is less than 0.5% (5000 ppm) in consonance with the Hazardous and Other Wastes (Management and Trans-boundary Movement) Rules, 2016. During FY 2021-22, 26,361 Metric Tons of oily sludge/ oil contaminated waste has been bio-remediated.

**m)** Oil Spill Management in Offshore operations:

ONGC has a robust oil spill management system to address oil spills ranging from minor to significant volumes. The Indian Coast Guard (ICG) is designated as a central coordinating authority by the Government of India for combating oil spills in Indian waters and undertaking oil spill prevention and control. As per the National Oil Spill Disaster Contingency Plan (NOS-DCP) promulgated by ICG, ONGC is maintaining its own Tier-I oil spill response equipment and manpower onboard multi-support vessels in its operational area. For Tier-II level oil spill, ONGC is relying on Indian Coast Guard and ONGC's mutual aid partners and for Tier-III oil spill, ONGC is maintaining participant membership of Oil Spill Response Limited (OSRL), UK, through which ONGC is having guaranteed response and access to OSRL's worldwide resources comprising of Booms, Skimmers, Oil Spill Dispersants stockpile, storage equipment, specialized manpower etc.

In addition, ONGC has also developed its own oil spill contingency plan to deal with oil spill incidents and eventualities. ONGC conducts internal oil spill mock drills and also participates in regional and national level mock drills organized by the Indian Navy and Indian Coast Guard. Annual returns on preparedness for oil spill response is being filed annually to ICG.

## 31.Carbon Management and Sustainable Development

Sustainable Development is the standard template in the Company and this finds expression in our commitment to continually enhance the benchmarks of economic, environmental and social performance. The major endeavours towards corporate sustainability were as under:

**Clean Development Mechanism (CDM):**

Your Company had 15 CDM projects registered with the United Nations Framework Convention on Climate Change (UNFCCC) under the Kyoto protocol since 2006.

ONGC is also continuing the Verification/Renewal of existing CDM projects as well as finding opportunities for Registration of new CDM projects.

**Greenhouse Gas (GHG) Accounting and Mitigation:**

ONGC aims to reduce GHG emissions by focusing on improved energy efficiency. The scope-1 and scope-2 emissions during FY'22 was 9.136 MMTCO2e a reduction of about 3% from the previous year. Verification of the same would be taken up during FY'23.

**Global Methane Initiative (GMI):**

The GMI is an action-oriented initiative from United States Environment Protection Agency (USEPA) to reduce global fugitive methane emissions to enhance economic growth, promote energy security, improve the environment, and reduce greenhouse gases emission. During FY'22 survey was conducted at Ankleshwar Asset and C2- C3 Plant.

**Solar and Wind energy initiatives:**

The total installed capacity of renewable energy as on 31 March 2022 was about 184.3 MW (Solar: 31.3 MW and Wind: 153 MW)

ONGC has also signed an MoU with SECI for Renewable Energy Projects in Solar, Wind (onshore), Solar Parks, EV Value Chain, Green Hydrogen, Storage etc.

**Replacement of conventional lights with LED lighting:**

In line with the government of India's call for promoting efficient energy use (Ujala Scheme), ONGC entered in to an MoU with Energy Efficiency Services Limited (EESL for replacement of all conventional lights in ONGC in a phased manner. However, incandescent lamps, tube lights and CFLs were immediately replaced. During FY'22, ONGC installed 41,000 LED lights making a total of around 351,000 LED lights installed so far by ONGC. This has enabled ONGC to save around 75.9 million electricity units annually, realizing annual savings of ₹531 million.

**Micro Turbines and Dynamic Gas Blending system:**

As part of sustainability initiative, 05 Micro Turbines of aggregate capacity 460 KW and 02 Dynamic Gas Blending systems (in diesel engines of drilling rig) were taken up in different locations of ONGC taking the total to 7 Micro Turbines and 6 DGB's.

**Carbon Capture, Storage and Utilisation (CCSU)**

Carbon Capture, Storage and Utilization (CCSU) is a critical CO2 emission abatement technology that can prevent large quantities of CO2 from being released into the atmosphere. Considering its benefits, ONGC entered into an MoU with Indian Oil Corporation Limited (IOCL) for CO2 based Enhanced Oil Recovery (EOR). Under this initiative, the CO2 captured from the IOCL's Koyali refinery will be utilized for EOR from the depleting oil fields of ONGC in Gandhar field, near Vadodara. The project has the potential for sequestrating 5 to 6 million TCO2 by the year 2040.

**Sustainable Water Management**

ONGC adopted the policy of Sustainable Water Management (SWM) in its water management practices and also modified its policy on Rainwater Harvesting (RWH) for smooth implementation, monitoring and regular maintenance of RWH projects.

Uran Plant is in the process of setting up a 10 MLD sea water desalination plant that can be scaled up to 20 MLD in future. Although due to some technical problems the project is delayed but once functional, this plant will help not only to fulfil our fresh water demand but also reduce our dependence on Mumbai Industrial Development Corporation (MIDC) for supply of fresh water.

## 32. Internal Financial Control System:

Your Company has put in place adequate Internal Financial Controls by laying down policies and procedures to ensure the efficient conduct of its business, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information commensurate with the operations of the Company. Effectiveness of Internal Financial Controls is ensured through management reviews, self-assessment and independent testing by the Internal Audit Team indicating that your Company has adequate Internal Financial Controls over Financial Reporting in compliance with the provisions of the Companies Act, 2013 and such Internal Financial Controls are operating effectively. The Audit Committee/ Board reviews the Internal Financial Controls to ensure its effectiveness for achieving the intended purpose. Independent Auditors Report on the Internal Financial Controls of the Company in terms of Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 by the Statutory Auditors is placed alongwith the Financial Statements.

## 33.Conservation of Energy, Technology Absorption and Foreign Exchange earnings & Outgo:

The information as required under section 134(3) (m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, is annexed as **Annexure – C**.

## 34. Business Responsibility and Sustainability Report

Business Responsibility and Sustainability Report (BRSR) is annexed as **Annexure – D** and forms part of the Board's Report.

## 35. Management Discussion and Analysis Report

As per regulation 34(2)(e) of the SEBI (Listing Obligations and Disclosure Requierements) Regulations 2015, the Management Discussion and Analysis Report (MDAR) forms part of this Report.

## 36. Corporate Governance

A report on Corporate Governance as stipulated under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also on DPE Guidelines on Corporate Governance, 2010 forms part of the Annual Report.

## 37. Human Resource Development

Employees are the cornerstone of ONGC's growth and value creation. ONGC's HR Vision is to build and nurture a world class human capital for leadership in energy business, by continuously innovating and adopting best-in-class HR practices to support business leaders through engaged, empowered and enthused employees.

There were 27,165 employees on rolls of ONGC as on 31 March 2022. These ONGCians dedicated themselves for securing excellent performance of your Company during the year, even amidst the challenges of a global pandemic situation, through their commitment, competence and spirit of collective collaboration. Your Company's talent management strategy is focused on building an optimal and competent workforce to meet business needs and is centered around workforce planning and talent acquisition, performance management, learning & development, career growth, succession planning, leadership development, and extending best of employee facilities, welfare benefits and work environment.

**Capacity building** of the workforce is a priority area, with dedicated Institutes taking care of the learning & development needs of our employees to effectively meet the challenges of E&P industry. ONGC has tie-ups with a number of national & internationals institutions, agencies and business schools for capacity building of its energy professionals.During the year, in view of the Covid-19 pandemic, learning methodologies were continued on online mode. During FY'22, 19,219 executives and 4,338 non-executives were imparted training in relevant domains, spanning 66,660 executive and 9617 non-executive training days.

**Learning Management System (LMS)** is one of the landmark initiatives undertaken by ONGC in recent times. A pioneer project under the Government's Digital India Initiative, LMS portal brings competency-based learning to all ONGCians, to enable self-paced learning, continual Learning through learning pathways, world class trainings, up-to-date content and assessment-based progress. With this, ONGC has become the first PSE to onboard Learning Management System in 2022 under Mission Karmayogi launched by Hon'ble Prime Minister.

**Leadership Development:** ONGC has in place strategic development interventions across executive levels, to build and nurture a continual pipeline of energy leaders.

During the year, ONGC launched 'Harvard ManageMentor' – a management development program [e-learning] covering more than 3,100 executives. Further, to take care of development needs of the young officers, under ONGC Mentor Mentee exercise FY'22, 600 Mentors have been initiated into the mentoring journey, who are each mentoring 1-2 young executives from their respective work centre.

**Digitalization of HR Processes:** During the year, a number of digital initiatives were taken up towards improved employee processes, HR workflows, digitization of Trust records, etc., in line with the organization's push for technology & digitization. ONGC has introduced IT Enabled paperless Medical Referral process system through Medical Smart Cards (ONGCCares) to regular/ retired employees & their dependents thus making the system more convenient & transparent. Further, Paperless Medical reimbursement processes and referral systems was also launched in 2021, directly impacting more than 1.5 Lakh beneficiaries, leading to considerable reduction in carbon footprint, as well as system improvement.

**Employee Engagement:** ONGC took up a number of employee engagement activities to promote a culture of open communication, trust, sense of belonging, team spirit, innovation and excellence. Some highlights are as follows:

- More than 50 'people connect' sessions were conducted across work centres for improved engagement & interaction of key executives and seniors with work teams, with focus on youngsters.
- Annual ONGC Business Games was successfully conducted online to hone the business acumen of executives . During FY'22, a total of 279 teams and 1,116 executives participated in these games.
- 'Abhivyakti' engagement exercises were conducted for E0 and below level employees as focused engagement exercises, wherein more than 250 nos of employees participated in various individual and group online competitions. The participants displayed excellent digital literacy during the virtual competitions.
- A special program on Parenting and Career Guidance for employees and wards was conducted.
- The second edition of MOSAIC – Online Games was held during Nov-Dec 2021, which was participated by 139 PWD employees across ONGC and ONGC Videsh.

**Employee Recognition:** ONGC has a well-defined and robust Awards and Rewards scheme at Corporate as well as Work centre level, where outstanding performance of employees are recognized and rewarded.

**Employee Welfare:** Introduced new policies and measures such as, special dispensations to employees due to covid situation, introduction of Health Care Package for COVID-19, improvement in Group Insurance Scheme to employees, enhancement of support amount under ONGC Composite Social Security Scheme, extension ssssof medical facilities to parents of both employee and spouse working in ONGC, enhanced benefits to tenure based field employees, term based Field employees, contingent employees, etc.

**Work- Life Balance:** Your Company provides an enabling environment for work-life balance of its employees. Townships at many work centres have developed facilities like gymnasiums, clubs, sports facilities and music rooms. Facilities for gym, sports, yoga, library, etc. are also provided in Offshore Living Quarters. Apart from social communities such as Officers Clubs, Employee Welfare Committees, Resident Welfare Associations, ONGC Officers' Mahila Samiti, etc., your Company also has a unique adventure wing named 'ONGC Himalayan Association' which organizes adventure programmes like mountaineering, trekking, water rafting, etc. which adds towards employee morale, engagement, team spirit, camaraderie, stress management and spirit to explore the unknown.

**Health and Wellbeing:** During the pandemic, ONGC ensured health, safety & well-being of its workforce and provided full support to all its employees. As a responsible corporate citizen, ONGC also enhanced the health insurance coverage for its secondary workforce.

During the 2nd wave of Covid pandemic, ONGC put in place Covid-care facilities at its work centres for handling emergency patients. ONGC ensured home delivery of medicines to needy patients. 24x7 Helpline Numbers and a digital COVID Dashboard operationalized to help and assist employees and their family members. A number of health talks & webinars on covid, health, mental well-being, coping with loss, etc were arranged. Covid Sewa initiative was launched to bring together ONGC employees & their family members to volunteer themselves.Superannuated Doctors of ONGC came forward to volunteer to extend help through tele-consultation to ONGC employees on Covid-related and other medical issues.

Vaccination camps were organized at various work locations across the country for employees and secondary workforce. Continuous communication & connect of top leadership with operations teams at ONGC locations across the country was ensured to reinforce employee safety, boost workforce morale and provide all necessary support for smooth operations.

**Employee Welfare Trusts**

Your Company has established following Trusts for welfare and social security of employees:-

**Employees Contributory Provident Fund (ECPF):** During the pandemic, the Trust settled one of the highest NRA-Pandemic/ Epidemic claims (more than 19,000 cases amounting approx. ₹ 4,710 million since April 2020) in the country which was appreciated by the Employees Provident Fund Organisation.

Post Retirement Benefit Scheme (PRBS) Trust manages the pension fund of employees of your company.

Composite Social Security Scheme (CSSS) formulated by your Company provides an assured ex-gratia payment in the event of unfortunate death or permanent disability of an employee while in service.

Gratuity Fund Trust established for payment of gratuity as per the provisions of the Gratuity Act.

ONGC Medical Benefits (PRMB) Trust has been established to manage the funds for the post-retirement medical benefits of employees.

ONGC Leave Encashment Trust has been established to manage the funds for the Earned Leave encashment benefits of employees.

Your Company also has a **'Sahyog Trust'** for its Sahyog Yojana to provide ex-gratia financial grant for sustenance, medical assistance and treatment, rehabilitation, education, marriage of female dependent and alleviation of any hardship or distress to secure the welfare of the workforce and their kin, who do not have adequate means of support. Beneficiaries under this scheme include casual, contingent, daily rated, part-time, adhoc, contract appointees, and tenure-based employees, apprentices and trainees engaged by your Company besides regular and past employees. Under the scheme, an amount of ₹ 36.36 Million was disbursed by the Trust during FY'22 to 836 beneficiaries.

Your Company has instituted **Asha Kiran Scheme** to meet the emergency needs of the ex-employees retired prior to 01.01.2007. The scheme was launched as per DPE guidelines with a corpus of 1.5% of profit before tax. During FY'22,. ₹ 1,373 million was spent on this scheme covering 13,099 beneficiaries.

Your company has initiated **Digital Life Certificate (DLC),** that has simplified submission of life certificate by retired employees. A module has been developed in collaboration with NIC, where any retired employee/ pensioner can submit his/her life certificate with the help of biometrics without physically going to the pension disbursing authority and get pension directly credited to the respective bank account.

**Implementation of Govt. Directives for Priority Section**

ONGC is fully cognizant of its responsibility towards welfare of SC and ST communities and complies with the Government directives. The percentage of Scheduled Castes (SC) and Scheduled Tribe (ST) employees were 15 percent and 11 percent respectively as on 31.03.2022.

Your Company and carried out following welfare activities for their betterment in and around its operational areas:-

**Annual Component Plan:** Under Annual Component Plan for SC/ ST, every year allocation of ₹ 200 Million is made. Out of this, ₹ 60 Million is distributed amongst all work-centres of the Company for taking up welfare activities for communities in and around areas of the Company's operations. In addition, ₹ 140 Million is managed centrally, and is earmarked for special projects/ proposals/ schemes for the welfare of areas/ persons belonging to SC/ST communities. This fund is especially meant for providing help and support in Education and Training, Community Development and Medical & Health Care.

**Scholarship to meritorious students:** Your Company provides 1,000 scholarships for meritorious SC and ST students for pursuing higher professional courses at different Institutes and Universities across the country in Graduate Engineering, MBBS, PG courses of MBA and Geo-Sciences. The scholarships have been equally divided for both Boys and Girls students. The scholarship amount is extended up to ₹ 48,000/- per annum per student subject to conditions of the scheme.

**Diversity & Inclusion:** ONGC is an equal opportunity employer and ensures that there is zero discrimination against any employee, whether based on gender, religion, caste, ethnicity, language, background, age or abilities, etc.

**Women Development:** Women employees constituted 7.5 per cent of your Company's workforce as on 31.03.2022. ONGC has put in place a number of women-friendly policies and practices in the organisation to support, promote and nurture women in the company. ONGC organizes special Leadership development programs for women executives through reputed Institutes to groom women executives for leadership roles. A new focused programme on Women Leadership Development – Urjasvini, was launched by ONGC during FY'22, to mentor and develop high-potential women executives for senior management roles.

An initiative called Voice of Oil Women (VOW) was started in January 2022, wherein ONGC's Women Development Forum (WDF) Chapters, organise online sessions every month for knowledge sharing, learning and networking amongst the women fraternity. A new portal exclusively for Women Development Forum of ONGC was launched on International Women's Day on 8th March 2022.

**Inclusion of Persons with Disabilities (PwD):** ONGC ensures requisite facilities and infrastructure to enable Persons with Disabilities to effectively discharge their duties. Apart from reservation in recruitment, they are provided with special facilities and amenities in terms of suitable job assignments, assistive devices, preference in transfer/ posting, accommodation, special casual leave, free accessibility and barrier free environment at work place. Special events such as Para Games and Mosaic online games are conducted for PwD employees of the Company.

Disclosure under the Sexual Harassment: Your Company has complied with the provisions under the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013 including constitution of Internal Complaints Committees (ICC) for dealing with complaints of sexual harassment of women at workplace. Skill enhancement programs were conducted for members of ICC to equip them with requisite skills for enquiring into complaints. Awareness programme was also extended for the secondary workforce of the Company.

Details of complaints under Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013 are provided under POSH framework of Integrated Report.

### 38. Industrial Relations

Your Company maintained harmonious Industrial Relations throughout the year. Man-days loss due to internal industrial action was reported as 'NIL' for FY'22.

### 39. Compliance under the Right to Information Act, 2005

Your Company has a well-defined mechanism in place to deal with the RTI applications received under the Right to Information Act 2005. Your Company has a designated senior level officer as a 'Nodal Officer' to oversee its implementation. The applications received are processed by 23 executives designated as 'Central Public Information Officers' (CPIOs) in various work centres across the Company. The particulars of all the quasi-judicial authorities under the ambit of RTI Act, 2005 have been uploaded on the Company website (www.ongcindia.com) for information of the general public.

Your Company received 2,259 applications (including 35 transferred by other Public Authorities) during FY'22, and 183 RTI applications were carried forward from FY'21. Against these applications, information as sought were provided, 7 applications were rejected and 35 applications were transferred to other public authorities, in accordance with the provisions of the RTI Act 2005. There were 422 first appeals, which were disposed-off during the period. Total pending request were 183 as on 31.03.2022.

### 40. Implementation of Official Language Policy

Your Company continued its concerted efforts for promotion and implementation of Official Language. In this regard, some of the efforts taken during the year were:

- Unicode Hindi software installed in all offices.
- Hindi workshops conducted at regular intervals in all work centres.
- Hindi technical seminars/Webinars, Kavi Goshties, Kavi Sammelan and Hindi plays were organised at various work centres.
- Various programme conducted at all work centres of the Company during Rajbhasha Fortnight (14th to 28th September 2021) and Vishva Hindi Divas (10.01.2022)
- Hindi Teaching Scheme of Government of India was implemented effectively at all regional work centres of the company. Hindi e-magazines were published by all work centres.

- E-Roster of Employees regarding working knowledge of Hindi has been put in place.
- Paperless office has been made bilingual for effective implementation of Official Language policy. Besides, Unicode has been installed in SAP platform for enabling bilingual working.
- A bilingual handbook has been prepared and uploaded on reports.ongc.co.in for ready reference on OL policy
- To achieve the annual target of Official Language by using the applications of Hindi Computing tools, a special workshop/ webinar has been conducted for Official Language Executives posted at different work centres of ONGC in association with C-DAC, Pune.

### 41. Sports

Your Company continues the support for development of sports in the country by providing employment opportunities to sportspersons and also granting scholarships to budding talents in 22 games. Your Company sponsored various sports associations/ federations/ sports bodies for organizing sports events as well as developing sporting infrastructure. The support has enabled many sportspersons to achieve, excel and bring home laurels for the nation and the organization.

Some of the significant achievements of our sportspersons during the year were as follows:

- Seven ONGC sports persons represented country in Tokyo Olympics:
    - Apurvi Chandela : Shooting
    - Ankita Raina : Tennis
    - G Sathiyan : Table Tennis
    - B. Sai Praneet : Badminton
    - Gurjant Singh : Hockey
    - Sumit : Hockey
    - Mandeep Singh : Hockey

All three ONGC Hockey players were core group members of Senior India Men team and were instrumental in India winning Olympic Bronze medal after a gap of 41 years.

- **Five ONGCians** were conferred with **Arjuna Awards** for the year 2021 by President of India:
    - Arpinder Singh – Athletics
    - Ankita Raina – Tennis
    - Gurjant Singh, Sumit & Mandeep Singh – Hockey
- The total number of National Awardees in the organization stand at 60:
    - Padma Bhushan – 1
    - Khel Ratna – 2
    - Padma Shri – 6
    - Arjuna Award – 49
    - Dhyanchand Award – 2

**Other Highlights**

- Pankaj Advani won IBSF World 6 Red Cup held at Doha, Qatar in September 2021and ACBS Asian Snooker Championship at Doha.
- ONGCian International Tennis star V.M. Ranjeet won two Singles Title for the year by winning the AITA Ranking tournament 2021 in Gurugram.
- ONGCian International Tennis star Vishnu Vardhan won Singles titles of AITA National Ranking tennis tournament in Bengaluru in September 2021.
- ONGCian Kirpal Singh won Gold medal in Discus throw in 60th National Open Athletics Championship held at Warangal (Telangana) in September 2021. He also won Gold Medal in ‘Discus Throw’ by breaking meet record with throw of 61.83 meters in National Federation Cup Senior Athletics Championship held at Calicut (Kerala) in March 2022, and qualified for Asian Games 2022.
- ONGCian’s Shiva Thapa & Sumit Sangwan, won the Gold & Silver medal respectively in the 5th Elite National Boxing Championship at IIS Bellary (Karnataka) in September 2021.
- ONGCian Shiv Thapa becomes first Indian Boxer who consecutively won his 5th medal in Asian Boxing Championship.
- ONGCian Pankaj Advani & Dhruv Sitwala won Gold & Silver Medal respectively in Asian Billiards Championship at Doha, Qatar in March 2022.
- ONGCian M R Poovamma secured Silver Medal in 400 meters event at Calicut (Kerala) in National Federation Cup Senior Athletics Championship held in March 2022.
- ONGCian Ankita Raina won double title in ITF World Tennis tour event in Australia in March 2022.
- ONGCian Yuki Bhambri won singles title in ITF World Tennis tour event in Delhi in March 2022.
- ONGCian Siddhant Thingalaya, National record holder won Gold Medal in 110 meters hurdles event in National Federation Cup Senior Athletics Championship held in March 2022 at Calicut (Kerala),
- Chess Grand master K Sasikiran won the Fagernes Open Chess Championship at Norway in April 2022.

### 42. Corporate Social Responsibility (CSR)

As one of India’s foremost Nation Builders, your Company is committed towards its social responsibility. The Annual Report on CSR activities is annexed as **Annexure–E**.

### 43. Regulatory or Courts order

During FY’22, there was no order or direction of any court or tribunal or regulatory authority either affecting Company’s status as a going concern or which significantly affected Company’s business operations.

### 44. Significant development after closure of financial year

Government of India vide Excise Notification No. 05/2022-CE dated 30.06.2022 has levied Special Additional Excise Duty (SAED) on manufacture of Petroleum Crude at the rate of ₹ 23,250 per tonne (approx. USD40/bbl). Such levy is effective from 01.07.2022 which is payable in addition to the existing levies. It is understood from the media reports that this levy has been imposed due to extra-ordinary situation prevailing in the global energy markets. The Company has suitably represented to the Govt. of India for review of such levy.

### 45. Directors' Responsibility Statement

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

a) In the preparation of the annual accounts, the applicable accounting standards were followed and there was no material departures from the same;

b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as on 31 March 2022 and of the profit of the Company for the year ended on that date;

c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The Directors had prepared the annual accounts of the Company on a 'going concern' basis;

e) The Directors had laid down internal financial controls which were being followed by the Company and that such internal financial controls were adequate and were operating effectively; and

f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### 46. Annual Return

Pursuant to Section 134(3)(a) read with Section 92(3) of the Companies Act, 2013 Annual Return of the Company is placed at https://ongcindia.com/web/eng/investors/annual-return

### 47. Particulars of Employees

Your Company being a Government Company, the provisions of Section 197(12) of the Companies Act, 2013 and relevant Rules issued thereunder are not applicable.

The terms and conditions of the appointment of Whole-time Directors are subject to the applicable guidelines issued by the Department of Public Enterprises (DPE), Government of India.

### 48. Audit Committee

In compliance with Section 177(8) of the Companies Act, 2013 & Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE Guidelines on Corporate Governance, 2010 the details regarding Audit Committee is provided under Corporate Governance Report which forms part of Annual Report.

There was no instance during FY'22, where the Board had not accepted any recommendation of the Audit Committee.

### 49. Vigil Mechanism:

Your Company has established Whistle Blower Policy / Vigil Mechanism to report genuine concerns about ethical behaviour, actual or suspected fraud, violation of Code of conduct and also instances of leak of unplublished price sensitive information. The said vigil mechanism provides for adequate safeguards against victimization of persons who use the mechanism and has provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

Policy of the Company may be accessed at **https://ongcindia.com/web/eng/investors/policies**

### 50. Vigilance Functions:

Your Company has a full-fledged Vigilance Department headed by Chief Vigilance Officer. The Department operates on the guidelines of Central Vigilance Commission on Vigilance management in Public Sector Enterprises and is guided further by instructions issued by the Department of Personnel and Training and MoPNG from time to time.

Complaints are handled as per the complaint handling policies stipulated in Vigilance Manual issued by the Central Vigilance Commission. The prime focus of Vigilance activities has been Preventive and Participative Vigilance by having regular interaction with employees and other stakeholders to spread awareness among the masses.

An account of vigilance cases disposed during the year and cases pending as on 01.04.2022 is as under:

| Nature of cases | Number of cases | |
|---|---|---|
| | disposed-off during the financial year | Pending as on 31.03.2022 |
| Major penalty | 20 | 24 |
| Minor penalty | 19 | 06 |

### 51. Risk Management Policy and Implementation:

The Company has a Board approved Risk Management Policy. Risk framework and Risk portfolio are periodically monitored by the Risk Management Committee, Audit Committee and the Board.

### 52. Auditors

The Statutory Auditors of your Company are appointed by the Comptroller and Auditor General of India (CAG). There were 6 Practising Chartered Accountants firms namely M/s. G.M. Kapadia & Co., M/s. R. Gopal & Associates, M/s. SARC & Associates, M/s. Kalani & Co., M/s. R.G.N. Price & Co. and M/s S. Bhandari & Co. who were appointed as Joint Statutory Auditors of the Company for FY'22.

The Statutory Auditors have been paid a total remuneration of ₹ 56.64 Million towards audit fees, certification and other services. The above fees are inclusive of applicable service tax/GST but exclusive of re-imbursement of travelling and out of pocket expenses.

#### Auditors' Report on the Accounts

Statutory Auditors Reports and the comments of CAG on standalone and consolidated accounts of the Company are placed along with respective financial statements for FY'22. There is no qualification in the Statutory Auditors Reports on the Financial Statements of the Company for FY'22.

The comments of Comptroller & Auditor General of India (C&AG) and the reply of the managment thereto form part of this Report and are attached as per **Annexure – F**. During FY'22, there has not been any fraud reported by the Auditors of the Company.

### 53. C&AG Audit on other matters:

As at 31 March 2022, there were twenty four pending published paras related to the C&AG audit. These related to payment of Stagnation Relief, Non-recovery of Perquisite Tax, Payment towards encashment of Half pay Leave/Earned Leave, IT audit on FICO module of SAP, Delay in appraisal and non-monetisation of the discoveries in KG DWN 98/2 Block, Non Achievement of objective of acquiring Coal Bed Methane (CBM) Blocks, Utilisation of Rigs in ONGC, Avoidable extra expenditure due to delay in procurement of casing pipes, Not obtaining the share of cost of Immediate Support Vessels purchased by ONGC for security of offshore assets from E&P operators, Non recovery of pending cash calls, Construction of Toilets in schools by CPSEs, Loss of returns to ONGC due to adoption of financing mechanism to maintain the status of OPaL as a non-public sector undertaking, Avoidable payment of equipment standby rentals, Supply of gas without security resulted in non-recovery of dues, etc.

These audit Paras have been suitably replied and the same are under review of MoPNG or CAG.

### 54. Cost Audit

There were 6 cost accountants firms, namely M/s. Bandopadhyaya Bhaumik & Co., M/s. N. D. Birla & Co., M/s. Joshi Apte & Associates, M/s. ABK & Associates, M/s. Sanjay Gupta & Associates and M/s. Rao, Murthy & Associates appointed by the Board as Joint Cost Auditors of the Company for FY'22. Necessary cost audit report shall be prepared by the said auditors and filed with the Central Government as per requirements under the Companies Act, 2013.

### 55. Secretarial Audit

Your Company had engaged M/s. JMC & Associates, Practising Company Secretaries as Secretarial Auditors for FY'22. Secretarial Audit Report is annexed as **Annexure – G.**

Reply of management to the qualifications made in the Secretarial Audit Report are as under:

**Board Composition, Audit Committee and Nomination & Remuneration Committee:**

The Company, being a CPSE, composition of its Board of Directors is the prerogative of the President of India as provided under the Articles of Association of the Company.

The Company made appointment of 4 Independent Directors including one woman Independent Director on 14 November 2021. Further, the Company made appointment of one additional Independent Director on 31 December, 2021 and another one on 2 February 2022.

Upon appointment of requisite number of Independent Directors, Audit Committee and Nomination & Remuneration Committee were re-constituted and accordingly the Company became compliant with the requirements w.r.t. composition of Board and above-mentioned committees.

### 56. Changes in Board of Directors and Key Managerial Personnel

Being a Government Company, policy on directors' appointment and remuneration is not applicable and also evaluation of their performance is exempted under the Companies Act, 2013.

**Details of Appointments/ Cessation of Directors and KMPs are as under:**

Changes in the Board/ Key Managerial Personnel of the Company during the year and up-to date of the Report are as under:

- Ms. Pomila Jaspal has been appointed as Director (Finance) & Chief Financial Officer (CFO) of the Company w.e.f. 19 April 2022.
- Mr. Syamchand Ghosh, Mr. Manish Pareek, Smt. Reena Jaitly, Mr. Vysyaraju Ajit Kumar Raju have been appointed as Independent Directors of the Company w.e.f. 14 November 2021.
- Dr. Prabhaskar Rai has been appointed as Independent Director of the Company w.e.f. 31 December 2021.
- Dr. Madhav Singh has been appointed as Independent Director of the Company w.e.f. 2 February 2022.
- Mr. Gudey Srinivas, IAS, Additional Secretary and Financial Adviser in the Ministry of Petroleum & Natural Gas has been appointed as the Government Nominee Director of the Company w.e.f. 14.06.2022.
- Mr. Anuarg Sharma, Director (Onshore) was also Chief Financial Officer (CFO) of the Company during 21.01.2022 to 31.03.2022.
- Mr. Rajni Kant has been appointed as the Company Secretary w.e.f. 29.06.2021.
- Mr. Vivek Chandrakant Tongaonkar was CFO during the period from 01.04.2021 to 31.12.2021.
- Mr. Subhash Kumar, ceased to be Chairman & Managing Director/ Chief Executive Officer and Director (Finance) of the Company w.e.f. 01.01.2022 upon his superannuation on 31.12.2021.
- Mr. Rajesh Aggarwal ceased to be Government Nominee Director on the Board w.e.f. 24.09.2021.
- Mr. Amar Nath ceased to be Government Nominee Director on the Board w.e.f. 14.05.2022.
- Mr. Amitava Bhattacharyya ceased to be Independent Director of the Company on completion of his tenure on 11.07.2022.
- Mr. M E V Selvamm ceased to be Company Secretary on 25.06.2021.
- The Board places on record its appreciation for commendable contribution made by Mr. Subhash Kumar, Mr. Rajesh Aggarwal, Mr. Amar Nath and Mr. Amitava Bhattacharyya during their tenure on the Board of your Company.

### 57. Declaration by Independent Directors:

The Company has received the declaration from Independent Directors confirming that they met the criteria prescribed under the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 58. Acknowledgement

Your Directors are highly grateful for all the help, guidance and support received from the Ministry of Petroleum and Natural Gas, Ministry of Finance, DPE, MCA, MEA, and other agencies in Central and State Governments. Your Directors acknowledge the constructive suggestions received from Auditors and Comptroller & Auditor General of India and are grateful for their continued support and cooperation.

Your Directors thank all share-owners, business partners and all members of the ONGC Family for their faith, trust and confidence reposed in the Board. Your Directors wish to place on record their sincere appreciation for the unstinting efforts and dedicated contributions put in by the ONGCians at all levels, in spite of the challenging and unprecedented pandemic situation, to ensure that the Company continues to sustain, grow and excel.

On behalf of the Board of Directors

Sd/-
**Dr. Alka Mittal**
Chairman and Managing Director (Addl. Charge)

New Delhi
3 August 2022

# Annexures to the Board’s Report

## Awards and Accolades

Annexure - A

### 1. ONGC in Forbes list of "World's Best Employers"

ONGC has been ranked 404th in the Forbes World Best Employers list 2021 based on parameters such as image, economic footprint, talent development, gender equality and social responsibility.

### 2. Platt's Top 250

ONGC has been ranked 25th among global energy majors in the coveted Platt's Top 250 Global Energy Company Rankings 2021.

### 3. Fortune Global 500 list 2021

ONGC is ranked 243rd globally and 4th in India in 2021 ranking of Fortune Global 500 list.

### 4. Forbes 2000 list 2022

Forbes has ranked the Company 5th largest in India and 229th worldwide in Global 2000 list based on sales, profit, assets and market value.

### 5. Great Place of Work

ONGC features in Great Place to Work's list of India's Best Employers among Nation-Builders.

### 6. Exploration Company of the Year Award at the FIPI Awards

ONGC was conferred with the Oil and Gas Exploration – Company of the Year Award at the FIPI Awards 2021

### 7. AIMA Award in CSR for "Swargdew Siu-Ka-Pha" Multi-Speciality Hospital

ONGC was conferred with the AIMA (All India Management Association) Project Excellence Award in Corporate Social Responsibility (CSR) for its 300-bed Swargdew Siu-Ka-Pha Multi-Speciality Hospital in Sivasagar district of Assam. ONGC ranked first in 'CSR non-COVID category' at the 8th Business Responsibility Summit and Project Excellence Contest.

### 8. National Safety Awards for four consecutive years

Five work centres of ONGC secured 10 awards at the National Safety Awards (Mines) by Directorate General of Mines Safety, Dhanbad in March 2022.

### 9. GeM Top Buyer Award

ONGC was conferred with GeM Top Buyer Award at the 5th edition of National Public Procurement Conclave organized by GeM in collaboration with the Confederation of Indian Industry (CII).

### 10. ONGC bags Golden Peacock National Training Award 2021

ONGC Academy was conferred with the Golden Peacock National Training Award 2021 in Oil Production Sector by the Institute of Directors.

### 11. ONGC recognized as Maharatna of the Year (Non-Manufacturing) 2020

ONGC was recognized as the 'Maharatna of the Year (Non-Manufacturing) among India's Best Public Sector Undertakings 2020 by the Dalal Street Investment Journal.

### 12. ONGC bagged 4 accolades at Governance Now 8th PSU Awards

The energy major was conferred with Best PSU Award for Nation Building, Environment & Sustainability, Investment in Start-up and Communication Outreach at the Governance Now 8th PSU Awards.

### 13. Golden Peacock Environment Management Award for three consecutive years

Energy Maharatna was conferred with the prestigious Golden Peacock Environment Management for its commitment towards maintaining a healthy and sustainable environment.

### 14. Director (HR) conferred with Silver Stevie Award

Dr. Alka Mittal won Silver Stevie Award in the Woman of the Year category at the International Business Awards 2021 for adopting best in class and innovative HR practices.

### 15. Award for Outstanding Performance during Saksham 2021

ONGC was conferred with Best Overall Performance award in the Upstream/ Midstream sector, Oil and gas companies' category for the Oil & Gas conservation activities carried out during Saksham 2021.

### 16. Asian Leadership Award for Excellence in Branding and Marketing

ONGC employee portal was conferred with the Asian Leadership Award for Excellence in Branding and Marketing, under the "Best In House Magazine" category.

### 17. NHDRN People Excellence Award 2021

ONGC was conferred with National HRD Network and New Delhi Institute of Management (NHRDN - NDIM) People Excellence Award 2021 in CSR for the multiple-speciality hospital in Sivasagar.

### 18. IPSHEM bags Global Environment Award 2021

In recognition of its pursuit of excellence in Environment Management, the Institute of Petroleum Safety, Health and Environment Management (IPSHEM), Goa was conferred with the prestigious "Energy and Environment Foundation Global Environment Award 2021" under Platinum Category by the Energy and Environment Foundation.

19. ONGC was conferred with 'Best Security Practices in Energy Sector' Award by the Data Security Council of India (DSCI) for showing maturity in security practices.

20. ONGC Corporate Communications bagged PRCI Chanakya Award for Excellence in Corporate Reputation

21. ONGC, Corporate HSE has been conferred with Grow Care Environment Award 2021 in Platinum category.

22. ONGC, Corporate HSE has been conferred with Global Safety Award 2021 in Platinum category

Annexure-B

# Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis for FY'22

| Sl No. | (a) Name(s) of the related party and nature of relationship | | (b) Nature of of the contracts or contracts/ arrangements/ transactions | (c) Duration of the contracts / arrangements/ transactions | (d) Salient terms of the contracts or | | (e) Justification for entering into such contracts or arrangements or | (f) Date(s) of approval by the Board | (g) Amount paid as advances, if any: | (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 |
|---|---|---|---|---|---|---|---|---|---|---|
| | Name | Relationship | | | Salient terms | Transaction value (₹ in million) | | | | |
| NIL | | | | | | | | | | |

2. Details of material contracts or arrangement or transactions at arm's length basis for FY'22

| Sl No. | (a) Name(s) of the related party and nature of relationship | | (b) Nature of of the contracts or contracts/ arrangements/ transactions | (c) Duration of the contracts / arrangements/ transactions | (d) Salient terms of the contracts or | | (e) Date(s) of approval by the Board if any: | (f) Amount paid as advances, if any: |
|---|---|---|---|---|---|---|---|---|
| | Name | Relationship | | | Salient terms | Transaction value (₹ in million) | | |
| NIL | | | | | | | | |

Sd/-
**Dr. Alka Mittal**
Chairman & Managing Director (Addl. Charge)

New Delhi
3 August 2022

Annexure - C

# Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo

## A. Conservation of Energy

### a) Steps taken for conservation of energy

- 314 Energy Audits were carried out in various rigs/installations across ONGC through in-house energy auditors in FY'22.
- Two micro-turbines were installed in MH Asset and three others at Mehsana Asset at a total cost of ₹77.80 Million in FY'22
- 41,000 LED lights installed during FY'22 at a cost of ₹86 Million, across various work centres of ONGC under implementation of LED lighting program. Total of 351,000 LED lights have been installed in ONGC so far. This realizes into an annual Electrical energy savings of around 75.9 Million units (MU) and monetary savings to the tune of ₹ 531 Million.
- 1,334 activities were organized across ONGC with a participation of 44 Lakh people under a month-long Saksham 2022 campaign for creating awareness on Oil & Gas Conservation and Clean & Green Energy.
- In Hazira Plant, Back pressure of CSU (Condensate Stabilization Unit) was reduced form 2.5 kg/cm2 to 0.1 kg/cm2, which resulted into steam saving of 9 Tons/Hr. Annual energy saving is 40,420 M Cal, equivalent to approx. monetary savings ₹ 55 Lakh/Year .
- In another process optimization at Hazira plant, Change of boiler blowdown practice from IBD to CBD through SWAS unit resulted into an approximate water saving of 3 Tons/Hr.
- For more efficient alignment of the nacelle with changing wind direction, 'Quick Sense' an innovative and advanced wind vane system was installed in all the 34 Nos. Wind turbines of 51 MW wind power plant at Bhuj and 49 Nos. Wind turbines of 102 MW WPP Jaisalmer. With better accuracy ($\pm 2^o$) and resolution ($0.4^o$) compared to that of the existing system ($\pm 5^o$ and $11.25^o$ respectively), an increase in power generation by 2% was achieved and the installation cost of approximately ₹ 2 crore was recovered in less than a year.
- Installation of Flare Gas Recovery system at CPF Gandhar (March 22) and EPS-253 Gandhar (October 21). Expected gas saving 40,000 SCMD i.e. ₹ 10.22 Cr/annum (₹ 7/scm) along with environmental benefits.

### b) Steps taken for utilizing alternate sources of Energy:

- Total installed wind power generation capacity in ONGC is 153 MW During 2021-22, total 227.36 Million unit electricity was generated from these wind power plants.
- The total installed solar power generation capacity in ONGC stands at 31.3 MW. During 2021-22, total 37.48 Million unit electricity was generated from solar power.

### c) Capital investment on energy conservation equipment

1. Installation of two Flare Gas Recovery Sytems at CPF Gandhar and EPS- 253 Gandhar : ₹15.3 Cr

2. Total capex on solar-based power plants commissioned during 2021- 22 is ₹ 25.3 Million. The details are as under-

- Replacement of Roof Top Solar Plant of 0.3 MW in Delhi : ₹ 13.5 million
- Ground Mounted Solar 0.2 MW at Karaikal : ₹ 11.8 million

## B. Technology Absorption

Efforts made for absorption of new technologies and benefits derived during FY'22 were:

**a. SeisneticsTM:** An AI/ML-based software using Genetic Algorithm has been inducted. SeisneticsTM is catering to the needs of different work centers upon hosting in the Corporate License Access Portal (CLAP) for wider usage. The induction of the technology has significantly reduced the project turnaround times and aided the understanding of the architecture of subtle geomorphic anomalies.

**b. Automatic Imbibiometer:** The imbibiometer is a system that performs and monitors spontaneous imbibition and drainage processes on rock samples simultaneously. Fluid production data collected during the experiment allows the determination of expelled fluid volumes and hence the saturation.

**c. Casing while drilling:** Wells of Mumbai offshore have been facing NPT in surface sections due to short landing of conductor and surface casing. NPT is mainly on account of pile hammer failure issues and unconsolidatedformations. Proposed for 30" & 20" CWD in 6 wells on pilot basis in view of 30" conductor piling issues and further drilling for 20" casing. CWD successfully carried out at 05 Wells namely B_12#AI & B_12#AE, SD#4, B 19-B & B 55-D.

**d. Auto-Driller:** Provides Smooth and precise lowering of traveling blocks using multiple drilling parameters and feeds consistent drill line pay-out to generate a higher quality wellbore while increased ROP. IDT inducted Auto Driller System/ e-Wildcat TM 2.0 in Type-II & above rigs of ONGC as pilot project on rental basis for 1 year. It has been installed in 1 rig each of Jorhat, Ankleshwar, Rajahmundry, Sivasagar & Agartala.

**e. Liner While Drilling:** Liner drilling is an integrated services solution that can shorten drilling time and costs, reduce non-productive time (NPT), lower the risk of drilling through trouble zones, and help ensure that the liner reaches total depth. Approved for Liner While Drilling (LwD) in 8 ½" phase for 4 development wells in MH, NH and B&S Assets of Mumbai Offshore. Planned to take up 1st job in FY 2022-23.

**f. Hydraulic Pumping Unit:** Hydraulic Pumping Unit, an alternative to conventional SRP, commissioned in Mehsana Asset. The system is not only cost effective but has numerous technological advantages like Remote control, Auto-Echo metering, Dyna-card generation and pump-off control along with various safety features.

**g. Self-Assisted Plunger Lift (SAPL):** Self-Assisted Plunger Lift is a technology for automatic de-liquefaction of wells without any need for external source of energy and other activation methods leading to sustained production. Tripura Asset successfully commissioned Plunger lift systems on pilot basis in 5 wells of Agartala Dome, Rokhia & Sundalbari fields.

**h. Tiny Bubble ETP:** High Efficiency Chemical Free Tiny-Bubble Technology" is a next generation technology for treatment of the effluent water produced to meet the statutory norms without need of the any chemicals for treatment of the produced water, with a set of equipment and designed processes for this purpose. ETP of capacity 300 M3/D based on Tiny Bubble Technology has been installed by Cambay Asset.

**i. SAP S/4 HANA:** Business processes of your Company are set to improve significantly in terms of performance and user productivity by implementation of SAP-HANA solution. S/4 HANA comes with hundreds of new business functions with reduced data extraction &

loading time (almost one third of earlier system). Report execution time is almost instantaneous.

**j. Real Time Data Management and Monitoring (RTDMM):** Real Time Dashboards to monitor the critical drilling parameters and Integration of Engine, Mud Pumps, Generator, DGB and other equipment parameters of entire rig fleet. The system supports user defined calculated channels, Real Time access in mobiles, data export in various industry formats like ASCII, LAS, WITSML & EXCEL.

**k. Block Chain based Contract Management** for Gas Marketing enables management of Gas Supply Agreements in real-time with all the vendors across ONGC on a single platform. Brings transparency both for ONGC and gas buyers, establishes automated accountability, increased auditability, thereby improving trust with vendors and easing contract management.

**l. Common Platform & Data Analytics Solution:** Common Platform & Data Analytics Solution is one of the largest analytics implementation of its kind across the energy industry. Introduction of this organization-wide analytics platform has helped in delivering solutions that cover cross domain functionalities.

**m. Augmentation of VC Infrastructure at Delhi and Mumbai along with endpoints:** State of the art video compression technique, which highly economises bandwidth requirements as also provides interoperability with all major cloud based VC platforms.

**n. High throughput connectivity to remote locations using GSM Mobile Signal:** Implemented High speed connectivity to remote locations, especially nomadic locations utilizing GSM based signals, enabling delivery of real time Enterprise wide Business and E&P applications across 231 remote sites of ONGC.

**o. Indigenous development of new software's:**

- **Seistelligence:** A Python-based Artificial Intelligence/Machine Learning application developed indigenously helps in reservoir characterization and reservoir property volumes prediction and Deep Learning (DL) based techniques. The application is planned to be rolled out across ONGC work centers very soon and is already submitted for Copyrights.
- **Drona:** To provide a data science platform to perform AI/ML-based techniques, a Modular Data Science Tool, has been developed. In the first phase, this tool is designed to provide lithofacies identification based on well logs. It has been rolled out across ONGC work centers & helped to predict litho-facies in several wells with more than 90% accuracy & significantly faster than conventional approach.
- **New modules in EXPLORE- Integrated Data Platform:** EXPLORE (copyright © 2018) is an innovative, integrated and unified Exploration data management platform serving the entire Exploration value chain since 2016. During the year, two new powerful modules such as Explore-GeoMap and Explore-Insights were published to enrich the experience of stakeholders based at Corporate, Basin and Forward Base levels.
- **Explore-GeoMap** aims at visualizing each and every entity pertaining to polygon data such as Acreage in terms of Shape or GeoJSON formats, point data such as Locations & Wells, Geo-referenced images etc. available in EXPLORE ecosystem on a Map layer. This will facilitate users, an interactive, fast and state of the art Mapping service right on their Desktop web Browser in an integrated environment wherein information pertaining to different entities are available with just a few clicks.
- **Explore-Insights** provisions interactive, intuitive, powerful & drillthrough dashboards built on top of data available in EXPLORE platform with an objective of Exploration data analysis to have a single source and a single version of truth. The dashboards for entities such as ACREAGE, LOCATION, WELL (DGR & EWIP), DISCOVERIES, ACQUISITION comprises of interactive charts which are supplemented by tabulated data. Presently data is being visualized at Basin and ONGC levels and are built so that powerful insights and learning can be derived to assist in informed decision making.
- **Reserves Ultima (PRMS):** Automated preparation of a highly complex and sought after report namely Accretion Pattern report for Basins & Field levels was achieved and integrated with the in-house software to allow REC group to generate the same with just a single click. Field level REC data since 1995 for all fields of ONGC has been successfully migrated to the new PRMS compliant database model. Successfully incorporated Business intelligence BI visualizations in the in-house developed software. Furthermore, a number of interactive, intuitive and drill through visualizations have been build such as Field Growth in terms of inplace and EUR, Field wise positions etc to have a bird's eye view.
- **PEBUL Software:** This In-house developed software **PEBUL (Production Enhancement By Unloading Liquid)** is designed to predict about liquid loading and design of mode of deliquification for gas wells. IPR has been applied for the software.
- **Oil Field Analyser software:** Software is used for production data analysis for Oil & Gas producing Asset. This software can be utilised for any oil & gas producing Asset involving multiple sands, multiple areas, and multiple lift modes for efficient monitoring. It is one stop solution for retrieving data in various meaningful formats, which is very handy to managers for taking decisions. IPR has been applied for the software and Planned to be implemented.

- **Details of Imported technologies (during the last 3 years):**

| Sl. No. | Name of the Technology | Year of import | Whether technolog y fully absorbed | If not fully absorbed, areas where absorption has not taken place and the reason thereof |
|---|---|---|---|---|
| 1. | Data physics optimisation software by Tachyus Corporation | 2021-22 | Yes | --- |
| 2. | Reservoir Analogue Software by IHS Markit | 2021-22 | Yes | --- |
| 3. | tNavigator software | 2021-22 | Yes | --- |
| 4. | Seisnetics (1 processing & 5 visualization Licenses) | 2021-22 | Yes | --- |
| 5. | Petrosys on access rights basis (20 Licenses) | 2021-22 | Yes | --- |
| 6. | e-Wildcat 2.0 Automated Drilling Systems | 2021-22 | Yes | --- |
| 7. | Casing While Drilling | 2021-22 | No | Completed in 5 out of 6 wells planned, Sixth well planned to be taken up post Monsoon 2022 |
| 8. | Global Navigation Satellite System (Model Leica GS16) with RTKplus and SmartLink for topographical positioning | 2020-21 | Yes | --- |
| 9. | ASP and SP flooding using Novel chemicals | 2020-21 | No | The technology will be absorbed during pilot implementation in Bechraji/MH/Heera reservoirs. |
| 10. | Heavy Oil Operating System (HOOS) | 2020-21 | No | Implementation under progress |
| 11. | Tubing Rotator | 2020-21 | Yes | --- |
| 12. | StimGun Propellant technology with TCP(Tubing Conveyed Perforation) | 2020-21 | Yes | --- |
| 13. | Managed Pressure Drilling (MPD) | 2020-21 | Yes | --- |
| 14. | Advanced Core Flood Apparatus for WSO & PM studies | 2019-20 | Yes | --- |
| 15. | Remote sensing image processing software suite with extensions/ add-ins for physics-based atmospheric correction. | 2019-20 | Yes | --- |
| 16. | SP flooding /Wettability alteration using Novel chemicals | 2019-20 | No | The technology will be absorbed during pilot implementation in Bechraji/ MH/ Heera reservoirs. |
| 17. | Low Frequency Passive Seismic (LFPS) | 2019-20 | Yes | --- |

**Expenditure incurred towards Innovation/Innovative Technologies during FY'22**

| S.N | Name of Innovation and/or Technology | Actual Expenditure (Capex + Opex) (₹ in Million) |
|---|---|---|
| 1. | Low Salinity Water Injection | 1393.34 |
| 2. | Innovative Technologies in Onshore Assets/fields in FY'22 | 215.05 |
| 3. | Auto-Driller System – IDT (e-Wildcat 2.0 of M/s NOV) | 5.48 |
| 4. | Renewable Energy | 25.30 |
| 5. | Micro turbines | 77.80 |
| 6. | Flare gas Recovery | 153.00 |
| 7. | Electric Vehicles | 2.10 |
| 8. | Waste Heat Recovery Initiatives | 18.10 |
| 9. | Casing while Drilling | 154.10 |
| 10. | Digital Centre of Excellence | 19.00 |
| 11. | Block Chain based Contract Management for Gas Marketing | 18.50 |

| S.N | Name of Innovation and/or Technology | Actual Expenditure (Capex + Opex) (₹ in Million) |
|---|---|---|
| 12. | SAP S/4 HANA up gradation | 228.60 |
| 13. | Common Platform & Data Analytics Solution | 182.20 |
| 14. | Real Time Data Management and Monitoring ( RTDMM) | 32.10 |
| 15. | License renewal for Implementation of Un-attended RPA (Robotic Process Automation) Solutions from Attended RPAs. | 0.74 |
| 16. | Augmentation of VC Infrastructure at Delhi and Mumbai along with endpoints across ONGC | 6.40 |
| 17. | High throughput connectivity to Remote locations using GSM Mobile Signal | 16.40 |
| 18. | LED lighting | 86.00 |
| 19. | Development of Indigenous Products though innovation and innovative technology for use in E&P Sector and funding & mentoring support to 07 startups in the area of Innovation/innovative technologies | 367.40 |
| **Total** | | **3,001.61** |

**C. R&D Expenditure:**

Details of expenditure incurred on Research & Development during FY'22 was as under:

| Particulars | FY'22 (₹ in Million) | FY'21 (₹ in Million) |
|---|---|---|
| Research & Development Expenditure | 5,315.88<br>(Revenue: 5,133.08<br>Capital: 182.80) | 5,825.80<br>(Revenue: 5,541.30<br>Capital: 284.50) |

**D. Foreign exchange earnings and outgo** **(₹ in Million)**

| | 2021-22 | 2020-21 |
|---|---|---|
| Total Expenditure | 1,67,683.88 | 2,18,512.49 |
| Total Earnings | 1,905.87 | 2,393.38 |


ONGC invests substantially in skill-development of the people in and around its neighbouring communities

# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

Annexure - D

## SECTION A: GENERAL DISCLOSURE

### I. Details of the Listed Entity

| | | |
|---|---|---|
| 1 | **Corporate Identity Number (CIN) of the Listed Entity** | L74899DL1993GOI054155 |
| 2 | **Name of the Listed Entity** | Oil and Natural Gas Corporation Limited. |
| 3 | **Year of incorporation** | 1993 |
| 4 | **Registered office address** | Plot No. 5A-5B, Nelson Mandela Road, Deendayal Urja Bhawan, Vasant Kunj, New Delhi-110070, India |
| 5 | **E-mail** | secretariat@ongc.co.in |
| 6 | **Telephone** | 011-26754070 / 4085 |
| 7 | **Website** | http://www.ongcindia.com/ |
| 8 | **Financial year for which reporting is being done** | 2021-22 |
| 9 | **Name of the Stock Exchange(s) where shares are listed** | National Stock Exchange & Bombay Stock Exchange |
| 10 | **Paid-up Capital** | ₹ 62,901.39 million |
| 11 | **Contact Person** | |
| | **Name of the Person** | Chief CM&SG (Shri S K Shrivastava) |
| | **Telephone** | +91 11 26754003 |
| | **Email address** | chief_cmsg@ongc.co.in |
| 12 | **Reporting Boundary** | |
| | **Type of Reporting- Select from the Drop-Down List** | ONGC Standalone |
| | **If selected consolidated:** | Not Applicable |

### II. Product/Services

| | | **Description of Main Activity** | **Description of Business Activity** | **% Turnover of the Entity** |
|---|---|---|---|---|
| 14 | **Details of business activities** | Exploration and Production | Crude Oil Production = 21.707 MMT | 46.705 |
| | | | Natural Gas Production = 21.680 MMT OEG | 46.647 |
| | | | VAP Production = 3.089 MMT | 6.646 |

| | | **S. No.** | **Product/Service** | **NIC Code** | **% of Total Turnover contributed** |
|---|---|---|---|---|---|
| 15 | **Products/Services sold by the entity** | 1. | Crude Oil | 061 | 71.59 |
| | | 2. | Natural Gas | 062 | 10.65 |
| | | 3. | Liquefied Petroleum Gas | 192 | 4.00 |

### III. Operations

| | | **Location** | **Number of plants** | **No. of Offices** | **Total** |
|---|---|---|---|---|---|
| 16 | **Number of locations where plants and/or operations/offices of the entity are situated:** | **National** | The major locations of the Company are mentioned at Para No. 19 of the Corporate Governance Report. | | |
| | | **International** | | | |

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

| | | | |
|---|---|---|---|
| 17 | **Market served by the entity** | **Locations** | The Company is marketing its domestic products, mainly crude oil to the Public Sector refiners – Indian Oil Corporation Limited, Bharat Petroleum Corporation Limited, Hindustan Petroleum Corporation Limited, Numaligarh Refinery Limited, Chennai Petroleum Corporation Limited and Mangalore Refinery and Petrochemicals Limited and the natural gas is mainly marketed through GAIL (India) Limited. However, part of the gas is also marketed directly by the Company. The Value-Added Products are marketed in bulk to the PSU Oil Marketing Companies (OMCs), ONGC Petro additions Limited (OPaL) and the remaining to private companies. Naphtha is occasionally exported because of lesser demand from customers. |
| | **a. No. of Locations** | **National (No. of States)** | |
| | | **International (No. of Countries)** | As on 01.04.2022, ONGC Videsh has stake in 35 oil and gas projects in 15 Countries, viz. Azerbaijan (2 projects), Bangladesh (2 Projects), Brazil (2 projects), Colombia (7 projects), Iran (1 project), Iraq (1 project), Libya (1 project), Mozambique (1 Project), Myanmar (6 projects), Russia (3 projects), South Sudan (2 projects), Syria (2 projects), UAE (1 project), Venezuela (2 projects), and Vietnam (2 projects). |
| | **b. What is the contribution of exports as a percentage of the total turnover of the entity?** | 6.56% | |
| | **c. A brief on types of customers** | Company's significant revenues are derived from sales to Oil Marketing Companies (OMCs) and International Oil Companies (IOCs). | |

**IV. Employees**

**a. Employees and workers (including differently abled):**

| Breakdown of Employees per Employee Category according to Gender as on 31.03.2022 | | | |
|---|---|---|---|
| **Employee Category** | **Total Strength as on 31.03.2022** | **Gender** | |
| | | **Male** | **Female** |
| **Executives** | 16,414 | 15,013 | 1,401 |
| **Non-Executives** | 10,751 | 10,108 | 643 |
| **Grand Total** | **27,165** | **25,121** | **2,044** |
| | | **92%** | **8%** |

**b. Differently abled Employees and workers: 424**

| 19. Participation/Inclusion/Representation of women | | | | |
|---|---|---|---|---|
| **S.No.** | **Category** | **Total (A)** | **No. and % of females** | |
| | | | **No. (B)** | **% (B/A)** |
| **1** | **Board of Directors - whole time Directors** | 6 | 1 | 16.67% |
| **2** | **Key Management Personnel** | 2 | 0 | 0.0 % |

**20. Turnover Rate for Permanent Employees and Workers**

| Turnover Rate for Permanent Employees and Workers | FY 2021-22 | FY 2020-21 | FY 2019-20 |
|---|---|---|---|
| **Turnover Rate** | 6.68 % | 7.00 % | 7.93 % |
| **Attrition Rate** | 0.31 % | 0.37 % | 0.49 % |

ONGC's attrition rate is consistently below 1% year on year. We ensure through our employee policies and welfare initiatives each year that our employees look forward to working with the Company. It is the responsibility of the Company to maintain a happy and satisfied workforce in order to enhance productivity and maintain low employee turnover.

**V. Holding, Subsidiary and Associate Companies (including joint ventures)**

21. List of subsidiary / associate companies / joint ventures included at Note No.44 of Standalone Financial Statement.

**VI. CSR Details**

| | | |
|---|---|---|
| **22** | **a. Whether CSR is applicable as per section 135 of Companies Act, 2013:** | Yes |
| | **Turnover (in ₹)** | ₹ 1,103,454 million |
| | **Net worth (in ₹)** | ₹ 2,371,481 million |

**VII. Transparency and Disclosures Compliances**

| **23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct** | | | | |
|---|---|---|---|---|
| | | | **FY 2021-22** | **FY 2020-21** |
| **Stakeholder group from whom complaint is received** | **Grievance Redressal Mechanism in Place (Yes/No)** | **If Yes, then provide web-link for grievance redress policy** | **1. Number of complaints filed during the year**<br>**2. Number of complaints pending resolution at close of the year** | **1. Number of complaints filed during the year**<br>**2. Number of complaints pending resolution at close of the year** |
| **Communities** | Yes | **https://grievance.ongc.co.in** | Public<br>Opening: 1<br>Received: 22<br>Closed: 07<br>Pending: 16 | Public<br>Opening: 0<br>Received: 49<br>Closed: 48<br>Pending: 1 |
| **Investors (other than shareholders)** | Yes | **https://ongcindia.com/web/eng/investors/investor-contact** | Details provided at Para No. 3 of Corporate Goverance Report. | |
| **Shareholders** | Yes | | | |
| **Employees and workers** | Yes | **https://grievance.ongc.co.in** | Employees*<br>Opening: 0<br>Received: 17<br>Closed: 1<br>Pending: 16 | Employees<br>Opening: 0<br>Received: 12<br>Closed: 12<br>Pending: 0 |
| **Customers** | Yes | - | Customer<br>Opening: 2<br>Received: 48<br>Closed: 48<br>Pending: 0 | Customer<br>Opening: 0<br>Received: 99<br>Closed: 97<br>Pending: 2 |
| **Value Chain Partners** | Yes | **https://grievance.ongc.co.in** | Vendor<br>Opening: 33<br>Received: 5<br>Closed: 0<br>Pending: 38 | Vendor<br>Opening: 26<br>Received: 7<br>Closed: 0<br>Pending: 33 |
| **Other (Ex-employee)** | Yes | **https://grievance.ongc.co.in** | Ex-employees<br>Opening: 1<br>Received: 50<br>Closed: 9<br>Pending: 42 | Ex-employees<br>Opening: 0<br>Received: 69<br>Closed: 68<br>Pending: 1 |

***** In addition to the number of 'Grievance Closed', almost all the grievances have been replied/resolved. However, due to an ongoing system updation, the exact status of closed grievances has not been reflected in the portal.

**24. Overview of the entity's material responsible business conduct issues**

| Material Issue Identified | Indicate whether risk or opportunity | Rationale for identifying the risk/ opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---|---|---|---|---|
| Air Quality | Risk | Managing air quality is crucial to achieve reductions in air pollution to attain an air quality standard or goal set by the regulations. | Regular ambient air quality monitoring studies are carried out around drill sites, production installations and plants. The concentration of air pollutants has been found to be well within the permissible limits. | Negative |
| Water Management | Risk | For ONGC, it is essential to take care of the water resource management since it is a critical resource for all its operations. | For meeting its demand, the Company relies on a variety of water sources namely, groundwater, surface water, municipal water among others. The Company has been significantly investing in sustainable water management practices over the last decade. Our efforts for improving water management includes management of quality of water returned to the environment and recycling of water wherever possible | Negative |
| Community Engagement | Opportunity | The Company has been implementing CSR projects at its 26 work centres through a dedicated team, which is focused on assessing the needs of the community around its operational areas. | NA | Positive |
| Responsible Supply Chain | Risk | It is critical for ONGC to have a sustainable supply chain in order to truly meet its sustainability goals. | ONGC is dedicated to ensuring that all of its vendors and suppliers work in a healthy and safe environment while maintaining the highest level of service quality. Throughout its supply chain, the Company has implemented a methodical approach to ensure compliance with applicable labour practice requirements, including child labour and human rights issues. All the service contract agreements between ONGC and its suppliers include provisions for compliance with appropriate legal and HSE standards, which are ensured throughout the execution. ONGC urges its suppliers to manage their environmental impact through appropriate policies, methods, and procedures. | Negative |
| Data Privacy and Information Security | Risk | Data privacy and information security is an area of data protection that concerns the proper handling (consent, notice, and regulatory obligations) of sensitive data including personal information and other confidential data that could drive business strategy. | ONGC implements best-in-class measures to ensure data privacy and information security across the organisation. In 2008, the Company has implemented Information Security Management System (ISMS) in line with the International Standard ISO-27011. An Information Security Organisation has been created comprising of Steering Committee, Forum and Officer of Chief Information Security Officer (CISO).<br><br>Information Security Operation Centre (ISOC) has been set-up. 44 numbers of Data Centres were audited during year 2021-22. | Negative |

| | | | | |
|---|---|---|---|---|
| Climate Change | Risk | Climate change is the long-term alteration of temperature and typical weather patterns in a geography because of increasing Greenhouse Gas (GHG) emissions. This phenomenon has a potential to impact the business, due to natural disaster risks such as cyclones, heat waves, floods, changing disease pattern leading to impacts such as supply chain and economic disruption and altered consumer demand. | The Company's strategy for addressing climate change comprises a multi-levelled approach of increasing the share of renewable energy in its product portfolio, implementing energy efficient technologies in its work centres, actively contributing towards Clean Development Mechanism (CDM) projects, and creating awareness amongst the workforce towards conservation of energy and environment. The Company's management has been actively engaging with the national and international climate change forum to ensure that the organisation stays current with global climate change negotiations and India's domestic commitments. | Negative |
| Crisis and Risk Management | Risk | Crisis and risk management is the process of identifying, assessing, and managing threats to ONGC's capital and earnings. These risks stem from a variety of sources including financial uncertainties, geopolitical scenarios, legal liabilities, technology issues, strategic management errors, accidents, and natural disasters. | The Company has a Board approved Risk Management Policy. Risk framework and Risk portfolio are periodically monitored by the Risk Management Committee, Audit Committee and the Board. | Negative |
| Energy and Emission Management | Opportunity | The Company has successfully installed best-in-class technologies to ensure benchmarking of energy consumption across sites. ONGC's Energy Strategy 2040, responds to the global climate change crisis and the Nation's Net Zero Agenda. The blueprint of this strategy envisions consolidation of core upstream businesses (national and international), expansion into value building adjacencies in the oil and gas value chain, diversification into renewables and exploration of new avenues through venture play. | NA | Positive |
| Biodiversity and Ecosystem Conservation | Risk | Oil and gas companies may have significant impacts on ecosystems and biodiversity through activities such as land use for exploration, natural resource extraction amongst others. The impacts include, but are not limited to, biodiversity loss, habitat destruction, and deforestation at all stages – planning, land acquisition, permitting, development, operations, and site remediation. | ONGC regularly submits its conservation plan along with earmarked funds to the State Wildlife Division prior to seeking Environment Clearance from Ministry of Environment, Forests and Climate Change. Prior to the start of operations, Environmental Impact Assessment (EIA) studies were carried out and funds are allocated under Environment Management Plan includes mitigation measures towards bio-diversity conservation. | Negative |

| | | | | |
|---|---|---|---|---|
| Workforce Competence and Engagement | Opportunity | Employees are the key asset of ONGC, and it is critical for the Company to invest in their continuous development. Skilled employees enhance the organization's human capital and contribute to employee satisfaction, which correlates strongly with improved performance. | NA | Positive |

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

| | Disclosure Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Policy and Management Processes** | | | | | | | | | | |
| 1 | **a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)** | Yes | Yes | Yes | Yes | Yes | Yes | - | Yes | Yes |
| | **b. Has the policy been approved by the Board? (Yes/No)** | Yes | Yes | Yes | Yes | Yes | Yes | - | Yes | Yes |
| | **c. Web Link of the Policies, if available** | **https://www.ongcindia.com/wps/wcm/connect/en/investors/policies/** | | | | | | | | |
| 2 | **Whether the entity has translated the policy into procedures. (Yes / No)** | Yes | Yes | Yes | Yes | Yes | Yes | - | Yes | Yes |
| 3 | **Do the enlisted policies extend to your value chain partners? (Yes/No)** | Yes | | | | | | | | |
| 4 | **Name of the national and international codes/ certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, ISO, BIS) adopted by your entity and mapped to each principle.** | ISO 50001:2011, ISO 9001, ISO 14001, ISO 27001, ISO 45001, ISO 50001:2018 | | | | | | | | |
| 5 | **Specific commitments, goals and targets set by the entity with defined timelines, if any.** | Principle 6: Targeting 10 GW installed renewable capacity by 2040. | | | | | | | | |
| 6 | **Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.** | Towards the above goal, the Company is continuously increasing its presence in Renewable Energy with and installed capacity of 184 MW as on date. Also, suitable locations are being identified at various work centres, to install around 100 MW solar power plant in the near term.Company is exploring the feasibility of offshore wind power to further its Net Zero aspirations. | | | | | | | | |
| **Governance, Leadership and Oversight** | | | | | | | | | | |
| 7 | **Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements**<br>Health, Safety and Environment (HSE) is fundamental to the conduct of our business and ONGC attaches highest priority to occupational health, safety and protection of environment in and around its operational areas. | | | | | | | | | |
| 8 | **Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).** | Dr. Alka Mittal-Chairman and Managing Director (Addl. Charge)<br>DIN No. 07272207 | | | | | | | | |
| 9 | **Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.** | Details of meetings of the Board and statutory Board Level Committees held during the financial year 2021-22 is provided at Para nos. 2 and 3 of the Corporate Governance Report.<br>There is an HSE Committee of the Board, chaired by an Independent Director. The Board Level Committee monitors all issues concerning HSE, including policy matters. Further, the Director –I/c HSE has the overall responsibility of matters pertaining to Health, Safety and Environment in the Company. | | | | | | | | |

**10. Details of Review of NGRBCs by the Company:**

| Subject for Review | Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee | | | | | | | | | Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify) | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | P | P | P | P | P | P | P | P | P | P | P | P | P | P | P | P | P | P |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| Performance against above policies and follow up action | Y | Y | Y | Y | Y | Y | - | Y | Y | Periodically<br>HSE Committee reviews quarterly | | | | | | | | |
| Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances | Y | Y | Y | Y | Y | Y | - | Y | Y | Periodically<br>On quarterly basis | | | | | | | | |
| **11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency** | | | | | | | | | | P | P | P | P | P | P | P | P | P |
| | | | | | | | | | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| | | | | | | | | | | Being a responsible PSU, ONGC follows all policies in real working conditions. ONGC operations are audited annually by both internal and external agencies. The Company is also publishing its GRI based, independently assured Corporate Group Sustainability Report / Integrated Report every year. | | | | | | | | |

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

### PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

### ESSENTIAL INDICATORS

**1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

In line with Clause 3.7 of the Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010, issued by Government of India, Department of Public Enterprises and requirement of regulation 25 (7) of the Listing Regulations with regard to training of Directors, the Company has following training policy for non-Executive Directors:

• Induction Training/ familiarization program

• External Training: Non-Executive Board members are eminent personalities having wide experience in the field of business, education, industry, commerce and administration. Their presence on the Board is advantageous and fruitful in arriving at strategic decisions. The training policy of Directors and the details of familiarization/ training programmes organized are available at web-link: **https://www.ongcindia.com/wps/wcm/connect/en/investors/independent-director/**

| Segment | Total number of employees | Topics/principles covered under the training and its impact | % age of persons in respective category covered by the awareness programmes |
|---|---|---|---|
| **Employee** | 27,165 | All principles | 86.7 |

**2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format.**

| a. Monetary | | | | | |
|---|---|---|---|---|---|
| **Type** | **NGRBC Principle** | **Name of the regulatory/ enforcement agencies/ judicial institutions** | **Amount (In ₹)** | **Brief of the case** | **Has an appeal been preferred? (Yes/No)** |
| **Penalty/ Fine** | - | - | Nil | - | - |
| **Settlement** | - | - | Nil | - | - |
| **Compounding fee** | - | - | Nil | - | - |

| b. Non-Monetary | | | | |
|---|---|---|---|---|
| **Type** | **NGRBC Principle** | **Name of the regulatory/ enforcement agencies/ judicial institutions** | **Brief of the case** | **Has an appeal been preferred? (Yes/No)** |
| **Imprisonment** | Nil | - | - | - |
| **Punishment** | Nil | - | - | - |

**3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

No such instances w.r.t Indirect Tax

With respect to demand orders served on various work centres of the Company by tax authorities under Service Tax (ST) and Goods & Service Tax (GST) demanding ST and GST on Royalty in respect of Crude Oil and Natural Gas. Based on the legal opinion, the Company is contesting such demands with tax authorities at various forum upto High Courts. The estimated amounts worked out towards ST and GST (including interest and penalty upto 31 March 2022) of ₹ 40,172.56 million and ₹ 102,731.95 million respectively (Total ₹ 142,904.51 million), which has been considered as contingent liability. As a measure of abundant caution, the Company has deposited ST and GST along with interest under protest amounting to ₹ 13,524.39 million and ₹ 74,043.38 million respectively (Total ₹ 87,567.87 million)

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

All the policies relating to ethics, bribery and corruption are “inclusive” and covers Company as well as its employees and all other external stakeholders.

The Company, being a listed Public Sector Enterprise, conducts and governs itself with Ethics, Transparency and Accountability as per the policies mandated by Department of Public Enterprises (DPE), Guidelines on Corporate Governance, SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and other guidelines and policies of the DPE in particular and Govt. of India in general. **https://ongcindia.com/web/eng/investors/policies**

**The Company also pursues some of the following policy initiatives voluntarily towards Ethics, Transparency and Accountability:** The Company has a well-defined and a well codified Book of Delegated Powers Manual, Integrated Materials Management Manual (which has also been reviewed, revised in 2019), Finance Manual, CSR Manual, etc. for ensuring continuity, transparency and fairness in observing the laid down procedures across the organisation. The Company has an Enterprise Risk Management Cell (ERM), risk framework, risk policy and risk portfolio which are periodically monitored by the Risk Management Committee, Audit and Ethics Committee and the Board. In terms of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Board has re-constituted the Risk Management Committee with Board level members.

The Company has a well-structured vigilance department with units spread across the organization at various Assets, Basins and Plants constantly ushering transparency, efficiency and integrity and best corporate practices in the working of the organization. The Company has a Whistle Blower Policy meant to provide a channel to the Employees to report genuine concerns about unethical behaviour, actual or suspected fraud within the organization-link **https://ongcindia.com/web/eng/investors/policies**. Also, the Company has positioned an Integrity Pact (in association with Transparency International) which is signed with bidders to enable them to raise any issues with regard to tenders floated from time to time. The Company is the first among Indian companies to introduce signing of the Integrity Pact. People of high repute and integrity are appointed as Independent External Monitors to oversee implementation of the said Integrity Pact with the bidders.

The website of the Company (www.ongcindia.com) has reference to the various tenets as stated in the principle under the section on Corporate Governance.

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

There was no disciplinary action taken against any director, KMPs, Employees and Worker in FY 2021-22.

| Category | FY 2021-22 | FY 2020-21 |
|---|---|---|
| **Directors** | NIL | NIL |
| **KMPs** | NIL | NIL |
| **Employees** | NIL | NIL |
| **Workers** | NIL | NIL |

**6. Details of complaints with regard to conflict of interest:**

There was no disciplinary action taken against director, KMPs, Employees and Worker in FY 2021-22.

| Topic | FY 2021-22 | | FY 2020-21 | |
|---|---|---|---|---|
| | Number | Remarks | Number | Remarks |
| **Number of complaints received in relation to issues of Conflict of Interest of the Directors** | NIL | NIL | NIL | NIL |
| **Number of complaints received in relation to issues of Conflict of Interest of KMPs** | NIL | NIL | NIL | NIL |

**7. Provide details of any corrective action taken or underway on issue related to fines/penalties/action taken by regulators/law enforcement agencies/ judicial institutions, on case of corruption and conflict of interest.**

Not applicable.

## LEADERSHIP INDICATORS

**1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

| Total number of training and awareness programmes held | Topics/principles covered under the training | %age of persons in value chain covered by the awareness programmes |
|---|---|---|
| 1. Skill development training (in hospitality, fashion designing and cutting & sewing and art, music and culture) at Baramulla, Kashmir | Social Awareness | 490 students |
| 2. Petroleum Sector Skill Initiative | Skill development | 488 youth were trained in 9 different trades, 345 have secured placements and currently 90 more are undergoing training. |
| 3. PCRA mega campaign SAKSHAM | Environmental Awareness | Several locals such as home makers, auto and truck drivers, farmers etc. benefit through the awareness created on fuel conservation. |

**2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.**

Yes, The Company has a Code of Conduct in place for the Board of Directors and Senior Management (link **https://ongcindia.com/web/eng/investors/policies)**, which inter-alia includes to make prudent judgement to avoid all situations, decision or relationship in case of conflict of interest. Further, Directors also submit their declaration(s) providing details of relatives/ related parties as per requirements of the Companies Act, 2013. As per requirements of the Companies Act, 2013 and related party transactions (including with relatives of Directors, if any) are reviewed to the Audit Committee.

## PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

### ESSENTIAL INDICATORS

**1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

| Type | FY 2021-22 | FY 2020-21 | Details of improvement in social and environmental aspects |
|---|---|---|---|
| Research & Development (R&D) | ₹ 5,130 million | ₹ 5,541 million | • ONGC has signed MoU with SECI (Solar Energy Corporation of India) to develop renewable energy-based power, ESG (Environment, Social, and Governance) projects, for achieving its green energy objectives on 2 December 2021 in New Delhi.<br>• Patent for process of increasing recovery in gas wells by water shut off: The Institute of Reservoir Studies (IRS) has received a national patent for a process of increasing recovery of hydrocarbon gas in a subterranean formation by water shut off.<br>• Gas Hydrate Research & Technology Centre (GHRTC), ONGC, Panvel signed an agreement with Indian Oil Corporation (IOC) R&D Centre in Faridabad on 13 August 2021 for synthesis and evaluation of suitably functionalized nano-materials for their use as Kinetic Inhibitors (KHI) for Gas Hydrates. |
| Capital Expenditure (CAPEX) | ₹ 277,412 million | ₹ 268,593 million | • Unconventional & Alternate sources of energy: Shale Gas/Oil exploration. |

**2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

The Company has put in place a well-devised procedure for sustainable sourcing. Company has a well-documented Material Management Manual. This Manual has been placed on the Company's website link- **https://ongcindia.com/web/eng/tenders booklets** that helps in sourcing the requisites for operations and business activities in a steady, continuous, and sustainable manner. The Company has policies of long-term contracts and rate-contracts to ensure that operations and business pursuits do not suffer owing to externalities.

Sustainability and Sustainable Development has been embedded in work practices as a Corporate Mantra and are aligned with Kyoto protocol negotiations, GHG mitigation, Carbon management and greening the vendor chain.

**b. If yes, what percentage of inputs were sourced sustainably?**

In FY 2021-22, the Company generated 227.36 million units (MU) of wind energy & 37.48 million units (MU) of solar energy. To fulfil its energy demands, ONGC consumes Natural gas, High Speed Diesel (HSD) and Aviation Turbine Fuel (ATF).

**3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Product recycling is not practiced in this sector. The product portfolio consists mainly of crude oil, natural gas and value-added products (LPG, Naphtha, C2-C3, kerosene oil, SKO etc), which cannot be recycled.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same:**

Not applicable.

### LEADERSHIP INDICATORS

**1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

| NIC Codes | Name of the Product/ Services | % of total Turnover contributed | Boundary for which the Life Cycle Perspective/ Assessment was conducted | Whether conducted by independent external agency (Yes/ No) | Results communicated in public domain (Yes/ No) If yes provide web-link |
|---|---|---|---|---|---|
| 061 | Crude Oil | 71.59 | Entire ONGC | Ongoing | Study is being conducted. |
| 062 | Natural Gas | 10.65 | | | |
| 192 | Liquefied Petroleum Gas | 4.00 | | | |

**2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

It is well known that all the above products are having negative impact on the environment. However, they are also fulfilling the energy requirement to sustain the social development. Because of the portability, energy – rich nature and ability to deliver energy at a constant rate, fossil fuels are still the major energy sources of the world.

**3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Product recycling is not practiced in this sector. The product portfolio consists majorly of crude oil, natural gas and value-added products (LPG, Naphtha, C2-C3, kerosene oil, SKO etc) which can't be recycled.

**4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

Product recycling is not practiced in this sector. The product portfolio consists majorly of crude oil, natural gas and value-added products (LPG, Naphtha, C2-C3, kerosene oil, SKO etc) which can't be recycled.

**5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Product recycling is not practiced in this sector. The product portfolio consists majorly of crude oil, natural gas and value-added products (LPG, Naphtha, C2-C3, kerosene oil, SKO etc) which can't be recycled.

**PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains**

**ESSENTIAL INDICATORS**

**1. a. Details of measures for the well-being of Permanent Employees including Executive and Non-Executive**

| Category | % of employees covered by | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Total (A) | Health insurance | | Accident insurance | | Maternity benefits | | Paternity Benefits | | Day Care facilities | |
| | | Number (B) | % (B / A) | Number (C) | % (C / A) | Number (D) | % (D / A) | Number (E) | % (E / A) | Number (F) | % (F / A) |
| Permanent Employees | | | | | | | | | | | |
| Male | 25,121 | 25,121 | 100 % | 25,121 | 100 % | - | - | 25,121 | 100% | 25,121 | 100% |
| Female | 2,044 | 2,044 | 100 % | 2,044 | 100 % | 2,044 | 100% | - | - | 2,044 | 100% |
| **Total** | **27,165** | **27,165** | **100 %** | **27,165** | **100 %** | **2,044** | **7.52 %** | **25,121** | **92.47 %** | **27,165** | **100%** |

Employee benefits include salaries, wages, Contributory provident fund, gratuity, leave encashment towards un-availed leave, compensated absences, post-retirement medical benefits and other terminal benefits. All short-term employee benefits are recognized at their undiscounted amount in the accounting period in which they are incurred.

**Defined contribution plans**

Employee Benefit under defined contribution plans comprising Contributory Provident Fund (CPF), Post Retirement Benefit Scheme (PRBS), Employee Pension Scheme-1995(EPS) and Composite Social Security Scheme (CSSS) etc. is recognized based on the undiscounted number of obligations of the Company to contribute to the plan. The payments are made through respective trusts.

**Defined benefit plans**

Defined employee benefit plans comprising of gratuity, post-retirement medical benefits and other terminal benefits, are recognized based on the present value of defined benefit obligation, which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The Company contributes all ascertained liabilities with respect to gratuity and un-availed leave to the ONGC's Gratuity Fund Trust (OGFT) and Life Insurance Corporation of India (LIC), respectively. Other defined benefit schemes are unfunded, as furnished in Standalone as well as Consolidated Financial Statements.

**b. Details of measures for the well-being of workers:**

The Company ensures compliance with various labour legislations such as Payment of Wages Act 1936, Minimum Wages Act 1948, Equal Remuneration Act 1976, Industrial Disputes Act 1947, Employees State Insurance Act 1948, Employees Provident fund and Miscellaneous Provisions Act 1952, Contract Labour (R&A) Act, 1970, Child Labour (Prohibition and Regulation) Act 1986 etc. As a responsible principal employer, the Company ensures that contract labours are treated fairly as per law and for any complaints or disputes, the contractor is advised to settle the issue in accordance with the law.

Various in-house policies like service rules, leave rules, gratuity rule, CPF rules, HBA (House Building Advance), Conveyance Advance, Education loans also confirm to Human Rights values. The Company has also implemented Fair Wage Policy for contractors' workers to provide them wages over and above the minimum wages and other statutory and non-statutory benefits.

**2. Details of retirement benefits, for Current FY and Previous Financial Year:**

The Company makes fixed provident fund contributions to a separate trust, which invests the funds in permitted securities. The obligation of the Company is to make such fixed contribution and to ensure a minimum rate of return to the members as specified by GoI. As per the report of the actuary, overall interest earnings and cumulative surplus is more than the statutory interest payment requirement. Hence, no further provision is considered necessary. The details of the fair value of plan assets and obligations are as under:

| Particulars with respect to ONGC | As on 31 March 2022 (₹ in million) | As on 31 March 2021 (₹ in million) |
|---|---|---|
| Obligations at year end | 147,300.29 | 143,302.00 |
| Fair Value of Plan Assets at year end | 149,259.15 | 144,788.00 |

**3. Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

ONGC ensures requisite facilities and infrastructure to enable Persons with Disabilities (PwD) to effectively continue creating impact in the organisation. Apart from preference in recruitment, they are provided with special facilities and amenities in terms of suitable job assignments, assistive devices and preference in transfer/posting, accommodation, special casual leave, free accessibility, and barrier-free environment at the workplace.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

ONGC ensures to provide equal opportunity, the Company has implemented a number of women friendly and Person With disability (PWD) oriented policies and facilities link - **https://ongcindia.com/web/eng/investors/policies.** To encourage their participation, various programmes for women empowerment and development, including initiatives on gender sensitisation have also been organised across the Company. ONGC is following the provision under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 including the constitution of Internal Complaints Committees (ICC) for dealing with complaints of sexual harassment of women in workplace.

**5. Return to work and Retention rates of permanent employees and workers that took parental leave.**

| Total Number of people who took parental leave in FY 2021-22 | Total Number of people who returned after availing parental leave |
|---|---|
| **Permanent Employees** | |
| 298 | 298 |

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

Yes. A structured four tier Grievance Management System is in place in the Company to address employee grievances related to policy/ policies. The channel of grievance is Reporting Authority of the employee, Sectional In-charge, Key Executive and the Appeals Committee. Appeals Committee has outside professionals as members and is empowered to suggest measures to prevent similar grievances in future. CMD takes the final decision in totality on the grievance of the employee with inputs from Director (HR), if required.

The mechanism/procedures allow employees to escalate their grievances to the level of Director (HR) of the Company and in some case even to the Executive Committee for justifiable redressal of issues & concerns. Collectives and Officers association are engaged/ associated at every stage to discuss/ negotiate the policy issues and address their concerns. An Executive Director level position oversees Employee Relations and Industrial Relations (ER&IR) and maintains cordial, motivated and a spirited work atmosphere. All the employees have access to CMD and Directors through e-mails as well.

ONGC has also introduced E-Grievance handling mechanism for quick redressal of grievances, which can be assessed with the link **https://grievance.ongc.co.in/**

| Sl. No. | Category | Grievances Received | Grievances Pending | Grievances Closed |
|---|---|---|---|---|
| 1 | Employee | 17 | 16 | 1 |
| 2 | Public | 22 | 16 | 7 |
| 3 | Vendor | 5 | 38 | 0 |
| 4 | Ex-Employee | 50 | 42 | 9 |

**Note:** In addition to the number of 'Grievance Closed', almost all the grievances have been replied/resolved. However, due to an ongoing system updation, the exact status of closed grievances has not been reflected in the portal.

**7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:**

Yes.

A. Executive Cadre: The Association of Scientific and Technical Officers (ASTO) has been recognized to represent the issues related to the executives.

B. Non-Executive Cadre: There are twelve Recognized Unions as under:

i. ONGC (WoU) Karmachari Sanghatana, Mumbai

ii. ONGC Employee's Association, Kolkata

iii. Petroleum Employees Union, Chennai

iv. Petroleum Employees Union, Karaikal

v. Petroleum Employees Union, Rajahmundry

vi. Petroleum Employees Union, Ahmedabad

vii. ONGC Mazdoor Sangh, Ankleshwar

viii. ONGC Employees Mazdoor Sabha, Mehsana

ix. ONGC Purbanchal Employee's Association, Sivasagar/Jorhat

x. ONGC Staff Union, Dehradun

xi. ONGC Employees' Union, Agartala

xii. Trade Union of ONGC Workers, Silchar.

Besides above, All India SC/ST Employees Welfare Association and All India OBC/MOBC Employees Welfare Association are also recognized by the Company to represent the specific employee groups/categories.

**8. Details of training given to employees and workers:**

ONGC has always worked towards creating a learning-driven work culture. It consistently encourages its employees to participate in the training workshops to sharpen their personal and technical competencies.

| Category | FY 2021-22 | | | | |
|---|---|---|---|---|---|
| | Total (A) | On Health and safety measures | | On Skill upgradation | |
| | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| **Executive** | | | | | |
| Male | 15,013 | 4,873 | 32.45 % | 12,875 | 85.75 % |
| Female | 1,401 | 77 | 5.49 % | 1,394 | 99.50 % |
| **Total** | **16,414** | **4,950** | **30.15 %** | **14,269** | **86.93 %** |
| **Non-Executive** | | | | | |
| Male | 10,108 | 2,226 | 22.02 % | 1,892 | 18.71 % |
| Female | 643 | 10 | 1.55 % | 210 | 32.65 % |
| **Total** | **10,751** | **2,236** | **20.79 %** | **2,102** | **19.55 %** |

NOTE: No. of employees and no. of training program imparted may not be matching as employees undergo different type of training programmes as per requirements during the same year.

**9. Details of performance and career development reviews of employees and worker:**

ONGC's talent management strategy is focused on building an optimal and competent workforce to meet business needs, and is centered around workforce planning and talent acquisition, performance management, learning & development, career growth, succession planning and leadership development. There were 27,165 employees on roll as on 31 March 2022. These ONGCians dedicated themselves to securing the Company's excellent performance during the year, even amidst the challenges of a global pandemic situation. ONGCians responded to the imperatives of a New Normal with agility, resolve and spirit of collective collaboration to ensure continuous operations while maintaining focus on health & safety through institutionalized COVID appropriate Standard Operating Procedures.

The Company continued with the two focused leadership development programmes for junior and middle level executives

- FuEL (Future Energy Leaders Programme) for E1 to E3 level executives and OYL (ONGC Young Leaders Programme) for E4 and E5 level executives in FY'21. These customized programmes were in association with Centres of Excellences to groom young executives as future leaders who will take ONGC to the next level. Five batches of Management Development Programs (MDP) were organized for officers who were recently promoted to corporate level.

**10. Health and safety management system:**

| | |
|---|---|
| **a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes What is the coverage of such system?** | Yes. The Company has formulated a comprehensive Health, Safety and Environment (HSE) policy. ONGC has a well-placed Quality, Health, Safety, and Environment (QHSE) Management system based on ISO 9001, ISO 14001, and ISO 45001 at its installations with its awareness around the industrial hazards inherent to its operations, it becomes equally important to ensure that the plants and equipment are safe, reliable, secure, and efficient to operate. To ensure zero incidents and accidents, the occupational health and safety aspects of its operations have been systematically designed, tested, operated, inspected, and maintained in a sustainable manner. Coverage to all permanent and contractual employees. |
| **b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?** | ONGC has a well-placed Quality, Health, Safety, and Environment (QHSE) Management system based on ISO 9001, ISO 14001, and ISO 45001 at its installations with its awareness around the industrial hazards inherent to its operations. |
| **c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)** | Yes |
| **d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)** | Yes |

**11. Details of safety related incidents, in the following format:**

| Safety Incident/ Number | FY 2021-22 | FY 2020-21 |
|---|---|---|
| **Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)** | 1.07 | 0.58 |
| **Total recordable work-related injuries** | 460 | 534 |
| **No. of Fatal Accidents** | 4 | 3 |

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

The Company has formulated a comprehensive Health, Safety and Environment (HSE) policy. With its awareness around the industrial hazards inherent to its operations, it becomes equally important to ensure that the plants and equipment are safe, reliable, secure, and efficient to operate. To ensure zero incidents and accidents, the occupational health and safety aspects of its operations have been systematically designed, tested, operated, inspected, and maintained in a sustainable manner. ONGC has a well-placed Quality, Health, Safety, and Environment (QHSE) Management system based on ISO 9001, ISO 14001, and ISO 45001 at its installations.

On the health front, the Company conducts an annual health medical check-up for all its employees in compliance with the requirements stated under The Mines Act. Across all its facilities, ONGC has arranged hospitals that are manned with doctors 24x7, trained nursing staff and a panel of specialist consultants. To strengthen its safety plan and regulations, the Company is augmenting safety awareness among its employees, which further eliminates the occurrence of any incident.

**14. Assessments for the year:**

| Topic | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|---|---|
| **Health and safety practices** | During the year 2021-22, External Safety Audits were conducted by Oil Industry Safety Directorate (OISD) at 76 Installations. Directorate General of Mines Safety (DGMS) is a Regulatory Agency under the Ministry of Labour and Employment, GoI in matters pertaining to occupational safety, health and welfare of persons employed in mines including oil mines. DGMS carried out inspections at 81 Installations during the year 2021-22. |
| **Working Conditions** | |

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

• Mock drills are being conducted at installations/rigs to check the efficacy of preparedness against defined emergency scenarios as per the risks envisaged in the respective emergency response plans. During 2021-22, 17,153 mock drills were conducted 17,130 ERP (Emergency Response Plan) and 09 onsite DMP (Disaster Management Plan), 11 offsite DMP & 3 RCP (Regional Contingency Plan) mock drills.

• Mines Vocational Training (MVT), a mandatory training as per Mines Act, is being imparted to both employees and contract personnel through in-house training centres. It is an essential safety training being provided to staff level field going personnel. In spite of COVID-19 pandemic limitations, MVT was provided to 3,973 personnel (1,912 Company Employees and 2,061 Contract Personnel) in 2021-22.

• In order to ensure awareness amongst all the employees and contract workers, Ten Safety Rules Awareness Programs are regularly being conducted at rigs/ installations. In 2021-22, the program covered 40,500 personnel, which is the highest achieved so far on annual basis.

**LEADERSHIP INDICATORS**

**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

**a. Employees (Yes/No):**

Yes

**b. Workers (Yes/No):**

Yes

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners**

According to records of the Company, undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Service Tax, Cess and other statutory dues have generally been regularly deposited by the Company to the appropriate authorities. No undisputed amounts payable in respect of the aforesaid dues were outstanding as of 31 March 2022 for a period more than six months from the date of becoming payable.

**3. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No).-**

No

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**

**ESSENTIAL INDICATORS**

**1. Describe the processes for identifying key stakeholder groups of the entity:**

Details of Stakeholder Engagement Process provided in section "About Integrated Report" at Page No. 30.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:**

List of key Stakeholder groups provided in section "About Integrated Report" at Page No. 28.

**LEADERSHIP INDICATORS**

**1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

Details of processes for consultation provided in section "About Integrated Report" at Page No. 30.

**2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes. Details of instances provided in section "About Integrated Report" at Page No. 30.

**3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

The CSR policy of ONGC covers CSR Projects / Programmes within the geographical limits of India, preferably towards the benefit of marginalized, disadvantaged, poor and deprived sections of the community and the environment. This way the ultimate objective is to reach the bottom of the pyramid in our demographic strata and touch their lives in a positive manner. Thus, while ONGC has engaged in serving the society through various welfare measures since its inception, it has now adopted a more structured approach in undertaking such welfare measures. Many projects related to infrastructure development, education and healthcare have been undertaken in remote areas mainly populated with disadvantaged groups. The Company has carried out baseline survey and need assessment around a few of our areas of operation to have greater insight into the needs of the community through structured interactions and feedbacks.

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

**ESSENTIAL INDICATORS**

**1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

ONGC continue to build the awareness and knowledge of its employees and workers on Human Rights, including labour rights, encouraging them to speak up, without retribution, about any concerns they may have. ONGC has an elaborate training infrastructure to impart various types of trainings to its employees and workers. Different elements of Human Rights are incorporated as part of these trainings. However, exclusive training on Human Rights is carried in few work centres, for example employees of Rajahmundry Asset and Uran plant received 136 hours and 7 hours of training on Human Rights.

**2. Details of minimum wages paid to employees and workers, in the following format**

| Category | FY 2021-22 | | |
|---|---|---|---|
| | Total (A) | More than Minimum Wage | |
| | | No. (B) | % (B / A) |
| **Executive** | | | |
| Male | 15,013 | 15,013 | 100 % |
| Female | 1,401 | 1,401 | 100 % |
| **Total** | **16,414** | **16,414** | **100 %** |
| **Non-executive** | | | |
| Male | 10,108 | 10,108 | 100 % |
| Female | 643 | 643 | 100 % |
| **Total** | **10,751** | **10,751** | **100 %** |

**3. Details of remuneration/salary/wages, in the following format:**

| | Male | | Female | |
|---|---|---|---|---|
| | Number | Median remuneration/ salary/ wages of respective category | Number | Median remuneration/ salary/ wages of respective category |
| **Board of Directors (BoD)** | 4 | 7,291,108.29 | 1 | 7,421,862.81 |
| **Key Managerial Personnel** | 2 | 6,626,971.00 | 0 | - |
| **Employees other than BoD and KMP** | 15,011 | 3,540,589.00 | 1,401 | 2,928,834.29 |
| **Workers** | 10,108 | 1,560,865.90 | 643 | 1,469,344.00 |

**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes, Across ONGC Group, systems and processes are in place in a manner that minimizes human rights violations in operations as well as supply chain. ONGC also promote the provision of effective grievance mechanisms by business partners, including suppliers and contractors and has an independent Chief Vigilance Officer who reports to the Central Vigilance Commission, Govt. of India.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

There are well-established policies and practices in place such as the Online Grievance Management System, Whistle Blower Policy/ Vigil Mechanism, including strict compliance to laws, rules, and regulations, such as labour rights, health and safety, non-discrimination, freedom of association and collective bargaining, human rights disciplinary practices, contract management, and Prevention of Sexual Harassment, amongst others. ONGC also has an independent Chief Vigilance Officer who reports to the Central Vigilance Commission, Govt. of India.

**6. Number of Complaints on the following made by employees and workers:**

| | FY 2021-22 | | |
|---|---|---|---|
| | **Filed during the year** | **Pending resolution at the end of year** | **Remarks** |
| **Sexual Harassment** | 04 | 03 | 01 case is disposed off. In the remaining 03 cases, Internal Complaints Committee (ICC) has submitted its report. |
| **Discrimination at Workplace** | NIL | NIL | NIL |
| **Child Labour** | NIL | NIL | NIL |
| **Forced Labour/ Involuntary Labour** | NIL | NIL | NIL |

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

Compliance is ensured with all applicable regulations related to human rights such as the Payment of Wages Act, 1936; Minimum Wages Act, 1948; Equal Remuneration Act, 1976; Industrial Dispute Act, 1947; ESI Act, 1948; Employees Provident fund and Miscellaneous Act, 1952; The Contract Labour (Regulation and Abolition) Act (CLRA), 1970; Child Labour (Prohibition and Regulation) Act, 1986. As a responsible principal employer, ONGC Group ensures that contractual labour is treated fairly, and immediate corrective actions are taken in response to any complaints or disputes.

In accordance with the SHWW (PPR) Act 2013 and ONGC's guidelines for dealing with complaints of sexual harassment, Internal Complaints Committees (ICC) are functional at each work centre of ONGC. An aggrieved woman can submit her complaint in writing to the Internal Complaints Committee of her work center. The ICC acts upon the complaint received directly or through administrative authorities or may take cognizance of any incident suo-motto. The report of ICC is submitted to the disciplinary authority for appropriate action under ONGC CDA Rules.

**8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, the Human Rights aspect of ONGC extend to suppliers and contractors of the Company.

**LEADERSHIP INDICATORS**

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints. –**

ONGC has also introduced E-Grievance handling mechanism for quick redressal of grievances, which can be assessed with the link **https://grievance.ongc.co.in/**

**2. Details of the scope and coverage of any Human rights due diligence conducted.**

Due diligence is conducted by the Company as stipulated under the applicable rules and regulations.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Same as Point No. 3 of Principle No. 3

**4. Details on assessment of value chain partners:**

The Company ensures compliance with applicable labour practice laws, including child labour and human rights issues, throughout its supply chain.

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

The Company ensures fair pay, which is at least the minimum wage or the appropriate prevailing wages, whichever is higher, to comply with all legal requirements on wages. Compliance is ensured with all applicable regulations related to human rights such as the Payment of Wages Act, 1936; Minimum Wages Act, 1948; Equal Remuneration Act, 1976; Industrial Dispute Act, 1947; ESI Act, 1948; Employees Provident fund and Miscellaneous Act, 1952; The Contract Labour (Regulation and Abolition) Act (CLRA), 1970; Child Labour (Prohibition and Regulation) Act, 1986.

## PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

**ESSENTIAL INDICATORS**

**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

| Parameter | FY 2021-22 | FY 2020-21 |
|---|---|---|
| Total electricity consumption (A) (GJ) | 877,968.00 | 906,840.00 |
| Total fuel consumption (B) (GJ) | 140,827,880.00 | 150,442,410.00 |
| Energy consumption through other sources (C) (GJ) | 351,648.00 | 315,828.00 |

| | | |
|---|---|---|
| **Total energy consumption (A+B+C) (GJ)** | 142,057,496.00 | 151,665,078.00 |
| Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees) (GJ per million ₹ ) | 128.74 | 222.57 |

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency –**

Yes, M/s Bureau Veritas.

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

No

**3. Provide details of the following disclosures related to water, in the format given below:**

| Parameter | FY 2021-22 | FY 2020-21 |
|---|---|---|
| **Water withdrawal by source (in kilolitres)** | | |
| (i) Surface water | 4,855,611.00 | 10,268,456.60 |
| (ii) Groundwater | 3,547,865.30 | 3,649,941.80 |
| (iii) Third party water - Municipal | 5,537,211.00 | 5,218,335.00 |
| (iv) Seawater / Desalinated water | 256,084.50 | 283,213.00 |
| (v) Others (Rainwater storage) | 6,111,659.44 | 2,494,723.00 |
| **Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)** | 20,308,431.24 | 21,914,669.40 |
| Total volume of water consumption (in kilolitres) | 20,308,431.24 | 21,914,669.40 |
| Water intensity per rupee of turnover (Water consumed / turnover) (kl per crore ₹ of revenue) | 184.04 | 321.60 |

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. –**

Yes, M/s Bureau Veritas.

**4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation:**

Produced water has been one of ONGC's focus areas for sustainable water use. Effluent treatment plants have been installed in work centers to treat effluent generated during processing of oil and gas to meet statutory requirements for discharge of treated effluent at surface/subsurface. ONGC operates more than 40 nos. of Effluent Treatment Plants (ETPs) with designed capacity of handling more than 1,00,000 m3/ day of effluent from onshore production installations/plants. This water is disposed in underground reservoirs, through specially prepared effluent disposal wells, after treating them to disposable levels. With certain additional treatment, this water is further treated and reused for technical uses like injecting back into the formation called 'Water Injection' for the purpose of maintaining reservoir pressure. Treated effluent water is also used for the various purposes during drilling at drill sites and also used for floor cleaning and other utilities.

**5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:-**

| Parameter | Please specify unit | FY 2021-22 |
|---|---|---|
| **NOx** | **mg/m3** | Continuous Ambient Air Quality monitoring is being done at all three plants in ONGC i.e. Hazira Plant, Uran Plant & C2-C3 Plant as per the stipulations in the consent to operate issued by concerned State Pollution Control Board.<br>As per the EIA Notification 2006, these plants fall under the category of Petroleum Complex whereas the production installation fall in the category of exploration, development & production of Oil & Gas.<br>Accordingly, for production installations, the ambient air quality monitoring is done on six-monthly basis and compliance reports are being submitted every six month to respective Integrated Regional Office, MoEF&CC. |
| **SOx** | **mg/m3** | |
| **Particulate matter (PM)** | **mg/m3** | |
| **Persistent organic pollutants (POP)** | **NA** | |
| **Volatile organic compounds (VOC)** | **NA** | |
| **Hazardous air pollutants (HAP)** | **mg/m3** | |
| **Others – please specify** | **PPM** | |

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No.

**6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

| Parameter | Unit | FY 21-22 | FY 20-21 |
|---|---|---|---|
| **Total Scope 1 emissions** (Break-up of the GHG into $CO_2$, $CH_4$, $N_2O$, HFCs, PFCs, $SF_6$, $NF_3$, if available) | **tCO2e** | 8,920,000 | 9,154,942 |
| **Total Scope 2 emissions** (Break-up of the GHG into $CO_2$, $CH_4$, $N_2O$, HFCs, PFCs, $SF_6$, $NF_3$, if available) | **tCO2e** | 210,000 | 260,306 |
| **Total Scope 1 and Scope 2 emissions per Ton of production** | **tCO2e/ ton of O+OEG** | 0.21 | 0.21 |

ONGC

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency –**

Yes, M/s Bureau Veritas.

**7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide detail**

The Company carries out GHG accounting of its Scope 1 and Scope 2 emission every year. Hot spots are identified for taking up emission reduction activities. The Company has implemented various programmes like Renewable Energy, Clean Development Mechanism (CDM), Global Methane Initiative (GMI), Gas Flare Reduction Projects, Paperless Office, Green Buildings, Renewable Energy, LED programme, Energy Efficient Equipment, Dynamic Gas Blending, Micro turbines etc for reducing Green House Gas emission.

**8. Provide details related to waste management by the entity, in the following format:**

| Parameter | FY 2021-22 | FY 2020-21 |
|---|---|---|
| **Total Waste generated (in metric tonnes)** | | |
| E-waste (A) | 56.7 | 36.8 |
| Hazardous Waste (B) | 26,360 | 74,539 |
| Non-hazardous waste generated (C). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) | 20,352 | 2,705 |
| **Total ( A + B + C)** | **46,768.7** | **77,280.8** |

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Yes, M/s Bureau Veritas.

**9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

**a) Effluent Treatment Plants:** ETPs are commissioned at various work centres for treatment of effluent water produced during the operations. The effluent water is treated to bring them to disposal levels as recommended by the State PCBs.

**b) Oil-soaked sand and oily sludge:** Bio-remediation is a technique to treat oil sludge and oil soaked sand generated during the E&P operations using Oil Zapper technology.

In this method, oil eating consortium of bacteria is used to break down oil sludge and oil soaked sand into less toxic or non-toxic substances (sand).

**c) Reduction of oil and oil contaminated waste water spillage:** ONGC complies with all precautionary safety measures to minimize such spillages.

**d) Reduction of produced water generation:** ONGC regularly does work-over operation in producing wells to reduce excess water production. Water shut off jobs are carried out in wells to reduce waste water production from wells.

**e) Suspended particulate Matter Reduction:** ONGC has introduced silos at many drill sites to decrease escaping of fine particles of chemicals such as barites and cement into air.

**10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

While conducting Environment Impact Assessment studies, if schedule 1 species are cited in the study area of the project, then conservation plan along with the earmarked fund for the cited species is submitted to the concerned state wildlife division, the copy of same is also submitted to MoEF&CC. During the year the following Environmental Clearances were granted.

| **Environmental Clearances Details** | |
|---|---|
| 1 | Conversion of 37 exploratory wells to development wells, Tripura Asset |
| 2 | Exploration, Development and production in five onshore PML blocks in AAFB, A&AA Basin, Cachar District and Karimganj District, Assam |
| 3 | Exploration in Upper Assam Shelf (South) in Jorhat & Golaghat district, Assam for 4 forest locations (KSAD, KSAE, KSAI and KSAH), A&AA Basin, Assam |
| 4 | Onshore Exploration of Oil and Gas from 2 wells (KHBD & NRAD) in forest area in Golaghat district, A&AA Basin, Assam |
| 5 | Drilling of exploratory location TIAG falling in Tichna PML at Jagatrampur, Kathalia Tehsil, Sonamura Sub-Division, Sepahijala District, Tripura |
| 6 | Exploratory Drilling (2 wells) of OALP-IV Block VNONHP-2019/4, Son Valley, Vindhyan Basin, Madhya Pradesh, Frontier Basin |
| 7 | Exploratory drilling of 3 wells in OALP-IV Block VN-ONHP-2019/1, Son Valley, Vindhyan Basin, District Damoh, Madhya Pradesh, Frontier Basin |
| 8 | Drilling of exploratory wells(38 Nos.) in the non-forest areas of the Cachar district PML Block and Pre-NELP Block AA-ONJ/2,Assam |
| 9 | Exploratory drilling of 5 wells in NELP-VIII Block VN-ONN-2009/3, Frontier Basin, Madhya Pradesh |

**11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

| S.No. | Location of operations/ offices | Type of operations | Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any. |
|---|---|---|---|
| 1 | Tripura | Conversion of 37 Exploratory wells to Development Wells | Yes. All EC conditions are being complied. |
| 2 | Tripura | Onshore Development & Production from 105 wells in 12 nomination PML blocks in Sepahijala, west Tripura and Gomti district of Tripura & 10 wells & Khubal GCS in NELP PML of North Tripura district | |
| 3 | West Bengal | Drilling of 15 Development Wells & Construction of QPS at Ashoknagar | |
| 4 | Andhra Pradesh | Development and Production of gas from 11 wells in the Offshore blocks KG-OSN 2004/1(NELP) & GS-49-2(PML), establishment of 2 unmanned platforms & onshore production facility at Odalarevu and laying of 116.68 KM pipeline | |

**12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment Protection Act and Rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Yes, the Company is complying with all applicable rules and regulations while carrying out its operations across 400+ installations PAN India, however, the following non-compliances were recorded for the year:

| S. No. | Any fines/ penalties/ action taken by regulatory agency such as pollution control boards or by courts | Corrective action taken, if any |
|---|---|---|
| 1 | Asset: Ankleshwar - Received 1 SCN on 09.03.2022 from GPCB. | Show Cause Notice issued by State Pollution Control Board to work centres were related to non-adherence of few provision of consent to operate conditions.<br><br>Corrective actions were taken and compliance replies were submitted by work centres to respective SPCB's. As no further communications were received from SPCB's in respect to ONGC's submission, the issue is deemed to be resolved. |
| 2 | Asset: Cambay - . As per information received from Cambay Asset, 4 Show Cause Notices were issued to Asset dated 27.08.2021, 22.02.2022 & 07.03.2022 from GPCB | |
| 3 | Asset: Cauvery - Received 1 SCN from TNPCB. | |
| 4 | Asset: Assam - Received 1 SCN from APCB. | |
| 5 | Plant: Uran: Received 1 SCN on 13.12.2021 from MPCB. | |
| 6 | Asset: Rajahmundry - Received 3 SCN from APPCB | Replies dated 10.11.2021, 03.11.2021 & 25.10.2021 for Tatipaka GCS & Mini Refinery, GGS Gopavaram & GGS Kesanapalli respectively submitted with action plan to APPCB.<br><br>NGT case: ONGC- NGT- OA 175/2020 NGT Case(Venkatapathi Raja Yenumula Vs Union of India & Others)<br><br>Matter is subjudice. |

**LEADERSHIP INDICATORS**

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

| Parameter | FY 2021-22 | FY 2020-21 |
|---|---|---|
| **From renewable sources** | | |
| Total electricity consumption in GJ (A) | 351,648.00 | 315,828.00 |
| Total fuel consumption (B) | 00 | 00 |
| Energy consumption through other sources (C) | 00 | 00 |
| **Total energy consumed from renewable sources (A+B+C)-GJ** | **351,648.00** | **315,828.00** |
| **From non-renewable sources GJ** | | |
| Total electricity consumption (D) - GJ | 877,968.00 | 906,840.00 |
| Total fuel consumption (E) - GJ | 140,827,880.00 | 150,442,410.00 |
| Energy consumption through other sources (F) | - | - |
| **Total energy consumed from non-renewable sources (D+E+F)** | **141,705,848.00** | **151,349,250.00** |

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, M/s Bureau Veritas.

**3. Water withdrawal, consumption & discharge in following format:**

| Parameter | FY 2021-22 | FY 2020-21 |
|---|---|---|
| **Water withdrawal by source (in kilolitres)** | | |
| (i) Surface water | 4,855,611.00 | 10,268,456.60 |
| (ii) Groundwater | 3,547,865.30 | 3,649,941.80 |
| (iii) Third party water | 5,537,211.00 | 5,218,335.00 |
| (iv) Seawater / Desalinated water | 256,084.50 | 283,213.00 |
| (v) Others | 6,111,659.44 | 2,494,723.00 |
| **Total volume of water withdrawal (in kilolitres)** | 20,308,431.24 | 21,914,669.40 |
| **Total volume of water consumption (in kilolitres)** | 20,308,431.24 | 21,914,669.40 |
| **Water intensity per rupee of turnover (Water consumed / per crore of turnover)** | 184.04 | 321.60 |

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency –**

Yes, M/s Bureau Veritas.

**4. Please provide details of total Scope 3 emissions & its intensity, in the following format**

ONGC has been accounting its Scope 1 and Scope 2 emissions from the year 2009-10. A scientific study on comprehensive carbon foot printing including Scope 1, 2 and Scope-3 emissions with strategies and financial implications for emission reduction and net zero emissions of ONGC is being conducted.

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

Not applicable

**6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

| Sr. No | Initiative undertaken | Details of the initiative (Web-link, if any, may be provided along-with summary) |
|---|---|---|
| 1 | Water Recycling | Around 1,660 M3 technical water being recycled by Drilling Services Bokaro Asset, resulting into monetary saving of around Rs 3.7 Lakhs/ annum. (Water saving of 1,660 M3) |
| 2 | Waste management | During FY 2021-22, about 26,360 MT of Oil Contaminated Waste/ Oily Sludge was bio-remediated across ONGC. |
| 3 | Emission Control | ONGC has a large portfolio of projects for reducing the GHG emission across its value chain like Renewable Energy, CDM projects, GMI programme, Gas flare reduction, Waste Heat Recovery systems, Dynamic Gas Blending, Micro turbines etc. |
| 4 | Energy efficiency | Replacement of conventional lights with LED systems, Energy Efficient motors, ACs, Refrigerators, Fans , Diesel engines etc. |

**7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

ONGC has a robust supply chain network and advanced technologies and system of oil and gas sector. ONGC has disaster management plans with special emphasis on handling such unprecedented cyclonic situations. The Company has also launched a massive exercise of Companywide safety management assessment and implementation of reviewed safety standards benchmarked to international practices of E&P industries. Mock drills are being conducted at installations/rigs to check the efficacy of preparedness against defined emergency scenarios as per the risks envisaged in the respective emergency response plans.

**8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

Environment Management Plan as per the EIA Report and conditions stipulated in Environment Clearance are applicable for value chain partners. The QHSE Management System is also extended to them and they are subjected to internal and external audits.

## PRINCIPLE 7: Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

### ESSENTIAL INDICATORS

**1. a) Number of affiliations with trade and industry chambers/ associations.**

Yes. The Company has association with a number of trade chambers and associations such as:

I. United Nations Global Compact Network India (UNGCNI)

II. Federation of Indian Chambers of Commerce and Industry (FICCI)

III. Confederation of Indian Industries (CII)

IV. Standing Conference on Public Enterprises (SCOPE)

V. Federation of Indian Petroleum Industry (FIPI)

**b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

| S.no | Name of the trade and industry chambers/ associations | Reach of trade and industry chambers/ associations (State/ National) |
|---|---|---|
| 1 | United Nations Global Compact Network India (UNGCNI) | International |
| 2 | Federation of Indian Chambers of Commerce and Industry (FICCI) | National |
| 3 | Standing Conference on Public Enterprises (SCOPE) | National |
| 4 | Confederation of Indian Industries (CII) | National |
| 5 | Federation of Indian Petroleum Industry (FIPI) | National |

**2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities**

Not Applicable

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.**

**ESSENTIAL INDICATORS**

**1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

In the case of Board approved CSR Projects, Impact Assessments studies are carried out through reputed institutions like IIT Delhi, IIM Nagpur, Kasturba Medical College, Manipal University, Madras School of Social Work, Institute of Public Enterprises, Hyderabad and other such institutions in order to ascertain the tangible and intangible benefits to the target population and also to incorporate necessary changes in project implementation based on beneficiary feedback. During the year 2021-22, Nine Impact Assessment Studies were carried out in respect of major CSR projects approved by the Board of ONGC.

| Sl. No. | Project Name | Project Cost (in ₹ million) | Location | Date of completion/ Inauguration |
|---|---|---|---|---|
| 1 | Development of ONGC Bandra Promenade reclamation | 121.9 | Bandra , Mumbai | Completed in Feb 2020 |
| 2 | Construction of Academic Building & two hostels at Sivananda Centenary Boys High School | 47.2 | Bhubaneshwar | Inaugurated in Sept 2019 |
| 3 | Construction of Yoga Nilayam | 29.6 | North Guwahati | Inaugurated in 2019 |
| 4 | Construction of School Building at Sarda Vidya Mandir, Hematabad | 25.5 | Uttar Dinajpur, West Bengal | Completed in Mar 2020 |
| 5 | Skill Development Institute | 75 | Ahmedabad | Classes started in Sept 2017 |
| 6 | Construction of Academic Building and Hostel Building at SSVM, Dihapadhala, Bhanjanagar, Odisha | 18.2 | Bhanjanagar, Odisha | Completed in 2020 |
| 7 | Construction of School Building, Hostel and Multi-Purpose Hall , at Karmadanga, | 13.5 | Birbhum, West Bengal | Completed in 2019 |
| 8 | Financial assistance for medical equipment for diagnostic centre at Sewa Bharati Sewa Sansthan, Ashok Vihar, Delhi | 107.2 | Delhi | Completed in Nov 2019 |
| 9 | Sibsagar Hospital Phase-I | 990.7 | Sibsagar | Inauguration in Mar 2019 |

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:**

There are no such project where R&R is applicable.

**3. Describe the mechanisms to receive and redress grievances of the community**

To make the stakeholder interface more collaborative, the Company has a public grievance portal at its website **www.ongcindia.com.** The portal is a step further to empower each stakeholder viz. citizen/ vendor/employee/former employee to register their grievances through a single window on corporate web portal.

**4. Percentage of input material (inputs to total inputs by value) sourced from local or small-scale suppliers:**

| | FY 2021-22 | FY 2020-21 |
|---|---|---|
| Directly sourced from MSMEs/ Small producers | 36.79 % | 44.86 % |
| Sourced directly from within the district and neighbouring districts | Not applicable | Not applicable |

**LEADERSHIP INDICATORS**

**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

ONGC has identified 20 Aspiration districts based on their closeness to ONGC's operational areas and also in line with directions from DPE & NitiAyog.

5 out of these 20 districts have direct ONGC operations. The Company is committed to raise the social and economic condition of these districts by implementing strategic CSR projects.

| No. of State | Aspirational District | Amount spent |
|---|---|---|
| 11 | 20 | 175.30 million |

**3. (a)Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized / vulnerable groups? Yes**

**(b) From which marginalized /vulnerable groups do you procure?**
SC/ST & Women Micro & Small Enterprises

**(c) What percentage of total procurement (by value) does it constitute?**
Target percentage is 3% from Women MSEs & 4% from SC/ST MSEs

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge**

During FY 2021-22, 13 patent applications were filed, out of which 4 patents have been granted.

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

No such disputes were reported during the period.

**6. Details of beneficiaries of CSR Projects.**

Annual Report on CSR is provided as Annexure-E to the Board's Report.

## PRINCIPLE 9: Businesses should engage with and provide value to their consumers in responsible manner

### ESSENTIAL INDICATORS

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Crude Oil Sales Agreement (COSA)/ Gas Supply Agreement (GSA) have built-in mechanism for stakeholders' grievance redressal. The Company interacts on regular basis with its B2B customers with respect to product quality and pricing. This kind of interaction with our partners ensures customer satisfaction. Any concerns related to the product by any of our consumers are addressed immediately.

Customer complaints/consumer cases are being dealt at Asset/Plant level. Out of total 48 complaints received from customers across ONGC work centres, all complaints were resolved as on 31 March 2022.

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information.**

<table>
<tr><th>Type</th><th>As a percentage to total turnover</th></tr>
<tr><td>Environment and Social parameters relevant to product</td><td>
<table>
<tr><th>Product/Service</th><th>% of Total Turnover contributed</th></tr>
<tr><td>Crude Oil</td><td>71.59</td></tr>
<tr><td>Natural Gas</td><td>10.65</td></tr>
<tr><td>Liquefied Petroleum Gas</td><td>4.00</td></tr>
</table>
It is well known that all the above products are having negative impact on the environment. However, they are also fulfilling the energy requirement to sustain the social development. Because of the portability, energy – rich nature and ability to deliver energy at a constant rate, fossil fuels are still the major energy sources of the world.</td></tr>
<tr><td>Safe and responsible usage</td><td>
<table>
<tr><th>Product/Service</th><th>% of Total Turnover contributed</th></tr>
<tr><td>Crude Oil</td><td>71.59</td></tr>
<tr><td>Natural Gas</td><td>10.65</td></tr>
<tr><td>Liquefied Petroleum Gas</td><td>4.00</td></tr>
</table>
For crude oil sale, batch wise certificates are issued for Crude Oil, which includes various quality parameters including the BS&W. Product labelling related to storage procedures and safety precautions are clearly indicated at the Company's installations holding the crude.<br><br>All Natural Gas supplied by the Company to various customers conforms to the agreed contractual specifications.<br><br>All VAP's are supplied with batch-wise test reports and standard handling procedures to be followed in line with OISD/other statutory standards. Relevant BIS specifications (if applicable) and quality certificates with parameters are issued while dispatching. Product labelling related to storage procedures and safety precautions are clearly indicated at all the installations handling the Value Added Products.</td></tr>
<tr><td>Recycling and/or safe disposal</td><td>Produced water is treated and reused for operational uses. Oil sludge/Oil soaked sand is bio-remediated. During FY 2021-22, around 26,350 MT of oily sludge/oil contaminated waste was bio-remediated.</td></tr>
</table>

**3. Number of consumer complaints**
Stated at Sl. No. 1 above.

**4. Details of instances of product recalls on account of safety issues**
Nil

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes. ONGC has a APEX Information Security Policy and the same is available at link: **https://reports.ongc.co.in/group/reports_en/home/virtual-corporate/services/chief-information-security-office/isms-group**

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**
Not applicable. The major products of the Company are Crude Oil and Natural Gas which are sold to OMCs.

### LEADERSHIP INDICATORS

**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

All the information regarding the Company's services could be accessed through the official website of ONGC. The link to the same - **https://www.ongcindia.com/wps/wcm/connect/en/about-ongc/core-business-expertise/**

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

Not applicable. The major products of the Company are Crude Oil and Natural Gas which are sold to OMCs.

**3. Mechanisms in place to inform consumers of any risk of disruption/ discontinuation of essential services.**

The product sale agreements of the Company have suitable provisions to address variance in product sale, if any. Moreover, Assets / Plants disseminate information within reasonable time frame in case of any disruption or discontinuation of the products and services.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable)? If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Not applicable.

**5. Provide the following information relating to data breaches:**

**a. Number of instances of data breaches along-with impact**

Nil

**b. Percentage of data breaches involving personally identifiable information of customers**

Nil

**Note:** Bureau Veritas, an independent Service Provider, has carried out an independent assessment of checking data & information included in IR & BRSR. The assurance statement from Bureau Veritas is available on the company's website - **www.ongcindia.com.**

In harmony with Nature: Aerial view of an ONGC Onshore Installation in Tripura

# ANNUAL REPORT ON CSR

**Annexure - E**

**1. Brief outline on CSR Policy of the Company.**

Over the years, ONGC through its CSR Programs has been reaching out to marginalized and deprived sections of local communities and bridging developmental gaps primarily in the thrust areas of Healthcare, Sanitation, Education, Skill Development, Promoting Art and Culture, Disaster Management, Environmental Conservation and other focus areas specified under section 135 of the Schedule VII of the Companies Act, 2013. The developmental activities initiated by the Company have been consciously directed towards betterment of the Human Developmental Indices of the country, thereby also fulfilling the objectives of the United Nations Sustainable Development Goals.

The multitude of CSR projects and programs across the country have been undertaken in line with the Corporate Social Responsibility & Sustainability Policy, 2021 which has been approved by the Board of ONGC in its 335th meeting held on 30 March 2021. The CSR Policy with its long-term vision of supporting responsible and sustainable initiatives, while taking care of the concern for People, Planet and Profit, provides broad guidelines for undertaking CSR activities within the overall legal framework of CSR in the country.

The CSR Policy outlines CSR Activities that can be undertaken by ONGC, the Policy also provides guidelines on the planning of CSR initiatives, including CSR Budget and CSR Expenditure, preparation of Annual CSR Action Plan at beginning of each financial year, the criteria for CSR implementing partners, and guidelines for CSR monitoring, evaluation, impact assessment, reporting and documentation.

The CSR & Sustainability Policy has been hosted on the corporate website of ONGC i.e. www.ongcindia.com at **https://ongcindia.com/web/eng/csr-annual-report.**

**2. Composition of CSR Committee as on 31 March 2022**

| Sl. No. | Name of the Director | Designation / Nature of Directorship | Number of meetings of CSR Committee held during tenure/ FY'22 | Number of meetings of CSR Committee attended during tenure/ FY'22 |
|---|---|---|---|---|
| 1. | Ms. Reena Jaitley (From 16.12.2021) | Independent Director & Chairperson | 4 | 4 |
| 2. | Dr. Prabhaskar Rai (From 11.02.2022) | Independent Director | 2 | 2 |
| 3. | Dr. Madhav Singh (From 11.02.2022) | Independent Director | 2 | 2 |
| 4. | Dr. Alka Mittal | Director (HR) | 8 | 8 |
| 5. | Shri Anurag Sharma (From 16.12.2021) | Director (Onshore) | 4 | 3 |
| 6 | Shri Amitava Bhattacharyya- Chairman CSRC (upto 10.02.2022) | Independent Director | 6 | 6 |
| 7 | Shri Subhash Kumar (upto 31.12.2021) | Director (Finance) | 4 | 4 |
| 8 | Shri R.K. Srivastava (upto 16.12.2021) | Director (Exploration) | 4 | 3 |

**3. Provide the web-link where composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company.**

The composition of the CSR committee, the CSR Policy and CSR projects approved by the Board are available at www.ongcindia.com.

**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).**

The details of the impact assessment studies of CSR projects are annexed at Annexure-I.

**5. Details of the amount available for set-off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial year, if any**

| Sl. No. | Financial Year | Amount available for set-off from preceding financial years (₹ in million) | Amount required to be set-off for the financial year, if any ((₹ in million) |
|---|---|---|---|
| 1 | 2018-19 | Nil | Nil |
| 2 | 2019-20 | Nil | Nil |
| 3 | 2020-21 | Nil | Nil |
| 4 | 2021-22 | Nil | 143.02* |
| | **Total** | **Nil** | **143.02** |

After set-off of **₹143.02 million**, **₹4,360.2 million** was allocated for CSR purposes for FY 2021-22.

**6. Average Net Profit of the Company as per section 135(5): ₹ 225,158.30 million**

7. (a) Two percent of Average Net Profit of the Company as per section 135(5): ₹ **4,503.17 million**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**

(c) Amount required to be set off for the financial year, if any: **₹143.02 million**

(d) Total CSR obligation for the Financial Year (7a+7b-7c): **₹4,360.15 million**

**8. (a) CSR amount spent or unspent for the financial year:(reasons to be mentioned in Board's Report)**

| Total Amount Spent for the Financial Year. (in ₹ million) | Amount Unspent (in ₹) | | | | |
|---|---|---|---|---|---|
| | Total Amount transferred to Unspent CSR Account as per section 135(6). | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). | | |
| | Amount. (₹ in million) | Date of transfer. | Name of the Fund | Amount. | Date of transfer. |
| 4,722.92* | 130.73 | 30.4.2022 | NA | NIL | NA |

*Including excess amount of ₹143.02 million spent during the previous financial year 2020-21, carried forward.

The amount transferred to Unspent CSR Account pertains to the amount allocated / disbursed, which could not be used by 31 March 2022, as per the FUC for the Ongoing Projects.

**(b) Details of CSR amount spent against ongoing projects for the financial year: (figures to be mentioned) - ₹1762.23 million has been spent on 679 ongoing projects.Table for 8 (b) attached as Annexure – II and shared at https://ongcindia.com/web/eng/csr-annual-report**

**(c)Details of CSR amount spent against other than ongoing projects for the financial year: * (figures to be mentioned) ₹ 2599.65 million has been spent on 564 projects**

Table for 8 (c) attached as Annexure – III and shared at https://ongcindia.com/web/eng/csr-annual-report

**(d) Amount spent in Administrative Overheads: ₹ 218.09 million**

**(e) Amount spent on Impact Assessment, if applicable: ₹ 4.38 million** **(Paid in April 2022)

**(**Brief of Impact Assessment carried out during the year 2021-22 is placed at Annexure – I and shared at https://ongcindia.com/web/eng/csr-annual-report )**

**(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 4579.9 million** (8e excluded since paid in April 2022)

**(g) Excess amount for set off, if any:**

| Sl. No. | Particular | Amount (₹ in Million) |
|---|---|---|
| (i) | Two percent of average net profit of the Company as per section 135(5) | 4,503.17 |
| (ii) | Total amount spent for the Financial Year | 4,722.92* |
| (iii) | Excess amount spent for the Financial Year [(ii)-(i)] | 219.75 |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | Nil |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | 219.75 |

*Including excess amount of ₹143.02 million spent during the previous financial year 2020-21, carried forward

**9. (a) Details of Unspent CSR amount for the preceding three Financial Years:**

ONGC has complied with the provisions laid down under Section 135 of Companies Act, 2013 and has spent in excess of requirement to spend for the preceding 3 financial years. Hence, there is no unspent CSR amount for the preceding three financial years.

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): ***

**(*Table for 9 (b) attached as Annexure – IV and shared at https://ongcindia.com/web/eng/csr-annual-report )**

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:** No Asset has been created or acquired by the company out of its CSR spent during FY 2021-22.

**(asset-wise details)**

(a) Date of creation or acquisition of the capital asset(s): Not Applicable

(b) Amount of CSR spent for creation or acquisition of capital asset: Not Applicable

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

**11. Specify the reason(s), if the Company has failed to spend two per cent of the average Net Profit as per Section 135(5):**

Not Applicable

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| **Sd/-**<br>**CMD (Additional Charge)/ Chief Executive Officer** | **Sd/-**<br>**Chairperson CSR Committee** |

New Delhi
27 July 2022

## HIGHLIGHTS OF IMPACT ASSESSMENTS OF CSR PROJECTS

Index

| Sl No. | Project Name |
|---|---|
| 1 | Ravindra Joshi Medical Foundation for ONGC Bandra Promenade at Bandra Reclamation, Mumbai |
| 2 | Seva Bharti Purbanchal for construction of Yoga Nilayam at Abhoypur, North Guwahati, Assam |
| 3 | Skill Development Institute in association with ONGC and other oil PSUs established at the Jagannath Cultural Academy and Research Centre, in Ahmedabad |
| 4 | Manav Seva Pratisthan for construction of school building, hostel and multipurpose hall at Karmadanga, Birbhum District, West Bengal |
| 5 | Sivananda Centenary Boys' High School, Bhubaneswar, Odisha for the construction of an academic building and two hostel buildings |
| 6 | Saraswati Sishu Vidya Mandir, Dihapadhala, Bhanjanagar, Odisha for the construction of an academic building and a hostel building |
| 7 | Sarada Seva Trust school building at Sarda Vidya Mandir Hemtabad (Uttar Dinajpur, West Bengal) |
| 8 | Medical equipment for Diagnostic Centre at Seva Bharti Sanstahan, Ashok Vihar, Delhi |
| 9 | Swargadew Siu-Ka-Pha Multi Specialty Hospital Sivasagar Medical equipment for Diagnostic Centre at Seva Bharti Sanstahan, Ashok Vihar, Delhi |
| 9 | Swargadew Siu-Ka-Pha Multi Specialty Hospital Sivasagar |


ONGC-supported multi-speciality Siu-Ka-Pha Hospital in Sivasagar, Assam, has enabled treatment at affordable prices

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| **Project Title** | **Ravindra Joshi Medical Foundation for ONGC Bandra Promenade at Bandra Reclamation, Mumbai** |
| **Project Brief** | On 5 March 2019, an agreement was signed between Ravindra Joshi Medical Foundation, a charitable organisation engaged in health-related social causes, and ONGC for the development of project activities that contribute towards the promotion of yoga, edutainment activities, and environmental sustainability. The infrastructure that the agreement decided to establish, included the following:<br><br>i. ONGC Tribute Garden with Infotainment Theme (4066 sqm - 1 acre) ii. Traffic Island Development (extension of existing Yoga Garden) (2700 sqm - 0.67 acre) iii. Linear Garden for jogging and walking (18348 sqm - 4.53 acre) iv. Children Garden with play equipments (3800 sqm - 0.94 acre) v. Skating Rink for children (2248 sqm - 0.56 acre) vi. Wastewater Treatment Plant (10 Lakh kL/day) vii. Solar Power Plant (210 kWp) viii. Public Toilet (180 sqm) ix. Gates & Fencing (360 m x 1.8 m) |
| **Project Duration** | **Project to be completed within 1 year from the date of signing the agreement. Promenade to be maintained by Ravindra Joshi Medical Foundation for two years with OPEX support from ONGC (period of two years starting two months after development of Promenade)** |
| **Commencement of facility** | **30 March 2018** |
| **Project Cost** | **₹ 1365.66 Lakhs**<br><br>**(₹ 1219.38 Lakhs CAPEX + ₹ 146.28 Lakhs OPEX)** |
| **Impact Assessment Agency** | **UN Global Compact Network India** |
| **Methodology** | (i) Structured interviews (ii) Exploratory and semi-structured interviews (iii) Quantitative impact modeling |
| **Findings** | For every ₹ 1 spent by ONGC on this project, the Social Return on Investment was ₹ 7.4.<br><br>**Observations:**<br>• Overall, the consensus amongst the users of the Bandra Promenade was that the project has significantly contributed to the neighbourhood by offering a new play area for children, greenery and a sea-facing view for relaxation with family and friends, a space for practicing yoga as well as large tracks for walking and jogging. Many have gradually increased the frequency of their visits to the Promenade.<br>• The Promenade is designed to address environmental concerns such as soil erosion, soil stabilization of highway embankment, rainwater harvesting etc.<br><br>The integration of the solar panels and introduction of the sewage treatment plant are significant features of the promenade.<br><br>With the objective of creating a carbon-free garden, plants with the capacity to absorb salt content and carbon dioxide from the atmosphere during the daytime were selected.<br>• The study found that the Bandra Promenade poses the highest challenge among all CSR projects assessed for this report with respect to routine maintenance and for the operation and maintenance of the solar energy and sewage treatment units.<br><br>In less than two years of its functioning, visitors to the area have identified malfunctioning streetlights, the use of water tankers for landscaping, and the poor/broken condition of the children's park among their core issues.<br><br>They have also highlighted the lack of adequate drinking water and signages to guide visitors to the Promenade's different sections.<br>• There is a lack of clarity about the long-term role of MSRDC as there is no mention of their expected role in sustaining the project as per the contractual agreement.<br><br>**Recommendations:**<br>• Doubling the number of security personnel as only 1 security guard could monitor a stretch of about 200 meters of the Promenade at any given time<br>• Hiring a resource person to carry out more than basic civil work<br>• Development of a sustenance plan for the Bandra Promenade, including an entrance fee and space rentals for events<br>• Establishment of an adequate and better quality toilet block<br>• Ensuring complete functionality of the solar energy equipment and sewage treatment plant to gradually reduce the use of water tankers for the garden area |

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| **Project Title** | **Seva Bharti Purbanchal for construction of Yoga Nilayam at Abhoypur, North Guwahati, Assam** |
| **Project Brief** | On 22 January 2016, an agreement was signed between Seva Bharti Purvanchal, a voluntary organization founded in 1998 for working in North Assam (Bhramaputra Valley), Meghalaya and Nagaland in Northeast India, and ONGC. The agreement was for the construction of a 3 storied building of 1765 square meters for the Yoga Nilayam –Yoga and Naturopathy Institute, which Seva Bharti Purvanchal had founded in a temporary structure in 2011. The agreement of 5 years duration, was for assistance to build the following structures:<br>I. Ground floor - 563.13 Sqm.<br>II. First floor - 600.84 Sqm.<br>III. Second floor - 600.84 Sqm. |
| **Project Duration** | **5 years** |
| **Commencement of facility** | **28 January 2019** |
| **Project Cost** | **₹ 259.0 Lakhs** |
| **Impact Assessment Agency** | **UN Global Compact Network India** |
| **Methodology** | (i) Structured interviews (ii) Exploratory and semi-structured interviews (iii) Quantitative impact modeling |
| **Findings** | For every ₹ 1 spent by ONGC on this project, the Social Return on Investment was ₹ 0.2. |
| | **Observations:**<br>• The residential yoga education, training and treatment centre was inaugurated on 28 January 2019. The centre serves patients through both inpatient and outpatient departments. It imparts yoga training through diploma and certificate courses and conducts yoga sessions. In addition, workshops, seminars, and training courses are organised for the community.<br>• Overall, the patients of the Yoga Nilayam are satisfied with the infrastructure and found the treatment affordable. But 66% of the respondents of the survey on the patients felt a need for more experienced doctors and staff as well as improvements in naturopathic treatments and food.<br>• 100% of the respondents from the current trainees of the yoga PG diploma course appreciated the teachers and training and rated the usefulness of training 10 out of 10. But only 67% of the respondents of the trainees wanted to teach yoga after completion. Moreover, 100% of the respondents were unaware of the funder ONGC to establish the institute and 62% of the respondents were unaware of ONGC as an organization.<br>• Overall, 100% of the alumni of the training programs surveyed claimed they have faith in the institute and they appreciate the teachers training. However, only 67% of alumni rated 10 out of 10 to their overall yoga training experience. Alumni have taught yoga to 3600+ people since the completion of their course. The average growth in monthly income after the course for the alumni surveyed was ₹ 12,500 with average monthly incomes close to ₹ 16,500, where 67% of them have teaching yoga as their primary source of income. The employers of the trainers as well favored the training at Yoga Nilayam.<br>• The staff at Yoga Nilayam have strong faith in the values of the institutions and believe in serving the community<br>**Recommendations:**<br>There is a need for greater branding and communication of ONGC's contribution to the centre. The trainees and patients are not well aware of ONGC's contribution to this project.<br>Awareness on the Yoga Nilayam centre is also necessary among the local regions to increase the awareness towards the ayurvedic treatment provided in one of its kind naturopathy centres.<br>Further enhancement in the quality of healthcare providers and treatments is required. This may increase the number of IPD-OPD patients and subsequently create a significant impact on the wellbeing of the community by the project. |

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| **Project Title** | **Skill Development Institute in association with ONGC and other oil PSUs established at the Jagannath Cultural Academy and Research Centre, in Ahmedabad** |
| **Project Brief** | Skill Development Institute, Ahmedabad, supported by ONGC in association with other oil PSUs is established at the Jagannath Cultural Academy and Research Centre, Adalaj, Ahmedabad. SDI Ahmedabad in association with the ADS Foundation implements the project and imparts training in 10 job roles in sectors such as capital goods, renewable energy, apparel, hydrocarbon, healthcare, retail, power, electronics, construction & plumbing and telecom. |
| **Project Duration** | **Information not available** |
| **Commencement of facility** | **23 September 2017** |
| **Project Cost** | **₹86.58 lakh** |
| **Impact Assessment Agency** | **UN Global Compact Network India** |
| **Methodology** | (i) Structured interviews (ii) Exploratory and semi-structured interviews (iii) Quantitative impact modeling |
| **Findings** | For every ₹ 1 spent by ONGC on this project, the Social Return on Investment is ₹ 20.5.<br><br>Observations:<br><br>Although many of the trainees joined after the completion of vocational training courses at the Industrial Training Institutes, they found that the courses they took at SDI were better at helping them execute the work they learnt during their earlier training at the ITIs.<br>• The institute caters to students from rural areas, with no or less formal basic education. Hostel facilities are provided with bus pick up and drop facilities for the students.<br>• In 2017-2018, trainees from disadvantaged backgrounds constituted 64% of the total trainees, 78% in 2018-2019, 76% in 2019-2020 2020 and 72% in 2020-2021. Cumulatively, since 2017 SDI Ahmedabad has trained 812 candidates belonging to backward communities.<br>• Practical training: Presently, only one batch is functioning and the students are about to pass, placement sessions are going on. The institute is expanding to the nearby acquired land where it plans to start a Centre for Excellence, training courses for robotics welding, EV battery fabrication and a healthcare laboratory. The students are trained on live projects in-house as well.<br>• Soft skills: A strict tobacco-free campus is offered to students with discipline and students follow a timetable for their classes and breaks. All the students have responsibilities ranging from health & safety while working/training, food waste, fire management, restricting tobacco usage, water management, event management. The students are supported by the management in all their stages of education – grooming, soft skills, personal development, communication skills, technical skills, behaviour management.<br>• Placements: SDI Ahmedabad offers placements to its trainees.<br><br>While the placement rates have been decreasing over the years - 95% in FY 18, 65% in FY 19, 78.6% in FY 20, 72.5% in FY 21, the salary range has widened.<br><br>The institute has in-house market research and placement teams that help in inviting industries over and estimating what kind of demand is expected in the near future, on which the students can be trained.<br><br>72.5% of students were placed through SDI in their respective areas of training.<br><br>10% of trainees left the trade they had trained on at SDI, due to insufficient minimum wages offered by placement agencies (approximately ₹ 9,000 per month). Those practicing independently could easily earn around ₹ 15,000 per month.<br><br>Employers of the alumni found SDI's graduates to be well-trained, diligent, and hard working. Some of the employers also signed a Memorandum of Understanding with SDI for hiring trainees from specific areas such as the Sahaj Solar Private Limited.<br>• Monitoring: The institute keeps track of the competition with the other skilling institutes under the various oil PSUs and takes pride in the method and discipline that the institute follows. There are constant visits by industry professionals and government officials being in the capital city of the state.<br><br>**Recommendations:**<br>• Greater monitoring needed. This was the only CSR project amongst the 8 CSR projects assessed where impact and spend data was not readily available. |

ONGC

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| **Project Title** | **Manav Seva Pratisthan for construction of school building, hostel and multipurpose hall at Karmadanga, Birbhum District, West Bengal** |
| **Project Brief** | On 19 September 2017, Manav Seva Pratishtan signed an agreement with ONGC for the construction of a two-storied school building, a two-storied hostel, and a multi-purpose hall at Karmadanga - a village in Birbhum District, West Bengal. The agreement was signed for a duration of one year for the construction of the following structures:<br>• School building with two floors of 361 Sqm for each floor<br>• Hostel building with two floors of 175.27 Sqm for each floor, and<br>• Multi-purpose hall with 316.94 Sqm. |
| **Project Duration** | **Project to be completed within one year of signing the agreement** |
| **Commencement of facility** | **Inaugurated on Sept 2019** |
| **Project Cost** | **₹ 135.13 Lakh** |
| **Impact Assessment Agency** | **UN Global Compact Network India** |
| **Methodology** | (i) Structured interviews (ii) Exploratory and semi-structured interviews (iii) Quantitative impact modeling |
| **Findings** | For each ₹ 1 spent by ONGC on this project, the Social Return on Investment was ₹ 0.3.<br>**Observations:**<br>Although the project was completed, the school could not start functioning fully because of COVID-19. The project also does not have the official permit to function as a school.<br>• The building is currently used as a tutorial centre for tribal children who attend nearby government run schools. The children come to the tutorial centre after 2 pm everyday of the week and get free tuition in Mathematics, Bengali, English and Alchiki - the tribal language. The children spend about 4 hours at the tutorial centre. There are five tutors who teach from 3 pm to 7 pm. They remain available for varied student needs such as counselling, nutrition, and extracurricular activities.<br>• The Manav Seva Pratisthan has positively impacted and contributed to the lives of the children. The tutorial centre provides tuition classes to the students at zero cost in Math, Bengali, English, and Alchiki - the tribal language.<br>• The students that were interviewed as part of the field visit said that they enjoyed their lessons and rapport with the teachers. All the students also responded favourably to the school infrastructure. All students felt that Manav Seva Pratishtan has positively contributed to their lives. There were no complaints received from the students.<br>• The management believed that the institution was not just a tutorial centre but a child care centre where tribal children spent time after school hours. The school also organised health camps for the tribe's men, women, and children roughly every quarter. In addition, the school distributed seeds of nutritious fruit and vegetable bearing plants to all students, under a health programme. The objective of this initiative is to encourage tribal people to create kitchen gardens which would become a source of nutrition, income, when the produce is sold in local markets. The increase in income from the produce would reduce the dependence on working as cheap labour in stone quarries.<br>• All the 4 parents of the students surveyed expressed their satisfaction over marked improvements in learning outcomes. They also felt hopeful of their children performing well in Class X board exams. 50% of the parents interviewed felt that the tuition centre was positively changing the lives of their children.<br>**Recommendations:**<br>• The fact that the intended school does not yet have the permit to run a school indicates lack of project design and planning. However, we recommend no action needed by ONGC as the centre in its current role of a tuition centre is creating a high social impact.<br>• Provision of advice or funding for the sustenance of the institution. The institution is lacking in resources. Teachers often use their own money to buy blackboard, chalk. Students lack adequate notebooks and books. Offer advice/ handholding or invest in actions that ensure the sustenance of the institution. |

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| **Project Title** | **Sivananda Centenary Boys' High School, Bhubaneswar, Odisha for the construction of an academic building and two hostel buildings** |
| **Project Brief** | The Sivananda Centenary Boys' School, Bhubaneshwar, an English medium and CBSE affiliated fully residential school, signed an agreement with ONGC on 27 February 2018 for financial assistance for the construction of a three-storied academic building and 2 hostel buildings on the school campus with a total area of all buildings 4030.11 sqm. |
| **Project Duration** | **Project to be completed within 18 months of signing the agreement** |
| **Commencement of facility** | **School operationalised in August 2020** |
| **Project Cost** | **₹ 471.85 Lakhs** |
| **Impact Assessment Agency** | **UN Global Compact Network India** |
| **Methodology** | (i) Structured interviews (ii) Exploratory and semi-structured interviews (iii) Quantitative impact modeling |
| **Findings** | For each ₹ 1 spent by ONGC on this project, the Social Return on Investment was -₹ 0.2.<br><br>**Observations:**<br><br>The English-medium and CBSE affiliated residential school identifies itself as a modern gurukul where spirituality and education go hand-in-hand. The campus has academic blocks, staff residence, hostel blocks, dining hall with kitchen, a dispensary, a gaushala, a Saraswati temple, and a huge prayer-cum-yoga hall for the students. The new building and the hostel blocks were inaugurated on 6 September 2019.<br>• The management identified a routine comprising yoga classes at 4 pm and a diet of complete satvik food as additional benefits and learnings for the students. Operation and maintenance costs were covered by student fees.<br>• The management had good connections with corporations because of several associations with the International Divine Life Society.<br>• This helped the management secure CSR funding to build infrastructure and set up laboratories.<br>• It also helped the school add classes XI and XII in the science and commerce streams. Funding from NALCO aided in the establishment of physics, chemistry, biology and computer science laboratories.<br>• Additional aid from NTPC also resulted in the construction of a dining hall.<br>• The school also organised medical coaching classes with support from Aakash Institute. Students were satisfied with the school as well as hostel facilities.<br>• Most of the teachers were hostel residents as well and were available for classes in the hostel for the students. Housemasters from each block supported the students with their homework and assignments.<br>• The management of the school believes that ONGC's financial support has reaped benefits such as:<br>Enhanced access for more students from distant locations needing educational and financial support to attend a good school.<br>The wardens of the hostels find that the new hostels have more space per student and that they are better maintained and ventilated compared to the old hostel.<br>• Families of the students at the fully residential school were happy with the education and all-round development that their children were receiving.<br><br>**Recommendations:**<br>• The management of the school has a vision for the students and the future of the school by utilising the open land to build an indoor activity area for the students. The school committee has its own team of architects and designers for drafting the plans and putting them forward to companies for CSR funding. |

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| **Project Title** | **Saraswati Sishu Vidya Mandir, Dihapadhala, Bhanjanagar, Odisha for the construction of an academic building and a hostel building** |
| **Project Brief** | The Saraswati Sishu Vidya Mandir at Dihapadhala, Bhanjanagar, signed an agreement on 29 May 2018 with ONGC Foundation for financial assistance for the construction of an academic building and a hostel building as given below:<br>• Academic Building - 1127.25 Sqm.<br>Ground, first and second floor with 6 classrooms, conference hall, computer hall and library etc.<br>• Hostel Building for boys from class 6 to 10 - 488.48 Sqm. 11 dormitories, library, recreation hall, dining hall etc. |
| **Project Duration** | **2 years** |
| **Commencement of facility** | **School operationalised in March 2020** |
| **Project Cost** | **₹ 181.75 Lakhs** |
| **Impact Assessment Agency** | **UN Global Compact Network India** |
| **Methodology** | (i) Structured interviews (ii) Exploratory and semi-structured interviews (iii) Quantitative impact modeling |
| **Findings** | For each ₹ 1 spent by ONGC on this project, the Social Return on Investment was ₹ 10.4.<br>**Observations:**<br>• ONGC's CSR initiative has enabled the school committee to establish a new academic block that has a big prayer hall, rooms for setting the laboratories and a library. The school has also constructed a hostel of about 120 students capacity. ONGC's funding for the construction of the new block has the potential to accommodate 2000-2500 students at once.<br>• According to the management this school is of a higher quality than the other 7 schools managed by Sishu Mandir, and other schools in the area. The examination results of the students are good with 100% passing rate for standard X students.<br>• Stakeholder feedback on the school:<br>All stakeholders interviewed were aware in their own capacity about the CSR funding provided by ONGC for the hostel and academic block, because of the ONGC logo on one big painted wall.<br>Students appreciated the new prayer hall but expressed a desire to have a well-stocked library and computer facilities. Some, however, expressed concerns with accessing the school's sole water cooler that was installed on the ground floor, particularly in the middle of their classes.<br>Parents strongly believe that the teachers are supportive, and the school infrastructure and timings are good. The new construction of the school, completed in 2018-2019, has enhanced the infrastructure considerably.<br>• The heavy revenue crunch for the school which was caused by the decline in school fees as a result of COVID-19 impacted the utilization of the new block. The school cannot afford to buy furnishing, electrical equipment, computers for the laboratory and basic amenities such as a water cooler on every floor. The hostel infrastructure is complete, but the kitchen and rooms are not fully furnished or functional.<br>**Recommendations:**<br>• Provision of support by way of advice or financial aid to establish project sustenance.<br>• Optional action for ONGC: Due to the pandemic, the revenues from fees, and teachers' salaries have been impacted. The hostel has no students. ONGC may advise or structure financial support for COVID-19 impact on the school's operations. |

| Project Title | Sarada Seva Trust school building at Sarda Vidya Mandir Hemtabad (Uttar Dinajpur, West Bengal) |
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| **Project Brief** | The Sarada Seva Trust signed an agreement with ONGC Foundation on 15 November 2018 for financial assistance for the construction of a 2 storied school building at Sarada Vidya Mandir, Hemtabad in Uttar Dinajpur District of West Bengal. The private and unaided Bengali-medium and co-educational school is in a very remote area, functions from classes I to X, and is affiliated with the West Bengal Education Board. |
| **Project Duration** | **18 months** |
| **Commencement of facility** | **November 2018** |
| **Project Cost** | **₹ 254.87 Lakhs** |
| **Impact Assessment Agency** | **UN Global Compact Network India** |
| **Methodology** | (i) Structured interviews (ii) Exploratory and semi-structured interviews (iii) Quantitative impact modeling |
| **Findings** | For each ₹ 1 spent by ONGC on this project, the Social Return on Investment was ₹ 10.30.<br>**Observations:**<br>• Despite its remote location, the school had good infrastructure – 4 blocks with a ground floor, a common room including a sanitiser sprayer and a vending machine for sanitary napkins. There was also running water available in the toilet blocks for students. During the pandemic, the school functioned online for 22 months including during examination periods.<br>• Approximately 80% of the students, male and female, were from scheduled castes. Their performance showed substantial improvements such as improved marks of more than 50% of the students, students pursuing either employment or higher education.<br>• The school had sought funds from local business organisations that helped in growing its infrastructure from temporary walls and sheet roofs earlier. Today, the school continues to receive funding from local donors, and the operating costs are covered by student fees as well as donations from locals in the area.<br>• As per interviews conducted for this study, one of the greatest plus points for all parents surveyed is that the school runs on strict discipline. 50% of the parents interviewed say that the large playground in the school offers a fantastic opportunity for children to play. 20% of the parents feel the school imparts values that are conducive to the growth of their child.<br>**Recommendations:**<br>• The construction deviated from approved technical drawing. It is reported by the school that ₹ 41 lakhs funds are pending to be received by the school from ONGC. ONGC to review this.<br>• ONGC needs to imperatively document and publicly communicate more about this school as an inspiration for other educational institutions and for their own brand strengthening.<br>• Optional action by ONGC - The parents of the students believe that the school can benefit greatly with the inclusion of better equipment in scientific labs which is currently missing. |


Under 'Azadi Ka Amrit Mohatsav', ONGC is spearheading the support of traditional art and craft forms of India

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|---|---|
| **Project Title** | **Medical equipment for Diagnostic Centre at Seva Bharti Sanstahan, Ashok Vihar, Delhi** |
| **Project Brief** | Sewa Bharti, Ashok Vihar, Delhi, signed an agreement with the ONGC on 29 August 2018 for financial assistance for the purchase of medical equipment for a diagnostic centre at Sewa Bharti Sewa as follows:<br>• 1.5T MRI with 16 channels with dedicated knee coil, shoulder coil and breast coil<br>• 16 slice CT with Dual Head Injector<br>• Colour Doppler with 4 probes<br>• Digital X-ray<br>• Laboratory Diagnostic Equipments<br>• Biochemistry, Immunoassay and other accessories<br>• Versa Automation for connectivity of analysers etc.<br>The proposal was aimed at providing affordable health care services to socio-economically weaker sections living in nearby slums. The diagnostic centre was part of a chain of 31 existing dispensaries of Sewa Bharti across various locations in Delhi that together cater to approximately 1.5 lakh patients per year. |
| **Project Duration** | **6 months** |
| **Project Date** | **29 August 2018** |
| **Project Cost** | **₹ 1071.52 Lakhs** |
| **Impact Assessment Agency** | **UN Global Compact Network India** |
| **Methodology** | (i) Structured interviews (ii) Exploratory and semi-structured interviews (iii) Quantitative impact modeling |
| **Findings** | For each ₹ 1 spent by ONGC on this project, the Social Return on Investment was ₹ 8.7.<br>Observations:<br>• The management of the diagnostic centre offered positive feedback about the day-to-day functioning of the centre, except for the expensive annual maintenance costs of ₹ 1 crore for the equipment to be paid to Siemens. As per the management, the latter is a significant financial burden/cost.<br>• The doctors were happy that the diagnostic centre was well maintained after the recruitment of Dr. Anuj who was instrumental in creating an extensively detailed patient care protocol. Dr. Anuj felt that the quality of the ultrasonography machine needed to be better.<br>• Technical staff of the pathology department stated that although the equipment is of high quality, it has not been used to its full capacity because the lab is not yet certified by the National Accreditation Board for Testing and Calibration Laboratories (NABL). The accreditation process is ongoing and may take another year to complete.<br>• Doctors at the diagnostic centre attended to roughly 40 to 50 patients in a single day. Patients expressed high satisfaction with the quality of care and the cooperative nature of the technical staff and stated that this propelled them to choose the Seva Bharti Diagnostic Centre over others.<br>• According to the family of a patient undergoing dialysis at the Seva Bharti Centre, Safdarjung Hospital, the latter provides subsidized services but only undertakes dialysis for its in-house patients. Hence, for residents around Ashok Vihar, the Seva Bharti Diagnostic Centre in their own neighbourhood is very useful for their family members.<br>**Recommendations:**<br>• The NABL certification, which should have been part of the project planning, to be expedited with support from ONGC.<br>• The expensive AMC of machines, especially of those that are being underutilised, needed to have been included during the planning phase of the project. Now, ONGC could assist the centre in finding a solution for paying the expensive AMC of the machines.<br>• Purchase of equipment as per need should have been part of the project design and planning. ONGC may now assist the centre in the sale or leasing of unused medical equipment.<br>• Optional action for ONGC: The centre expressed a requirement for a small ICU and emergency facility at the dialysis unit. Typically, patients need to undergo a fistula surgery to be able to receive the dialysis through their arteries - currently, there are no such systems available. Further, in the event of an emergency, the institute does not have the capacity to treat emergency patients. A requirement was felt for ICU, Emergency, CPR systems. |

| | |
|---|---|
| **Project Title** | **Swargadeo Siu-Ka Pha Multi Specialty Hospital, Sivasagar** |
| **Project Brief** | 300 bed Multi Speciality hospital being set up at Rajabari, Sivasagar in three phases. The services of the first phase of the hospital with 67 beds was inaugurated on 1 March 2019. The construction for the second phase of the hospital is in advance stage, wherein 150 more beds will be included with additional facilities. For the first time Dialysis facilities have been started in Sivasagar at Swargadew Siu-Ka- Pha Multispecialty hospital. |
| **Project Duration** | **Two Years** |
| **Commencement of facility** | **1 Match 2019 (Services of Phase-I Hospital)** |
| **Project Cost** | **Phase-I: ₹ 99.07 Cr** |
| **Impact Assessment Agency** | **Reach India Trust** |
| **Methodology** | Desk Review, Interviews, Observations, Case Study |
| **Findings** | As per the main objective of the project the hospital has succeeded in providing low-<br>cost treatment (at 70% of the market rate) and also able to address the issue of bed deficit. Some of the highlights of the findings are as under:<br>• **Patient Served:** 35850 patient served since starting of the hospital out of which 7369 were dialysis patient (Earlier there was no dialysis facility available in Sivasagar and patient had to travel to Dibrugarh for availing the facilities.<br>• **Covid Care:** An emergency Covid ward was set up within 30 days during the Covid 19 outbreak in 2020 and provided treatment to 100 patients.<br>• **Feedback from Beneficiaries:** Reviews and feedback were taken from different sets of beneficiaries including patients admitted, patients discharged, Covid affected patients, OPD patients and local population. The details of feedback on three main parameters are as under:<br>a. 90 % of the respondent said overall treatment in the hospital is Good and Low cost<br>b. 82% of the responded said experience of appointment with doctors are excellent.<br>c. 76 % of the respondent felt that medical facilities and services are good /excellent and another 24 % felt it is fair.<br>• Employment Generation: Out of the total staff engaged in the hospital 51% are male and 49% are female. Only 4% employee are from outside Assam and 96 % are from local areas which reflects that apart from providing affordable and quality treatment the hospital has also contributed towards creating employment opportunity.<br>**Additional observation:**<br>• While looking at the feedback record of the hospital, it is found that all most all patients were satisfied on the services provided by the hospital.<br>• The hospital maintained some systematic operating protocol (SOP) across all the departments and management of the organization, but there is scope for integration.<br>• The most important observation is hospital authority have maintained proper care toward maintenance of hygiene and sanitation.<br>• Training on behavioural aspects of the staff toward the patients is taken care by authority.<br>• Authority have kept more option and plan of action in advance for further development of the hospital keeping in mind more extensive services both in terms of quality and quantity.<br>**Recommendations:**<br>• Tie ups with Insurance company<br>• Increasing Ambulance number with Advance life support<br>• Increase awareness on the facilities available in the hospital for more inflow of patients<br>• Skill development Centre for training of local youth<br>• Starting Blood sample collection centers outside the hospital in town area<br>• Enhancing community engagement program |

## Details of CSR amount spent against ongoing projects for the FY 2021-22

**Annexure-II**

| Sl. No. | Name of the Project | Item from the list of activities in Schedule VII to the Act | Local area (Yes/ No) | Location of the project | | Project duration | Amount allocated for the project (in ₹ million) | Amount spent in the current financial Year (in ₹ million) | Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ million) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | State | District | | | | | | Name | CSR Reg No. |
| 1 | Sivasagar Multispecialty Hospital Phase II | I | Yes | Delhi | New Delhi | 12 months | 680.25 | 680.25 | 0 | No | ONGC Foundation | CSR00000594 |
| 2 | Medical Grade O2 Plant | I | Yes | Delhi | New Delhi | 48 months | 100.00 | 91.35 | 0 | No | ONGC Foundation | CSR00000594 |
| 3 | Procurement of 6000 O2 cylinders | I | Yes | Delhi | New Delhi | 12 months | 108.60 | 106.90 | 0 | No | ONGC Foundation | CSR00000594 |
| 4 | Redevelopment of Kedarnath through ONGC Foundation | X | Yes | Delhi | New Delhi | 36 months | 109.81 | 104.67 | 0 | No | ONGC Foundation | CSR00000594 |
| 5 | Samskrit Promotion Phase IV | II | Yes | Delhi | Delhi | 24 months | 30.00 | 19.70 | 0 | No | Samskrit Promotion Foundation | #N/A |
| 6 | Misc. Civil Works in KV Nazira - Balance Amounts | II | Yes | Assam | Nazira | 12 months | 5.43 | 5.43 | 5.43 | No | Gohain Enterprise | #N/A |
| 7 | FA to ONGCF for Santosh Hospital 6 COVID ICU Beds | I | Yes | Delhi | New Delhi | #N/A | 9.26 | 9.27 | 0 | No | ONGC Foundation | CSR00000594 |
| 8 | Towards Super 30 Tripura 2021-22 | II | Yes | Delhi | New Delhi | 12 months | 9.40 | 7.70 | 1.40 | No | Centre for Social Responsibility | #N/A |
| 9 | ONGC super 30 Almorah | II | Yes | Delhi | New Delhi | 12 months | 7.70 | 7.70 | 1.36 | No | Centre for Social Responsibility | #N/A |
| 10 | FA for Super-30 FY 2020-21(2nd &3rd Instalment) | II | Yes | Delhi | New Delhi | 12 months | 5.07 | 5.07 | 0.84 | No | Centre for Social Responsibility | #N/A |
| 11 | 2nd inst Meir Scholarship Gen 2019-20 batch | III | Yes | Delhi | New Delhi | #N/A | 23.37 | 21.02 | 0 | No | ONGC Foundation | CSR00000594 |
| 12 | 2nd inst OBC Merit Schlshp 2019-20 batch | III | Yes | Delhi | New Delhi | 24 months | 22.36 | 19.78 | 0 | No | ONGC Foundation | CSR00000594 |
| 13 | Uninterrupted Power Supply for SVS Mul Spl Hos Asm | I | Yes | Delhi | New Delhi | #N/A | 49.08 | 49.08 | 0 | No | ONGC Foundation | CSR00000594 |
| 14 | FA for continuation ONGC Super 30(2021-22) | II | Yes | Delhi | New Delhi | 12 months | 7.82 | 7.82 | 3.61 | No | Centre for Social Responsibility | #N/A |
| 15 | Purchase and supply of 12 Bandicoots | I | Yes | Delhi | New Delhi | 13 months | 46.40 | 34.80 | 0 | No | ONGC Foundation | CSR00000594 |
| 16 | SDI Bhubaneswar opex for FY21-22 | II | Yes | Odisha | Bhubaneswar | 12 months | 7.50 | 7.50 | 7.50 | Yes | Skill Development Institute | #N/A |
| 17 | OPEX SDI RAEBARELI 2021-22 | II | No | Uttar Pradesh | Raibareilly | 12 months | 7.50 | 7.50 | 7.50 | Yes | SDI Society, Raibareli | #N/A |

| Sl. No. | Name of the Project | Item from the list of activities in Schedule VII to the Act | Local area (Yes/ No) | Location of the project | | Project duration | Amount allocated for the project (in ₹ million) | Amount spent in the current financial Year (in ₹ million) | Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ million) | Mode of Implementation - Direct (Yes/No) | Mode of Implementation - Through Implementing Agency | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | State | District | | | | | | Name | CSR Reg No. |
| 18 | OPEX SDI-Visakhapatnam FY 2021-22 | II | No | Andhra Pradesh | Vishakhapatnam | 12 months | 7.50 | 7.50 | 7.50 | Yes | Skill Development Institute (SDI) | #N/A |
| 19 | OPEX SDI Kochi FY 2021-22 | II | No | Kerala | Kochi | 12 months | 7.50 | 7.50 | 7.50 | Yes | Skill Development Society (SDS) | #N/A |
| 20 | OPEX SDI Guwahati 21-22 | II | No | Assam | Guwahati | 12 months | 7.50 | 7.50 | 7.50 | Yes | Skill Development Institute | #N/A |
| 21 | Promoting preventive health care | I | Yes | Delhi | New Delhi | 12 months | 46.40 | 6.49 | 0 | No | ONGC Foundation | CSR00000594 |
| 22 | Promoting education | II | Yes | Uttarakhand | Dehradun | 24 months | 20.90 | 18.35 | 0 | yes | KVS Fund Main Account Dehradun | #N/A |
| 23 | F/a to Vivekananda Kendra Vidyalayas AP Trust | II | No | Assam | Dibrugarh | 36 months | 59.04 | 5.90 | 0 | No | Vivekananda Kendra Vidyalayas | #N/A |
| 24 | NCI Nagpur, (Phase-II) | I | No | Maharashtra | Nagpur | 36 months | 403.58 | 40.35 | 0 | No | Dr Abaji Thatte Seva Aur | #N/A |
| 25 | Capex Contribution to SDI Bhubaneswar | II | Yes | Odisha | Bhubaneswar | 36 months | 300.00 | 100.00 | 0 | No | Skill Development Institute | #N/A |
| 26 | Opex for Bandra Promenade Mumbai | IV | Yes | Maharashtra | Mumbai | 36 months | 12.80 | 7.31 | 0 | No | Ravindra Joshi Medical Foundation | #N/A |
| 27 | PCRA 2021 | IV | Yes | Delhi | New Delhi | 24 months | 35.00 | 25.00 | 0 | No | ONGC Foundation | CSR00000594 |
| 28 | FA for Vashishtayam-Residential-cum-day carecentre | III | No | Uttar Pradesh | Uttar Pradesh | 36 months | 30.00 | 25.00 | 1.08 | No | Param Shakti Peeth | #N/A |
| | 651 projects with expenditure less than ₹ 50 Lakhs each during the FY | | | | | | | 325.79 | | | | |
| | | | | | | | | **1,762.23** | | | | |


ONGC

**Details of CSR amount spent against other than ongoing projects for the FY 2021-22**

**Annexure-III**

| Sl. No. | Name of the Project | Item from the list of activities in schedule VII to the Act | Local area (Yes/ No) | Location of the project | | Amount spent for the project (in ₹ million) | Mode of implementation - Direct (Yes/ No) | Mode of implementation - Through implementing agency | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | State | District | | | Name | CSR Reg No. |
| 1 | Grant-in-Aid to KV, Panvel for 2021-22 | II | Yes | Maharashtra | Panvel | 80.52 | Yes | KV ONGC Panvel School Fund | #N/A |
| 2 | Payment to KV Ahmedabad for FY 2021-22 | II | Yes | Gujarat | Ahmedabad | 59.54 | Yes | Kendriya Vidyalaya ONGC | #N/A |
| 3 | Grant-in-Aid to Kendriya Vidyalaya,ONGC,DDN:2021-22 | II | Yes | Uttarakhand | Dehradun | 65.79 | Yes | KVS Fund Main Account Dehradun | #N/A |
| 4 | FA to ONGCF Isolations centre at Delhi-Sewa Bharti | I | Yes | Delhi | New Delhi | 9.29 | No | ONGC Foundation | CSR00000594 |
| 5 | PAYMENT TO KV FOR FY:2021-22 | II | Yes | Tripura | Agartala | 48.31 | Yes | Kendriya Vidyalaya | #N/A |
| 6 | KV Nazira Grant-In-Aid _ FY 2021-22 | II | Yes | Assam | Nazira | 59.21 | Yes | Kendriya Vidyalaya | #N/A |
| 7 | KV Sivasagar _ Grant-In-Aid _ FY 2021-22 | II | Yes | Assam | Sivasagar | 55.91 | Yes | Kendriya Vidyalaya | #N/A |
| 8 | EDU.SUP.TO.KV MEHSANA - 2021-22 | II | Yes | Gujarat | Mehsana | 49.08 | Yes | KV ONGC Mehsana School Fund | #N/A |
| 9 | 30 Bed COVID Care at Manav Rachna Univ, Faridabad | I | No | Haryana | Faridabad | 6.30 | No | Manav Rachna International | #N/A |
| 10 | Payment of Opex to KV 2021-22 | II | Yes | Gujarat | Cambay | 29.86 | Yes | KV SF A/C Cambay | #N/A |
| 11 | Towards purchas eof oxygen concentrator - | I | Yes | Delhi | New Delhi | 101.11 | No | ONGC Foundation | CSR00000594 |
| 12 | Payment to KV BARODA FOR FY 2021-22 | II | Yes | Gujarat | Vadodara | 24.61 | Yes | Kendriya Vidyalaya ONGC Baroda | #N/A |
| 13 | KV payment for the FY 2021-2022 | II | Yes | Andhra Pradesh | Rajahmundry | 29.23 | Yes | Kendriya Vidyalaya School Fund Acco | #N/A |
| 14 | Relief work for cyclone YAAS in West Bengal | XII | Yes | Delhi | New Delhi | 6.34 | No | ONGC Foundation | CSR00000594 |
| 15 | FUND TRANSFER TO ONGC FOUNDATION-EDUCATIION PROJS. | I | Yes | Delhi | New delhi | 10.00 | No | ONGC Foundation | CSR00000594 |
| 16 | RELEASE OF OPEX 2020-21 TO SDS, KOCHI | II | No | Kerala | Kochi | 7.50 | Yes | Skill Development Society (SDS) | #N/A |

| Sl. No. | Name of the Project | Item from the list of activities in schedule VII to the Act | Local area (Yes/ No) | Location of the project | | Amount spent for the project (in ₹ million) | Mode of implementation - Direct (Yes/ No) | Mode of implementation - Through implementing agency | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | State | District | | | Name | CSR Reg No. |
| 17 | Payment of Opex to KV Ank for FY 2021-22 | II | Yes | Gujarat | Ankleshwar | 30.61 | Yes | M/S Kendriya Vidyalaya ONGC ANK | #N/A |
| 18 | OPEX SDS Vizag for 2020-21 | II | No | Andhra Pradesh | Vishakhapatnam | 7.50 | Yes | Skill Development Institute (SDI) | #N/A |
| 19 | OPEX Contri to SDI Raebareli 2020-21 | II | No | Uttar Pradesh | Raibareilly | 7.50 | Yes | SDI Society, Raibareli | #N/A |
| 20 | OPEX TO SDI Guwahati for 2020-21 | II | No | Assam | Guwahati | 7.50 | Yes | Skill Development Institute | #N/A |
| 21 | ONGC KV payment for 2021-22 | II | Yes | Assam | Silchar | 30.00 | Yes | Kendriya Vidyalaya ONGC Srikona | #N/A |
| 22 | Payment to KV for FY 2021-22 | II | Yes | Gujarat | Surat | 39.91 | Yes | Kendriya Vidyalaya ONGC Surat | #N/A |
| 23 | OPEX Payment to SDI Ahmedabad for FY 2018-19, 2020-21 and 2021-22 | II | Yes | Gujarat | Ahmedabad | 45.00 | Yes | Skill Development Society (SDS) | #N/A |
| 24 | RGIPT - Assam Energy Centre | II | No | Uttar Pradesh | Raibareilly | 329.30 | No | Rajiv Gandhi Institute Of Petroleum | #N/A |
| 25 | Payment OPEX TO SDI Bhubaneswar 20-21 | II | Yes | Odisha | Bhubaneswar | 7.50 | Yes | Skill Development Institute | #N/A |
| 26 | SCST Merit Scholarship Scheme 19-20 2nd inst | II | Yes | Delhi | New Delhi | 24.19 | No | ONGC Foundation | CSR00000594 |
| 27 | Compound wall - Siu-KaPha Hospital | I | Yes | Delhi | New Delhi | 18.58 | No | ONGC Foundation | CSR00000594 |
| 28 | "Saarthi" for providing navigation device to blind | III | No | Assam | Guwahati | 6.21 | No | Foundation for Integrated Support | #N/A |
| 29 | GRANT-IN-AID to KV Jorhat - 2021-22 | II | Yes | Assam | Jorhat | 14.92 | Yes | School Fund K.V. ONGC | #N/A |
| 30 | Joranda Pipeline Project | I | Yes | Delhi | New Delhi | 52.17 | No | ONGC Foundation | CSR00000594 |
| 31 | Support for organizing cricket tournament for blid | VII | Yes | Delhi | New Delhi | 5.00 | No | ONGC Foundation | CSR00000594 |
| 32 | FA to Nagar Nigam for Renovation of Clock Tower, | V | Yes | Uttarakhand | Dehradun | 5.19 | Yes | Nagar Nigam Dehradun | #N/A |
| 33 | Cyclone Yaas Odisha | XII | Yes | Delhi | New Delhi | 20.38 | No | ONGC Foundation | CSR00000594 |
| 34 | Addnal Sanc. Old Age Home Palampur Vishranti HP | III | Yes | Delhi | New Delhi | 10.39 | No | ONGC Foundation | CSR00000594 |

| Sl. No. | Name of the Project | Item from the list of activities in schedule VII to the Act | Local area (Yes/ No) | Location of the project | | Amount spent for the project (in ₹ million) | Mode of implementation - Direct (Yes/ No) | Mode of implementation - Through implementing agency | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | State | District | | | Name | CSR Reg No. |
| 35 | Merit Scholarship Scheme 20-21 EWGEN 1st inst | III | Yes | Delhi | New Delhi | 25.30 | No | ONGC Foundation | CSR00000594 |
| 36 | Merit Scholarship 20-21 OBC 1st inst | III | Yes | Delhi | New Delhi | 25.30 | No | ONGC Foundation | CSR00000594 |
| 37 | SC ST Merit Scholarship Scheme 3rd inst | III | Yes | Delhi | New Delhi | 13.73 | No | ONGC Foundation | CSR00000594 |
| 38 | Corpus Contribution to SDI Bhubaneswar | II | Yes | Odisha | Bhubaneswar | 150.00 | No | Skill Development Institute | #N/A |
| 39 | Contribution of ₹ 70 Cr. to PMCARES Fund | VIII | Yes | Delhi | New Delhi | 700.00 | Yes | PM Cares | #N/A |
| | 525 projects with expenditure less than ₹ 50 Lakhs each during the FY | | | | | 380.87 | | | |
| | | | | | | **2,599.65** | | | |

## Details of CSR amount spent in the FY 2021-22 for ongoing projects of the preceding financial years

**Annexure-IV**

| Sl. No. | Project ID | Name of the Project | Financial Year in which the project was commenced | Project duration | Total amount allocated for the project (in ₹ million) | Amount spent on the project in the reporting Financial Year (in ₹ million) | Cumulative amount spent at the end of reporting Financial Year. (in ₹ million) | Status of the project - Completed /Ongoing |
|---|---|---|---|---|---|---|---|---|
| 1 | 3100014510 | F/a to Vivekananda Kendra Vidyalayas AP Trust | 2016-17 | 36 months | 59.04 | 5.90 | 59.04 | completed |
| 2 | 3100026762 | NCI Nagpur, (Phase-II) | 2019-20 | 36 months | 403.58 | 40.36 | 403.58 | completed |
| 3 | 3100026771 | Capex Contribution to SDI bhubaneswar | 2019-20 | 36 months | 300.00 | 100.00 | 300.00 | completed |
| 4 | 3100027873 | Opex for Bandra Promenade Mumbai | 2020-21 | 36 months | 12.80 | 7.31 | 12.80 | completed |
| 5 | 3100028044 | PCRA 2021 | 2020-21 | 24 months | 35.00 | 25.00 | 35.00 | completed |
| 6 | 3100028046 | FA for Vashishtayam-Residential-cum-day carecentre | 2020-21 | 36 months | 30.00 | 25.00 | 25.00 | ongoing |
| | | 441 projects with expenditure less than ₹ 50 Lakhs each during the FY | | | | | | 424 completed + 17 ongoing |

**Annexure - F**

## COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013 ON THE STANDALONE FINANCIAL STATEMENTS OF OIL AND NATURAL GAS CORPORATION LIMITED FOR THE YEAR ENDED MARCH 31, 2022 AND MANAGEMENT REPLY THERETO:

| Comments | Management's Reply |
|---|---|
| The preparation of financial statements of Oil and Natural Gas Corporation Limited for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated **28 May 2022**.<br><br>I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Oil and Natural Gas Corporation Limited for the year ended 31 March 2022 under section 143(6)(a) of the Act. 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.<br><br>Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report: | Statement of fact. |
| **A.COMMENT ON PROFITABILITY**<br>**Balance Sheet as at March 31, 2022**<br>**Current Liabilities**<br>**Provisions (Note 24): ₹33,468.87 million**<br><br>Above does not include ₹5,526.59 million on account of following liabilities:<br><br>(i) ₹645.24 million demanded by Director General of Hydrocarbons toward liquidated damages on account of non-completion of Minimum Work Program within fixed time frame for Shale Gas & Oil exploration & exploitation. | (i) Shale Gas Policy 2013 stipulates in its para V, section-I of the Permission letter of the Govt. of India for grant of Shale Gas and Oil exploration/exploitation rights, withdrawal from shale gas and oil operations after G&G studies, without LD, in case the assessment does not establish shale gas and oil resources. Based on above, liquidated damages is not applicable as assessment through G&G studies in different basins has not established shale gas and oil resources. The same is further reiterated in the Policy Framework for Exploration and Exploitation of Unconventional Hydrocarbons dated 20.08.2018 issued by the Govt. of India which states that in nomination blocks given to National Oil Companies (NOCs), the NOCs will be allowed to explore and exploit all types of hydrocarbons under the Oilfields (Regulation and Development) Act 1948 and the Petroleum and Natural Gas Rules , 1959 as per existing fiscal and contractual terms of PEL/PML granted under nomination acreages. The shale gas policy of 2013 will be deemed to be modified and /or extended to that extent.<br><br>Further the demand for liquidated damages was raised by DGH vide their letter dated 19.04.2017.The matter was replied to and was discussed and followed up in various meetings with DGH/ MoPNG and DGH has not followed up for payment of LD after our submissions. However the matter is being pursued actively with DGH / MoPNG for closure of the issue. |

| | |
|---|---|
| (ii) ₹4,881.35 million on account of unpaid/short payment of Royalty (for blocks KG-OSN-2001/3 and CB-OS/2) to Government of India which has been demanded by Director General of Hydrocarbons.<br><br>Non-provisioning of above liabilities has resulted in understatement of provisions and overstatement of profit by ₹5,526.59 million. | (ii) This consists of principal amount of ₹262.41 million and penal interest of ₹148.74 million in respect of NELP Block KG-OSN-2001/3 for the period 2016-17 to 2020-21 and principal amount of ₹1,209.48 million and penal interest of ₹3,260.72 million on the same in respect of pre-NELP Block CB-OS/2 for the period 2006-07 to 2020-2021. The demand raised by DGH is not tenable in terms of various provisions of Production Sharing Contract (PSC) read with statutory provisions of Oilfields (Regulation and Development) Act 1948 (ORD Act) & Petroleum & Natural Gas (PNG Rules) Rules, 2003 and notifications issued thereunder. As per the ORD Act royalty is payable at the prescribed rate of the value obtained at well head. It also provides that the post wellhead cost/ well head price shall be determined based on actual post well head expenditure reported in previous year's audited account. Further as per the provisions of the Production Sharing Contract (PSC) in respect of the block KG-OSN-2001/3, Companies (Lessee) shall be required to pay royalty to the Government (Lessor) at the prescribed rate of the well-head value of Crude Oil and Natural Gas.<br><br>The Petroleum Mining Lease also provides that the lessee is subject to ORD Act, 1948 (53 of 1948) and the P&NG Rules, 1959. It further provides that the royalty shall be payable by the lessee as per the terms of any contract entered into between the lessee and the Government in respect of the said block/ contract area or at such rates as may be fixed by the Government of India from time to time.<br><br>The matter has been taken up with DGH/MoPNG through various meetings and written communications, the last correspondence being letter dated 9 Sep 2021 in respect of the block KG-OSN-2001/3 and 26 Oct 2021 in respect of the block CB-OS/2.<br><br>In view of the above creating liability against the demand raised by DGH in respect of both the above cases is not warranted. Accordingly these cases will be taken up with DGH/MoPNG. |
| **For and on behalf of the**<br>**Comptroller and Auditor General of India**<br><br>Sd/-<br>**C. M. Sane**<br>**Director General of Commercial Audit, Mumbai**<br><br>**Place: Mumbai**<br>**Date: 1 August 2022** | **For and on behalf of**<br>**Oil and Natural Gas Corporation Limited**<br><br>Sd/-<br>**Dr. Alka Mittal**<br>Chairman & Managing Director (Addl. Charge)<br><br>**Place: New Delhi**<br>**Date: 3 August 2022** |

While mature assets witness a natural production decline globally, ONGC has been able to maintain production from its mature assets

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6) (b) READ WITH SECTION 129 (4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF OIL AND NATURAL GAS CORPORATION LIMITED FOR THE YEAR ENDED MARCH 31, 2022 AND MANAGEMENT REPLY THERETO:**

| Comments | Management's Reply |
|---|---|
| The preparation of consolidated financial statements of Oil and Natural Gas Corporation Limited for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139 (5) read with section 129 (4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **28 May 2022**.<br><br>I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Oil and Natural Gas Corporation Limited for the year ended 31 March 2022 under section 143 (6) (a) read with section 129 (4) of the Act. We conducted a supplementary audit of the financial statements of (Annexure I) but did not conduct supplementary audit of the financial statements of (Annexure II) for the year ended on that date. **Further, section 139 (5) and 143 (6) (a) of the Act are not applicable to (Annexure III) being private entities incorporated in foreign countries under the respective laws for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies**. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.<br><br>Based on my supplementary audit, I would like to highlight the following significant matters under section 143 (6) (b) read with section 129(4) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report: | Statement of fact. |
| **A.COMMENT ON PROFITABILITY**<br>**Balance Sheet as at March 31, 2022**<br>**Current Liabilities**<br>**Provisions (Note 32): ₹66,630.26 million**<br><br>Above does not include ₹5,526.59 million on account of following liabilities:<br><br>(i) ₹645.24 million demanded by Director General of Hydrocarbons toward liquidated damages on account of non-completion of Minimum Work Program within fixed time frame for Shale Gas & Oil exploration & exploitation. | (i) Shale Gas Policy 2013 stipulates in its para V, section-I of the Permission letter of the Govt. of India for grant of Shale Gas and Oil exploration/exploitation rights, withdrawal from shale gas and oil operations after G&G studies, without LD, in case the assessment does not establish shale gas and oil resources. Based on above, liquidated damages is not applicable as assessment through G&G studies in different basins has not established shale gas and oil resources. The same is further reiterated in the Policy Framework for Exploration and Exploitation of Unconventional Hydrocarbons dated 20.08.2018 issued by the Govt. of India which states that in nomination blocks given to National Oil Companies (NOCs), the NOCs will be allowed to explore and exploit all types of hydrocarbons under the Oilfields (Regulation and Development) Act 1948 and the Petroleum and Natural Gas Rules , 1959 as per existing fiscal and contractual terms of PEL/PML granted under nomination acreages. The shale gas policy of 2013 will be deemed to be modified and /or extended to that extent. |

| | |
|---|---|
| | Further the demand for liquidated damages was raised by DGH vide their letter dated 19.04.2017.The matter was replied to and was discussed and followed up in various meetings with DGH/ MoPNG and DGH has not followed up for payment of LD after our submissions. However the matter is being pursued actively with DGH / MoPNG for closure of the issue. |
| (ii) ₹4,881.35 million on account of unpaid/short payment of Royalty (for blocks KG-OSN-2001/3 and CB-OS/2) to Government of India which has been demanded by Director General of Hydrocarbons.<br><br>Non-provisioning of above liabilities has resulted in understatement of provisions and overstatement of profit by ₹5,526.59 million. | (ii) This consists of principal amount of ₹262.41 million and penal interest of ₹148.74 million in respect of NELP Block KG-OSN-2001/3 for the period 2016-17 to 2020-21 and principal amount of ₹1,209.48 million and penal interest of ₹ 3,260.72 million on the same in respect of pre-NELP Block CB-OS/2 for the period 2006-07 to 2020-2021. The demand raised by DGH is not tenable in terms of various provisions of Production Sharing Contract (PSC) read with statutory provisions of Oilfields (Regulation and Development) Act 1948 (ORD Act) & Petroleum & Natural Gas (PNG Rules) Rules, 2003 and notifications issued thereunder. As per the ORD Act royalty is payable at the prescribed rate of the value obtained at well head. It also provides that the post wellhead cost/ well head price shall be determined based on actual post well head expenditure reported in previous year's audited account. Further as per the provisions of the Production Sharing Contract (PSC) in respect of the block KG-OSN-2001/3, Companies (Lessee) shall be required to pay royalty to the Government (Lessor) at the prescribed rate of the well-head value of Crude Oil and Natural Gas.<br><br>The Petroleum Mining Lease also provides that the lessee is subject to ORD Act, 1948 (53 of 1948) and the P&NG Rules, 1959. It further provides that the royalty shall be payable by the lessee as per the terms of any contract entered into between the lessee and the Government in respect of the said block/ contract area or at such rates as may be fixed by the Government of India from time to time.<br><br>The matter has been taken up with DGH/MoPNG through various meetings and written communications, the last correspondence being letter dated 9 Sep 2021 in respect of the block KG-OSN-2001/3 and 26 Oct 2021 in respect of the block CB-OS/2.<br><br>In view of the above creating liability against the demand raised by DGH in respect of both the above cases is not warranted. Accordingly these cases will be taken up with DGH/MoPNG. |
| **For and on behalf of the**<br>**Comptroller and Auditor General of India**<br><br>Sd/-<br>**C. M. Sane**<br>**Director General of Commercial Audit, Mumbai**<br><br>**Place: Mumbai**<br>**Date: 1 August 2022** | **For and on behalf of**<br>**Oil and Natural Gas Corporation Limited**<br><br>Sd/-<br>**Dr. Alka Mittal**<br>Chairman & Managing Director (Addl. Charge)<br><br>**Place: New Delhi**<br>**Date: 3 August 2022** |

## Annexure I Audit Conducted

### Subsidiaries

| | |
|---|---|
| 1. | Mangalore Refinery and Petrochemicals Limited |
| 2. | Hindustan Petroleum Corporation Limited |
| 3. | ONGC Videsh Limited |
| 4. | Petronet MHB Limited |
| 5. | HPCL Biofuels Limited |
| 6. | ONGC Videsh Rovuma Ltd. (India) |
| 7. | HPCL LNG Limited |

### Joint Venture Entities

| | |
|---|---|
| 1. | ONGC Petro additions Limited |
| 2. | HPCL Rajasthan Refinery Limited (Audit in Progress) |
| 3. | Bhagyanagar Gas Limited (Audit in Progress) |
| 4. | Mumbai Aviation Fuel Farming Facility Private Limited |
| 5. | HPOIL Gas Private Limited |
| 6. | IHB Limited |
| 7. | Indradhanush Gas Grid Limited |
| 8. | Godavari Gas Private Limited (Audit in Progress) |
| 9. | Aavantika Gas Limited |

### Associates

| | |
|---|---|
| 1. | GSPL India Gasnet Limited (audit in progress) |
| 2. | GSPL India Transco Limited (audit in progress) |
| 3. | Pawan Hans Limited (audit in progress) |
| 4. | Rohini Heliport Limited (audit in progress) |

## Annexure II Audit not conducted

### Subsidiaries

| | |
|---|---|
| 1. | Prize Petroleum Company Limited |

### Joint Venture Entities

| | |
|---|---|
| 1. | Dahej SEZ Limited |
| 2. | Ratnagiri Refinery Petrochemicals Limited |

### Associates : NIL

## Annexure III Audit not applicable

### Subsidiaries

| | |
|---|---|
| 1. | ONGC Nile Ganga B.V. |
| 2. | ONGC Campos Limited |
| 3. | ONGC Nile Ganga (San Cristobal) B.V. |
| 4. | ONGC Narmada Limited |
| 5. | ONGC Amazon Alaknanda Limited |
| 6. | Imperial Energy Limited |
| 7. | Imperial Energy Tomsk Limited |
| 8. | Imperial Energy (Cyprus) Limited |
| 9. | Imperial Energy Nord Limited |
| 10. | Biancus Holdings Limited |
| 11. | Redcliff Holdings Limited |
| 12. | Imperial Frac Services (Cyprus) Limited |
| 13. | San Agio Investments Limited |
| 14. | LLC Sibinterneft |
| 15. | LLC Allianceneftegaz |
| 16. | LLC Nord Imperial |
| 17. | LLC Rus Imperial Group |
| 18. | LLC Imperial Frac Services |
| 19. | Carabobo One AB |
| 20. | Petro Carabobo Ganga B.V. |
| 21. | ONGC (BTC) Limited |
| 22. | Beas Rovuma Energy Mozambique Limited |
| 23. | ONGC Videsh Atlantic Inc. |
| 24. | ONGC Videsh Singapore Pte. Ltd |
| 25. | ONGC Videsh Vankorneft Pte. Ltd |
| 26. | Indus East Mediterranean Exploration Limited |
| 27. | HPCL Middle East FZCO |

### Joint Venture Entities

| | |
|---|---|
| 1. | ONGC Mittal Energy Limited |
| 2. | Mangalore SEZ Limited |
| 3. | ONGC Tripura Power Company Limited |
| 4. | ONGC Teri Biotech Limited |
| 5. | HPCL Mittal Energy Limited |
| 6. | Shell MRPL Aviation Fuels & Services Limited |
| 7. | Mansarovar Energy Colombia Limited |
| 8. | Himalaya Energy Syria BV |
| 9. | SUDD Petroleum Operating Company |
| 10. | Hindustan Colas Private Limited |
| 11. | South Asia LPG Co. Private Limited |

### Associates

| | |
|---|---|
| 1. | Tamba B.V. |
| 2. | Petro Carabobo S.A. |
| 3. | Carabobo Ingenieria Y Construcciones S.A. |
| 4. | Petrolera Indovenezolana S.A. |
| 5. | South-East Asia Gas Pipeline Company Limited |
| 6. | JSC Vankorneft |
| 7. | Falcon Oil & Gas B.V. |
| 8. | Petronet LNG Limited |
| 9. | Moz LNG I Holding Company Limited |
| 10. | Bharat Energy Office, LLC |

# SECRETARIAL AUDIT REPORT

**Annexure - G**

**For the financial year ended 31 March 2022**

(Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Guideline on Corporate Governance for Central Public Sector Enterprises, 2010)

To

The Members,
OIL AND NATURAL GAS CORPORATION LIMITED,
(CIN: L74899DL1993GOI054155)
Regd. Office: Plot No. 5A- 5B, Nelson Mandela Road,
Vasant Kunj, New Delhi -110070

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **OIL AND NATURAL GAS CORPORATION LIMITED (CIN: L74899DL1993GOI054155)** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to spread of the COVID pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the Financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2022 according to the provisions of:

(i) The Companies Act, 2013 **('the Act')** and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 **('SCRA')** and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 **('SEBI Act')** and the amendments made therein from time to time: (to the extent applicable to the Company during the audit period):

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the company during the audit period)

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable during the audit period);

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)

(i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

(j) The Securities and Exchange Board of India ( Listing Obligations & Disclosure Requirement) Regulations, 2015 ("SEBI LODR), Regulations 2015")

We have also examined relevant documents and records on test-check basis with regard to the system prevailing in the Company for compliance with the following guidelines/Laws applicable specifically to the Company:

(a) Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 issued by Department of Public Enterprises, Government of India (DPE Guidelines on the Corporate Governance);

(b) The Petroleum Act, 1934;

(c) The Mines Act, 1952;

(d) The Oil Industry (Development) Act, 1974;

(e) The Petroleum and Natural Gas Regulatory Board Act, 2006;

(f) The Explosive Act, 1884;

(g) The Oil Fields (Regulations and Development) Act, 1948;

(h) The Petroleum and Mineral Pipelines (Acquisition of Right of User in land Act), 1962;

(i) The Offshore Areas Minerals (Development and Regulation) Act, 2002;

(j) The Mines and Minerals (Development and Regulation) Act, 1957; and

(k) The Merchant Shipping Act, 1958.

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India with respect to Board, Committee(s) and General Meeting(s).

(ii) Listing Agreements entered into by the Company with BSE Limited and the National Stock Exchange of India Limited.

We further report that during the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except to the extent as mentioned below:

(a) Board composition:

*There were non-compliances with the requirements of Regulation 17(1)(a) & (b) of SEBI (LODR) Regulations, 2015 (SEBI LODR) and Clauses 3.1.2 and 3.1.4 of DPE Guidelines on Corporate Governance during part of the Audit Period, as the Company did not have requisite number of Independent Directors on its Board, including no woman Independent Director till 13th November, 2021.*

*The Company made appointment of 4 Independent Directors including one woman Independent Director on 14th November, 2021 . Further, the Company made appointment of 1 (one) more Independent Director on 31st December, 2021. The Company has become compliant with the requirements of Regulation 17(1)(a) of SEBI LODR and Clause 3.1.2 of DPE Guidelines w.e.f. 14th November, 2021 and Regulation 17(1)(b) of SEBI LODR and Clause 3.1.4 of DPE Guidelines on Corporate Governance w.e.f. 1st January, 2022.*

*(b) Audit Committee and Nomination & Remuneration Committee:*

*The Audit Committee and Nomination & Remuneration Committee were not constituted with minimum two Independent Directors as per provisions of Regulations 18 and 19 of the SEBI (LODR) Regulations, 2015 and Clause 4.1 of DPE Guidelines on Corporate Governance till 13th November, 2021, as the Company had only one Independent Director on its Board. No meeting of the Audit Committee was convened from 1st April, 2021 to 14th December, 2021. However, mandatory functions of the Audit Committee such as review of quarterly results/annual financial statements and approval of related party transactions etc. were directly reviewed and approved by the Board.*

We further report that:

The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors except for the reporting made hereinabove. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act.

Adequate notice was given to all the Directors to schedule the Board meetings at least seven days in advance generally, agendas were sent in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board or Committee Meetings were carried out unanimously except in such case where dissent of Director(s) was recorded specifically.

Based on the compliance mechanism established by the Company and on the basis of review of compliance reports pertaining to all applicable laws to the Company laid before and taken note by the Board of the Company, we are of the opinion that the Management has systems and processes in the Company commensurate with the size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit Period, there was no other specific event/action in pursuance of the above referred laws, rules, regulations, guidelines, etc. having a major bearing on the Company's affairs.

For JMC & Associates
Company Secretaries

Sd/-
(CS Mukesh Chand Jain)
Proprietor
FCS No.: F10483
CP No.:22307
UDIN: F010483D000557128

Date: 3 July 2022
Place: New Delhi

**Note:** This Report is to be read with our letter of even date which is annexed as Annexure A and forms integral part of this Report.

**Annexure A**

To

The Members,
**OIL AND NATURAL GAS CORPORATION LIMITED**,
(CIN: L74899DL1993GOI054155)
Regd. Office: Plot No. 5A- 5B, Nelson Mandela Road,
Vasant Kunj, New Delhi -110070

Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. The compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory auditors, tax auditors and other designated professionals.
4. Wherever required, we have obtained the Management representaion about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the Management. Our examination was limited to the verification of procedures on test-check basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For JMC & Associates
Company Secretaries

Sd/-
(CS Mukesh Chand Jain)
Proprietor
FCS No.: F10483
CP No.:22307
UDIN: F010483D000557128

Date: 3 July 2022
Place: New Delhi


# Management Discussion and Analysis Report

## Management Discussion and Analysis Report

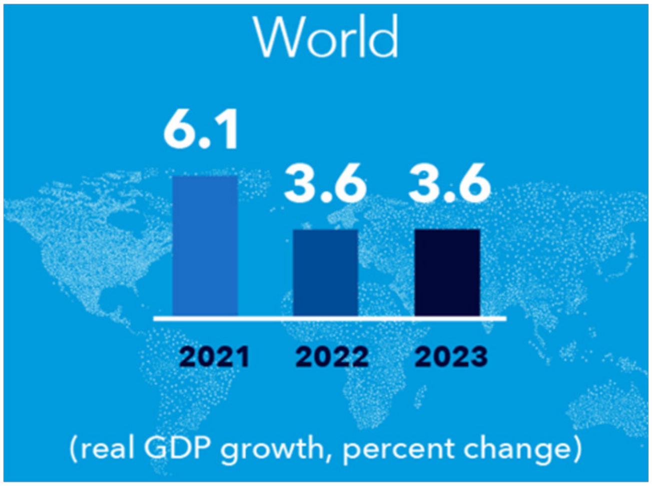
Subsequent waves of pandemic and conflict in Ukraine has dealt a severe blow to the global economy, shattering expectations of a fast paced recovery from the damaging impact of the COVID-19 and has triggered an inestimable humanitarian crisis that demands a harmonious resolution. As tensions between Russia and Ukraine escalated into a full-blown crisis, global oil and gas market faced an upward rally in crude oil prices, to surge past USD100 per barrel, a phenomenon that is likely to sustain if the conflict prolongs.

The global economic recovery continues amid evolving challenges, Companies and Governments worldwide are re-evaluating their dependencies and re-analysing their strategies. For oil and gas, the volatility reflects the unwinding of partnerships between Western and Russian energy groups. The impact of supply issues will vary by country and be heavily influenced by the geopolitical actions. Gas is particularly vulnerable, with almost 40% of the natural gas consumed in the European Union originating in Russia.

The immediate and longer-term impact on raw materials, logistics/ transportation, implementation teams, and infrastructure is inevitable. The conflict in Ukraine exposes once more the risks associated with the interconnected nature of global trade. India meets half its gas needs through imports of liquefied natural gas (LNG). Though Russian LNG imports are low, the crisis has pushed up the fuel prices. India's economic recovery amid rapid vaccination will also be affected severely as it is intricately linked to accessibility, availability and affordability of Energy. Inflationary pressures on economies due to rising fuel costs has prompted hardening of monetary policy by the Central Banks.

In the present circumstances, energy security has joined energy transition as a top global priority, though the energy picture is less clear at the global level. The energy sector impacts of the present crisis will reverberate across every corner of the globe. It is expected that countries would accelerate the implementation of their decarbonisation policies, in particular energy demand reduction strategies.

### 1. Global Economy



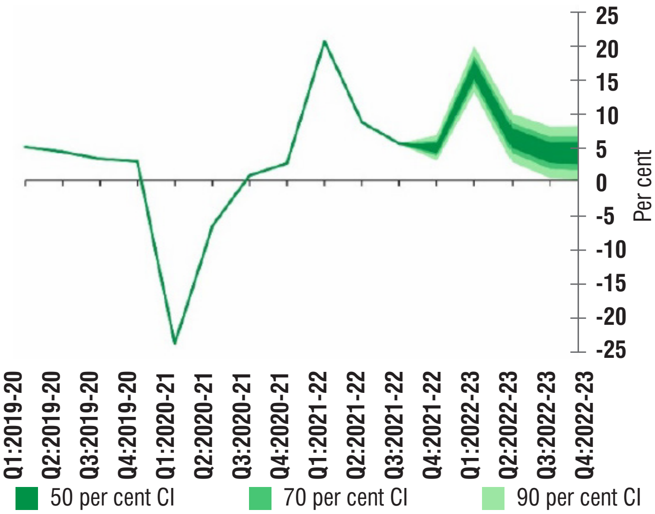

IMF: World Economic Outlook

Ukraine-Russia crisis unfolded while the global economy was on a mending path but had not yet fully recovered from the COVID-19 pandemic. April edition of the World Economic Outlook highlighted that the ongoing conflict in Ukraine has "severely set back" global economic recovery. As per IMF, global growth is projected to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023. This is 0.8 and 0.2 percentage points lower for 2022 and 2023 than projected in January. World Bank in its Global Economic Prospects report published in June 2022, has lowered global growth forecast for calendar year 2022 to 2.9 per cent from 4.1 per cent.

World Bank reported that Global median headline CPI inflation rose to 7.8 percent (y/y) in April 2022, its highest level since 2008 due to war-induced commodity price increases and broadening price pressures. Aggregate Emerging Market and Developing Economies (EMDE) inflation reached over 9.4 percent-its highest level since 2008-while inflation in advanced economies, at 6.9 percent, is the highest since 1982.

IMF also states that frequent and wider-ranging lockdowns in China-including in key manufacturing hubs-have also slowed activity there and could cause new bottlenecks in global supply chains. In several countries uncertainty has steeply risen and further increases in commodity prices, additional supply disruptions, and tighter financial conditions remain threats. World Bank highlighted that higher, broader, and persistent price pressures shall slow down the global trade growth to 4 percent in 2022. Overall risks to economic prospects have risen sharply and policy trade-offs have become ever more challenging. Maintaining the resilience of financial institutions through effective regulation is also critical at this juncture.

**Indian Economy:**




RBI: Monetary Policy Statement (June)

CI - Confidence Interval

Indian economy grew 8.7 per cent in 2021-22 as per latest Provisional Estimates of National Statistics Office. The GDP growth for 2021-22 takes the economy above its pre-pandemic level and is an improvement after contracting 6.6 per cent in 2020-21. The economic impacts from the most recent COVID-19 Omicron wave were relatively small and the populations are well-vaccinated. World Bank expressed concerns regarding deterioration in asset quality previously masked by COVID-era lending support measures including loan forbearance can resurface as these measures are phased out.

Pandemic has left country with rising fiscal deficit. High import prices and demand during the recovery have led to deteriorating current account balance, while supply constraints and rising commodity prices have added to inflationary pressures. The ongoing conflict further adds to supply constraints and financial sector uncertainties, as trade embargoes and financial sanctions on Russia reverberate through the global goods and financial markets. The unemployment rate has declined to levels seen prior to the pandemic, but the labor force participation rate remains below pre-pandemic levels.

In India, rising inflationary pressures led to an unscheduled policy rate hike in May & June 2022. Considering the microeconomic uncertainties, World Bank has also lowered India's growth forecast for the current fiscal year (2022-23) to 7.5% from its previous estimate of 8% made in January.

## 2. Global Energy Sector

World has experienced multiple waves of infections from the contagious virus, and new variants have brought additional challenges. Global energy markets are under stress as it is facing double whammy of energy crunch and higher prices caused by pandemic & conflict in Ukraine. Crude oil prices increased by 36 percent between August 2021 and February 2022, driven by a strong recovery in oil demand, followed by geopolitical tensions. Brent crude oil temporarily reached USD 140 in early March as markets started to reduce Russian oil imports. The global energy system is facing extreme uncertainty in the near, medium and long terms, while the consumers are facing hardships due to the limited availability of oil and gas.

The oil and gas sector is confronted with the biggest task in society-addressing climate change. The structure of energy demand is changing, with the importance of fossil fuels gradually declining. What pathways can companies opt, and how can they steer towards low carbon opportunities in an economically viable manner is a big question. There has been a marked strengthening in the past two years in the ambitions of governments around the world to increase the pace and extent of reductions in carbon emissions. Wind and solar power are expanding rapidly, underpinned by continuing falls in their costs and an increasing ability of power systems to integrate high concentrations of variable power sources.

BP energy outlook 2022 estimates that share of fossil fuels in primary energy shall fall from close to 80% in 2019 to 30-20% by 2050 in Accelerated and Net Zero Emissions (NZE) Scenarios. The declining importance of fossil fuels in global energy is offset by the increasing role played by renewable energy, whose share in primary energy increases from a little over 10% in 2019 to 55-65% by 2050 in Accelerated and Net Zero scenarios. It is believed that the recent energy crisis will accelerate the adoption of renewable energy.

### Oil Prices & Demand

With Oil markets struggling to navigate supply losses and dislocations stemming from Russia-Ukraine conflict, US and International Energy Agency (IEA) coordinated stock releases are somehow easing the pressure emanating from supply crunch and providing a crucial buffer to oil markets that's facing heightened uncertainty amid the multitude of repercussions stemming from sanctions and embargoes targeted at Russia. As per IEA, global demand for oil in 2022 is forecasted to average 99.4 million barrels a day, up by 1.9 mb/d from 2021.

Woodmac expects oil demand to grow at 3.6 million b/d in 2022 (still the second-biggest annual jump ever) and 2.2 million b/d in 2023. However, annual demand for 2022 has been trimmed by 0.8% and for 2023 by nearly 1% – mainly due to Covid-related lockdowns in several major cities in China and the weaker outlook for Russia's economy due to sanctions. The impact of higher prices in some countries is a secondary factor.

IHS Markit's base case scenario projects Dated Brent to average about USD 104/bbl in 2022, assuming disruptions to Russian oil supply of the order of 1-3 MMb/d, which are offset to a degree by higher Iranian exports, unilateral output hikes by Saudi Arabia and the UAE, and strong supply gains outside of OPEC+. If there are more extreme cuts to Russian supply, then prices could average USD 133/bbl or more, with spikes to even higher daily levels at times. Short-term prices have jumped as a result of tightening supply and demand conditions as well as the Russia-Ukraine conflict. As more supply emerges, particularly from the US and demand growth decelerates, prices are expected to ease back to the low USD 70s in 2023. However, there are plausible scenarios where prices move even higher as a result of Russian supply disruptions.

There has been a strong rebound in oil demand that has not been matched by a rebound in investment in supply. Despite upward pressure on prices, upstream spending in 2021 is set to remain below 2019 levels. Major international companies are diversifying their spending and building their portfolio in low carbon business. Financial resilience is increasingly becoming a function of climate resilience, companies are keen to build a portfolio that is resilient to both lower commodity prices and higher carbon prices.

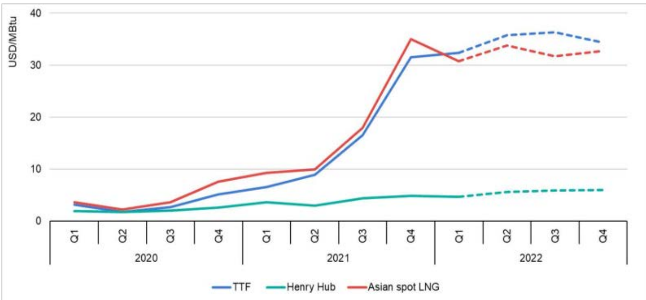
### Gas & LNG

Global natural gas consumption showed a strong recovery in 2021, with an estimated 4.5% y-o-y increase. This is more than twice the equivalent of the decline experienced in 2020 and the third strongest year since 2000, after 2010 and 2018 (which grew by 7.8% and 5.2% respectively). This strong growth resulted from the combination of a rebound in economic activity after the lockdowns of 2020, boosting consumption in the industrial and power generation sectors, and a succession of extreme weather events that led to higher than expected heating and power generation needs. Growth slowed significantly in the second half of 2021 due to a challenging price environment and softening of the economic recovery.

Global LNG trade expanded by 6% in 2021, slightly below the 7% average rate in the 2015-2020 period, but much faster than the 1% increase in 2020. The Asia Pacific region saw an 8% increase in LNG imports and accounted for more than 95% of the net growth in LNG trade globally. China (up by 17%) and Korea (up by 14%) were the largest contributors in volume terms, particularly in the first three quarters of 2021, and China became the world's biggest importer of LNG last year.

Russia is Europe's largest natural gas supplier, meeting 33% of the region's demand in 2021 after constant growth over the past decade due to the depletion of domestic production. Higher LNG import needs in Europe are putting pressure on an already tight global LNG market balance in 2022. Natural gas storage played a crucial role in meeting seasonal swings in gas demand across all key gas regions during the 2021/22 heating season. Gas storage levels both in Europe and the United States stood well below their five-year average levels at the end of the heating season, indicating strong restocking needs.

The record highs in spot natural gas prices in 2021 and 2022 have refocused attention on the role of natural gas, and raised new questions about the extent to which, and for how long, it can retain a place in the energy mix as clean energy transitions accelerate.




**Main Spot and forward Natural Gas prices, 2020-2022 (IEA)**

### Exploration

Oil and gas companies have continued to keep a tight control on exploration spending following the market upheavals in the middle of the last decade and more recently from the damage wrought on global demand by the Covid-19 pandemic. Exploration drilling activity saw a significant drop in 2020 due to the impact of the Covid-19 pandemic on global oil demand. A rise in oil prices from last year has not directly translated into a similar hike in exploration capex, as upstream players maintain financial discipline and focus on high-quality prospects. Rystad predicts that licensing activity is likely to see a drop in 2022. 66 rounds are expected to be completed, out of which around 14 are currently in the bid evaluation stage and 16 are open for bidding, with the remaining 36 still in the planning stage. The rounds that are still under planning are high-risk rounds and around 50% of these likely to face delays and closing dates be extended to next year. The rounds that are yet to open have higher risk and could face delays in actual awards, with results potentially by next year. Most of the rounds that are likely to be completed are in mature basins.

**Investment**

Upstream investment is rebounding off a 15-year low, led by resource holding NOCs. But demand is recovering faster and high prices suggest more investment is needed. As many oil and gas companies have started to reshape and reorient their portfolios, only a few are positioned to react swiftly to the recent oil price surge to provide much-needed additional production.

The current upcycle –which has seen Brent crude surge past USD 100 per barrel –is remarkable in that, despite the oil price surge and robust cash flow generation, exploration and production (E&P) investment is only showing a modest uptick, with little sign of a recovery to levels seen before the Covid-19 pandemic kicked off in early 2020.

One of the key reasons for the reduced investment sensitivity to oil price movements is a shift in cash flow distribution among industry players. Amid the downturn caused by the drop in demand due to the Covid-19 pandemic, returning cash to shareholders became a top priority and companies reshaped their business models accordingly. Companies are also shifting priorities towards diversification, resilience and decarbonisation.

The focus for the most part is on short-cycle, fast-payback conventional, deep water or shale projects. For the year 2022, Rystad Energy expects that the global upstream investments will grow around 20%. From 2020 to 2023, the average yearly growth in investments is estimated at 7%. It expects shale/tight oil investments to increase almost 35% this year. Deepwater is expected to grow around 30% this year. Brazil, Guyana, West Africa and Australia will drive most of this growth.

Woodmack observes that Investment is on track to rebound from USD 350 billion in 2020 to USD 430 billion by 2023 but price volatility created by demand uncertainties would serve to reinforce or break discipline, or recreate capital starvation, perpetuating the risk of under or over investment. Upstream capital requirements depend on expected demand and achievable capital efficiency.

**M&A**

Deloitte's 2022 oil and gas M&A outlook highlighted that aggressive acquisition strategy of O& G companies has given way to restrained, strategic, and environment-focused buying in 2021. Despite a 75% rebound in oil prices and record cash flows, for example, global O&G M&A deal activity increased by only 18% and capex grew by only 17% in 2021. Rystad Energy reported that Global upstream merger and acquisition (M&A) deals rebounded to pre-Covid-19 levels in 2021, reaching a total of USD 181billion, a 70% increase over 2020. The total deal value for 2021 was the highest in three years and almost reached the highs seen in 2017 and 2018 of USD 205 billion and USD 199 billion, respectively. Deals valued at more than USD 1 billion accounted for USD 126 billion, or 70%, of the global total.

Geopolitical uncertainties may impede O&G M&A momentum in 2022. ESG consideration in M&A is emerging and evolving. Private Equity (PE) interest has started looking for low-carbon solutions. However, portfolio-rebalancing amid the evolving geopolitical landscape and ongoing opportunities to integrate hydrocarbon and green energy assets could provide some support to the M&A activity in 2022.The deal pipeline is robust, and the upstream M&A market looks set to continue to strengthen.

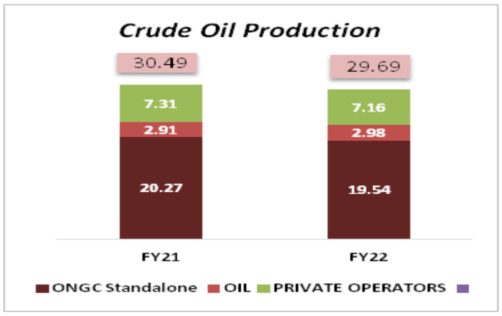
## 3. India Energy Snapshot

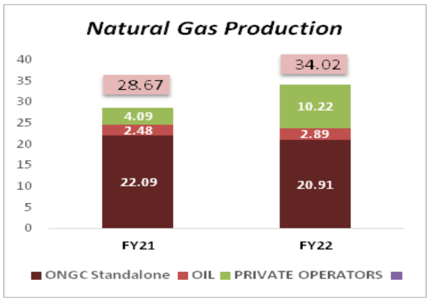
India is the world's third largest energy consumer and a major force in the global energy economy. Energy consumption in India doubled since 2000, due to growing population, rapid industrialisation and large scale urbanisation. While the pandemic seriously hampered capacity growth in 2020 and 2021 the pace is likely to further pick up in 2022. Energy use on a per capita basis is well under half the global average, and there are widespread differences in energy use and the quality of service across states and between rural and urban areas. Over 80% of India's energy needs are majorly met by three fuels: coal, oil and solid biomass. Coal remains the largest single fuel in the energy mix. Oil consumption and imports have grown rapidly on account of rising vehicle ownership and road transport use. Domestic fuel sales have been rising since the government has been lifting COVID-19–induced curbs.

BP Energy Outlook has envisaged that there will be a strong growth in primary energy led by renewables and, to a lesser extent, natural gas. Average growth per year would be around 2.5%- 2.7%. As result of this strong growth, India would account for around 13%-14% of the global primary energy consumption in 2050, up from around 7% in 2019. The country is the world's fifth largest renewable energy market with installed capacity of close to 109 GW. India has increased its Conference of Parties (COP) 21 Nationally Determined Contributions (NDCs) commitment, the country has set an ambitious target of 500GW by 2030.

**Crude Oil & Natural Gas Production**

As per Petroleum Planning and Analysis Cell (PPAC) data, domestic crude oil production in FY'22 stood at 29.69 Million Metric Tonnes (MMT) versus 30.49 MMT during FY'21. ONGC's standalone production was 19.54 MMT vs 20.27 MMT in FY'21. Production from Oil India Ltd and PSC/ JVs was 2.98 MMT and 7.16 MMT respectively.



Natural Gas output in FY'22 was 34.02 Billion Cubic Metres (BCM), versus 28.67 BCM in FY'21. The increase in gas output was mainly contributed by private operator in Eastern Offshore.

ONGC's standalone domestic output stood at 20.91 BCM. Oil India produced 2.89 BCM and other private operators 10.22 BCM.

### Consumption of Petroleum Products

According to PPAC figures, domestic petroleum products consumption in FY'22 increased by over 4 percent to 202.71 MMT, as demand for transport fuels surged as the pandemic-linked lockdown restrictions eased and economic activity picked up. Except SKO, petcoke & others, all petroleum products reported a growth in consumption during April-March 2022 compared to the same period of the previous year.

Petrol consumption was up 10.3 per cent at 30.9 million tonnes in 2021-22 while diesel sales were up 5.4 per cent at 76.7 million tonnes. Consumption of LPG was up 3 per cent at 28.3 million tonnes. Aviation Turbine Fuel (ATF) demand soared 35 per cent to 5 million tonnes but was less than the consumption recorded during the pre-pandemic year. This was mainly because full aviation services resumed only towards the end of the year.

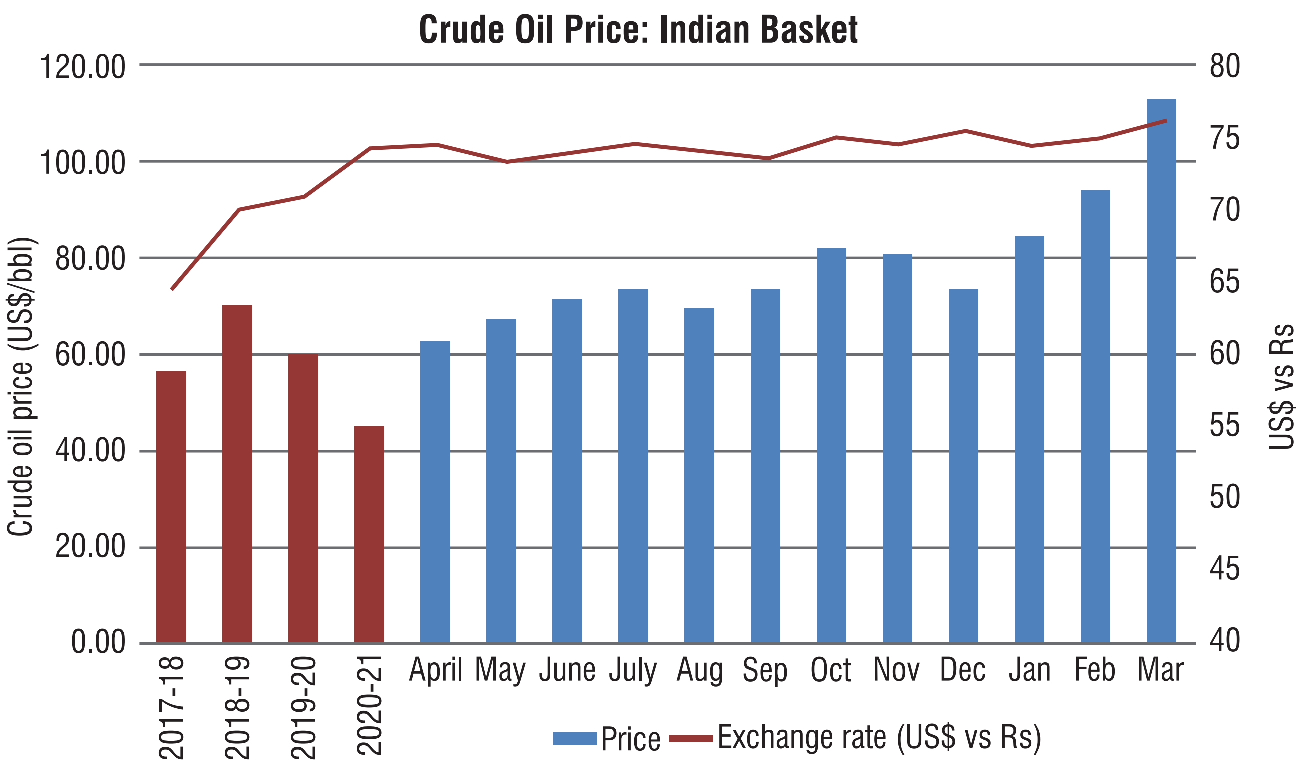
### Import and Export

PPAC reported that Crude oil imports increased by 7.9 percent in FY'22 to 211.9 MMT. The country's import dependence has increased owing to a steady decline in domestic output and surge in demand, however, lower than pre-pandemic imports of 227 million tonnes in 2019-20.

Petroleum product exports increased to 62.7 MMT from 56.8 MMT in FY'21. Forex outgo for imports for FY'22 surged to all time high at USD 120.4 billion versus USD 62.2 billion in the previous financial year. The higher import bill may significantly affect the forex reserves and current account deficit.

### Crude Oil Price: Indian Basket

Crude oil price of the Indian basket averaged USD 79.18 per barrel during FY'22 compared to USD 44.82 per barrel in the previous fiscal. The rise in prices was the steepest in the month of March 2022 when the Indian basket averaged USD 112.87 per barrel. The supply concerns have kept global oil prices elevated since Russia-Ukraine Crisis in February. India, which meets nearly 85% of its oil needs through imports, could be hit by a widening trade deficit, weakening rupee and persistent higher inflation. Higher oil Prices




leads to broader price increases since it adds to input costs for large number of products. While current prices are at a level that aligns with ONGC's strategic outlook and will boost the capex spending and fast track the monetization of discovered fields.

### Domestic Gas Prices

The ongoing Ukrain-Russia conflict has added further pressure and uncertainty to an already tight natural gas market. Europe's natural gas supply has been a topic of concern since mid-2021. Short-term prices have reached all-time record highs since the beginning of the conflict. The competition for flexible LNG cargoes pushed Asian spot prices to a record high and led to further curtailment in price-sensitive importing markets, particularly in emerging Asia. Price volatility also reached record levels as a result of unprecedented uncertainty.

Domestic gas prices in FY'22 have been revised – it was priced at USD 2.90/MMBTU for H2FY'22 as against USD 1.79/MMBTU for H1FY'22. Also the ceiling price for gas produced from challenging fields of deep-water and HP/HT areas was revised to USD 6.13 per MMBTU for October 2021-March 2022 from USD 3.62 per MMBTU in H1FY'22. Further, the prices of domestic natural gas for H1 FY'23 have been revised to USD 6.10 per MMBTU (million British thermal units). For the Gas produced from discoveries in deep-water, ultra deep-water and HPHT fields, the gas price ceiling is USD 9.92 per MMBTU.

In order to give a fillip to the gas based economy, focus is being given to enhancing domestic gas production, expeditious development of gas infrastructure as well as development of Gas market by providing open access to gas infrastructure. To further facilitate conducive business environment for competitive gas markets, efforts are underway to rationalise gas pipeline tariff structure for improving the affordability of gas across the country and for attracting investments into the gas infrastructure. Reform measures like e-auction, Gas exchange platform, common carrier etc. will create conducive conditions for growth of gas based economy in the country.

Present remunerative prices will unlock value while ensuring a steady and reliable supply of indigenously developed gas to the country's growing industrial and commercial setup – making that the perfect embodiment of an 'Atmanirbhar Bharat' philosophy.

### Domestic Upstream Reforms and Initiatives

The last few years in the domestic upstream sector have been a sight for significant policy reforms and progressive decisions, GOI has undertaken several policy measures to increase exploration and production activities in India. The rapid pace of policymaking and swift progress on the ground with projects such as the National Seismic Project and Reassessment of Hydrocarbon potential will provide the necessary support for exploration activities in the country and further augment Oil & Gas supplies.

Some of the key reform measures have been, the introduction of a new licensing regime – Hydrocarbon Exploration and Licensing Policy (HELP) – that allows for Open acreage system of bidding with marketing and pricing freedom among other incentives. New players that entered the fray through the DSF and OALP bid rounds will provide the much needed thrust to explore the prospectivity of the Indian Sedimentary Basins. Government also brought in policy to incentivize greater recovery from our hydrocarbon producing assets through the EOR Policy.

Further, the Ministry of Petroleum & Natural Gas (MoPNG), Government of India, vide Notification dated 15 October 2020, has allowed the producers to sell the natural gas through e-bidding where the contracts require market price discovery through transparent means. These affirmative policy actions are a much-needed vital nudge for a sector that has enormous untapped potential and is a key strategic plank for supporting the country's sovereign growth and development pursuits.

ONGC has made significant progress in this timeframe. It has completely monetized 'U' Field of KG-DWN-98/2 project. Its efforts contributed to the upgrading of Bengal and Vindhyan from Category 3 to Category 2 Basins, of which the former became a Category 1 basin soon after with commercial production of first oil from its Ashokenagar-1 well.

Perseverance of ONGC over the last 25 years, has now paid off – the Vindhyan Basin is close to becoming the ninth producing Basin of India. On testing, the Well Hatta#3 in the Son valley sector of Madhya Pradesh produced over 62,044 cubic meters/day gas, thus confirming the production potential of Proterozoic Basin for the first time in India. ONGC is fully geared to consolidate this development. With belief in prospectively, it has already acquired 5 Blocks under OALP rounds on the same Play trend.

At present world is witnessing double jolt of Pandemic and Ukraine-Russia Crisis. Energy Transition has gained fresh impetus due to unsustainable Oil & Gas Prices which will entail fresh challenges to E&P Sector. Some key issues that merit attention at this point are the moderation of OID Cess and royalty rates and coverage of crude oil and natural gas under GST.

### Operational Performance

For FY'22, Oil & Gas production of ONGC Group, including PSC-JVs and from overseas Assets has been 55.72 MMTOE (against 58.39 MMTOE during FY'21). ONGC-operated domestic fields accounted for bulk of the countries oil and gas production – 66 percent and 61 percent respectively.

Oil and gas production profile of ONGC from domestic as well as overseas assets during last five years are as given below:

| Oil and gas production | FY'22 | FY'21 | FY'20 | FY'19 | FY'18 |
|---|---|---|---|---|---|
| **Crude Oil Production (MMT)** | **29.81** | **31.04** | **33.11** | **34.33** | **34.79** |
| ONGC | 19.55 | 20.27 | 20.71 | 21.11 | 22.31 |
| ONGC's share in JV | 2.16 | 2.26 | 2.64 | 3.12 | 3.13 |
| ONGC Videsh | 8.10 | 8.51 | 9.76 | 10.10 | 9.35 |
| **Natural Gas Production (BCM)** | **25.91** | **27.35** | **30.12** | **30.55** | **29.42** |
| ONGC | 20.91 | 22.10 | 23.85 | 24.75 | 23.48 |
| ONGC's share in JV | 0.77 | 0.72 | 1.04 | 1.06 | 1.13 |
| ONGC Videsh | 4.23 | 4.53 | 5.23 | 4.74 | 4.81 |

### Proved reserves

Position of proved reserves of your company (including ONGC Videsh) is as below:

| Proved Reserves (MMtoe) | FY'22 | FY'21 | FY'20 | FY'19* | FY'18 |
|---|---|---|---|---|---|
| **ONGC** | 557.31 | 580.52 | 602.55 | 625.52 | 683.46 |
| **JV share** | 14.22 | 16.33 | 17.82 | 20.07 | 11.42 |
| **ONGC Videsh** | 274.34 | 273.59 | 340.45 | 345.78 | 287.13 |
| **Estimated Net Proved O+OEG Reserves** | 845.87 | 870.44 | 960.82 | 991.37 | 982.01 |

*FY'19 onwards the reserves are based on PRMS basis; earlier years were reported based on SPE-classification

**Financial performance: ONGC Standalone**

(₹ Million)

| Particulars | FY'22 | FY'21 | % Increase/ (Decrease) |
|---|---|---|---|
| **Revenue** | | | |
| Crude Oil | 836,612 | 479,338 | 74.53 |
| Natural Gas | 124,414 | 114,216 | 8.93 |
| Value Added Products | 138,597 | 85,355 | 62.38 |
| Other Operating revenue | 3,831 | 2,502 | 53.12 |
| **Total Revenue from Operations:** | **1,103,454** | **681,411** | **61.94** |
| Other Income | 65,156 | 71,425 | (8.78) |
| EBIDTA | 609,456 | 335,697 | 81.55 |
| PBT | 410,400 | 164,028 | 150.20 |
| **PAT** | **403,057** | **112,464** | **258.39** |
| EPS | 32.04 | 8.94 | 258.39 |
| Dividend per share | 10.50 | 3.60 | 191.67 |
| Net Worth ** | 2,371,481 | 2,045,586 | 15.93 |
| % Return on net worth | 17.00 | 5.50 | 209.09 |
| Capital Employed | 1,349,661 | 1,159,394 | 16.41 |
| % Return on capital employed# | 29.01 | 12.23 | 137.20 |
| Capital Expenditure | 277,413 | 268,593 | 3.28 |

** includes reserve for equity instruments fair valued through other comprehensive Income

# Return on capital employed is calculated by excluding exceptional item. In case exceptional item is included, ROCE would be 13.42% for 2020-21.

Details of Significant change in ratio (i.e. 25% or more from previous year):-

| Particulars | 2021-22 | 2020-21 | Change in % |
|---|---|---|---|
| (i) Debtors Turnover (days) | 32 | 34 | (5.88) |
| (ii) Inventory Turnover | 13.51 | 8.00 | 68.88 |
| (iii) Interest Coverage Ratio | 142.18 | 55.95 | 154.12 |
| (iv) Current Ratio | 0.98 | 0.86 | 13.95 |
| (v) Debt Equity Ratio | 0.03 | 0.07 | (57.14) |
| (vi) Operating Profit Margin (%) | 39.33 | 25.30 | 55.45 |
| (vii) Net Profit Margin (%) | 36.53 | 16.50 | 121.39 |
| (viii) Return on Net Worth (%) | 17.00 | 5.50 | 209.09 |

**Notes:**

**1. Change in Inventory Turnover Ratio**

Inventory Turnover ratio for FY 2021-22 is 13.51 against 8.00 in FY 2020-21 i.e. increase of 68.88%, due to increase in revenue from operations by ₹422,043 million and decrease in average inventory by ₹3,526 million. The increase in revenue from operations is mainly due to increase in crude oil revenue by ₹357,274 million on account of increase in crude oil prices, increase in natural gas revenue by ₹10,198 million on account of increase in natural gas prices, increase in value added products revenue by ₹53,242 million and increase in other operating revenue by ₹1,329 million.

**2. Change in Interest Coverage Ratio**

The Interest Coverage ratio for FY 2021-22 is 142.18 against 55.95 in FY 2020-21 i.e. increase of 154.12%, this is mainly due to increase in Profit Before Interest & Tax (PBIT) by ₹261,576 million and marginal decrease in interest cost during the year. The increase in PBIT is mainly due to increase in revenue from operations by ₹422,043 million which is partly offset by increase in statutory levies by ₹115,085 million as the levies are charged on ad-valorem basis.

**3. Change in Debt Equity Ratio**

The Debt Equity ratio for FY 2021-22 is 0.03 against 0.07 in FY 2020-21 i.e. decrease of 57.14%, due to decrease in Debt by ₹86,257 million and increase in other equity by ₹325,895 million. The decrease in Debt is due to repayment of current borrowings during FY 2021-22.

**4. Change in Operating Profit Margin**

The Operating Profit Margin for FY 2021-22 is 39.33 % against 25.30 % in FY 2020-21 i.e. increase of 55.45 %, this is mainly due to increase in Profit Before Interest & Tax (PBIT) by ₹261,576 million The increase in PBIT is mainly due to increase in revenue from operations by ₹422,043 million which is partly offset by increase in statutory levies by ₹115,085 million as the levies are charged on ad-valorem basis.

**5. Change in Net Profit Margin**

The Net Profit Margin for FY 2021-22 is 36.53% against 16.50% in FY 2020-21 i.e. increase of 121.39%, this is due to increase in Profit after Tax (PAT) by ₹290,593 million mainly on account of increase in crude oil prices and also on account of reduction in tax expenses by ₹44,221 million due to adoption of lower tax regime as per section 115BAA of income tax act 1961.

**6. Change in Return on Net Worth**

The Return on Net Worth for FY 2021-22 is 17.00% against 5.50% in FY 2020-21 i.e. increase of 209.09% ,due to increase in Profit after Tax (PAT) by ₹290,593 million mainly on account of increase in crude oil prices and also on account of reduction in tax expenses by ₹44,221 million. The same is partly offset by increase in net worth by ₹325,895 million.

**Financial performance: ONGC Group**

(₹ in Million)

| Particulars | FY'22 | FY'21 | % Increase/ (Decrease) |
|---|---|---|---|
| **Revenue from Operations** | **5,317,618** | **3,604,635** | **47.52** |
| Other Income | 74,376 | 93,324 | (20.30) |
| EBIDTA | 873,113 | 588,057 | 48.47 |
| PBT | 540,911 | 301,264 | 79.55 |
| **Profit after Tax for the year** | **492,941** | **213,602** | **130.78** |
| - Profit attributable to Owners of the Company | 455,221 | 163,044 | 179.20 |
| - Profit attributable to Non-Controlling interests | 37,720 | 50,558 | (25.39) |
| EPS | 36.19 | 12.96 | 179.24 |
| Net Worth * | 2,595,029 | 2,209,810 | 17.43 |
| % Return on net worth | 17.54 | 7.38 | 137.67 |
| Capital Employed | 2,308,233 | 2,025,625 | 13.95 |
| % Return on Capital employed# | 25.43 | 15.66 | 62.39 |

* Includes reserve for equity instruments through other comprehensive income

# Return on capital employed is calculated without considering the impact of exceptional items. In case exceptional item is also considered for calculating PBIT, ROCE would be 24.52% for 2021-22 and 16.12% for 2020-21.

## 4. Opportunities & Threats

The recent geopolitical crisis amidst the ongoing pandemic, has proved just once again, how vulnerable the global economy remains to systemic risks. The oil and gas industry has rebounded strongly in 2021, with oil prices reaching their highest levels in six years. These price increases come on top of already tight commodity markets due to a solid demand recovery from the pandemic, as well as numerous pandemic-related supply constraints posed by the ongoing conflict in Ukraine. The conflict has disrupted production and trade of several commodities, particularly those where Russia and Ukraine are key exporters, including energy, fertilizers, and grains. IHS in its recent report has highlighted that the world oil supply cost curve has shifted upward. This results in about a USD 15/bbl increase in their price outlook to 2050 in base-case scenario. It is expected that the general price environment between 2030 and 2050 shall average about USD 74/bbl in real terms (or about USD 117/bbl in nominal terms). While the recovery is better than expected, pressure is mounting on E&P companies to accelerate the shift of energy system away from one dominated by hydrocarbons towards the one with low-carbon system.

Most models of the energy transition also suggest that continued petrochemical demand and use in industry & transportation will ensure a considerable level of oil and gas demand, even in a net-zero scenario. The global energy mix is not changing nearly as quickly as the world needs it to, as it is influenced by a range of factors, from political support, economics, to the development of emerging technologies. IHS Markit predicts that higher oil prices and a renewed focus on energy security are expected to jump-start global upstream capex spending. Liquids demand (demand for refined products, natural gas liquids, biofuels, and other liquids) is now expected to peak at about 109 MMb/d in 2030.

Despite the challenges, many E&P companies are sustaining efforts to decarbonize their operations and their value chains. A number of oil and gas companies have already set net-zero-emissions targets. The Paris Agreement strengthened the global response to the threat of climate change. According to new data released by the International Renewable Energy Agency (IRENA), renewable energy continued to expand steadily and well above the long-term trend, with share in total capacity expansion reaching new record of 81% last year. Global renewable generation capacity amounted to 3,064 Gigawatt (GW) by the end of 2021, increasing the stock of renewable power by 9.1 per cent.

Total installed renewable capacity (excluding hydro) in FY'22 has reached 109 GW in India. The share of renewables in the power sector is already at 27.5 percent and is likely to step up further with the development of more efficient and cheaper storage solutions. India has also already raised the nationally determined contribution (NDC) target of non-fossil energy capacity to 500 GW by 2030. At present nearly 1 Million Electric Vehicles are already plying on Indian roads. Rystad Energy's report states that in the 2030s, the EV revolution will spill over into electric trucks which will see a delayed transition, but once it takes hold, on a per unit basis, will have a material negative impact on oil demand that will materialize in the 2040s.

Energy consumption in India has doubled since 2000, with 80% of demand still being met by coal, oil and solid biomass. On a per capita basis, India's energy use is less than half the world average. As Indian economy is the fastest growing major economy, it is re-entering a very dynamic period in its energy development. Over the coming years energy demand and energy dynamics is expected to transform from fossil to low-carbon by the second half of this century. Despite the ongoing transition, IEA has underlined that Oil & Gas will remain central to the Indian economy over the next three decades.

Being an energy starved country, GoI has laid special onus on ONGC to carry out surveillance programme on behalf of Government of India to probe and explore remaining unexplored sedimentary basins of the country. As per the most recent resource reassessment study, a total of about 42 BTOE of resource potential was estimated from all category basins. Out of this about 12 BTOE has already been discovered, with a large potential of about 30 BTOE yet to be discovered. ONGC will have opportunities to take lead in acquiring prospective areas through OALP & DSF for exploration of oil & gas and to expand its reserve base. ONGC has already initiated and is continuing efforts for identifying such areas in various basins.

ONGC added one more basin (Vindhyan) to the hydrocarbon map of India by testing the well, Hatta-3 which flowed @ 62,044 standard cubic metre of gas per day. With this, ONGC discovered 08 out of 09 active basins of the country. ONGC has declared 4 New hydrocarbon discoveries (2 in onland and 2 in offshore) during FY 2021-22 in its operated acreages. Six hydrocarbon discoveries have been monetized during the year including 2 discoveries notified during the FY 2021-22. ONGC plans to invest ₹3,10,000 million in next 03 years on exploration. This will help ONGC achieve its acreage acquisition program to bring around 5,00,000 sq. km under active exploration by 2025. Your Company has also lined up 25 projects in next 03 years on field development.

Beyond ambitious renewable energy target for ES 2040, your Company is also looking to aggressively induct technology across all facets of its business ensuring greater energy efficiency, more productivity and improving safety performance. This focus has only sharpened in the wake of the COVID-19 pandemic which has reset expectations and priorities of our business. ONGC is also focused on leveraging its extensive experience in meeting vast and complex challenges to advance solutions at scale in the highest-emitting sectors of the economy and keenly striving to enhance its renewable portfolio. ONGC is exploring growth options in low-carbon businesses, technologies like clean hydrogen and carbon capture, utilization, and storage to lessen emissions intensive footprint and steadily wants to increase its size and scale in renewable sector.

Extra cash generated in a higher commodity price scenario may allow E&P companies to reinforce their financial position and to move into the next phase of the capital allocation framework. Companies must now, in all probability, also invest resources towards making their portfolio lighter or more diverse depending on their expertise, future opportunity set and shareholder / investor demands.

### 5. Risks and Concerns

The biggest impact on physical oil fundamentals so far in 2022 is on the demand side because of prevailing geo political concerns. But this is expected to shift as China will start reopening its lockdowns areas.

There is diminishing likelihood of a revitalized US-Iran nuclear deal, which will keep out 1 MMb/d of additional Iranian oil output that had been expected to begin to enter the market later in 2022. Other factors include OPEC+ running out of spare capacity, falling Russian oil production, the European Union eliminating most Russian oil imports, the risk of US supply gains falling short of expectations as producers adhere to capital discipline, and oil inventories that are already very low.

Russia's isolation following its invasion of Ukraine is deepening, Russia has historically been a source of low-cost oil for the world market. IHS in its report expects Russian crude and condensate output to fall from 10.4 MMb/d in 2021 to 9.1 MMb/d in 2022. Further output declines are expected over the longer term given Russia's loss of foreign investors and access to international capital and technology. Amid the widening supply and demand uncertainties, oil market volatility remains rife.

For oil companies, an array of issues have influenced capital planning strategies, these factors include the industry's growing emphasis on the energy transition, rising inflation, Govt. regulations, geopolitical concerns and more recently a surge in commodity prices and an increased focus on energy security following Russia-Ukraine conflict. High oil prices poses risk for less capital discipline which reduces the focus on new opportunities, companies focus more on the core business through higher capex spending. Current O&G price regime is apt for companies to fund their sustainability commitments.

Further, domestic gas sector is prone to price fluctuations The fact that our project pipeline is quite gas-rich with break-evens in the USD5-USD9/MMBtu range-current price range will support the vision of Gas based Economy. We are hopeful that the setting up of the online gas hub - India Gas Exchange - is the first step towards liberalising prices and moving away from the current formula which is a derivative of international gas-rich and liquid hubs that do not really reflect the reality of our domestic market. ONGC has acquired 5% equity in Indian Gas Exchange (IGX) as strategic investment and is also a member of IGX. ONGC has become the first Exploration and Production (E&P) company in India to trade domestic gas on Indian Gas Exchange from its KG-98/2 block.

The expanding LNG business also supports its global reach, and with the emerging concept of 'green LNG' it will gain traction even among the more climate-forward regions of the world. Under more aggressive scenarios where world transitions faster to lower carbon ecosystem, the verdict for more oil is quite extreme – IEA in its NZE case sees oil demand at 72 mb/d in 2030 and 24 mb/d by 2050. Natural gas demand increases in all scenarios over the next five years, with sharp divergences afterwards. Many factors affect to what extent, and for how long, natural gas can retain a place in the energy mix when clean energy transitions accelerate, and the outlook is far from uniform across different countries and regions. In the NZE, demand drops sharply from 2025 onwards and falls to 1,750 bcm in 2050. By 2050, more than 50% of natural gas consumed is used to produce low-carbon hydrogen, and 70% of gas use is in facilities equipped with Carbon Capture Utilization and Storage (CCUS). Whereas, Rystad Energy has forecasted that oil demand to peak at 107 million bpd in 2025 and then progressively decline to 51 million bpd by 2050. While these are merely forecasts right now and much depends on how actually leading countries or regions or economic blocs like EU and countries like US and China move ahead with implementing their COP-21 commitments and their own internal Net-Zero goals/ policies.

Oil and gas companies have kept their exploration spending low following the market crashes in the middle of the last decade and more recently from the damage wrought on global demand by the Covid-19 pandemic. A rise in oil prices from last year has not directly translated into a similar hike in exploration capex, as upstream players maintain financial discipline and focus on high-quality prospects. Exploration drilling activity saw a significant drop in 2020 due to the impact of the Covid-19 pandemic on global oil demand. The total number of exploration wells drilled in 2021 was on the low side with a marginal drop of around 5% from the previous year, however there was an opposite trend for offshore wells where activity increased. Rystad Energy in its analysis expect a similar trend in 2022 and could see an around 10% increase in offshore well numbers this year.

ONGC, however, continues to aggressively pursue exploration programs to maximize its reserve base as well as to augment the country's prospective hydrocarbon-bearing areas. This means a combination of near-field appraisal and conventional wildcats. Your Company also runs the risk of running into unplanned delays on account of various environmental and regulatory issues. A single window clearance system may be expedited to facilitate prudent utilisation of resources and enable timely delivery of results in strategic and economically sensitive sector like oil and gas. Loss of valued experience, in a technology-intensive sector like E&P, where the pool of expertise is already limited is a serious obstacle. The possibility of not attracting enough talent into the sector is an area of grave concern. However, diversification and technology-integration could not only ease people requirements of companies but may be useful to get the younger generation to join this vital industry by offering a different value proposition.

ONGC has implemented updated OISD Standards to improve contingency combat capabilities. International underwriters, enabling a lower-than-peer insurance premium for these assets, have rated ONGC offshore assets under 'acceptable risk'.

Operational safety is a high-risk element for most upstream operations. It requires companies to adopt a more holistic approach through a well-designed and strong HSE framework. With future operations, at least domestically, moving to more difficult terrains with challenging geologies, the centrality of Safety cannot be over-emphasized at this point.

**Energy Strategy 2040**

ONGC had adopted Energy Strategy 2040 as its strategic blueprint for future in 2019. 'Energy Transition' was one of the fundamental drivers of the roadmap and, going along, it is clear that this transition is going to play an increasingly stronger role in charting out the future policies and strategies.

ONGC remains committed to expand its production from both domestic and overseas operations to 110 MMTOE by 2040. However the pandemic has introduced further challenges in production particularly from difficult plays. ONGC is in the process of sourcing new technologies and partnerships for harnessing these fields as it remains focussed on shorter business cycles.

In Downstream, Your Company is well poised to expand its capacity through the expansion and green-field activities in progress at its subsidiary units. Your Company is also expanding its footprints in CGD & regas through group entities and has presence in 23 GA's across 12 states. A 5 MMTPA LNG regasification terminal at Chhara port (Gir Somnath District) in Gujarat is under implementation

Your Company is progressing well on the path of strategic restructuring of the group businesses with amalgamation of OMPL with MRPL. In addition, your Company is also exploring opportunities in the field of Renewables in India and abroad. ONGC has signed MoU with SECI for pursuing clean energy Goals.

## 6. Outlook

Your Company is positioned well for further business avenues backed by steady cash-flows. ONGC is exploring opportunities in new energy as part of its transformation into a true energy behemoth. Not only do we have the largest exploratory acreage of 1,26,657 Km2 in India as an operator as on 31.03.2022. We also are making continuous efforts to create a commercial play in newer and frontier areas. Over the last few years, we have brought more and more discoveries into the production stream quicker as well as made solid contributions to national E&P missions. In terms of supplies, the Company has a strong pipeline of projects – greenfield projects as well as brownfield redevelopment schemes.

Presented below is a brief overview of our current exploration status as well as efforts in emerging areas and production enhancement efforts.

### A. Exploration

ONGC continues to make meaningful discoveries while consolidating its reserves. It has adopted a 'Play Based Exploration' approach to accelerate the exploration activities from prospect focus to play focus. The strategic change to play based concept is primarily to assess the maximum YTF resource potential and enhance the reserve base of the company. In the present OALP regime, your Company is continuously evaluating prospectivity of new areas to maximize its acreage holding as well as to carry out aggressive exploratory efforts. Recent exploratory breakthrough in terms of finding hydrocarbon in Bengal basin, commercial flow of hydrocarbons in Vindhyan basin, and presence of gas within intrusive in Mesozoic sequence in Kutch Offshore are major leads to boost exploratory efforts. In Mahanadi offshore basin, your Company has restarted its exploratory campaign. With the culmination of fifth round of Open Acreage Licensing Policy (OALP) bidding, ONGC was awarded 24 blocks as an operator in onshore and offshore areas falling in 3 tier category Indian sedimentary basins adding exploration acreage of 46,313.36 Km2. Your Company participated aggressively in the OALP rounds VI & VII held during the year and emerged as the highest bidder winning an acreage measuring 34,097 Sq. Km. in OALP Round VI against the total offered area of 35,346 Sq. Km. ONGC emerged as sole bidder in 3 blocks in OALP-VII and is expecting an addition of at least 9,397 Sq. Km.

Currently, all the awarded OALP blocks are in exploratory phase. Cumulatively as on 01.04.2022, a total 3,047.66 LKM of 2D seismic data and 8,965.05 SKM of 3D seismic data has been acquired and one exploratory well has been drilled in OALP Blocks. Further exploration activities are in progress.

The significant potential growth areas in exploration are:

- Kopili, Sylhet, Barail, Bokabil and Tipam in South Assam Shelf area, Kuargaon-Mahakuti-Lakwa-Lakhmani-Banamali-Safrai corridor In North Assam Shelf, Lower Bhuban play in high-pressure area in Rokhia field, Middle Bhuban formation in Kunjaban field
- Exploration focus in the coming years will be oriented towards probing Early Paleocene Olpad, Late Paleocene OCS/ Mandhali and Early Eocene YCS/Chhatral, Paleocene-Early Eocene Panna Play with significant YTF potential.
- Kutch-Saurashtra will be of prime importance in the coming years. Plio-Pleistocene play in deep water block KG-DWN-98/2 & Bhuvanagiri play shall also be targets for future exploration.
- Exploration focus will also be oriented towards opening of new potential corridors in newly acquired OALP blocks in Son Valley Vindhyan Basin especially for Rohtas, Mohana Fawn, Jardepahar and Kajrahat plays.
- Probing of sub-thrust Dharamsala sequences in Palampur-Sarkaghat areas and Subathus/ Bilaspur Limestone in Palampur thrust areas in Kangra-Mandi sector of Himalayan Foot hills will remain as prime focus areas for future exploration.
- For the first time, ONGC will venture into Bikaner Nagaur Basin through its newly acquired OALP block to largely probe potential of Jodhpur and Upper Carbonate plays.

**B. Development of new fields**

On the production front, while legacy fields continue to be the mainstay of our base production, there is significant traction on the development of new fields as well as new schemes for maximizing recovery in mature areas.

ONGC is cognizant of the role it assumes in the national energy landscape. It has made cumulative core E&P spends of over ₹ 1,500 billion over the past 5 years. As on 01.04.2022, 20 major projects are under implementation with a total projected cost of around ₹ 5,90,000 million with envisaged gain of ~85.5 MMTOE.

Among these is ONGC's mega offshore deep-water project in East Coast, Cluster-2 Development of KG-DWN-98/2. U Field of this project has been fully monetised with the opening of third well U-1-A. The completion of this project is expected to substantially enhance the Gas portfolio of your Company.

Further, your Company, supported by Government's policy support, is strongly pursuing improving recovery from existing areas. As part of expanding its EOR portfolio under the ER policy, 211 fields of ONGC located in onshore and offshore areas were considered for screening. Total of 33 ER Proposal were submitted, out of which 17 have already been approved. Two fields, Gandhar GS-9 & Gandhar GS-11, are under feasibility Study.

ONGC for the first time executed a Pilot polymer flood project in heavy oil field of Mehsana. The Pilot was completed on 15.09.2020 before the scheduled period. The pilot was successful in achieving all its objectives. The incremental gain is 5057 m3 in 13 Months against FR envisaged 4960 m3. The closure report was approved by DGH on 08.11.2021. Commercial scheme for the same has already been submitted and envisages incremental oil gain of 1.79 MMt (~ 5 % over BAU) and recovery of 23.3 % by 2046.

## 7. Internal Control Systems

To manage the large portfolio, your Company has institutionalized robust internal control systems to continuously monitor critical businesses, functions and operations; particularly field operations. The top management of your Company monitors and reviews various activities on continuous basis. A set of standardized procedures and guidelines has been issued for all the facets of activities to ensure that best practices are adopted and those percolate even up to ground level.

Your Company has a dedicated Performance Management and Benchmarking Group (PMBG) which monitors the performance of each business unit against the Key Performance Indicators (KPIs) defined in the Performance Contracts between the top management and the Key Executives. As part of its push for systemic transformation and strengthening of control systems, your Company has placed adequate emphasis on institutionalization of tools, practices and systems that facilitate greater operational efficiencies and workplace productivity. Your Company has introduced E-Grievance handling mechanism for quick redressal of grievances of its various stake-holders.

Your Company has dedicated Internal Audit (IA) group which carries out audits in-house. At the same time, based on requirement, specialized agencies are engaged to carry out audit in the identified areas. Statutory auditors are appointed by Comptroller and Auditor General (CAG) of India for fixed tenures.

Third party safety audits are conducted regularly for offshore and onshore installations by established national and international HSE agencies such as Oil Industry Safety Directorate ("OISD"), an organization under the control of the MoPNG, which issues safety guidelines. Further, subject to the safety regulations prescribed by the Directorate General of Mines and Safety (DGMS), each work center has teams dedicated to HSE, which execute the safety guidelines prescribed by OISD as well as DGMS. HSE teams are also responsible for obtaining necessary licenses and clearances from the State Pollution Control Boards.

All transactions in the company are carried out on upgraded SAP S/4HANAsystem. It is the successor to SAP R/3 and SAP ERP and is optimized for SAP's in-memory database SAP HANA. Proper and adequate system of internal control exists to ensure that all aspects are safeguarded and protected against loss from unauthorized use or disposition and that each transaction is authorized, recorded and reported. The system further ensures that financial and other records are fact-based and reliable for preparing the financial statements.

Outcome Budget analysis: Your Company has established the linkages of budget expenditure with anticipated outcomes to have clear sight on the future growth orientation parameters. Expenditure proposed in Budget towards Development drilling and creation of Capital Facilities is co-related with the incremental gain in Oil and Gas production targets for next 5 years. Some of the other parameters included for outcome budget analysis are profitability variation analysis, budgeted Balance Sheet and Cash Flow, sensitivity analysis on profitability and cash flow as a result of changes in Crude Price and Exchange Rate.

## 8. Human Resource Development

Employees are the cornerstone of ONGC's growth and value creation. ONGC's HR Vision is to build and nurture a world class human capital by continuously innovating and adopting best-in-class HR practices through engaged, empowered and enthused employees.

Your Company's talent management strategy is focused on building an optimal and competent workforce to meet business needs and is centred around workforce planning and talent acquisition, performance management, learning & development, career growth, succession planning, leadership development, and extending best of employee facilities, welfare benefits and work environment. As on 31.03.2022 there were 27,165 employees on rolls of ONGC. Even amidst the challenges of pandemic, ONGCians ensured critical supplies of Oil & Gas through their commitment, and spirit of collective collaboration & achieved a stellar physical & financial performance during the year.

Capacity building of the workforce is a priority area, with dedicated institutes effectively catering to the learning & development needs of our employees to efficiently meet the challenges of dynamic & evolving E&P industry. ONGC also has tie-ups with various reputed national & international institutions, agencies and business schools for this purpose. During FY 2021-22, learning methodologies were continued on online mode. 19,219 executives and 4,338 non-executives were imparted training in relevant domains, spanning 66,660 executive and 9617 non-executive training days.

Learning Management System (LMS) undertaken by ONGC is a pioneer project under the Government's Digital India Initiative. LMS portal brings competency-based learning, to enable self-paced continual learning, through learning pathways, world class trainings, latest content and assessment-based progress. With this, ONGC has become the first PSE to onboard Learning Management System in 2022 under Mission Karmayogi launched by Hon'ble Prime Minister.

Leadership Development: ONGC has in place strategic development interventions across executive levels, to build and nurture a continual pipeline of energy leaders. During the year, ONGC launched Harvard ManageMentor – a management development program [e-learning] covering more than 3,100 executives. Further, to take care of development needs of the young officers, under ONGC Mentor Mentee Exercise 2021-22, 600 Mentors have been initiated into the mentoring journey, who are each mentoring 1-2 young executives from their work centre.

Digitisation of HR Processes: A number of digital initiatives were taken up, during the year, towards improved employee processes, HR workflows, digitization of Trust records, in line with the organization's push for technology & digitization. ONGC has introduced IT Enabled paperless Medical Referral process system through Medical Smart Cards (ONGCCares) to regular/ retired employees & their dependents thus making the system more convenient & transparent. Further, Paperless Medical reimbursement processes and referral systems was also launched in 2021, directly impacting more than 1.5 Lakh beneficiaries, leading to considerable reduction in carbon footprint, as well as system improvement.

Continuous communication & connect of top leadership with operations teams at ONGC locations across the country was ensured to reinforce employee safety, boost workforce morale and provide all necessary support for smooth operations. Towards supporting its workforce for timely immunisation, ONGC organized Vaccination camps at various work locations across the country for employees and secondary workforce.

Your Company continued its support for development of sports in the country by providing employment opportunities to sportspersons and also granting scholarships to budding talents in 22 games. Your Company sponsored various sports associations/ federations/ sports bodies for organizing sports events as well as developing sporting infrastructure. The endeavours of your Company, towards Human Resource development, are well recognized in the industry with ONGC being ranked 404th in the Forbes World Best Employers list 2021 & also featured in Great place to work among nation builders.

## 9. Environment Protection and Conservation, Technological conservation and Foreign Exchange Conservation

The particulars of environment protection and conservation are detailed in the Business Responsibility and Sustainability Report and Technological conservation and foreign exchange conservation are detailed in the Board's Report.

## 10. Corporate Social Responsibility (CSR)

A detailed overview of the Company's CSR programmes and spends are detailed in the Board's Report.

## 11. Cautionary Statement

Statements in the Management Discussion and Analysis and Directors Report describing the Company's strengths, strategies, projections and estimates, are forward-looking statements and progressive within the meaning of applicable laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government Policies and other incidental factors. Readers are cautioned not to place undue reliance on the forward looking statements.

Hon'ble Minister of Petroleum and Natural Gas & Housing and Urban Affairs Hardeep Singh Puri at the Platinum Explorer Rig in Eastern Offshore

# Corporate Governance Report

# CORPORATE GOVERNANCE REPORT

Corporate governance implies the way in which a company is managed to ensure that all of its stakeholders get their fair share in its earnings and assets and disclosure of all material information. Good corporate governance involves the commitment of a company to run its businesses in a legal, ethical and in transparent manner.

Corporate Governance involves a set of relationships between a company's management, its Board, its shareholders and other stakeholders. Corporate Governance also provides the structure through which the objectives of the company are set, and the means of attaining those objectives and monitoring.

### 1.1 CORPORATE GOVERNANCE PHILOSOPHY OF ONGC

- Compliance of laws, rules and regulations in letter and spirit in the interest of stakeholders.
- System of risk analysis and measures to minimize/ migrate through risk management.
- A sound system of internal control to achieve business objectives, in short, medium and long term.
- Adherence to ethical standards for effective management and distribution of wealth and discharge of social responsibility for sustainable development of stakeholders.
- Clearly defined standards against which performance of responsibilities are measured.
- Accuracy and transparency in disclosures regarding operations, performance, risk and financial status.
- Timely and balanced disclosure of all material information to all the Stakeholders.

**1.2** The Company has ensured compliance with the objectives of 'the principles of Corporate Governance' stated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations – 2015 **(Listing Regulations)**, as under:

### A. RIGHTS OF SHAREHOLDERS

The Company has taken all necessary steps to protect the Rights of Shareholders and seeks approval of the shareholders as and when required as per the provisions of the Companies Act, 2013 or other applicable legislations.

The Company issues press releases regarding the important events and the same are submitted to Stock Exchanges for information of the valued investors.

The Annual Report and the Notice of the Annual General Meeting (AGM) explain exhaustively the procedures governing the AGM, voting procedures etc. Sufficient opportunity is provided to the shareholders to raise queries to the Board of Directors and queries pertaining to financials, Company's future prospects etc. are clarified at the meeting.

The Company has a Board level Stakeholders' Relationship Committee which meets periodically to redress the grievances of shareholders. The shareholders have the facility of directly approaching the Company as well as the Registrar and Share Transfer Agent (RTA) to address their queries/ grievances, which are generally addressed within a fortnight.

Interests of the minority shareholders are protected and there was no instance of abusive action by controlling shareholders.

### B. TIMELY INFORMATION

The Company sends notices through email to all shareholders who have provided their e-mail id with the Company and/ or depository participants in addition to such shareholder communication on its website.

Further, Company encourages investors to register their email ID to receive communications including annual report via email.

The website of the Company is updated continuously to keep stakeholders informed of various developments including Notice of General Meeting, Postal Ballot(s), Annual Reports, quarterly results, dividend information and other statutory information.

### C. EQUITABLE TREATMENT

All the equity shareholders are treated equitably - irrespective of their locations and accordingly the Company dispatches notice well in advance.

Further, the E-voting facility is provided to every Shareholder. Simple and inexpensive procedures are adopted to cast vote electronically.

### D. ROLE OF STAKEHOLDERS IN CORPORATE GOVERNANCE

The Business Responsibility and sustainability Report of the Company carries an exclusive section spelling the steps being taken by the Company in this regard. The Company, being a listed Public Sector Enterprise, conducts and governs itself with Ethics, Transparency and Accountability as per law of the land and ensures compliance of all the policies, rules, regulations, guidelines, directives mandated by the Government of India.

For effective participation of stakeholders, the Company disseminates various announcements from time to time through stock exchanges filings, newspapers, Company website and other media to the stakeholders concerned.

Further, the Company is covered under the provisions of Right to Information Act, 2005 and it provides information to the citizens of India as provided under the Act. The Company has a Vigilance Department which is headed by an officer on deputation from the Government of India in the rank of Joint Secretary or above.

The Company has implemented a Whistle Blower Mechanism which gives opportunity to the directors and employees to raise any concern of unethical or illegal or immoral activity occurring in the Company.

### E. DISCLOSURE AND TRANSPARENCY

The Company ensures timely and complete dissemination of information on all matters which are required to be made public. The website and the Annual Report of the Company contain exhaustive information regarding different aspects of the functioning, financial health, ownership and governance practices of the Company.

All disclosures are made by the Company in the formats as prescribed under relevant enactments/ regulations in respect of accounting, financial and non-financial matters.

The Company disseminates information through press releases, official website and/or through the Stock Exchanges and access to all these modes are free for all users.

The Company maintains minutes of the proceedings of all meetings (Board/ Board Level Committees/ General meeting) as per the Secretarial Standards prescribed under the Companies Act, 2013. The minutes are being maintained explicitly recording dissenting opinions as stipulated under law.

## F. RESPONSIBILITIES OF THE BOARD OF DIRECTORS

Article 95 of the Articles of Association of the Company provides that the business of the Company shall be managed by the Board of Directors. However, based on the organizational requirements for day-to-day operations the Board of Directors has approved a Book of Delegated Powers (BDP) and other manuals like Material Management, Works manual etc., which spell out the processes and define the level (Executive Committee/ Whole-time Director/ Key Executive and below) at which any decision is to be taken and the said BDP and other manuals are reviewed from time to time to ensure that they are updated and meet the needs of the organization.

The Board members are required to declare their interest in all contracts and their shareholdings etc. which are noted by the Board. The Company ensures that all related party transactions are carried out as per statutory requirements.

The Company being a Central Public Sector Enterprise (CPSE) all the Directors are appointed based on nomination by the President of India, through the Administrative Ministry. The evaluation of the performance of the Directors and the Board including the fulfilment of independence criteria of Independent Directors as required are being carried-out by the Government of India as per its own internal processes and that the Board of the Company has no role to play in this regard.

The Agenda Items, circulated in advance to the members of the Board, are exhaustive in nature. Further, presentations are made during the course of discussions to aid in discussions for the agenda item. Independent Directors are provided all the relevant information to ensure that the interests of the minority shareholders are protected. Every agenda is discussed in detail before necessary decision is taken. Committees of the Board deliberate upon proposals circulated as per the terms of reference of respective Committee.

The Board regularly monitors the Action Taken Report on its decisions. Risk areas are outlined and mitigation processes are put in place.

The terms of reference, quorum, periodicity of meeting etc. are clearly defined for each of the Board Committees, and approved by the Board.

The Board performs key functions by fulfilling the responsibilities for achieving economy, efficiency and effectiveness for Company vis-à-vis shareholders' value creation.

Directors are nominated for various external training programs to enhance their knowledge of corporate governance, model code of business ethics and conduct, orientation programs focusing on new developments for improving the Board deliveries as directors.

### 1.3 Corporate Governance Recognitions

The Company's Corporate Governance practices have secured many accolades from Indian Chamber of Commerce, Institute of Directors and Institute of Company Secretaries of India. The Company continues with the spirit of Corporate Governance in every sphere of its activities.

## 2. BOARD OF DIRECTORS

### 2.1 COMPOSITION

The Board of Directors of the Company ensures the Company's prosperity by collectively directing the company's affairs, whilst meeting the appropriate interests of its shareholders and stakeholders. The Chairman and Managing Director (CMD) and Six Whole-Time Directors viz. Director (Finance), Director (Offshore), Director (Human Resource), Director (Exploration), Director (Technology & Field Services) and Director (Onshore) spearhead the day to day operations of the Company, the strategic decision(s) are under the overall supervision, control and guidance of the Board of Directors of the Company, which includes Government Nominee Directors and Independent Directors.

The Company is a Government Company under the administrative control of the Ministry of Petroleum and Natural Gas (MoP&NG), Government of India, the Directors are, therefore, nominated/ decided by the Government of India.

Four (4) Independent Directors, including one Woman Independent Director, were appointed w.e.f. 14 November 2021. In addition, one Independent Director each was appointed w.e.f. 31 December 2021 and 2 February 2022 respectively.

As on 31 March 2022, there were 13 Directors, comprising of 5 Executive Directors and 8 Non-Executive Directors - 1 Government Nominee Director and 7 Independent Directors. The composition of the Board was in line with requirements of Listing Regulations as on 31 March 2022.

As required under Regulation 46(2)(b) of the Listing Regulations, the terms and conditions of appointment of Independent Directors are available on the Company's website at web-link https://ongcindia.com/web/eng/investors/independent-director

### 2.2 MATRIX PROVIDING THE SKILLS/EXPERTISE/COMPETENCE OF THE MEMBERS OF THE BOARD:

The Board of the Company comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and Board Level Committees. The Board of Directors ensures highest standard of Corporate Governance.

Being a Government Company, all the Directors on the Board viz. Functional Directors, Government Nominee Directors and Independent Directors are selected/ nominated and appointed by the Government as per a well laid down process for each category of Directors. In view thereof, the Company has not mapped core skills expertise / competencies in the context of the Company's business in terms of requirements of SEBI LODR Regulations.

### 2.3 None of the Independent Director resigned during the year.

### 2.4 BOARD/COMMITTEE MEETINGS AND PROCEDURES

As a good governance practice and as per the guidance note issued by the Institute of Company Secretaries of India, the Board approves in advance, a tentative schedule of the Board Meetings to be held during the ensuing financial year considering the requirements under applicable laws w.r.t minimum number of meetings and maximum permissible time gap between two consecutive meetings. Additional meetings are also convened to fulfil statutory and operational requirements of the Company. In case of exigency resolutions are passed by circulation as provided under the Companies Act, 2013.

The Company also offers video conferencing facility to the Directors to enable them to attend and participate as may be permitted under law.

The agenda for the meetings are circulated in advance for informed decision making by the Directors. However, the agenda items containing unpublished price sensitive information and agenda at shorter notice are tabled at the relevant meeting of Board/ Committee, with necessary permission of the Directors. The Company Secretary attends all the meetings of the Board and Board Level Committees and prepares minutes of such meetings.

The Company has in-house developed online Board portal, i.e. G-Board (Green-Board), for distribution of agenda and related documents for the meetings of Board and Committees, thereby circulation and preservation of all meeting material through online process are made which results in saving paper, reducing carbon foot-print and cycle time to make documents available to the Board/ Committee Members and increasing confidentiality.

**2.5 TRAINING OF NON-EXECUTIVE BOARD MEMBERS**

In line with Clause 3.7 of the Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010, issued by Government of India, Department of Public Enterprises and requirement of regulation 25 (7) of the Listing Regulations with regard to training of Directors, the Company has following training policy for Directors:

- Induction/familiarization program, covering business background, role of the director, and Board practices
- External Training

Non-Executive Board members are eminent personalities having wide experience in the field of business, education, industry, commerce, social and administration. Their presence on the Board is advantageous and fruitful in arriving at strategic decisions. The training policy of Directors and the details of familiarization/ training programmes organized are available at web-link: **https://ongcindia.com/web/eng/investors/independent-director**

**2.6 BOARD MEETINGS**

During the fiscal 2021-22, Twelve (12) meetings of Board were held on 23.04.2021, 29.04.2021, 21.05.2021, 24 & 25.06.2021, 11.08.2021, 13.08.2021, 16.09.2021, 12.11.2021, 16.12.2021, 30.12.2021, 21.01.2022 and 11.02.2022.

The information as required to be disclosed under Schedule V of the Listing Regulations, pertaining to Board and related matters including number of Board Meetings attended by Directors during the financial year 2021-22, attendance at the last Annual General Meeting by them and the number of other Directorship / Committee Membership in various companies as on 31 March 2022 are tabulated below:-

Snapshot of ONGC Uran Plant: All the installations of ONGC are accredited with globally-recognised Quality, Health, Safety and Environment (QHSE) certifications

| *Names and Designation* | *No. of Meeting Held during tenure (A)* | *Attendance by Directors* | | *Whether attended last AGM held on 24.09.2021* | *Details as on 31.03.2022* | | |
|---|---|---|---|---|---|---|---|
| | | *No. of meetings (B)* | *% (B/A)* | | *No. of Directorships as per Regulation # (17A)* | *No. of Committee memberships across all companies ** | |
| | | | | | | *As Member Regulation 26(1)(a)* | *As Chairperson Regulation 26(1)(b)* |
| **a) Executive Directors** | | | | | | | |
| Dr. Alka Mittal, CMD add. Chg. & Director (HR) | 12 | 12 | 100% | Yes | 3 | 1 | 0 |
| Shri R K Srivastava, Director (Exploration) | 12 | 11 | 91% | Yes | 1 | 0 | 0 |
| Shri Om Prakash Singh, Director (T&FS) | 12 | 12 | 100% | Yes | 2 | 3 | 0 |
| Shri Anurag Sharma, Director (Onshore) | 12 | 11 | 100% | No | 1 | 0 | 1 |
| Shri Pankaj Kumar, Director (Offshore) (w.e.f. 04.09.2021) | 6 | 6 | 100% | Yes | 1 | 1 | 0 |
| Shri Subhash Kumar, Director (Finance) (up to 31.12.2021) | 10 | 10 | 100% | Yes | NA | NA | NA |
| Shri Rajesh Kakkar, Director (Offshore) (up to 30.04.2021) | 2 | 2 | 100% | NA | NA | NA | NA |
| **b) Government Nominee Directors** | | | | | | | |
| Shri Rajesh Aggarwal, Additional Secretary & Financial Advisor (up to 23.09.2021) | 7 | 5 | 71% | No | NA | NA | NA |
| Shri Amar Nath, Additional Secretary (E) | 12 | 8 | 67% | No | 2 | 0 | 0 |
| **c) Independent Directors** | | | | | | | |
| Shri Amitava Bhattacharyya, Independent Director | 12 | 12 | 100% | Yes | 1 | 1 | 0 |
| Shri Syamchand Ghosh, Independent Director (w.e.f. 14.11.2021) | 4 | 4 | 100% | NA | 1 | 1 | 1 |
| Shri V. Ajit Kumar Raju, Independent Director (w.e.f. 14.11.2021) | 4 | 4 | 100% | NA | 1 | 0 | 1 |
| Shri Manish Pareek, Independent Director (w.e.f. 14.11.2021) | 4 | 4 | 100% | NA | 1 | 2 | 0 |
| Ms. Reena Jaitly, Independent Director (w.e.f. 14.11.2021) | 4 | 4 | 100% | NA | 1 | 0 | 0 |
| Dr. Prabhaskar Rai, Independent Director (w.e.f. 31.12.2021) | 2 | 2 | 100% | NA | 1 | 1 | 0 |
| Dr. Madhav Singh, Independent Director (w.e.f. 02.02.2022) | 1 | 1 | 100% | NA | 1 | 0 | 0 |

#Equity listed entities considered

*Chairmanship/ Membership of the Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies (including ONGC) in line with the format of Corporate governance report to be filed with the stock exchanges in terms of Regulation 27(2) and also keeping in view the requirement of limit of Committees under clause 26(b) of the Listing Regulations.

**Notes:** (i) The Company being a CPSE, all Directors are appointed/ nominated by the Government of India;

(ii) Directors are not per se related to each other;

(iii) Directors do not have any pecuniary relationships or transactions with the Company (except remuneration, including sitting fees, and payment/reimbursement of their expenditure incurred in connection with the business of the Company, as they are entitled);

(iv) The Directorships/Committee Memberships in other companies are based on the latest disclosure received from respective Directors;

(v) None of the Director is a Member of more than 10 Committees or Chairman of more than 5 Committees, across all the companies in which he/ she is a Director as mentioned under Regulation 26.

Further as required under para 2 (c) of the part c of Schedule V of SEBI-Listing Regulations, category of Directorship and name of other listed entities as on 31 March 2022 are mentioned as under:

| | | | |
|---|---|---|---|
| 1 | Dr. Alka Mittal, Chairman & Managing Director (Additional Charge) and Director (HR) | Mangalore Refinery and Petrochemicals Limited | Chairperson |
| | | Petronet LNG Limited | Director |
| | | ONGC Petro additions Limited [debt listed] | Chairperson |
| 2 | Shri Om Prakash Singh, Director (T&FS) | Mangalore Refinery and Petrochemicals Limited | Director |
| | | ONGC Petro Additions Limited [debt listed] | Director |
| 3 | Shri Pankaj Kumar, Director (Offshore) | ONGC Petro Additions Limited [debt listed] | Director |
| 4 | Shri Amarnath, Govt. Nominee Director | Oil India Limited | Govt. Nominee - Director |

## EQUITY SHARES HELD BY NON EXECUTIVE DIRECTORS

As on 31.03.2022 none of the Non-Executive Director(s) held any shares or convertible instrument(s) in the Company.

### 3. BOARD LEVEL COMMITTEES

The Board has been assisted by adequate Board Level Committees (BLCs). The Company Secretary acts as the Secretary to all the Board Level Committee(s).

The details inter-alia, pertaining to composition, brief of Terms of Reference **(ToR)**, meeting and attendance of BLCs of the Company is enumerated below:

### 3.1 AUDIT COMMITTEE

ToR for Audit Committee have been approved by the Board of Directors taking into account the requirements under the Companies Act, 2013, Listing Regulations, and Department of Public Enterprises (DPE) Guidelines on Corporate Governance for Central Public Sector Enterprises – 2010 and also the organizational requirements.

During the year under review, four (04) meetings of Audit Committee were held on 16.12.2021, 30.12.2021 11.02.2022 and 16.03.2022.

The details of members including change, if any, in their tenure, number of meetings held during the year and attendance of the members are as under:-

| *Members* | *No. of Meeting Held during tenure (A)* | *Attendance by Members* | |
|---|---|---|---|
| | | *No. of meetings (B)* | *% (B/A)* |
| Shri V. Ajit Kumar Raju (Member w.e.f. 14.11.2021, Chairman w.e.f 12.02.2022) | 4 | 4 | 100% |
| Shri Amitava Bhattacharyya (Member, Chairman up to 11.02.2022) | 4 | 4 | 100% |
| Shri Syamchand Ghosh (w.e.f. 14.11.2021) | 4 | 4 | 100% |
| Shri Manish Pareek (w.e.f. 11.02.2022) | 1 | 1 | 100% |
| Dr. Prabhaskar Rai (w.e.f. 11.02.2022) | 1 | 1 | 100% |
| Shri Anurag Sharma (up to 11.02.2022) | 3 | 3 | 100% |

**Note:-** Since there was only (01) Independent Director, w.e.f. 08.09.2020, meeting could not be convened thereafter, for want of minimum 2 IDs. The Committee was duly re-constituted w.e.f. 14.11.2021 after appointment of requisite number of IDs.

### 3.2 NOMINATION AND REMUNERATION COMMITTEE (NRC)

Based on the ToR as specified under the Companies Act, 2013, Listing Regulations, DPE Guidelines on Corporate Governance for CPSEs-2010 and also the administrative requirements of the Company, the Nomination and Remuneration Committee (NRC) has been constituted by the Board.

Further, the Company, being a Government Company, the appointment, tenure and remuneration of functional directors are decided by the Government of India. The sitting fees of Independent Directors were approved by the Board as per provisions of the Companies Act, 2013. The role of NRC has been extended to formulate and recommend to the Board all HR related strategy/ policy matters. The remuneration of the employees of the Company including senior management personnel is decided by the Board in line with applicable DPE Guidelines. It is mandatory for NRC to decide the annual Bonus/variable pay pool and policy for its distribution among the employees of the Company within the limits as provided under DPE Guidelines.

The provisions of the Companies Act, 2013 relating to criteria for appointment of Director(s), policy relating to the remuneration of Director(s) and performance evaluation pertaining to NRC shall not be applicable to Government Companies. The Company made a representation to SEBI seeking similar exemption under Listing Regulations.

During the year, 2 (Two) meetings were held on 20.01.2022 and 16.03.2022.

The details of members including change, if any, in their tenure, number of meetings held during the year and attendance of the members are as under:

| *Members* | *No. of Meeting Held during tenure (A)* | *Attendance by Members* | |
|---|---|---|---|
| | | *No. of meetings (B)* | *% (B/A)* |
| Dr. Prabhaskar Rai, (Chairman w.e.f. 11.02.2022) | 1 | 1 | 100% |
| Shri Amitava Bhattacharyya (Up to 11.02.2022) | 1 | 1 | 100% |
| Shri Manish Pareek (w.e.f. 14.11.2021) | 2 | 2 | 100% |
| Ms. Reena Jaitly (w.e.f. 14.11.2021) | 2 | 2 | 100% |
| Shri Amar Nath (Up to 11.02.2022) | 1 | 0 | 0% |

**Note:-** Since there was only (01) Independent Director w.e.f. 08.09.2020, meeting could not be convened thereafter for want of minimum 2 IDs. The Committee was duly constituted w.e.f 14.11.2021.

### 3.3. RISK MANAGEMENT COMMITTEE

During the year, 2 (Two) meetings of the Committee were held on 05.10.2021 and 16.03.2022.

The details of members including change, if any, in their tenure, number of meetings held during the year and attendance of the members are as under:

| *Members* | *No. of Meeting Held during tenure (A)* | *Attendance by Members* | |
|---|---|---|---|
| | | *No. of meetings (B)* | *% (B/A)* |
| Shri Amitava Bhattacharyya (Chairman) | 2 | 2 | 100% |
| Shri V. Ajit Kumar Raju (w.e.f. 16.12.2021) | 1 | 1 | 100% |
| Shri Madhav Singh (w.e.f. 11.02.2022) | 1 | 1 | 100% |
| Shri Pankaj Kumar (w.e.f. 04.09.2021) | 2 | 1 | 50% |
| Shri Rajesh Kumar Srivastava ( up to 16.12.2021) | 1 | 1 | 100% |
| Shri Om Prakash Singh (up to 16.12.2021) | 1 | 1 | 100% |
| Shri Anurag Sharma | 2 | 2 | 100% |

### 3.4 STAKEHOLDERS' RELATIONSHIP COMMITTEE (SRC)

ToR of SRC is in line with the requirement of Regulation 20(4) of the Listing Regulations. SRC also looks into various aspects of interest of shareholders of the Company. The Committee also oversees and reviews performance of the Registrar and Share Transfer Agent and recommends measures for overall improvement in the quality of investor services.

During the FY'22, 2(Two) meeting of the Stakeholder's Relationship Committee were held on 05.10.2021 and 10.02.2022.

The composition of SRC is as under:

| | |
|---|---|
| Chairperson - | Shri Amitava Bhattacharyya, Independent Director |
| Members - | Shri Syamchand Ghosh, Independent Director |
| | Dr. Alka Mittal – Director (HR), and |
| | Shri Anurag Sharma – Director (Onshore) |

### 3.5.1 DIRECTORS' REMUNERATION

The details of Remuneration of Directors as required under Regulation 34(3) read with Schedule V of the Listing Regulations are as under:

**a) Executive Directors**

| *DETAILS OF REMUNERATION PAID TO CMD AND WHOLE TIME DIRECTORS OF THE COMPANY (Amount ₹ in million )* | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| *Details from 01.04.2021 to 31.03.2022* | | | | | | | | | |
| *S. No.* | *Name/ Designation* | *Salary including DA* | *Other Benefits & perks* | *Leave Encashment/ gratuity on retirement* | *Performance incentive Provision/ Payment* | *Contribution of PF* | *Provision for Leave, Gratuity and Post-Retirement Benefits as per revised AS-15* | *Total Amount* | *Current tenure extending to* |
| 1. | Dr. Alka Mittal CMD add. Chg. & Director (HR) | 4.97 | 0.19 | - | 2.98 | 0.88 | 0.62 | 9.63 | 31.08.2022 |
| 2. | Shri Rajesh Kumar Srivastava Director (Exploration) | 4.21 | 1.09 | - | 2.98 | 0.89 | 0.20 | 9.37 | 31.12.2022 |
| 3. | Shri Om Prakash Singh , Director (T&FS) | 4.35 | 0.68 | - | 2.98 | 0.90 | 0.69 | 9.59 | 31.12.2024 |
| 4. | Shri Anurag Sharma, Director (Onshore) | 4.67 | 0.57 | - | 3.06 | 0.92 | 0.76 | 9.98 | 28.02.2023 |
| 5. | Shri Pankaj Kumar, Director (Offshore) (Appointment w.e.f 04/09/2021 | 2.79 | 0.97 | - | 1.89 | 0.59 | 0.66 | 6.90 | 30.06.2026 |
| 6. | Shri Subhash Kumar, Director (Finance)/CMD (Ceased w.e.f. 01.01.2022) | 3.25 | 0.33 | 1.31 | 1.94 | 0.58 | 0.21 | 7.61 | 31.12.2021 |
| 7. | Shri Rajesh Kakkar, Director (Offshore) (Ceased w.e.f. 01.05.2021) | 0.36 | 0.84 | 5.10 | 0.17 | 0.07 | 1.27 | 7.80 | 30.04.2021 |
| | **Sub Total (A)** | **24.60** | **4.67** | **6.41** | **15.99** | **4.82** | **4.40** | **60.89** | |

**Note:**

1. Performance related pay of Executive Directors is paid as per DPE norms.

2. Notice period of 3 months or salary in lieu thereof is required for severance of services of Execuive Directors.

**(b) Independent Directors**

Pursuant to Section 197 of the Companies Act, 2013 read with Article 110 & 111 of the Articles of Association of the Company and other applicable provisions, Independent Directors are paid sitting fees @ ₹ 40,000/- for each meeting of the Board attended by them and ₹ 30,000/- for each meeting of the Committee attended by them as members. Further, terms and conditions for appointment of Independent Directors is placed at the website of the Company at https://ongcindia.com/web/eng/investors/independent-director

The details of sitting fees paid to Independent Directors (exclusive of GST) for the financial year 2021-22 is given below:

| *Name of Independent Director* | *Sitting fees (₹ in million)* |
|---|---|
| Shri Amitava Bhattacharyya | 1.22 |
| Shri Syamchand Ghosh (w.e.f. 14.11.2021) | 0.31 |
| Shri Vysyaraju Ajit Kumar Raju (w.e.f. 14.11.2021) | 0.37 |
| Shri Manish Pareek (w.e.f. 14.11.2021) | 0.28 |
| Ms. Reena Jaitly (w.e.f. 14.11.2021) | 0.34 |
| Dr. Prabhaskar Rai (w.e.f. 31.01.2021) | 0.20 |
| Dr. Madhav Singh (w.e.f. 02.02.2022) | 0.13 |
| **Total** | **2.85** |

**(c) Government Nominee Directors**

Government Nominee Directors being the representatives of Promoters are neither paid any remuneration nor sitting fees.

**(d) Company Secretary and other senior officers**

The remuneration of senior officers just below the level of Board of Directors, appointment or removal of them including CFO and Company Secretary, as specified in Part A (E) of schedule (II) of Listing Regulations are governed by the DPE guidelines and the same are approved/ reported to the Board from time to time.

### 3.5.2 STOCK OPTIONS

The Company has not issued any Employees Stock Options (ESOPs) to its Directors/ Employees during the year under review.

However, the Government of India as Promoter of the Company offered equity shares to eligible employees at a price of ₹ 159.80/- per equity share and the said offer was open during the period from 9 to 11 April 2022. 1,818 employees were allocated 20,64,654 equity shares in the said offer.

### 3.5.3 COMPLIANCE OFFICER

Shri Rajni Kant, Company Secretary, is the Compliance Officer.

### 3.5.4 REGISTRAR AND SHARE TRANSFER AGENT (RTA)

Alankit Assignments Limited, is the Registrar and Share Transfer Agent (RTA) of the Company. Contact details of the RTA are as under:-

Address: Alankit House, 4E/2, Jhandewalan Extension,
New Delhi – 110055,
Phone No.: 011- 42541234/011- 42541953
Fax No: 011- 42541201
Website: www.alankit.com
e-mails: alankit_ongc@alankit.com and jksingla@alankit.com

### 3.5.5 REDRESSAL OF INVESTORS' GRIEVANCE

The Company addresses all complaints, suggestions and grievances of the investors expeditiously and resolves them within specified timeline, except in case of dispute over facts or other legal constraints.

No request for share transfer is pending beyond 30 days except those that are disputed or sub-judice. All requests for de-materialization of shares are processed and confirmation communicated to investors and Depository Participants normally within 10-12 working days by RTA.

**Details of complaints received and redressed during the financial year 2021-22.**

At the beginning of FY'22 there were no pending complaints, 17 complaints were received during the year which were related to non-receipt of dividend/ annual report, from the shareholders and the same were resolved to the satisfaction of shareholders.

There was only one (1) complaint pending with Stock Exchanges and SCORES as on 31 March 2022.

ONGC is enhancing its footprints in renewables like offshore wind and solar, targeting a capacity of 5-10 GW by 2040

### 3.5.6 SETTLEMENT OF GRIEVANCES

Investors may register their complaints in the manner stated below:

| Sl.No. | Nature of Complaint | Contact | Action to be taken |
|---|---|---|---|
| 1. | Dividend from financial years 2014-15 (Final) to 2021-22 (Interim) and matters pertaining to Bonus Shares and shares held in Physical mode;<br><br>**For Physical Shares-**<br><br>Change of address, status, Bank account, mandate, ECS mandate etc. | Alankit Assignments Limited, Account ONGC,<br><br>Alankit House, 4E/2 Jhandewalan Extension, New Delhi – 110055<br>Phone No. 011- 42541234<br>011-42541953<br>Fax No: 011- 42541201<br>Web site : www.alankit.com<br>e-mail: alankit_ongc@alankit.com<br>jksingla@alankit.com | Letter on plain paper stating the nature of complaint and shall mention Folio/ DPID/ Client ID No; lodging of original shares and other documents/ instruments as the case may be.<br><br>Members are requested to apply for renewal or issue of duplicate dividend warrants for the final Dividend 2014-15 and 1st Interim dividend 2015-16 on or before 21.11.2022 and 12.01.2023 respectively as the same will be transferred by the Company to the Investor Education & Protection Fund (IEPF) in compliance of provisions of the Companies Act, 2013. Thereafter, claim can be made as per procedures prescribed under the IEPF Rules issued by the Ministry of Corporate Affairs, Govt. of India. |
| 2. | **For shares held in Demat-**<br><br>Change of address, status, Bank account, mandate, ECS mandate etc. | Depository Participant (DP) with the Shareholder is maintaining his/her account. | As per instructions of respective DP. |
| 3. | Complaints of any other category | Company Secretary<br>Oil and Natural Gas Corporation Ltd., Plot No. 5A- 5B, Nelson Mandela Road, Vasant Kunj New Delhi -110070<br>Phone: 011-26754073/85<br>e-mail: secretariat@ongc.co.in | On plain paper stating nature of complaint, folio/DPID/Client ID No., Name and address, email ID and contact details. |

• Shareholder(s) whose unclaimed or unpaid dividend amount has been transferred by the Company to IEPF may claim the same from the IEPF Authority by filing Form IEPF-5 along with requisite documents. Further details and procedure is available on the weblink http://www.iepf.gov.in/IEPFA/refund.html

**Note**

**For seamless payment of dividend, all Investor are requested to update their client master (maintained with DP) with correct bank details and IFSC along with email address.**

**Physical Shareholder are requested to give bank mandate for transfer of dividend directly to respective bank account.**

Company has hosted a public notice in this regard on its website https://ongcindia.com/web/eng/investors/notices

### 3.5.7 INVESTOR RELATIONS CELL

In line with global practices, the Company is committed towards maintaining, the highest standards of Corporate Governance, reinforcing the relationship between the Company and its Shareholders. The information frequently required by investors and analysts, are available on the Company's website **www.ongcindia.com** under the **'Investor'** page. The website provides updates on financial statements, investor-related events and presentations, annual reports, dividend information and shareholding pattern along with media releases, company overview and report on Corporate Governance etc. Existing and potential investors are able to interact with the Company through this link.

A Core Team comprising of senior executives, headed by the Director (Finance), has been assigned the responsibility of up-keep of the said link and to serve as a platform for the shareholders to express their opinions, views, suggestions, to understand the influencing factors in their investment decision-making process. Besides this, the Team is also instrumental in maintaining close liaison and to share information through periodic meets including tele-conferencing in India and abroad, regular interactions with investment bankers, research analysts and institutional investors. The Company is committed to take such additional steps as may be necessary to fulfil the expectations of the stakeholders.

## 4. OTHER FUNCTIONAL/ ACTIVITY SPECIFIC COMMITTEES

Apart from the above, the Board has constituted other statutory Committees viz., Corporate Social Responsibility Committee (CSR), Risk Management Committee (RMC), Committee for Allotment of Securities and Issue of Certificate (CASIC) and other non-statutory Committees including Project Appraisal and Review Committee (PARC), Health Safety and Environment Committee (HSE), Committee on Dispute Resolution (CoDR), Research and Development Committee (R&D) and Asha Kiran.

## 5. INDEPENDENT DIRECTORS

There was only one (01) Independent Director in the Company during 01.04.2021 to 13.11.2021. Further, (04) Four Independent Directors, including one Independent Woman Director, were appointed w.e.f. 14.11.2021. (02) Two more Independent Directors were appointed w.e.f. 31.12.2021 and 02.02.2022 respectively. As on 31.03.2022 there were 7 (Seven) Independent Directors on the Board comprising more than 50% of the Board.

All Independent Directors are registered in the Independent Directors' Databank maintained with the Ministry of Corporate Affairs, Govt. of India and also provided disclosures to confirm meeting the requirements of independence as per requirements of the Companies Act, 2013 and SEBI Listing Regulations, 2015.

**Meeting of Independent Directors**

Regulation 25 (3) of Listing Regulations and Schedule IV of the Companies Act, 2013 read with the Rules thereunder mandates that the independent directors of the Company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of the management. A meeting of IDs was held on 15 March 2022.

## 6. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has put in place necessary vigil mechanism/ whistle blower policy which provides channel to the Directors and Employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Code of Conduct and also instances of leak of unpublished price sensitive information. No employees/ personnel has been denied access to the Audit Committee.

The said mechanism is in addition to vigilance set-up established under the aegis of Central Vigilance Commission as required for all CPSEs.

## 7. COMPLIANCE CERTIFICATE BY CEO/ CFO

In terms of Regulation 17(8) of Listing Regulations, the Compliance certificate issued by the CEO and CFO on the financial statements and internal controls relating to financial reporting for the year 2021-22 was placed before the Board at the meeting held on 28 May 2022.

## 8. SUBSIDIARY MONITORING FRAMEWORK

The Company has Four (4) direct subsidiary companies, namely, Hindustan Petroleum Corporation Ltd (HPCL), Mangalore Refinery and Petrochemicals Ltd (MRPL), ONGC Videsh Ltd (OVL) and Petronet MHB Ltd (PMHBL).

In terms of the Listing Regulations and the DPE guidelines on Corporate Governance, Minutes of the Board meeting (except HPCL) along with performance of the subsidiary companies has been reviewed by the Audit Committee and the Board of the Company.

**MATERIAL UNLISTED SUBSIDIARY**

The Company does not have any material unlisted subsidiary company. The policy on determination of materiality of subsidiary is available at weblink: https://ongcindia.com/web/eng/investors/policies

## 9. ANNUAL GENERAL MEETINGS

Location, date and time of the AGMs held during the preceding 3 years are as under:

| *Year* | *Location* | *Date* | *Time (IST)* | *Special Resolution(s)* |
|---|---|---|---|---|
| 2018-19 (26th AGM) | Pragyan Auditorium, All India Council For Technical Education, Nelson Mandela Marg, Vasant Kunj, New Delhi-110067 | 30.08.2019 | 10.00 a.m. | Yes |
| 2019-20 (27th AGM) | Video Conferencing or Other Audio Visual Means | 09.10.2020 | 11.00 a.m. | No |
| 2020-21 (28th AGM) | Video Conferencing or Other Audio Visual Means | 24.09.2021 | 11.00 a.m. | No |

During the year under review, no resolution was passed through postal ballot. However during FY'23, the Company has obtained approval of members on below-mentioned two postal ballot notices:

1. Notice of Postal Ballot dated 24.03.2022 contained ten business items and all resolutions were duly passed as per the scrutinizers report dated 28.04.2022;

2. Notice of Postal Ballot dated 30.05.2022 contained one business item, which was also duly passed as per the scrutinizers report dated 01.07.2022.

## 10. DISCLOSURE

### 10.1 MATERIAL CONTRACTS/ RELATED PARTY TRANSACTIONS

During the Financial Year 2021-22, the Company has entered into contracts or arrangements with related parties, which were in the ordinary course of business and on an arm's length basis. The Company did not enter into any Related Party Transaction qualifying to be reported in AOC-2 and accordingly said information is NIL.

The details of transactions with related parties are disclosed in Note No. 44 of the Notes to Financial Statements for the year ended 31.03.2022. The Company has disclosed details of transactions with related parties as per the disclosure requirements of Indian Accounting standard – 24 on Related Party disclosures. The policy on related party transactions of the Company may be accessed at **https://ongcindia.com/web/eng/investors/policies**

### 10.2 COMPLIANCES

The Company is complying with the mandatory requirements of Listing Regulations and the Companies Act, 2013.

The Company has complied with applicable rules (except as otherwise stated in the Certificate on compliances of conditions of Corporate Governance by the Practising Company Secretary enclosed as **Annexure A**) and the requirement of regulatory authorities on capital market and no penalties or strictures were imposed on the Company during last three years.

All returns/ reports were filed within stipulated time with stock exchanges.

## 11. MEANS OF COMMUNICATION

• **Quarterly/ Annual Results:** The Company regularly intimates un-audited as well as audited financial results to the Stock Exchanges, immediately after approval of Board. These financial results are normally published in the leading English and vernacular newspapers having nationwide circulation. The results are also displayed on the website of the Company www.ongcindia.com for wider circulation.

• **News Release, Presentation etc.:** The official news releases, detailed presentations made to media, institutional investors, financial analysts etc. are displayed on the Company's website www.ongcindia.com.

- **Website:** The Company's website www.ongcindia.com contains separate dedicated section 'Investor Relations' where the information for shareholders is available. Full Annual Report, Shareholding Pattern etc. are also available on the web-site.

- **Annual Report:** Annual Report containing inter-alia, Audited Accounts, Standalone and Consolidated Financial Statements, Board's Report, Management Discussion and Analysis (MD&A) Report, Business Responsibility and sustainability Report, Corporate Governance Report, Auditors' Report, including Information for the Shareholders and other important information is circulated to the members and others entitled thereto.

- **Chairman's Speech** during AGM was uploaded at the website of the Company for information/ dissemination to the Public including shareholders.

- **Letters to Investor:** The Company informs the shareholders regarding updation of Bank Account in the records of their shareholding, e-mails of shareholders concerned for regular communications and also claiming unpaid/ unclaimed dividend.

- **Designated exclusive email-ID:** The Company has designated the following email-ID exclusively for servicing to investors - secretariat@ongc.co.in.

- **Green Initiative:** As a part of Green initiative the Company sends the copy of the Annual Report along with the notice convening the Annual General Meeting through email to those shareholders who have registered their email id with the DP's / Registrar and Share Transfer Agent. Further, in terms of exemption granted by the Ministry of Corporate Affairs (MCA) and Relaxation by the the SEBI, the Company provided only digital copy of annual reports and notice of AGM to the shareholders in line with the applicable Circular(s)/ Guidelines issued by MCA and SEBI. Further, management also encourages least use of papers to preserve the environment. The Company has dedicated portal i.e. DISHA, which enables "digitization integration and standardization harnessing automation" for employees to avoid use of physical papers.

## 12. SHAREHOLDERS' INFORMATION

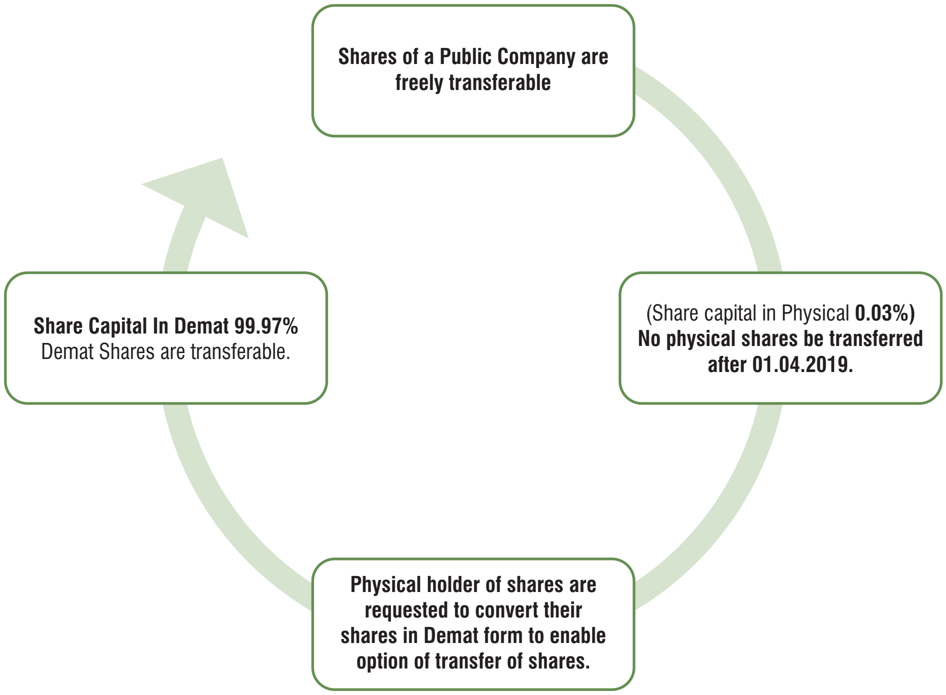
### 12.1 ANNUAL GENERAL MEETING

| | |
|---|---|
| Date | Monday, 29 August 2022 |
| Time | 14:00 Hrs. |
| Mode | Video Conferencing or Other Audio Visual Means |

### 12.2 FINANCIAL CALENDAR

| Adoption of Quarterly Results for the Quarter ending | Tentative date of the meeting of the Board |
|---|---|
| 30 June 2022 (with limited review by Statutory Auditors) | Thursday, 11 August 2022 |
| 30 September 2022 (with limited review by Statutory Auditors) | Thursday, 10 November 2022 |
| 31 December 2022 (with limited review by Statutory Auditors) | Thursday, 9 February 2022 |
| 31 March 2023 (audited) | Monday, 29 May 2023 |

These dates are tentative and subject to change and the last date for submission of the unaudited quarterly and year to date financial results to the stock exchange is within forty-five days of end of each quarter (except the last quarter). The last date for submission of the




*Transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository.*

***In view of the above, shareholders holding shares in Physical form are advised to get their shares dematerlised to enable the option of transfer of shares.***

financial results of the last quarter and year ended is within sixty days from the end of the financial year.

### 12.3 DIVIDEND PAYMENT AND RECORD DATE

During the Financial Year 2021-22, the Board of Directors declared interim and final dividend. Details pertaining to the dividend are given below:-

| *Dividend Declared* | *Date of declaration of Dividend* | *Rate & % of Dividend Declared* | *Record Date* | *Dividend payment Date* |
|---|---|---|---|---|
| 54th Final 2020-21 | 24.09.2021 | ₹ 1.85 per share (@37%) | 10.09.2021 | 30.09.2021 |
| 55th 1st Interim 2021-22 | 12.11.2021 | ₹ 5.50 per share (@110%) | 23.11.2021 | 26.11.2021 |
| 56th 2nd Interim 2021-22 | 11.02.2022 | ₹ 1.75 per share (@35%) | 22.02.2022 | 05.03.2022 |

The Company remits payment of dividend in the registered banking details as available in the records of members/ beneficial holders through ECS/NEFT/NACH. In case of non-availability of bank account number, shareholders concerned are requested to submit cancelled cheque along with copy of identification proof for remittance of dividend.

### 12.4 LISTING ON STOCK EXCHANGES:

The equity shares of the Company are part of the S&P BSE Sensex 50 and S&P CNX Nifty Index and are listed on the following Stock Exchanges:

| *Name & Address* | *Telephone/Fax/E-mail ID/ Website ID* | *Trading Symbol* |
|---|---|---|
| **National Stock Exchange of India Ltd. (NSE)** Exchange Plaza, C-1, G Block, Bandra-Kurla Complex, Bandra(E), Mumbai-400051 | Telephone: 022-26598100-8114 Fax: 022-26598120 E-mail: **ignse@nse.co.in** Website: **www.nse-india.com** | ONGC |
| **BSE Limited (BSE)** P.J.Towers, Dalal Street, Fort Mumbai-400001 | Telephone:022-22721233/4 Fax: 022-22721919 E-mail: **bsehelp@bseindia.com** Website: **www.bseindia.com** | 500312 |

**IDBI Trusteeship Services Ltd** has been appointed as the Debenture Trustee for four series of NCDs issued during previous year and said debentures are also listed on the BSE.

None of the securities of the Company has ever been suspended from trading.

### 12.5 LISTING FEES

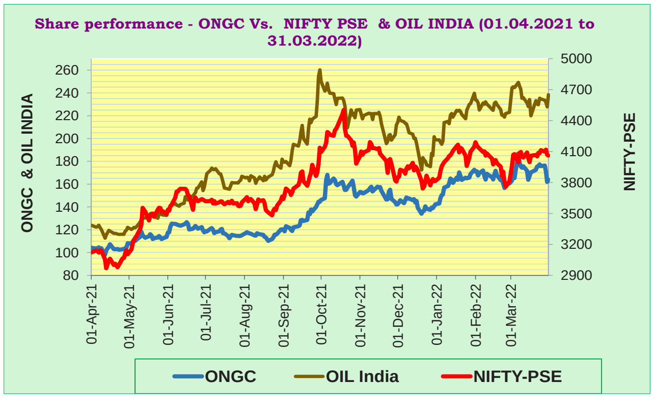
Annual listing fees upto the financial year 2022-23 have been paid to the respective Stock Exchanges.

### 12.6 CUSTODIAN FEES

Custodian Fee to NSDL and CDSL for Company's equity shares and NCDs has been paid upto the financial year 2022-23.

### 12.7 STOCK MARKET INFORMATION *

The stock price performance of ONGC scrip during the period 01.04.2021 to 31.03.2022 in comparison to peer E&P Company i.e. Oil India Limited and Nifty PSE is plotted below:




* Data is based on closing price of respective month ONGC as well as Oil India and Nifty PSE.

Proud to be an ONGCian: The number of women working in ONGC has increased to around 8 per cent

### 12.7.1 MARKET PRICE DATA:

The Monthly High and Low (traded price) and Number of shares traded (volume) at NSE and BSE for the financial year 2021-22 are as under:

| Month | National Stock Exchange | | | Bombay Stock Exchange | | |
|---|---|---|---|---|---|---|
| | High (₹) | Low (₹) | Volume | High (₹) | Low (₹) | Volume |
| Apr-21 | 112.70 | 97.45 | 413019584 | 112.70 | 97.45 | 26060307 |
| May-21 | 121.15 | 106 | 559235443 | 121.15 | 106 | 34298283 |
| Jun-21 | 128.50 | 114.20 | 693566720 | 128.45 | 114.25 | 46623604 |
| Jul-21 | 125 | 111.60 | 310970049 | 125 | 111.55 | 25501911 |
| Aug-21 | 121 | 108.50 | 281206090 | 120.95 | 108.50 | 22282600 |
| Sep-21 | 148.80 | 117.50 | 543955279 | 148.70 | 117.50 | 38924585 |
| Oct-21 | 172.75 | 144.10 | 685077443 | 172.80 | 144.20 | 43518002 |
| Nov-21 | 162.25 | 141.10 | 357497393 | 162.15 | 141.10 | 22464166 |
| Dec-21 | 150.50 | 131.65 | 228695102 | 150.50 | 131.75 | 9314484 |
| Jan-22 | 174.85 | 141.20 | 373479705 | 174.80 | 141.30 | 23625604 |
| Feb-22 | 176.35 | 155.80 | 401511266 | 176.40 | 155.80 | 21482568 |
| Mar-22 | 194.95 | 161.15 | 879978942 | 194.60 | 161.35 | 42115709 |
| **Total** | | | **5728193016** | | | **356211823** |

*Source: Web-sites of BSE and NSE

### 12.8 FOREIGN EXCHANGE AND INTEREST RISK MANAGEMENT AND HEDGING ACTIVITIES

Your Company is exposed to foreign exchange rate fluctuation since earnings and cash flows are influenced by various currencies in which our transactions are involved.

Your Company is also exposed to interest rate risk due to loans availed in Indian Rupees and foreign currency.

Your Company has policy for the risk management covering the exposure towards foreign exchange and interest rate risk and hedged exposure. It has developed robust control in forex management to identify, assess, monitor, measure and manage/ mitigate foreign exchange and interest rate risk and to hedge the exposure.

Since your Company is naturally hedged, hedging decision are triggered in case of a Net Positive Exposure i.e. Outflows in foreign currency equivalent is more than Inflows in foreign currency equivalent. During the year, no hedging decision was necessitated as there was no Net Positive Exposure.

The Forex Risk Management Committee (FRMC) constituted by the Company reviews the forex related matter periodically and suggest necessary course of action as and when needed within the overall approved framework.

## 13. SHARE TRANSFER /TRANSMISSION SYSTEM

SEBI vide circular dated 28.03.2018 has done away with the transfer of securities in physical form w.e.f. 01.04.2019. Accordingly, shareholders, who continue to hold shares of the Company in physical form will not be able to lodge the shares with Company / its RTA for further transfer

Even after aforesaid circular related to prohibition in transfer of physical shares after 01.04.2019, detail of physical shareholding as on 31.03.2022 is given below :-

***Therefore, Members holding shares in physical form are requested to dematerialize their holdings at the earliest.***

The requests received for re-materialization, consolidation and issue of duplicate shares are overseen by a Board level Committee for Allotment of Securities and Issue of Certificates (CASIC). A summary of transmission/ issue of duplicate share certificate of securities so reviewed are placed at Board Meetings along with minutes of the CASIC. The share certificates duly endorsed are sent to the shareholders by RTA. Confirmation in respect to the requests for dematerialization of shares are sent to the respective depositories i.e. NSDL and CDSL, expeditiously by RTA

Pursuant to the Regulation 40(9) & (10) of Listing Regulations, certificates on half yearly basis confirming due compliance of share transfer formalities by the Company, certificate for timely dematerialization of the shares as per SEBI (Depositories and Participants) Regulations, 2018 are submitted to stock exchanges.

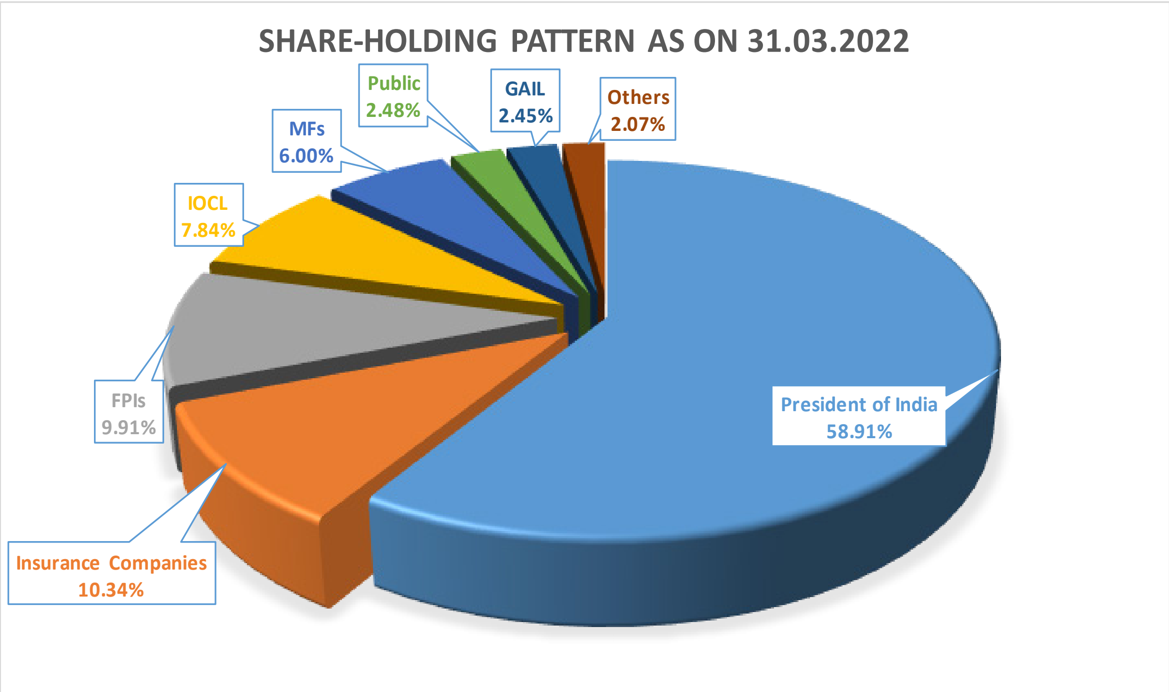
In addition, in compliance with regulation 76(1) of SEBI (Depositories and Participants) Regulations, 2018, a Reconciliation of Share Capital Audit report issued by Practising Company Secretary, confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL, is submitted to Stock Exchanges and also placed before the Board on a quarterly basis.

The total number of transfer deeds processed and shares transferred **(physical share transfer)** during the last three (3) years were as under:

| Years | No. of transfer deeds processed | No. of shares transferred |
|---|---|---|
| 2021-22 | Nil | Nil |
| 2020-21 | Nil | Nil |
| 2019-20 | 1 | 636 |

## 14. SHAREHOLDING PATTERN AS ON 31 MARCH 2022

| Sl. No. | Category | No. of Shareholders | No. of shares | % to equity |
|---|---|---|---|---|
| 1 | President of India | 1 | 7410904270 | 58.91 |
| 2 | Insurance Companies | 34 | 1300672382 | 10.34 |
| 3 | Foreign Portfolio Investors | 715 | 1246248234 | 9.91 |
| 4 | Indian Oil Corp.(IOCL) | 1 | 986885142 | 7.84 |
| 5 | Mutual Fund(s) | 35 | 754304325 | 6.00 |
| 6 | Public (Individual) | 1336419 | 312604722 | 2.48 |
| 7 | Gas Authority of India (GAIL) | 1 | 308401602 | 2.45 |
| 8 | Clearing Members | 177 | 169565867 | 1.35 |
| 9 | Trust | 66 | 31908900 | 0.25 |
| 10 | Financial Institutions/ Banks | 14 | 1814456 | 0.01 |
| 11 | Other Body Corporates | 2062 | 32956167 | 0.26 |
| 12 | Non Resident Indians/Non Resident non repatriates | 14729 | 13100337 | 0.11 |
| 13 | HUF | 6009 | 4106532 | 0.03 |
| 14 | Employees / Office Bearers | 2505 | 3663591 | 0.03 |
| 15 | Investor Education and protection Fund | 1 | 1278491 | 0.01 |
| 16 | Provident Funds/ Pension Funds | 1 | 644454 | 0.01 |
| 17 | NBFCs | 10 | 51719 | 0.00 |
| 18 | Alternate Investment Funds (AIFs) | 9 | 1165996 | 0.01 |
| 19 | Foreign Bank/Foreign Nationals | 5 | 2019 | 0.00 |
| | **Total** | **1362794** | **12580279206** | **100** |



### 14.1 TOP 10 SHAREHOLDERS AS ON 31 MARCH 2022

| Sl. No | Name of Shareholders | No. of shares held | % of total shareholding |
|---|---|---|---|
| 1 | President of India | 7410904270 | 58.91 |
| 2 | Life Insurance Corporation of India | 1223510245 | 9.73 |
| 3 | Indian Oil Corporation Limited | 986885142 | 7.84 |
| 4 | ICICI Prudential Value Discovery Fund | 318769195 | 2.53 |
| 5 | GAIL (India) Limited | 308401602 | 2.45 |
| 6 | CPSE Exchange Traded Scheme (CPSE ETF) | 242287456 | 1.93 |
| 7 | Fidelity Puritan Trust-Fidelity Low-Priced Stock Fund | 78500693 | 0.62 |
| 8 | SBI-ETF Nifty 50 | 61268866 | 0.49 |
| 9 | ICICI Prudential Equity & Debt Fund | 59904107 | 0.48 |
| 10 | Fidelity Puritan Trust Fidelity Series Intrinsic Opportunities Fund | 53474416 | 0.43 |

### 14.2 DISTRIBUTION OF SHAREHOLDING BY SIZE AS ON 31 MARCH 2022

| Category | No. of shareholders | | | % of holder | No. of shares | | | % of Share Holding |
|---|---|---|---|---|---|---|---|---|
| | Physical holders | Demat holders | Total Holders | | Physical shares | Demat Shares | Total holding | |
| 1 to 500 | 1818 | 1241232 | 1242938 | 91.20 | 239947 | 90671971 | 90911918 | 0.72 |
| 501 to 1000 | 321 | 63881 | 64194 | 4.71 | 251950 | 46248860 | 46500810 | 0.37 |
| 1001 to 2000 | 651 | 27249 | 27888 | 2.05 | 971750 | 39478684 | 40450434 | 0.32 |
| 2001 to 3000 | 84 | 9040 | 9118 | 0.67 | 207446 | 22854505 | 23061951 | 0.18 |
| 3001 to 4000 | 103 | 4812 | 4912 | 0.36 | 359628 | 17006961 | 17366589 | 0.14 |
| 4001 to 5000 | 76 | 3706 | 3781 | 0.28 | 333414 | 16946419 | 17279833 | 0.14 |
| 5001 to 10000 | 359 | 6824 | 7177 | 0.53 | 1976166 | 45390564 | 47366730 | 0.38 |
| 10001 to above | 3 | 2786 | 2786 | 0.20 | 17100 | 12297323841 | 12297340941 | 97.75 |
| **Total** | **3415** | **1359530** | **1362794** | **100** | **4357401** | **12575921805** | **12580279206** | **100** |

### 14.3 GEOGRAPHICAL DISTRIBUTION OF SHAREHOLDERS AS ON 31 MARCH 2022

| SR No. | Name of the City | Total Holders | %age | Total Shares | %age |
|---|---|---|---|---|---|
| 1 | Delhi | 74709 | 5.35 | 7755022951 | 61.65 |
| 2 | Mumbai | 182490 | 13.06 | 4559068510 | 36.25 |
| 3 | Chennai | 38760 | 2.78 | 14187956 | 0.11 |
| 4 | Calcutta | 42716 | 3.06 | 21609642 | 0.20 |
| 5 | Ahmedabad | 42866 | 3.07 | 23760915 | 0.19 |
| 6 | Vadodara | 26120 | 1.87 | 13797768 | 0.15 |
| 7 | Bangalore | 53204 | 3.81 | 13834862 | 0.19 |
| 8 | Pune | 46010 | 3.30 | 9563209 | 0.10 |
| 9 | Hyderabad | 32355 | 2.30 | 7516992 | 0.06 |
| 10 | Other Cities | 856873 | 61.40 | 161916401 | 1.10 |
| | **TOTAL** | **1396103*** | **100** | **12580279206** | **100** |

*folio numbers having same PAN are not clubbed.

**Dematerialization of Shares and Liquidity (as on 31.03.2022)**

| S. No. | Description | No of Folios/holders | No. of Shares | % of total Equity Capital |
|---|---|---|---|---|
| 1 | CDSL | 886088 | 9,06,64,47,561 | 72.07 |
| 2 | NSDL | 505278 | 3,50,94,74,244 | 27.9 |
| 3 | Physical | 4737 | 43,57,401 | 0.03 |
| | **TOTAL** | **1396103*** | **12,58,02,79,206** | **100** |

*folio numbers having same PAN are not clubbed.

The shares of the Company are in compulsory dematerialized segment and are available for trading in depository system of both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

**14.4 HISTORY OF PAID-UP EQUITY SHARE CAPITAL**

| Year | No. of Shares | Cumulative | Details |
|---|---|---|---|
| 1993-94 | 10 | 10 | Initial Subscription to the Memorandum Of Association on 23 June 1993. |
| 1993-94 | 34,28,53,716 | 34,28,53,726 | Issued to the President of India on 01 February 1994 on transfer of Undertaking of Oil and Natural Gas Commission in terms of Oil and Natural Gas Commission (Transfer of Undertaking and Repeal) Act, 1993. |
| 1994-95 | 66,39,300 | 34,94,93,026 | Issued to the Employees at a premium of ₹ 260 per Share (includes 600 shares issued in 1995-96). |
| 1995-96 | 107,64,40,966 | 142,59,33,992 | Issue of Bonus Shares in ratio of 3.08:1 on 24 April 1995 by Capitalization of General Reserve. |
| 2006-07 | (-)18,972 | 142,59,15,020 | Forfeiture of Shares on 12 April 2006. |
| | 71,29,57,510 | 213,88,72,530 | Issue of Bonus Shares in ratio of 1:2 on 8 November 2006 by Capitalization of General Reserve. |
| 2010-11 | - | 8,555,490,120 | Each equity Share of the Company was split from the face value of ₹ 10 into two equity shares of the face value of ₹ 5 each.<br>Bonus Shares were issued in the ratio of 1:1 by Capitalization of Reserves to the shareholders as on 9 February 2011 (Record Date). |
| 2016-17 | 4,277,745,060 | 12,833,235,180 | Issue of Bonus Shares in ratio of 1:2 on 18 December 2016 by Capitalization of General Reserves. |
| 2018-19 | (25,29,55,974) | 12,58,02,79,206 | Buy-Back of shares @ ₹ 159/- per share (1.97% of pre-buyback capital). Buy-back was completed on 22 February 2019. |

ONGC contributes around 70 per cent to India's domestic production (including Joint Ventures) share

## 15. DIVIDEND HISTORY OF LAST 7 YEARS:

| *Years* | *Rate (%)* | *Per Share (₹)* | *Amount (₹ in million)* |
|---|---|---|---|
| **2014-15** | | | |
| First Interim | 100 | 5.0 | 42,777.45 |
| Second Interim | 80 | 4.0 | 34,221.96 |
| Final | 10 | 0.5 | 4,277.75 |
| **2015-16** | | | |
| First Interim | 90 | 4.50 | 38,499.71 |
| Second Interim | 15 | 0.75 | 6,416.68 |
| Final | 65 | 3.25 | 27,805.34 |
| **2016-17** | | | |
| First Interim | 90 | 4.50 | 38,499.71 |
| Second Interim (Post- bonus) | 45 | 2.25 | 28,874.78 |
| Final | 16 | 0.80 | 10,266.61 |
| **2017-18** | | | |
| First Interim | 60 | 3.00 | 38,499.71 |
| Second Interim | 45 | 2.25 | 28,874.89 |
| Final | 27 | 1.35 | 17,324.87 |
| **2018-19** | | | |
| First Interim | 105 | 5.25 | 66,046.53 |
| Second Interim | 20 | 1.00 | 12,580.28 |
| Final | 15 | 0.75 | 9,435.21 |
| **2019-20** | | | |
| Interim | 100 | 5.00 | 62,901.40 |
| **2020-21** | | | |
| Interim | 35 | 1.75 | 22,015.49 |
| Final | 37 | 1.85 | 23,273.51 |
| **2021-22** | | | |
| First Interim | 110 | 5.50 | 69,191.53 |
| Second Interim | 35 | 1.75 | 22,015.48 |

## 16. INVESTOR EDUCATION & PROTECTION FUND (IEPF)

### 16.1 UNCLAIMED DIVIDEND AND SHARES TRANSFERRED TO IEPF AUTHORITY DURING FY 2021-22

Pursuant to the applicable provisions of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the IEPF Rules"), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF, established by the Government of India, after the completion of seven years.

Further, according to the IEPF Rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the IEPF Authority.

Accordingly, during financial year 2021-22, following amount of unpaid/ unclaimed dividend & shares have been transferred to the IEPF authority set up by the Central Government.

| *Financial Year* | *Date of Declaration* | *Amount transferred to IEPF (Amount in ₹)* | *No. of shares transferred to IEPF* |
|---|---|---|---|
| 2013-14 (2nd Interim) | 24.03.2014 | 1,59,28,687 | 94,257 |
| 2013-14 (Final) | 24.09.2014 | 17,98,520 | 24,974 |
| 2014-15 (1st Interim) | 18.12.2014 | 2,35,77,605 | 4,784 |
| Total amount of unclaimed dividend | | **4,13,04,812** | **1,24,015** |

There were no amount due and pending to be transferred to the IEPF as at the end of the year.

**Proposed dates for transfer of the unclaimed/unpaid dividend during FY'23:-**

| Financial Year | Date of Declaration | Proposed Date of transfer to IEPF |
|---|---|---|
| 2014-15 (Final) | 15.09.2015 | 21.11.2022 |
| 2015-16 (1st Interim) | 06.11.2015 | 12.01.2023 |

Section 124 of the Companies Act, 2013 provides that any dividend that has remained unpaid / unclaimed for a period of seven years from the date of transfer to unpaid dividend account shall be transferred to the Investor Education and Protection Fund (IEPF) established by Central Government.

The details of dividend which remains unpaid / unclaimed as on 31 March 2022 are given below:-

| Year | Type of Dividend | Amount (in ₹) |
|---|---|---|
| 2014-15 | Final | 2,660,773.00 |
| 2015-16 | Interim –I | 16,691,757.00 |
| | Interim-II | 3,796,857.00 |
| | Final | 14,329,999.00 |
| 2016-17 | Interim-I | 18,861,938.00 |
| | Interim-II | 15,575,021.00 |
| | Final | 6,602,180.00 |
| 2017-18 | Interim-I | 19,907,649.00 |
| | Interim-II | 15,635,483.00 |
| | Final | 12,051,851.00 |
| 2018-19 | Interim-I | 29,616,693.00 |
| | Interim-II | 6,680,934.00 |
| | Final | 5,142,413.00 |
| 2019-20 | Interim-I | 49,277,320.00 |
| 2020-21 | Interim-I | 16,969,943.00 |
| | Final | 14,830,471.00 |
| 2021-22 | Interim-I | 25,323,683.00 |
| | Interim-II | 14,700,486.00 |
| **Total** | | **304,384,679.00** |

Detail of Nodal and Deputy Nodal Officer of the Company as under the provisions of IEPF is as below:

Nodal Officer: Shri Rajni Kant
Company Secretary
Phone No.: +91 11 26754080
Email ID: secretariat@ongc.co.in

Deputy Nodal Officer: Shri Shashi Bhushan Singh
Deputy Company Secretary
Phone No.: +91 11 26754085,
Email ID: secretariat@ongc.co.in

The details of Nodal Officer and Deputy Nodal Officer of the Company and other details related to unpaid dividend amount and shares transferred to IEPF are available at the website at https://ongcindia.com/web/eng/investors/transfer-of-shares-to-iepf

## 17. OUTSTANDING GDRs/ ADRs / WARRANTS OR CONVERTIBLE INSTRUMENTS

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

## 18. CREDIT RATINGS

Information on credit ratings have been provided at Para 24 of the Board's Report.

## 19. ASSETS/ BASINS/ PLANTS/ INSTITUTES

### A. Assets/Exploratory Assets

1. Mumbai High Asset, Mumbai
2. Neelam & Heera Asset, Mumbai
3. Bassein & Satellite Asset, Mumbai
4. Eastern Offshore Asset, Kakinada
5. Ahmedabad Asset, Ahmedabad
6. Ankleshwar Asset, Ankleshwar
7. Mehsana Asset, Mehsana
8. Rajahmundry Asset, Rajahmundry
9. Cauvery Asset, Karaikal
10. Assam Asset, Nazira
11. Tripura Asset, Agartala
12. Cambay Asset, Cambay
13. CBM Asset, Bokaro
14. Jorhat Asset, Jorhat
15. HPHT Asset, Kakinada
16. Rajasthan Kutch Onland Exploratory Asset (RKOEA)
17. Assam Arakan Fold Belt Exploratory Asset (AAFBEA)

### B. BASINS

1. Western Offshore Basin, Mumbai
2. Western Onshore Basin, Vadodara
3. KG-PG Basin, Chennai
4. Cauvery Basin, Chennai
5. Assam & Assam-Arakan Basin, Jorhat
6. MBA Basin, Kolkata
7. Frontier Basin, Dehradun

### C. PLANTS

1. Uran Plant, Maharashtra
2. Hazira Plant, Gujarat
3. C2 C3 Plant, Dahej, Gujarat

**D. INSTITUTES**

1. Keshava Deva Malaviya Institute of Petroleum Exploration (KDMIPE), Dehradun
2. Institute of Drilling Technology (IDT), Dehradun
3. Institute of Reservoir Studies (IRS), Ahmedabad
4. Institute of Oil & Gas Production Technology (IOGPT), Navi Mumbai
5. Institute of Engineering & Ocean Technology (IEOT), Navi Mumbai
6. Geo-data Processing & Interpretation Center (GEOPIC), Dehradun
7. ONGC Academy, Dehradun
8. Institute of Petroleum Safety, Health & Environment Management (IPSHEM), Goa
9. Institute of Biotechnology & Geotectonics Studies (INBIGS), Jorhat
10. School of Maintenance Practices (SMP), Vadodara
11. Centre for Excellence in Well Logging (CEWELL), Vadodara
12. Gas Hydrate Research & Technology Centre (GHR&TC), Panvel
13. Skill Development Centers (SDC's) in Chennai, Mumbai, Vadodara and Sibsagar

## 20. CODE ON INSIDER TRADING

The Company has policy on Prohibition of Insider trading (PIT) Policy and the said Policy may be accessed at https://ongcindia.com/web/eng/investors/policies

Further, the Company has placed appropriate restrictive covenants in the Code of Conduct applicable for members of the Board and Senior Management Personnel.

## 21. GUIDELINES ON CORPORATE GOVERNANCE BY THE DPE

In May, 2010, the Department of Public Enterprises (DPE) has issued Guidelines on Corporate Governance for Central Public Sector Enterprises which are now mandatory in nature.

No Presidential Directives have been issued during the period 1 April 2021 to 31 March, 2022.

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 General Administrative expenses were 5.08% of total expenses during 2021-22 as against 5.80% (restated) during the previous year.

## 22. FEE TO STATUTORY AUDITORS

The details of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm / network entity of which the statutory auditor is a part, are as follows:

**(₹ in million)**

| *Payment to Auditors* | *Year ended 31.03.2022* | *Year ended 31.03.2021* |
|---|---|---|
| Audit Fees | 38.94 | 32.57 |
| Certification and Other Services | 17.70 | 12.75 |
| Travelling and Out of Pocket Expenses | 2.50 | 2.39 |
| **Total** | **59.14** | **47.71** |

## 23. COMPLAINTS PERTAINING TO SEXUAL HARASSMENT

Details of complaints under Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013 are provided under POSH framework of Integrated Report.

## 24. ADOPTION OF NON-MANDATORY REQUIREMENTS (as per part E of Schedule V)

Besides complying with the mandatory requirement of the Listing Regulation, the Internal Auditor reports directly to the Audit Committee.

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

Pursuant to Regulation 26(3) of Listing Regulations, all the members of Board and senior management personal have affirmed compliance with the code of conduct of the Company, as placed on the Company's website www.ongcindia.com

A declaration signed by the CEO on 27.06.2022 is given below:

*"I hereby confirm that the Company has obtained affirmation from the members of the Board and Senior Management Personnel (Key Executives) that they have complied with the conditions of Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year 2021-22."*

## 26. COMPLIANCE CERTIFICATE

Certificate from SGS Associates LLP, Company Secretaries(CS), confirming compliance with the conditions of Corporate Governance as stipulated under Schedule V (E) of the Listing Regulations, is enclosed as **Annexure-A** to this Report.

Further, M/s Ashu Gupta & Co, Practicing Company Secretaries (PCS), has also issued a certificate of Non-Disqualification of Directors dated 22 June 2022 as required under Schedule V Para C clause (10) (i) the Listing Regulations, confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed as **Annexure-B**.

## 27. SECRETARIAL AUDIT REPORT AND CERTIFICATE(S) FROM COMPANY SECRETARY IN PRACTICE

The Secretarial Audit has been conducted by M/s JMC & Associates., Practicing Company Secretaries with respect to compliance to the applicable provisions of Companies Act, 2013, Listing Regulations and DPE Guidelines. The Secretarial Audit Report forms part of Boards' Report.

In terms of requirements of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, M/s. JMC & Associates has examined the compliances relating to applicable SEBI Guidelines and has issued Annual Secretarial Compliance report, which were submitted to stock exchanges on 29 May 2022.

**Annexure-A**

# CERTIFICATE ON CORPORATE GOVERNANCE COMPLIANCES

The Members

OIL AND NATURAL GAS CORPORATION LIMITED

New Delhi

CIN: L74899DL1993GOI054155

I have examined all relevant records of Oil and Natural Gas Corporation Limited (the Company) for the purpose of certifying compliance of the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of Sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") to the extent applicable during the year for the financial year ended 31st March 2022.

I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. My examination was limited to the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

I certify that the Company has complied with all the applicable conditions of corporate governance as stipulated under the Listing Regulations except the following:

i. Compliance of Board in terms of clause 17(1)(a) and (b) of Listing Regulations, 2015 – The number of non-executive directors on the Board of Directors was less than 50% and also no woman independent director till 13th November 2021. Further, the number of independent directors was less than half of the Board of Directors till 31st December 2021.

ii. Regulation 18 and 19 of Listing Regulations 2015- the Company did not have minimum 2 Independent Directors in its Audit committee and Nomination and Remuneration Committee till 13th November 2021. Further, no meeting of Audit Committee was convened to meet requirements of Regulation 18(2) and (3) of Listing Regulations up to 14th December 2021.

**For SGS Associates LLP**

Sd/-

**[DAMODAR PRASAD GUPTA]**

Practising Company Secretary

Membership No FCS 2411

Certificate of Practice No. 1509

ICSI UDIN NO. F002411D000518080

ICSI PR NO. 1194/2021

Date : 22 June 2022

Place : New Delhi

Annexure-B

# CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,
The Members of
**OIL AND NATURAL GAS CORPORATION LIMITED**
Plot No. 5A- 5B Nelson Mandela Road,
Vasant Kunj, New Delhi-110070

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **OIL AND NATURAL GAS CORPORATION LIMITED** (hereinafter referred to as 'the Company), having CIN: L74899DL1993GOI054155 and having registered office at Plot No. 5A- 5B Nelson Mandela Road, Vasant Kunj, New Delhi-110070, produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its Directors, we hereby certify that none of the Directors on the Board of the Company as on **31 March 2022** as stated below, have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority(ies):

| Sr. No. | Name of Director | DIN | Date of appointment in Company |
|---|---|---|---|
| 1 | Dr. Alka Mittal | 07272207 | 27/11/2018 |
| 2 | Mr. Rajesh Kumar Srivastava | 08513272 | 02/08/2019 |
| 3 | Mr. Om Prakash Singh | 08704968 | 01/04/2020 |
| 4 | Mr. Anurag Sharma | 08050719 | 01/06/2020 |
| 5 | Mr. Pankaj Kumar | 09252235 | 04/09/2021 |
| 6 | Mr. Amar Nath | 05130108* | 28/06/2016 |
| 7 | Mr. Amitava Bhattacharyya | 08512212 | 19/07/2019 |
| 8 | Mr. Syamchand Ghosh | 09396486 | 14/11/2021 |
| 9 | Mr. Vysyaraju Ajit Kumar Raju | 09396500 | 14/11/2021 |
| 10 | Mr. Manish Pareek | 09396501 | 14/11/2021 |
| 11 | Ms. Reena Jaitly | 06853063 | 14/11/2021 |
| 12 | Dr. Prabhaskar Rai | 09453169 | 31/12/2021 |
| 13 | Dr. Madhav Singh | 09489194 | 02/02/2022 |

*Mr. Amar Nath ceased from the directorship of the Company w.e.f. 14 May 2022

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Ashu Gupta & Co.**
Company Secretaries

Place: New Delhi
Date: 22 June 2022

Sd/-
**Ashu Gupta**
(Prop.)
FCS No. : 4123
CP No.: 6646

**UDIN: F004123D000518318**

# Standalone Financial Statements

## INDEPENDENT AUDITORS' REPORT

**To the Members of Oil and Natural Gas Corporation Limited Report on the Audit of the Standalone Financial Statements**

### 1. Opinion

We have audited the accompanying Standalone Financial Statements of Oil and Natural Gas Corporation Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit (including other comprehensive income), the changes in equity and its cash flows for the year ended on that date.

### 2. Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

### 3. Emphasis of Matter

We draw attention to following Notes to the Standalone Financial Statements:-

**i.** Note No. 10.3, which explains that certain exploratory fields have been identified by DGH, MoPNG, GOI for bidding under DSF III, after considering the value of such fields as Nil. As these fields need to be handed over to the successful bidders, pending finalization of mechanism of recovery of carrying cost of these fields, an impairment provision of ₹ 12,549.06 million has been made during the year towards carrying value of the land and exploratory wells in these fields.

**ii.** Note No. 38.1, which states that pursuant to Section 115BAA of the Income Tax Act, 1961, during the current year, the Company has decided to avail the option of lower tax rate with effect from the financial year 2020-21. Accordingly, the Company has recognised provision for tax expenses in the financial statements for the year ended March 31, 2022 and re-measured its net Deferred Tax liabilities on the basis of the provision prescribed in the said section. The net impact due to availing the said option has resulted in decrease in deferred tax by ₹ 90,905.15 million (of which ₹ (-) 1,382.25 million has been accounted in Other Comprehensive Income) and decrease in current tax by ₹ 28,019.77 million (including ₹ 1,639.72 million relating to earlier years).

**iii.** Note No. 48.1.1(d), wherein it is stated that Directorate General of Hydrocarbons (DGH) had raised a demand on all the JV partners under the Production Sharing Contract with respect to Panna-Mukta and Mid and South Tapti contract areas (PMT JV), being BG Exploration and Production India Limited (BGEPIL) and Reliance Industries Limited (RIL) (together "the Claimants") and the Company (all three together referred to as "Contractors"), towards differential GOI share of Profit Petroleum and Royalty alleged to be payable by contractors pursuant to Government's interpretation of the Final Partial Award of Arbitral Tribunal (40% share of the Company amounting to USD 1624.05 million equivalent to ₹ 123,022 million, including interest upto 30th November, 2016). Subsequent to Tribunal Orders dated October 12, 2016, DGH vide letter dated May 25, 2017, June 4, 2018 and January 14, 2019 had asked contractor for re-casting of accounts of the PMT JV and for remitting the respective PI share of balance dues including interest till the date of remittance. As the Company is not a party to the arbitration, the details of the proceedings of arbitration and copy of the order of London High Court are not available with the company. The Company has responded that The English High Court has delivered its final verdict on May 2, 2018 following which the Arbitral Tribunal re-considered some of its earlier findings from the 2016 FPA (Revised Award); The Government of India and JV Partners have challenged parts of the Revised Award before English court. On February 12, 2020, the English Court passed a verdict favouring the challenges made by BGEPIL and RIL and also remitted the matter in the Revised Award back to Arbitral Tribunal for reconsideration. In January 2021, the Tribunal issued a verdict favouring BGEPIL/RIL on the remitted matter, which has been challenged by the GOI before the English Court. Pending finalization of the decision of the Arbitral Tribunal, the Company has indicated in their letters to DGH that the final recasting of the accounts is premature and the issues raised by DGH may be kept in abeyance and therefore no provision for the same has been considered necessary and has been considered as contingent liability.

**iv.** Note No. 48.1(b), with respect to ongoing disputes/demands raised on various work centres of the company under Service Tax (ST) and Goods & Service Tax (GST) in respect of ST and GST on Royalty levied on Crude Oil and Natural Gas. Based on the legal opinion, the company has disputed such levies and contesting the same at various forums. The estimated amounts under disputes as worked out towards ST and GST (including interest and penalty upto March 31, 2022) of ₹ 40,172.56 million and ₹ 1,02,731.94 million respectively (Total ₹ 1,42,904.50 million), has been considered as contingent liability. As a measure of abundant caution, the company has deposited ST and GST along with interest under protest amounting to ₹ 13,524.39 million and ₹ 74,043.48 million respectively (Total ₹ 87,567.87 million).

Our opinion on the Standalone Financial Statements is not modified in respect of these matters.

### 4. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of these Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

| Key Audit Matter | How our audit addressed the matter |
|---|---|
| **Evaluation of adequacy of provision for impairment for tangible and intangible assets**<br><br>**(Refer Note 47 to the Standalone Financial Statements)**<br><br>Management has assessed whether any provision needs to be recognised on account of impairment of tangible and intangible assets.<br><br>The Company reviews the carrying amount of its tangible and intangible assets (Oil and Gas Assets including Capital Work-in-Progress (CWIP) & Development Wells in Progress (DWIP), Other Property, Plant & Equipment (including Capital Works-in-Progress, Right of Use Assets) for the "Cash Generating Unit" (CGU) determined at the end of each reporting period to assess whether there is any indication that those assets have suffered any impairment loss.<br><br>Oil and Gas price assumptions have a significant impact on CGU impairment assessments and are inherently uncertain. Furthermore, oil and gas prices are subject to increased uncertainty, given regulatory guidelines including notified gas prices, climate change and the global energy transition.<br><br>The management's assumptions for prices of oil and gas in future are highly judgemental and may not be reflective of above factors, leading to a risk of material misstatement.<br><br>Given the long timeframes involved, certain recoverable amounts of assets are sensitive to the discount rate applied. Since the determination of appropriate discount rate is judgemental, there is a risk that discount rates may not reflect the return required by the market and the risks inherent in the cash flows being discounted, which may lead to a material misstatement.<br><br>A key input to impairment assessments and valuations is the production forecast, in turn closely related to the Company's reserves estimates, production profile and field development assumptions with reference to Oil and Gas.<br><br>The determination of recoverable amount, being the higher of fair value less costs to sell and value- in use is based on the factors as discussed above, necessitating judgement on the part of management.<br><br>In case of exploration and evaluation assets, based on management's judgement, assessment for impairment is carried out when further exploration activities are not planned in near future or when sufficient data indicate that although a development is likely to proceed, the carrying amount of the exploration asset is unlikely to be recovered in full from successful development or by sale. Based on the above factors, we have considered the measurement of Impairment as Key Audit Matter. | Our audit procedures included the following:<br><br>We evaluated the appropriateness of management's identification of the CGUs and exploration and evaluation assets and tested the operating effectiveness of controls over the impairment assessment process, including indicators of impairment.<br><br>We reviewed the reasonableness of the judgments and decisions made by the management regarding assumptions (including the relevant regulatory guidelines) for Oil and Gas prices in future to identify whether there are indicators of possible management bias and accordingly relied upon the management's assumptions for Oil and Gas prices in future.<br><br>We reviewed the appropriateness of discount rates used in the estimation.<br><br>We relied on the technical assessment of the Management with regard to the Reserves and the Production profile of Oil and Gas, as shown to us by the management.<br><br>We performed testing of the mathematical accuracy of the cash flow models and checked the appropriateness of the related disclosures. We evaluated management's assessment and related calculations of impairment including comparison of the recoverable amount with the carrying amounts of respective CGUs in the books of accounts.<br><br>We perused the future plans related to exploration activities. Further, we have relied upon management's assessment that the Mining Lease (ML)/ Petroleum Mining Lease (PML) shall be re-granted, wherever expired/ is expiring in near future. |

| Key Audit Matter | How our audit addressed the matter |
|---|---|
| **Estimation of Decommissioning liability**<br><br>**(Refer Note 24 to the Standalone Financial Statements)**<br><br>The Company has an obligation to restore and rehabilitate the Asset/fields operated upon by the Company at the end of their use. This decommissioning liability is recorded based on estimates of the costs required to fulfil this obligation.<br><br>The provision is based upon current cost estimates and has been determined on a discounted basis with reference to current legal requirements and technology. At each reporting date the decommissioning liability is reviewed and re-measured in line with changes in observable assumptions, timing and the latest estimates of the costs to be incurred at reporting date.<br><br>We have considered the measurement of decommissioning costs as Key Audit Matter as it requires significant management judgment, including accounting calculations and estimates that involves high estimation uncertainty. | Our audit procedures included the following:<br><br>Evaluated the approach adopted by the management in determining the expected costs of decommissioning.<br><br>Identified the cost assumptions used that have the most significant impact on the provisions and tested the appropriateness of these assumptions.<br><br>Reviewed the appropriateness of discount and inflation rates used in the estimation.<br><br>Verified the unwinding of interest as well as understanding if any restoration was undertaken during the year.<br><br>We have relied upon the technical assessment with respect to the Production Profile as estimated by the management based on which the Terminal year of the Asset /fields for decommissioning has been estimated.<br><br>We have relied upon management's assessment that the Mining Lease (ML) / Petroleum Mining Lease (PML) would be regranted, till the terminal year of the field as estimated by the management.<br><br>Relied on the judgments of the internal/ external experts for the purpose of technical /commercial evaluation.<br><br>Assessed the appropriateness of the disclosures made in the financial statements. |
| **Litigations and Claims**<br><br>**(Refer Note 48 to the Standalone Financial Statements)**<br><br>Litigation and claims are pending with multiple tax and regulatory authorities and there are claims from vendors/suppliers and employees which have not been acknowledged as debt by the company (including Joint Operations).<br><br>In the normal course of business, financial exposures may arise from pending legal/regulatory proceedings and from above referred claims not acknowledged as debt by the company. Whether a claim needs to be recognized as liability or disclosed as a contingent liability in the Standalone Financial Statements or is considered as remote, is dependent on a number of significant assumptions and judgments made by the management. The amounts involved are potentially significant and determining the amount, if any, to be recognized or disclosed in the financial statements, is inherently subjective.<br><br>We have considered Litigations and claims as Key Audit Matter because the estimates on which these amounts are based involve a significant degree of management judgment, including accounting estimates that involves high estimation uncertainty. | Our audit procedures included the following:<br><br>Understood Management's internal instructions, process and control for determining and estimating the tax litigations, other litigations and claims and its appropriate accounting and/or disclosure.<br><br>Tested key controls surrounding such litigations.<br><br>Discussed pending matters with the Company's personnel with respect to status of cases of litigation and claims.<br><br>Assessed management's conclusions through understanding precedents set in similar cases, reviewed the recommendations of the internal committee specially formed by the management, placed reliance upon the expert opinions, wherever obtained by the management.<br><br>We have assessed the adequacy and appropriateness of presentation and disclosure of the Contingent liabilities in the Standalone Financial Statements. |

| Key Audit Matter | How our audit addressed the matter |
|---|---|
| **Information Technology and General Controls**<br><br>The Company is dependent on its Information Technology ("IT") systems for processing and recording its transactions, including financial reporting processes.<br><br>Appropriate IT general controls and application controls are required to ensure that such IT systems are able to process the data, as required, completely, accurately and consistently for reliable financial reporting.<br><br>IT application controls are critical to ensure that changes to applications / files / information and underlying data are made in an appropriate manner and under controlled environment. Appropriate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to applications and data.<br><br>MIS reports, relevant for financial reporting, have been developed and tested through internal and outsourced support arrangements and ultimately authenticated by the users.<br><br>On account of the pervasive use of its IT systems and related control environment on the Company's financial reporting process, the testing of the general computer controls of the IT systems used in financial reporting has been considered to be a Key Audit Matter. | In assessing the integrity of the IT systems relevant for financial reporting, we obtained an understanding of the IT infrastructure and IT systems relevant to the Company's financial reporting process for evaluation and testing of relevant IT general controls and IT application controls ('SAP'), through inquiries with the management and review of the reports of the Information system control audits done by a third party.<br><br>Access rights were tested over applications, operating system, on a sample basis, which are relied upon for financial reporting. We further tested segregation of duties, including preventive controls to ensure that access to change applications, the operating system or databases in the production environment were granted only to authorized personnel.<br><br>Our audit included making necessary inquiries with the management, scrutiny of the report on 'IT audit and security' by a third-party expert, access security (including controls over privileged access), segregation of duties and delegation of authority.<br><br>In response to the above IT requirements, enhancement of functionalities in IT System made during the year, we performed the following:<br><br>- tested controls and performed additional substantive procedures of key general ledger account reconciliations.<br><br>- observed that training sessions are also provided to users, to enable full utilization of SAP functionalities.<br><br>We also tested key automated and manual business cycle controls and logic for the reports generated through the IT infrastructure including those relating to MIS, that were relevant for financial reporting or were used in the exercise of internal financial controls with reference to financial statement, including testing of the compensating controls or alternate procedures to assess whether there were any unaddressed IT risks that would materiality impact the Standalone Financial Statements. |

## 5. Other Matters

**i.** We have placed reliance on technical/commercial evaluation by the management in respect of categorization of wells as exploratory, development, producing and dry well, allocation of cost incurred on them, production profile, proved (developed and undeveloped)/ probable hydrocarbon reserves, and depletion thereof on Oil and Gas Assets, impairment, liability for decommissioning costs, evaluation and timelines for completion of projects under progress, liability for NELP and nominated blocks for under performance against agreed Minimum Work Programme.

**ii.** As mentioned in Note No. 46.1.1, the Standalone Financial Statements include the Company's share in the total value of assets, liabilities, expenditure and income of 166 blocks under New Exploration Licensing Policy (NELP)/ Hydrocarbon Exploration and Licensing Policy (HELP) / Discovered Small Fields (DSFs)/ Open Acreage Licensing Policy (OALPs) and Joint Operations (JO) accounts for exploration and production out of which:

**a.** 9 NELPs/ HELPs/ JOs accounts have been certified by other Chartered Accountants. In respect of these 9 NELPs/ HELPs/ JOs, Standalone Financial Statements include proportionate share in assets and liabilities as on March 31, 2022 amounting to Rs 88,362.73 million and Rs 52,020.32 million respectively and revenue and profit including other comprehensive Income for the year ended March 31, 2022 amounting to Rs 98,583.94 million and Rs 15,236.73 million respectively. Our opinion is based solely on the certificate of the other Chartered Accountants.

**b.** 12 NELPs / HELPs/ JOs have been certified by the management in respect of NELPs / HELPs/ JOs operated by other operators. In respect of these 12 NELPs / HELPs/ JOs, Standalone Financial Statements include proportionate share in assets and liabilities as on March 31, 2022 amounting to ₹ 9,566.20 million and ₹ 8,602.73 million respectively and revenue and profit/(loss) including other comprehensive Income for the year ended March 31, 2022 amounting to ₹ 38.31 million and ₹ (708.40) million respectively. Our opinion is based solely on management certified accounts.

Our opinion on the Standalone Financial Statements is not modified in respect of these matters.

## 6. Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report and Report on Corporate Governance but does not include the Standalone Financial Statements and our auditors' report thereon. The above-referred information is expected to be made available to us after the date of this audit report.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

### 7. Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate Internal Financial Controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### 8. Auditor's Responsibilities for the Audit of Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate Internal Financial Controls with reference to financial statements in place and the operating effectiveness of such controls.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## 9. Report on Other Legal and Regulatory Requirements

**1.** As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in **"Annexure-1"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

**2.** Based on verification of books of accounts of the Company and according to information and explanations given to us, we give below a report on the Directions issued by the Comptroller and Auditor General of India in terms of Section 143(5) of the Act:

| Directions u/s 143(5) of the Act for year 2021-22 | Auditor's reply on the action taken on the directions |
|---|---|
| **1)** Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implication of processing of accounting transaction outside IT System on the integrity of the accounts along with the financial implications, if any, may be stated. | Yes, the Company has system in place to process all the accounting transactions through IT system, namely SAP. Based on the audit procedures carried out and as per the information and explanations given to us, no accounting transactions have been processed / carried outside the IT system. Accordingly, there are no implications on the integrity of the accounts. |
| **2)** Whether there is any restructuring of an existing loan or cases of waiver/ write-off of debts/ loans/ interest etc. made by a lender to the company due to the Company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government Company, then this direction is also applicable for statutory auditor of lender Company) | **Loan/Debt where Company is borrower:** Based on the audit procedures carried out and as per the information and explanations given to us, there were no cases of restructuring or waivers / write-off of debts/ loans/ interest etc. by any lender, due to the company's inability to repay the loan during the FY 2021-22.<br><br>**Loan/Debt where Company is lender:** Based on the audit procedures carried out and as per the information and explanations given to us, there were no cases of restructuring or waivers / write-off of debts/ loans/ interest etc. during the FY 2021-22 with regard to amounts lent by the company to the other parties. |
| **3)** Whether funds (Grant/ subsidy etc.) received/ receivable for specific schemes from Central/ State agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation. | Based on the audit procedures carried out and as per the information and explanations given to us, the funds (Grant/ subsidy) received/ receivable for specific schemes from Central/ State agencies were properly accounted for/ utilized as per its term and conditions. |

**3. As required by Section 143(3) of the Act, we report that:**

**a.** We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

**b.** In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

**c.** The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Cash Flows dealt with by this Report are in agreement with the books of account;

**d.** In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended;

**e.** As per Notification number G.S.R. 463(E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, section 164(2) of the Act regarding the disqualifications of Directors is not applicable to the Company, since it is a Government Company;

**f.** With respect to the adequacy of the Internal Financial Controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure 2"**;

**g.** As per Notification number G.S.R. 463 (E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, section 197 of the Act regarding remuneration to director is not applicable to the Company, since it is a Government Company; and

**h.** With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

**i.** The Company has disclosed the impact of pending litigations as at 31.03.2022 on its financial position in its Standalone Financial Statements – Refer Note 48.1.1 to the Standalone Financial Statements;

**ii.** The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses- Refer Note 55 to the Standalone Financial Statements;

**iii.** There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**iv. (a)** The Management has represented that, to the best of its knowledge and belief, as disclosed in Note 45.2 to the Standalone Financial Statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

**(b)** The Management has represented, that, to the best of its knowledge and belief, as disclosed in Note 45.2 to the Standalone Financial Statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate

Beneficiaries; and

**(c)** Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

**v. (a)** The final dividend proposed for the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act.

**(b)** The interim dividend declared and paid by the Company during the year is in accordance with Section 123 of the Act.

**(c)** As stated in Note 21.4 to the Standalone Financial Statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

**For G M Kapadia & Co.**
Chartered Accountants
Firm Reg. No: 104767W

Sd/-
(Abhishek Singh)
Partner (M. No. 407459)
UDIN: 22407549AJUWOU9423

**For R Gopal & Associates**
Chartered Accountants
Firm Reg. No: 000846C

Sd/-
(Sandeep Kumar Sawaria)
Partner (M. No. 061771)
UDIN: 22061771AJUWHF5415

**For SARC & ASSOCIATES**
Chartered Accountants
Firm Reg. No.: 006085N

Sd/-
(Pankaj Sharma)
Partner (M.No. 086433)
UDIN: 22086433AJVAHY9049

**For Kalani & Co.**
Chartered Accountants
Firm Reg. No.: 000722C

Sd/-
(Vikas Gupta)
Partner (M.No. 077076)
UDIN: 22077076AJUXJK4069

**For M/s R.G.N. Price & Co.**
Chartered Accountants
Firm Reg. No.: 002785S

Sd/-
(G Surendranath Rao)
Partner (M.No. 022693)
UDIN: 22022693AJUYOP2074

**For S. Bhandari & Co.**
Chartered Accountants
Firm Reg. No.: 000560C

Sd/-
(Sudha Shetty)
Partner (M.No. 047684)
UDIN: 22047684AJUWQP3257

**New Delhi**
**28 May 2022**


Secretary, Ministry of Petroleum and Natural Gas, Pankaj Jain, in ONGC office with CMD and Directors

# Annexure - 1 to the Independent Auditors' Report on the Standalone Financial Statements

**of Oil and Natural Gas Corporation Limited for the year ended on 31 March 2022**

**(Referred to in paragraph 9(1) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**i.** In respect of the Company's Property, Plant and Equipment (PPE) and Intangible Assets:

**a.** • The Company has generally maintained proper records showing full particulars, including quantitative details and situation of PPE and relevant details of right-of-use assets covered under Ind AS 116, 'Leases'.

• The Company has generally maintained proper records showing full particulars of intangible assets.

**b.** As per the information and explanations given to us and on the basis of our examination of the records of the Company, the PPE (other than those which are underground/ submerged/ under joint operations) have been physically verified by the management in a phased manner to cover all items over a period of three years, which in our opinion is reasonable, having regard to the size of the Company and nature of its business. No material discrepancies were noticed on such verification.

**c.** According to the information and explanations given to us, we report that the title/lease deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of Company except in the cases as reported in attached **Appendix-1**.

**d.** According to the information and explanation given to us and on the basis of our examination of the records, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable.

**e.** According to the information and explanation given to us and on the basis of our examination of the records of the company, there are no proceedings initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

**ii. a)** The inventory (excluding inventory lying with third parties, inventory under joint operations and material in transit) has been physically verified by the management in a phased manner at reasonable intervals to cover all items over a period of three years. According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the coverage and procedure of such verification by the management is appropriate and no material discrepancies of 10% or more in the aggregate for each class of inventory between physical inventory and book records were noticed on such physical verification.

**(b)** According to the information and explanation given to us and on the basis of our examination of the records of the company, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during any point of time of the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable.

**iii.** The company has made investments in, provided guarantee to Companies during the year, in respect of which:

**(a)** According to the information and explanations given to us, during the year, the Company has not provided loans or provided advances in the nature of loan or provided security to any entity. The company has provided guarantee during the year to the entities, in respect of which:

**(A)** the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such guarantees for subsidiaries, joint ventures and associates are as follows:

**(₹ in Millions)**

| Sl. No. | Particulars | Guarantees* | |
|---|---|---|---|
| | | Aggregate amount granted/ provided during the year | Balance outstanding as at 31.03.2022 |
| 1. | Subsidiaries | 1,16,792.58 | 3,87,394.87 |
| 2. | Joint Ventures | 21,630.00 | 79,479.28 |
| 3. | Associates | - | - |

*represents backstopping arrangements accounted for as liability and financial guarantees

The Company has not provided any loans or advances in the nature of loan or security to any Subsidiaries, Joint Ventures and Associates during the year.

**(B)** In our opinion and according to information and explanations given to us, the Company has not given loans or advances or guarantees or security to parties other than subsidiaries, joint ventures and associates during the period under Audit. However, company had granted unsecured loan of ₹ 100 million to Hindustan Antibiotics Limited in the past, the outstanding balance as on March 31, 2022 stands at ₹ 193.37 million (including interest of ₹ 162.67 million). As the recovery of this loan was doubtful, the company had made full provision against such doubtful loan during FY 2009-10.

**(b)** In our opinion and according to information and explanations given to us, the investments made and guarantees provided during the year and the terms and conditions of the grant of such guarantees are prima facie not prejudicial to the company's interest. The company has not given any security or granted any loans and advances in the nature of loans during the year.

**(c)** The company has not granted any loans and advances in the nature of loans during the year, hence reporting under clause 3(c) of the Order is not applicable.

**(d)** Since the company has not granted any loans and advances in the nature of loans during the year, hence reporting under clause 3(d) of the Order is not applicable. However, as reported above there is an overdue amount in respect of loan of ₹ 100 million granted to Hindustan Antibiotics Limited in the past, the outstanding overdue balance as on March 31, 2022 for more than ninety days stands at ₹ 193.37 million (including interest of ₹162.67 million). According to the information and explanation given to us and based on the audit procedures performed by us, reasonable steps are being taken by the company for recovery of the principal and interest.

**(e)** In our opinion and according to information and explanations given to us and based on the audit procedures performed by us, no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

**(f)** In our opinion and according to information and explanations given to us and based on the audit procedures performed by us, the company has not granted any loans or advances during the year in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

**iv.** In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors / to a Company in which the Director is interested to which provisions of section 185 of the Act apply. The provisions of section 186 of the Act, in our opinion, are not applicable to the Company.

**v.** In our opinion and according to information and explanations given to us, the Company has not accepted any deposits from the public and hence provisions of Sections 73 to 76 and other relevant provision of the Act and Companies (Acceptance of Deposits) Rules, 2014 are not applicable.

**vi.** We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub section (1) of section 148 of the Act and we are of the opinion that prima facie the prescribed accounts and records are being made and updated on regular basis. However, we have not made a detailed examination of the cost records with the view to determine whether they are accurate or complete.

**vii. a.** In our opinion and according to information and explanations given to us and based on the audit procedures performed by us, the undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues have generally been regularly deposited by the company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2022 for a period more than six months from the date of becoming payable.

**b.** According to the information and explanations given to us, the particulars of the dues of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess or other statutory dues, which have not been deposited by the company on account of any disputes pending before appropriate authorities are detailed in attached **Appendix-2**.

**viii.** According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year. Accordingly, the reporting under clause 3(viii) of the Order are not applicable.

**ix. (a)** In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

**(b)** According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or other lender.

**(c)** In our opinion and according to the information and explanations given to us, the term loans were applied for the purposes for which the loans were obtained.

**(d)** According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

**(e)** According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable.

**(f)** According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable.

**x.(a)** The company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

**(b)** According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.

**xi.(a)** According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, no case of material fraud by the Company or on the Company has been noticed or reported during the year.

**(b)** We have not submitted any report under subsection (12) of section 143 of the Companies Act, 2013 in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this audit report.

**(c)** We have taken into consideration the Whistle blower complaints received by the Company during the year and provided to us, when performing the audit.

**xii.** According to information and explanation given to us, in our opinion, the Company is not a Nidhi Company. Therefore, the reporting under clause 3(xii) of the Order is not applicable to the Company.

**xiii.** According to the information and explanations given by the management and based on our examination, the transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable. As informed to us that the Audit Committee was re-constituted w.e.f November 14, 2021, and hence during the current period till such re-constitution, the mandatory function of review/approval of related party transactions as required under section 177 of the Act to be performed by the Audit Committee, have been directly carried out by the Board of Directors of the company. The Company has disclosed the details of the related party transactions in the Notes to the Standalone Financial Statements, as required by the applicable Indian Accounting Standards.

**xiv. (a)** The Company has an internal audit system manned by inhouse internal audit department, which is commensurate with the size and nature of its business. In our opinion, the audit process needs to be further strengthened for getting timely responses on the internal audit observations.

**(b)** As per the internal audit plan approved by the Board of Directors of the Company, internal audit is performed in a year in annual/ quarterly cycles covering the current financial year and previous periods. We have considered, the internal audit reports issued during the year under audit and till date, in determining the nature, timing and extent of our audit procedures.

**xv.** In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act. Accordingly, reporting under clause 3(xv) of the Order is not applicable to the company.

**xvi.(a)** In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

**(b)** According to the information and explanations provided to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities therefore the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

**(c)** The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

**(d)** In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

**xvii.** Based on our examination of the books and records of the Company, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year. Accordingly, reporting under clause 3(xvii) of the Order is not applicable to the Company.

**xviii.** There has been no resignation of the Statutory Auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

**xix.** According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

**xx.a)** In our opinion and according to the information and explanations given to us, there is no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Act in compliance with second proviso to sub-section (5) of Section 135 of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

**(b)** In respect of ongoing projects, the Company has transferred unspent CSR amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act.

**For G.M. Kapadia & Co**
Chartered Accountants
Firm Reg. No.: 104767W

Sd/-
(Abhishek Singh)
Partner (M. No. 407549)
UDIN: 22407549AJUWOU9423

**For R. Gopal & Associates**
Chartered Accountants
Firm Reg. No.: 000846C

Sd/-
(Sandeep Kumar Sawaria)
Partner (M. No. 061771)
UDIN: 22061771AJUWHF5415

**For SARC & ASSOCIATES**
Chartered Accountants
Firm Reg. No.: 006085N

Sd/-
(Pankaj Sharma)
Partner (M. No. 086433)
UDIN: 22086433AJVAHY9049

**For Kalani & Co.**
Chartered Accountants
Firm Reg. No.: 000722C

Sd/-
(Vikas Gupta)
Partner (M. No. 077076)
UDIN: 22077076AJUXJK4069

**For R.G.N. Price & Co.**
Chartered Accountants
Firm Reg. No.: 002785S

Sd/-
(G Surendranath Rao)
Partner (M. No. 022693)
UDIN: 22022693AJUYOP2074

**For S. Bhandari & Co.**
Chartered Accountants
Firm Reg. No.: 000560C

Sd/-
(Sudha Shetty)
Partner (M. No. 047684)
UDIN: 22047684AJUWQP3257

**New Delhi**
**28 May 2022**

# Annexure - 2 to Independent Auditors' Report

**(Referred to in paragraph 9 (3) (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**
**Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

**To the Members of Oil and Natural Gas Corporation Limited**

We have audited the Internal Financial Controls with reference to Standalone Financial Statements of Oil and Natural Gas Corporation Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

**Management's Responsibilities for Internal Financial Controls**

The Company's Management and the Board of Directors are responsible for establishing and maintaining Internal Financial Controls with reference to the Standalone Financial Statements based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's Internal Financial Controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of Internal Financial Controls with reference to Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of Internal Financial Controls with reference to Standalone Financial Statements included obtaining an understanding of such Internal Financial Controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls with reference to Standalone Financial Statements.

**Meaning of Internal Financial Controls with reference to Standalone Financial Statements**

A Company's Internal Financial Control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's Internal financial control with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

**Inherent Limitations of Internal Financial Controls with reference to financial statements**

Because of the inherent limitations of Internal Financial Controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management, override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial Controls with reference to Standalone Financial Statements to future periods are subject to the risk that the Internal Financial Control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls with reference to Standalone Financial Statements and such Internal Financial Controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2022, based on the criteria for Internal Financial Control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Other Matters**

As informed to us that the Audit Committee was re-constituted w.e.f November 14, 2021, and hence during the current period till such re-constitution, the mandatory functions of the Audit Committee, such as review/approval/ oversight/evaluation of the company's external financial reporting, related party transactions, Internal financial controls over financial reporting, risk management system, internal audit function, whistle blower and vigil mechanism, end utilisation of funds etc., have been directly carried out by the Board of Directors of the company.

**For G.M. Kapadia & Co**
Chartered Accountants
Firm Reg. No.: 104767W

Sd/-
(Abhishek Singh)
Partner (M. No. 407549)
UDIN: 22407549AJUWOU9423

**For R. Gopal & Associates**
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Sd/-
(Sandeep Kumar Sawaria)
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**For SARC & ASSOCIATES**
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**For S. Bhandari & Co.**
Chartered Accountants
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Sd/-
(Sudha Shetty)
Partner (M. No. 047684)
UDIN: 22047684AJUWQP3257

**New Delhi**
**28 May 2022**

Synergy in Energy – teamwork has been the hallmark of management of ONGC facilities, including those on the high seas

## Appendix-1

**(As referred in clause No. (i)(c) of Annexure -1 to the Independent Auditors' Report)**

**Cases where the title/lease deeds of immovable properties are not held in the name of Company**

| Description of property | Gross Carrying Value (in ₹ Millions) | Held in the name | Whether promoter, of director or their relative or employee | Period held - indicate range, where appropriate | Reason for not being held in name of company |
|---|---|---|---|---|---|
| Building/ Flats | 18.38 | Seller-Co-op Housing Society | No | 29.02.1984 | Pursuant to Registrar's order, registration is under process. |
| Building/ Flats | 28.62 | Seller- Industrial/ Infrastructure Development Corporation | No | 29.02.1984 | Registration under process. |
| Building/ Flats | 1.87 | Seller-State Development Authority | No | 29.02.1984 | Registration under process. |
| Building/ Flats | 70.96 | Seller-State Development Authority | No | 31.03.2001 | Registration under process. |
| Building/ Flats | 4.80 | Seller-Co-op Housing Society | No | 29.02.1984 | Registration under process. |
| Building | 155.01 | Seller- State Development Authority | No | 01.04.1985 | Matter pending with Metropolitan Development Authority |
| Land | 0.02 | Seller(s)-Individual(s) | No | 17.08.2011 | Registration under process |
| Land | 0.18 | Seller(s)-Individual(s) | No | 06.03.2012 | Registration under process |
| Land | 0.08 | Seller(s)-Individual(s) | No | 18.05.2012 | Registration under process |
| Land | 37.47 | Seller(s)-Individual(s) | No | 30.09.2015 | Registration under process |
| Land | 1,272.01 | Seller- Industrial/ Infrastructure Development Corporation | No | 22.04.2016 | Sale Deed will be executed on commissioning of project as per the terms of agreement. |
| Land-leasehold | 350.82 | Seller- Industrial/ Infrastructure Development Corporation | No | 30.09.1996 | Matter pending with State Industrial Development Corporation |
| Land-Leasehold | 47.14 | Seller- Industrial/ Infrastructure Development Corporation | No | 28.10.1985 | Matter subjudice at High Court. |
| Land-Leasehold | 36.25 | Seller- Industrial/ Infrastructure Development Corporation | No | 29.02.1984 | Matter pending with State City and Industrial Development Corporation |
| Land-Leasehold | 15.16 | Seller- Industrial/ Infrastructure Development Corporation | No | 10.03.1983 | Matter pending with State City and Industrial Development Corporation |
| Land-Leasehold | 5.24 | Seller- Industrial/ Infrastructure Development Corporation | No | 10.03.1983 | Matter pending with State City and Industrial Development Corporation |

| Description of property | Gross Carrying Value (in ₹ Millions) | Held in the name | Whether promoter, of director or their relative or employee | Period held - indicate range, where appropriate | Reason for not being held in name of company |
|---|---|---|---|---|---|
| Land-Leasehold | 1.02 | Seller- Industrial/ Infrastructure Development Corporation | No | 02.07.1982 | Matter pending with State City and Industrial Development Corporation |
| Land-Leasehold | 29.90 | Seller- Industrial/ Infrastructure Development Corporation | No | 05.11.1979 | Matter pending with State City and Industrial Development Corporation |
| Land-Leasehold | 75.46 | Seller- Industrial/ Infrastructure Development Corporation | No | 01.10.1982 | Matter pending with State City and Industrial Development Corporation |
| Land-Leasehold | 0.44 | Seller- Industrial/ Infrastructure Development Corporation | No | 25.05.1987 | Matter pending with State City and Industrial Development Corporation |
| Land-Leasehold | 5.80 | Seller- Industrial/ Infrastructure Development Corporation | No | 07.05.1987 | Matter pending with State City and Industrial Development Corporation |
| Land-Leasehold | 0.34 | Seller- Industrial/ Infrastructure Development Corporation | No | 30.11.1987 | Matter pending with State City and Industrial Development Corporation |
| Land-Leasehold | 1.28 | Seller- State Development Authority | No | 31.01.1994 | Matter pending with State Housing Development Authority |
| Land-Leasehold | 3.69 | Seller- State Development Authority | No | 31.01.1994 | Matter pending with State Housing Development Authority |

A panoramic view of an ONGC processing complex in Andhra Pradesh, amidst the greenery around

## Appendix-2

**(As referred in clause No. (vii)(b) to in Annexure -1 to the Independent Auditors' Report)**
**Details of disputed statutory dues**

**(Amount in ₹ Millions)**

| Name of Statute | Forum where Dispute is pending | Period to which the amount relates (Financial Year) | Gross Amount Involved | Amount paid under protest | Amount Unpaid |
|---|---|---|---|---|---|
| **Andhra Pradesh Mineral Bearing Lands (Infrastructure) Cess Act** | Hon. Supreme Court | **2005-06** | 3,425.29 | - | 3,425.29 |
| | **Total (A)** | | **3,425.29** | **-** | **3,425.29** |
| **Central Excise Act, 1944** | Commissioner | **2016-17** | 9.37 | - | 9.37 |
| | Custom, Excise and Service Tax Appellate Tribunal | **2005-06; 2018-19** | 114.30 | 22.44 | 91.86 |
| | Hon. High Court | **2012-13 to 2014-15** | 6,949.44 | - | 6,949.44 |
| | Hon. Supreme Court | **2001-02; 2006-07 to 2008-09** | 518.54 | - | 518.54 |
| | **Total (B)** | | **7,591.65** | **22.44** | **7,569.21** |
| **The Customs Act, 1962** | Commissioner | **1987-88** | 331.32 | - | 331.32 |
| | Custom , Excise and Service Tax Appellate Tribunal | **2007-08; 2012-13; 2018-19; 2020-21** | 118.42 | 1.00 | 117.42 |
| | Hon. Supreme Court | **2015-16** | 1.50 | - | 1.50 |
| | **Total (C)** | | **451.24** | **1.00** | **450.24** |
| **Employee Provident Fund** | Tribunal | **1986-87** | 66.35 | 49.76 | 16.59 |
| | **Total (D)** | | **66.35** | **49.76** | **16.59** |
| **Income Tax Act, 1961** | Commissioner/ (Appeals) and Additional Commissioner/ ITO | **2009-10; 2012-13 to 2018-19** | 216,947.19 | 216,947.19 | - |
| | Income Tax Appellate Tribunal | **2007-08; 2009-10 to 2011-12;** | 120,391.65 | 120,391.65 | - |
| | Hon High Court | **2000-01** | 8.91 | - | 8.91 |
| | **Total (E)** | | **337,347.75** | **337,338.84** | **8.91** |
| **Goods and Services Tax** | Departmental Forum/ Adjudicating Authority | **2017-18, 2018-19, 2020-21, 2021-22** | 32,825.46 | 31,033.84 | 1,791.62 |
| | First Appellate Authority/ Commissioner Appeals | **2017-18 to 2019-20** | 7,236.32 | 7,236.32 | - |
| | Tribunal*/ CESTAT (*yet to be constituted) | **2017-18 to 2019-20** | 35,999.42 | 35,776.40 | 223.02 |
| | High Court | **2017-18 to 2021-22** | 29,621.61 | - | 29,621.61 |
| | **Total (F)** | | **105,682.81** | **74,046.56** | **31,636.25** |
| **Municipal Taxes of various States** | First Appellate Authority | **1998-99; 1999-2000; 2017-18** | 140.61 | - | 140.61 |
| | High Court | **2000-01; 2004-05; 2006-07; 2017-18** | 26.59 | 1.80 | 24.79 |
| | **Total (G)** | | **167.20** | **1.80** | **165.40** |

| Name of Statute | Forum where Dispute is pending | Period to which the amount relates (Financial Year) | Gross Amount Involved | Amount paid under protest | Amount Unpaid |
|---|---|---|---|---|---|
| **Royalty under different Central & State Legislature** | Department of Geology | **1992-93; 1996-1997; 2004-05** | 496.82 | - | 496.82 |
| | **Total (H)** | | **496.82** | **-** | **496.82** |
| **Central Sales Tax Act, 1956 and Respective States' Sales Tax/ VAT Acts** | Commissioner/ Joint Commissioner/ Commissioner -Appeals/ Joint Commissioner-Appeals | **2000-01; 2001-02; 2005-06 to 2007-08; 2009-10 to 2012-13; 2014-15 to 2017-18** | 2,231.64 | 85.19 | 2,146.45 |
| | Appellate Tribunal/ First Appellate Authority | **1996-97; 1998-99; 1999-2000; 2001-02 to 2006-07; 2009-10 to 2015-16** | 16,502.45 | 72.03 | 16,430.42 |
| | Hon. High Court | **1992-93 to 1994-95; 2006-07; 2012-13** | 32.07 | 23.61 | 8.46 |
| | Hon. Supreme Court | **2002-03 to 2008-09; 2012-13; 2016-17** | 11,299.25 | 623.96 | 10,675.29 |
| | **Total (I)** | | **30,065.41** | **804.79** | **29,260.62** |
| **Land/ Building/ Property Tax of various States** | First Appellate Authority | **2017-18** | 2.93 | 1.57 | 1.36 |
| | High Court | **1995-96; 1998-99; 2005-06; 2009-10; 2018-19; 2020-21** | 14,462.83 | - | 14,462.83 |
| | **Total (J)** | | **14,465.76** | **1.57** | **14,464.19** |
| **Finance Act, 1994 (Service Tax)** | Commissioner/ (Appeals), Joint Comm., Additional Comm. of Custom, Excise and Service Tax, Director General | **2006-07; 2007-08; 2011-12 to 2017-18** | 13,175.09 | 0.67 | 13,174.42 |
| | Custom, Excise and Service Tax Appellate Tribunal/ First Appellate Authority | **2003-04; 2005-06 to 2012-13; 2014-15 to 2017-18** | 36,601.07 | 10,700.62 | 25,900.45 |
| | Hon. High Court | **2012-13; 2015-16; 2016-17** | 6,350.87 | 2,870.65 | 3,480.22 |
| | **Total (K)** | | **56,127.03** | **13,571.94** | **42,555.09** |
| **Grand Total (A+B+C+D+E+F+G+H+I+J+K)** | | | **555,887.33** | **425,838.71** | **130,048.62** |

## Standalone Balance Sheet as at March 31, 2022

(₹ in million)

| | Particulars | Note No. | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|---|
| I. | **ASSETS** | | | |
| (1) | **Non-current assets** | | | |
| | **(a) Property, Plant and Equipment** | | | |
| | (i) Oil and Gas Assets | 5 | 1,168,778.18 | 1,106,790.52 |
| | (ii) Other Property, Plant and Equipment | 6 | 97,604.70 | 90,680.70 |
| | (iii) Right-of-use assets | 7 | 101,149.14 | 107,353.90 |
| | **(b) Capital work in progress** | 8 | | |
| | (i) Oil and Gas Assets | | | |
| | 1) Development wells in progress | | 66,132.60 | 54,970.43 |
| | 2) Oil and gas facilities in progress | | 193,523.00 | 172,636.80 |
| | (ii) Others | | 27,881.24 | 20,505.62 |
| | **(c) Intangible assets** | 9 | 1,823.95 | 2,172.53 |
| | **(d) Intangible assets under development** | | | |
| | (i) Exploratory wells in progress | 10 | 132,170.25 | 161,377.93 |
| | **(e) Financial assets** | | | |
| | (i) Investments | 11 | 851,732.15 | 813,764.40 |
| | (ii) Loans | 13 | 14,470.58 | 11,760.66 |
| | (iii) Deposits under site restoration fund | 14 | 246,305.67 | 233,586.78 |
| | (iv) Others | 15 | 1,671.57 | 2,684.21 |
| | **(f) Non-current tax assets (net)** | 29 | 84,269.50 | 76,558.02 |
| | **(g) Other non-current assets** | 16 | 25,865.09 | 11,918.82 |
| | | | **3,013,377.62** | **2,866,761.32** |
| (2) | **Current assets** | | | |
| | (a) Inventories | 17 | 78,614.15 | 84,744.71 |
| | **(b) Financial assets** | | | |
| | (i) Trade receivables | 12 | 117,884.84 | 77,973.25 |
| | (ii) Cash and cash equivalents | 18 | 501.05 | 1,200.14 |
| | (iii) Other bank balances | 19 | 1,861.25 | 1,825.37 |
| | (iv) Loans | 13 | 2,442.24 | 2,253.52 |
| | (v) Others | 15 | 26,770.44 | 35,479.98 |
| | (c) Other current assets | 16 | 131,190.79 | 114,297.50 |
| | | | **359,264.76** | **317,774.47** |
| | **Total assets** | | **3,372,642.38** | **3,184,535.79** |
| II. | **EQUITY AND LIABILITIES** | | | |
| | **EQUITY** | | | |
| | (a) Equity share capital | 20 | 62,901.39 | 62,901.39 |
| | (b) Other equity | 21 | 2,308,579.47 | 1,982,684.27 |
| | **Total equity** | | **2,371,480.86** | **2,045,585.66** |
| | **LIABILITIES** | | | |
| (1) | **Non-current liabilities** | | | |
| | **(a)Financial liabilities** | | | |
| | (i) Borrowings | 27 | 63,969.02 | 63,275.21 |
| | (ii) Lease Liabilities | 22 | 54,649.75 | 63,084.23 |
| | (iii) Others | 23 | 17,026.89 | 63,802.92 |

| | Particulars | Note No. | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|---|
| | (b) Provisions | 24 | 301,862.37 | 305,351.83 |
| | (c) Deferred tax liabilities (net) | 25 | 197,332.54 | 274,733.67 |
| | (d) Other non-current liabilities | 26 | 307.29 | 403.30 |
| | | | **635,147.86** | **770,651.16** |
| **(2)** | **Current liabilities** | | | |
| | **(a) Financial liabilities** | | | |
| | (i) Borrowings | 27 | - | 86,951.43 |
| | (ii) Lease Liabilities | 22 | 45,506.71 | 41,126.60 |
| | (iii) Trade payables | 28 | | |
| | - to micro and small enterprises | | 3,549.23 | 1,475.10 |
| | - to other than micro and small enterprises | | 57,998.02 | 62,291.38 |
| | (iv) Others | 23 | 190,289.28 | 139,079.49 |
| | (b) Other current liabilities | 26 | 35,201.55 | 23,188.89 |
| | (c) Provisions | 24 | 33,468.87 | 13,858.26 |
| | (d) Current tax liabilities (net) | 29 | - | 327.82 |
| | | | **366,013.66** | **368,298.97** |
| | **Total liabilities** | | **1,001,161.52** | **1,138,950.13** |
| | **Total equity and liabilities** | | **3,372,642.38** | **3,184,535.79** |
| | Accompanying notes to the Standalone Financial Statements | 1-58 | | |

**FOR AND ON BEHALF OF THE BOARD**

Sd/-
(Rajni Kant)
Company Secretary

Sd/-
(Pomila Jaspal)
Director (Finance)
(DIN: 08436633)

Sd/-
(Dr. Alka Mittal )
Chairman & Managing Director
(DIN: 07272207)

**In terms of our report of even date attached**

**For G M Kapadia & Co.**
Chartered Accountants
Firm Reg. No. 104767W

Sd/-
(Abhishek Singh)
Partner (M. No. 407549)

**For R Gopal & Associates**
Chartered Accountants
Firm Reg. No.000846C

Sd/-
(Sandeep Kumar Sawaria)
Partner (M. No. 061771)

**For SARC & Associates**
Chartered Accountants
Firm Reg. No. 006085N

Sd/-
(Pankaj Sharma)
Partner (M. No. 086433)

**For Kalani & Co.**
Chartered Accountants
Firm Reg. No: 000722C

Sd/-
(Vikas Gupta)
Partner (M.No. 077076)

**For R.G.N. Price & Co.**
Chartered Accountants
Firm Reg. No.002785S

Sd/-
(G Surendranath Rao)
Partner (M. No. 022693)

**For S. Bhandari & Co.**
Chartered Accountants
Firm Reg. No. 000560C

Sd/-
(Sudha Shetty)
Partner (M. No. 047684)

**New Delhi**
**28 May 2022**

## Standalone Statement of Profit and Loss for the year ended March 31, 2022

(₹ in million)

| | Particulars | Note No. | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|---|---|
| I | Revenue from operations | 30 | 1,103,453.98 | 681,410.90 |
| II | Other income | 31 | 65,155.83 | 71,425.07 |
| **III** | **Total income (I+II)** | | **1,168,609.81** | **752,835.97** |
| IV | **EXPENSES** | | | |
| | Changes in inventories of finished/ semi-finished goods and work in progress | 32 & 33 | (1,429.48) | (4,263.50) |
| | Production, transportation, selling and distribution expenditure | 34 | 500,195.75 | 353,761.49 |
| | Exploration costs written off | | | |
| | a. Survey Costs | | 17,643.59 | 17,245.46 |
| | b. Exploratory well Costs | | 37,439.30 | 46,609.82 |
| | Finance costs | 35 | 23,598.62 | 22,145.41 |
| | Depreciation, depletion, amortisation and impairment | 36 | 175,457.01 | 163,273.77 |
| | Other impairment and write offs | 37 | 5,305.16 | 3,785.96 |
| | **Total expenses (IV)** | | **758,209.95** | **602,558.41** |
| V | Profit before exceptional items and tax (III-IV) | | 410,399.86 | 150,277.56 |
| VI | Exceptional items- Income/(expenses) | 47 | - | 13,750.34 |
| **VII** | **Profit before tax (V+VI)** | | **410,399.86** | **164,027.90** |
| VIII | Tax expense: | 38 | | |
| | (a) Current tax relating to: | 38.1 | | |
| | - current year | | 94,540.00 | 30,560.00 |
| | - earlier years | | (4,779.99) | 11,489.53 |
| | (b) Deferred tax | 38.1 | (82,417.52) | 9,514.00 |
| | **Total tax expense (VIII)** | | **7,342.49** | **51,563.53** |
| **IX** | **Profit for the year (VII-VIII)** | | **403,057.37** | **112,464.37** |
| **X** | **Other comprehensive income (OCI)** | | | |
| | (a) Items that will not be reclassified to profit or loss | | | |
| | (i) Re-measurement of the defined benefit obligations | | 1,708.08 | (512.07) |
| | - Deferred tax | 38.1 | (1,979.12) | 178.94 |
| | (ii) Equity instruments through other comprehensive income | | 40,627.42 | 26,479.55 |
| | - Deferred tax | 38.1 | (3,037.27) | (1,957.67) |
| | **Total other comprehensive income (net of tax) (X)** | | **37,319.11** | **24,188.75** |
| **XI** | **Total comprehensive income for the year (IX+X)** | | **440,376.48** | **136,653.12** |
| XII | Earnings per equity share: | 40 | | |
| | Basic and diluted (in ₹) | | 32.04 | 8.94 |
| | Accompanying notes to the Standalone Financial Statements | 1-58 | | |

**FOR AND ON BEHALF OF THE BOARD**

Sd/-
(Rajni Kant)
Company Secretary

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(Pomila Jaspal)
Director (Finance)
(DIN: 08436633)

Sd/-
(Dr. Alka Mittal )
Chairman & Managing Director
(DIN: 07272207)

**In terms of our report of even date attached**

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Sd/-
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**For R Gopal & Associates**
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Sd/-
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**For SARC & Associates**
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Sd/-
(Pankaj Sharma)
Partner (M. No. 086433)

**For Kalani & Co.**
Chartered Accountants
Firm Reg. No: 000722C

Sd/-
(Vikas Gupta)
Partner (M.No. 077076)

**For R.G.N. Price & Co.**
Chartered Accountants
Firm Reg. No.002785S

Sd/-
(G Surendranath Rao)
Partner (M. No. 022693)

**For S. Bhandari & Co.**
Chartered Accountants
Firm Reg. No. 000560C

Sd/-
(Sudha Shetty)
Partner (M. No. 047684)

**New Delhi**
**28 May 2022**

## Standalone Statement of Changes in Equity for the year ended March 31, 2022

### (i) Equity Share Capital

**(₹ in million)**

| Particulars | Amount |
|---|---|
| **Balance as at April 1, 2020** | **62,901.54** |
| Changes in Equity Share Captial due to prior period errors | Nil |
| Restated Balance as at April1, 2020 | **62,901.54** |
| Change during the year (Note No.21.5) | (0.15) |
| **Balance as at April 1, 2021** | **62,901.39** |
| Changes in Equity Share Captial due to prior period errors | Nil |
| Restated Balance as at April1, 2021 | **62,901.39** |
| Change during the year | - |
| **Balance as at March 31, 2022** | **62,901.39** |

**(ii) Other Equity**

(₹ in million)

| Particulars | Reserves and Surplus | | | | Equity instruments through Other comprehensive income | Total |
|---|---|---|---|---|---|---|
| | General reserve | Capital reserve | Capital redemption reserve | Retained earnings | | |
| **Balance as at April 1, 2020** | **1,793,185.42** | **159.44** | **1,264.78** | **(5,524.85)** | **78,961.70** | **1,868,046.49** |
| Profit for the year | - | - | - | 112,464.37 | - | 112,464.37 |
| Re-measurement of defined benefit plans (net of tax) | - | - | - | (333.13) | - | (333.13) |
| Other comprehensive income for the year (net of tax) | - | - | - | - | 24,521.88 | 24,521.88 |
| **Total comprehensive income for the year** | **-** | **-** | **-** | **112,131.24** | **24,521.88** | **136,653.12** |
| Payment of dividend | - | - | - | (22,015.49) | - | (22,015.49) |
| Transfer on cancellation of forfeited shares (Note No. 21.5) | - | 0.15 | - | - | - | 0.15 |
| Transfer to General Reserve | 75,400.00 | - | - | (75,400.00) | - | - |
| **Balance as at March 31, 2021** | **1,868,585.42** | **159.59** | **1,264.78** | **9,190.90** | **103,483.58** | **1,982,684.27** |
| Profit for the year | - | - | - | 403,057.37 | - | 403,057.37 |
| Re-measurement of defined benefit plans (net of tax) | - | - | - | (271.04) | - | (271.04) |
| Other comprehensive income for the year (net of tax) | - | - | - | - | 37,590.15 | 37,590.15 |
| **Total comprehensive income for the year** | **-** | **-** | **-** | **402,786.33** | **37,590.15** | **440,376.48** |
| Payment of dividends | - | - | - | (114,481.28) | - | (114,481.28) |
| Transfer to General Reserve | 288,576.09 | - | - | (288,576.09) | - | - |
| **Balance as at March 31, 2022** | **2,157,161.51** | **159.59** | **1,264.78** | **8,919.86** | **141,073.73** | **2,308,579.47** |

**FOR AND ON BEHALF OF THE BOARD**

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Sd/-
(Pomila Jaspal)
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Sd/-
(Dr. Alka Mittal )
Chairman & Managing Director
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Firm Reg. No. 000560C

Sd/-
(Sudha Shetty)
Partner (M. No. 047684)

**New Delhi**
**28 May 2022**

## Standalone Statement of Cash Flows for the year ended March 31, 2022

(₹ in million)

| Particulars | Year ended March 31, 2022 | | Year ended March 31, 2021 | |
|---|---|---|---|---|
| **i) CASH FLOWS FROM OPERATING ACTIVITIES:** | | | | |
| **Net Profit after tax** | | **403,057.37** | | **112,464.37** |
| Adjustments For: | | | | |
| - Income tax expense | 7,342.49 | | 51,563.53 | |
| - Exceptional items | - | | (13,750.34) | |
| - Depreciation, depletion, amortisation and impairment | 175,457.01 | | 163,273.77 | |
| - Exploratory well costs written off | 37,439.30 | | 46,609.82 | |
| - Finance cost | 23,598.62 | | 22,145.41 | |
| - Unrealized foreign exchange loss/(gain) | 3,823.01 | | (2,944.15) | |
| - Other impairment and write offs | 5,305.16 | | 3,785.96 | |
| - Excess provision written back | (780.67) | | (8,241.57) | |
| - Interest income | (11,753.89) | | (10,610.98) | |
| - Loss / (gain) on fair valuation of financial instruments | 1,820.54 | | 1,479.86 | |
| - Amortization of financial guarantee | (383.81) | | (419.18) | |
| - Gain on revaluation / redemption of financial liability towards CCDs | (1,439.34) | | (4,659.61) | |
| - Re-measurement of defined benefit plans | 1,708.08 | | (512.07) | |
| - Liabilities no longer required written Back | (1,783.08) | | (1,391.93) | |
| - Amortization of government grant | (21.91) | | (28.61) | |
| - Loss / (profit) on sale of investment | (49.44) | | 956.81 | |
| - Profit on sale of non-current assets | - | | (1.04) | |
| - Dividend income | (42,519.48) | **197,762.59** | (30,630.05) | **216,625.63** |
| **Operating profit before working capital changes** | | **600,819.96** | | **329,090.00** |
| Adjustments for | | | | |
| - Receivables | (39,751.72) | | (30,090.90) | |
| - Loans and advances | (3,306.72) | | (998.09) | |
| - Other assets | (9,793.28) | | (30,031.14) | |
| - Inventories | 5,430.43 | | (218.77) | |
| - Trade payable and other liabilities | 37,414.89 | **(10,006.40)** | 37,248.29 | **(24,090.61)** |
| **Cash generated from operations** | | **590,813.56** | | **304,999.39** |
| Income taxes paid (Net of tax refund) | | (97,799.31) | | (28,348.45) |
| **Net cash generated by operating activities "A"** | | **493,014.25** | | **276,650.94** |
| **ii) CASH FLOWS FROM INVESTING ACTIVITIES:** | | | | |
| Payments for property, plant and equipment | | (177,105.60) | | (152,537.96) |
| Proceeds from disposal of property, plant and equipment | | 493.43 | | 1,580.20 |
| Exploratory and development drilling | | (97,319.89) | | (93,952.77) |
| Investment in term deposits with maturity 3 to 12 months | | - | | 6,930.00 |
| Redemption / investment in mutual funds (net) | | 49.44 | | - |
| Investment in joint ventures | | (1,070.00) | | (9,199.08) |
| Sale / (Investment) in subsidiaries | | - | | 12,163.03 |
| Investment-others | | (208.46) | | (50.10) |
| Deposit in site restoration fund | | (12,718.89) | | (12,064.55) |
| Dividends received from subsidiaries, associates and joint ventures | | 26,518.42 | | 15,500.24 |
| Dividends received on other investments | | 16,001.06 | | 15,129.81 |
| Interest received | | 10,340.26 | | 9,931.55 |
| **Net cash (used in)/generated by investing activities "B"** | | **(235,020.23)** | | **(206,569.63)** |

ONGC

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| **iii) CASH FLOWS FROM FINANCING ACTIVITIES:** | | |
| Proceeds from non-current borrowings | - | 41,396.40 |
| Proceeds/repayment of current borrowings (net) | (86,950.33) | (28,536.21) |
| Payment of lease liabilities (net of interest) | (50,914.63) | (54,716.56) |
| Interest expense on lease liabilities | (3,291.28) | (3,808.25) |
| Dividends paid on equity shares | (114,487.01) | (22,053.19) |
| Interest paid | (3,048.76) | (2,124.71) |
| **Net cash used in financing activities "C"** | **(258,692.01)** | **(69,842.52)** |
| **Net increase / (decrease) in cash and cash equivalents (A+B+C)** | **(697.99)** | **238.79** |
| Cash and cash equivalents at the beginning of the year | 1,199.04 | 960.25 |
| Cash and cash equivalents at the end of the year | 501.05 | 1,199.04 |
| | **(697.99)** | **238.79** |

**a) Cash and cash equivalents comprises of:-**

**(₹ in million)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Balances with banks | 498.84 | 1,197.84 |
| Cash in hand | 2.21 | 2.30 |
| **Cash and cash equivalents (Note No. 18)** | **501.05** | **1,200.14** |
| Bank overdraft (Note No. 27) | - | (1.10) |
| **Cash and cash equivalents in cash flows statement** | **501.05** | **1,199.04** |

**b) Reconciliation of Liabilities arising from Financing Activities:-**

**For FY 2021-22**

**(₹ in million)**

| Particulars | As at March 31, 2021 | Financing Cash Flows | | Non Cash Flows -Exchange Loss / (Gain) & amortisation of discount | As at March 31, 2022 |
|---|---|---|---|---|---|
| | | Proceeds Raised | Repayment | | |
| **Non-current borrowings** | | | | | |
| - Foreign Currency Bond (Note No. 27.5) | 21,878.45 | - | - | 692.89 | 22,571.34 |
| - Non-Convertible Debentures (Note No. 27.4) | 41,396.76 | - | - | 0.92 | 41,397.68 |
| **Total** | **63,275.21** | **-** | **-** | **693.81** | **63,969.02** |

| Particulars | As at March 31, 2021 | Financing Cash Flows | Non Cash Flows -Exchange Loss / (Gain) | As at March 31, 2022 |
|---|---|---|---|---|
| | | Proceeds/repayment (net) | | |
| **Current borrowings** | | | | |
| - Foreign Currency Terms Loans (Note No. 27.1 & 27.2) | 30,135.68 | (30,135.68) | - | - |
| - Working Capital Loans (Note No. 27.3) | 39,368.10 | (39,368.10) | - | - |
| - Commercial Papers (Note No. 27.6) | 17,446.55 | (17,446.55) | - | - |
| **Total** | **86,950.33** | **(86,950.33)** | **-** | **-** |

**For FY 2020-21**

(₹ in million)

| Particulars | As at March 31, 2020 | Financing Cash Flows | | Non Cash Flows -Exchange Loss / (Gain) & amortisation of discount | As at March 31, 2021 |
|---|---|---|---|---|---|
| | | Proceeds Raised | Repayment | | |
| **Non-current borrowings** | | | | | |
| - Foreign Currency Bond (Note No. 27.5) | 22,450.97 | - | - | (572.52) | 21,878.45 |
| - Non-Convertible Debentures (Note No. 27.4) | - | 41,396.40 | - | 0.36 | 41,396.76 |
| **Total** | **22,450.97** | **41,396.40** | **-** | **(572.16)** | **63,275.21** |

| Particulars | As at March 31, 2020 | Financing Cash Flows | Non Cash Flows -Exchange Loss / (Gain) | As at March 31, 2021 |
|---|---|---|---|---|
| | | Proceeds/repayment (net) | | |
| **Current borrowings** | | | | |
| - Foreign Currency Terms Loans (Note No. 27.1 & 27.2) | 84,990.35 | (53,301.08) | (1,553.59) | 30,135.68 |
| - Working Capital Loans (Note No. 27.3) | 22,140.00 | 17,228.10 | - | 39,368.10 |
| - Commercial Papers (Note No. 27.6) | 9,909.78 | 7,536.77 | - | 17,446.55 |
| **Total** | **117,040.13** | **(28,536.21)** | **(1,553.59)** | **86,950.33** |

**FOR AND ON BEHALF OF THE BOARD**

Sd/-
(Rajni Kant)
Company Secretary

Sd/-
(Pomila Jaspal)
Director (Finance)
(DIN: 08436633)

Sd/-
(Dr. Alka Mittal )
Chairman & Managing Director
(DIN: 07272207)

**In terms of our report of even date attached**

**For G M Kapadia & Co.**
Chartered Accountants
Firm Reg. No. 104767W

Sd/-
(Abhishek Singh)
Partner (M. No. 407549)

**For R Gopal & Associates**
Chartered Accountants
Firm Reg. No.000846C

Sd/-
(Sandeep Kumar Sawaria)
Partner (M. No. 061771)

**For SARC & Associates**
Chartered Accountants
Firm Reg. No. 006085N

Sd/-
(Pankaj Sharma)
Partner (M. No. 086433)

**For Kalani & Co.**
Chartered Accountants
Firm Reg. No: 000722C

Sd/-
(Vikas Gupta)
Partner (M.No. 077076)

**For R.G.N. Price & Co.**
Chartered Accountants
Firm Reg. No.002785S

Sd/-
(G Surendranath Rao)
Partner (M. No. 022693)

**For S. Bhandari & Co.**
Chartered Accountants
Firm Reg. No. 000560C

Sd/-
(Sudha Shetty)
Partner (M. No. 047684)

**New Delhi**
**28 May 2022**

**Notes to the Standalone Financial Statement for the year ended March 31, 2022**

## 1. Corporate information

Oil and Natural Gas Corporation Limited ('ONGC' or 'the Company') is a public limited Company domiciled and incorporated in India having its registered office at Plot No. 5A-5B, Nelson Mandela Road, Vasant Kunj, New Delhi, South West Delhi – 110070. The Company's shares are listed and traded on Bombay Stock Exchange and National Stock Exchange in India. The Company is engaged in exploration, development and production of crude oil, natural gas and value added products.

## 2. Application of new Indian Accounting Standards

All the Indian Accounting Standards issued under section 133 of the Companies Act, 2013 and notified by the Ministry of Corporate Affairs (MCA) under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are approved have been considered in preparation of these Financial Statements.

### 2.1. Standards issued but not yet effective

The MCA has notified the Companies (Indian Accounting Standards / Ind AS) Amendment Rules, 2022 on March 23, 2022, whereby the amendments to various Indian Accounting Standards has been made applicable with effect from April 1, 2022 onwards.

The amendments made vide aforesaid notification dated March 23, 2022 has brought few additions and substitutions in Indian Accounting Standards (Ind AS) particularly in Ind AS 101- First-time Adoption of Indian Accounting Standards, Ind AS 103- Business Combinations, Ind AS 109- Financial Instruments, Ind AS 16- Property, plant and Equipment, Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets and Ind AS 41- Agriculture, the Company is evaluating the requirements of the same and its effect on the Financial Statements is not likely to be material.

## 3. Significant accounting policies

### 3.1. Statement of compliance

In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") issued under section 133 of the Companies Act, 2013 and notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from April 1, 2016.

The Financial Statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), the Companies Act, 2013 and Guidance Note on Accounting for Oil and Gas Producing Activities (Ind AS) issued by the Institute of Chartered Accountants of India.

### 3.2. Basis of preparation

The Financial Statements have been prepared on going concern basis on the historical cost convention using accrual system of accounting except for certain assets and liabilities which are measured at fair value/amortised cost/Net present value at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course due to the special nature of industry, the same has been assumed to have duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal million except otherwise stated.

**Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

**(a)** Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

**(b)** Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

**(c)** Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

### 3.3. Investments in subsidiaries, associates and joint ventures

The Company records the investments in subsidiaries, associates and joint ventures at cost less impairment loss, if any.

When the Company issues financial guarantees on behalf of subsidiaries, initially it measures the financial guarantees at their fair values and subsequently measures at the higher of:

**i.** the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 'Financial Instruments' and

**ii.** the amount initially recognized less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115 'Revenue from Contracts with Customers'.

The Company records the initial fair value of financial guarantee as deemed investment with a corresponding liability recorded as deferred revenue under financial guarantee obligation. Such deemed investment is added to the carrying amount of investment in subsidiaries. Deferred revenue is recognized in the Statement of Profit and Loss over the remaining period of financial guarantee issued as other income.

On disposal of investment in subsidiary, associate and joint venture, the difference between net disposal proceeds and the carrying amounts (including corresponding value of dilution in deemed investment) are recognized in the Statement of Profit and Loss.

Interest free loans provided to subsidiary are recognized at fair value on the date of disbursement and the difference on fair valuation is recognized as deemed investment in subsidiary. Such deemed investment is added to the carrying amount of investment in subsidiaries. Loans are accounted at amortized cost method using effective interest rate. If there is an early repayment of loan made by the subsidiary, the proportionate amount of the deemed investment recognized earlier is adjusted.

Where the Company is a sponsor in respect of Compulsory Convertible Debentures issued by subsidiaries & joint ventures and is mandatorily required to purchase such debentures, a financial liability is recognized at fair value with a corresponding debit to deemed investment. Financial liability is subsequently measured at amortized cost. The deemed investment is added to the carrying amount of investment in subsidiaries or joint ventures and carried at cost.

**3.4. Interests in joint operations**

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

The Company has Joint Operations in the nature of Production Sharing Contracts (PSC) and Revenue Sharing Contracts (RSC) with the Government of India and various body corporates for exploration, development and production activities.

The Company's share in the assets and liabilities along with attributable income and expenditure of the Joint Operations is merged on line by line basis with the similar items in the Financial Statements of the Company and adjusted for depreciation, depletion, survey, dry wells, decommissioning provision, impairment and sidetracking in accordance with the accounting policies of the Company.

The hydrocarbon reserves in such areas are taken in proportion to the participating interest of the Company.

With respect to use of leased assets in the joint operations, the Company recognizes lease liability and corresponding right-of-use asset in accordance with the terms of related joint operating agreement/production sharing contracts.

Gain or loss on sale of interest in a block, is recognized in the Statement of Profit and Loss, except that no gain is recognized at the time of such sale if substantial uncertainty exists about the recovery of the costs applicable to the retained interest or if the Company has substantial obligation for future performance. The gain in such situation is treated as recovery of cost related to that block.

**3.5. Non-current assets held for sale**

Non-current assets or disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets or disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such assets. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, Plant and Equipment and intangible assets are not depreciated or amortized once classified as held for sale.

**3.6. Government Grants**

Government grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Monetary Government grants, whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets and are recognized and disclosed as 'deferred income' under non-current liability in the Balance Sheet and transferred to the Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

All Non-monetary grants received are recognized for both asset and grant at nominal value.

**3.7. Property, Plant and Equipment (other than Oil and Gas Assets) and Right-of-use assets**

The Company had elected to continue with the carrying value of all of its Property, Plant and Equipment recognised as of April 1, 2015 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as of the transition date except adjustment related to decommissioning provisions.

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost less accumulated depreciation and impairment losses, if any. Freehold land and land under perpetual lease are not depreciated.

Property, Plant and Equipment (PPE) in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. The cost of an asset comprises its purchase price or its construction cost (net of applicable tax credits), any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the Management and decommissioning cost as per Note no 3.13. It includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of PPE when completed and ready for intended use. Parts of an item of PPE having different useful lives and significant value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components. Expenditure on dry docking of rigs and vessels are accounted for as component of relevant assets.

Depreciation of PPE commences when the assets are ready for their intended use.

Depreciation is provided on the cost of PPE (other than freehold land, Oil and Gas Assets and properties under construction) less their residual values, using the written down value method (except for components of dry docking capitalised) over the useful life of PPE as stated in the Schedule II to the Companies Act, 2013 or based on technical assessment by the Company. Estimated useful lives of these assets are as under:

| Description | Years |
|---|---|
| Building & Bunk Houses | 3 to 60 |
| Plant & Machinery | 2 to 40 |
| Furniture & Fixtures | 3 to 25 |
| Vehicles, Ships & Boats | 3 to 20 |
| Office Equipment | 2 to 20 |

The estimated useful lives, residual values and depreciation method are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

Depreciation on additions/deletions to PPE (other than of Oil and Gas Assets) during the year is provided for on a pro-rata basis with reference to the date of additions/deletions except low value items not exceeding ₹ 5,000/- which are fully depreciated at the time of addition.

Depreciation on subsequent expenditure on PPE (other than of Oil and Gas Assets) arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

Depreciation on refurbished/revamped PPE (other than of Oil and Gas Assets) which are capitalized separately is provided for over the reassessed useful life.

Depreciation on expenditure on dry docking of rigs and vessels capitalized as component of relevant rig / vessels is charged over the dry dock period on straight line basis.

Depreciation on PPE (other than Oil and Gas Assets) including support equipment and facilities used for exploratory/ development drilling is initially capitalised as part of drilling cost and expensed / depleted as per Note No. 3.11. Depreciation on equipment/ assets deployed for survey activities is charged to the Statement of Profit and Loss.

Right-of-use assets are depreciated on a straight-line basis over the lease term or useful life of the underlying asset, whichever is less.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the net sales/disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

### 3.8. Intangible Assets

#### (i) Intangible assets acquired separately

The Company had elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2015 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as of the transition date.

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives not exceeding five years from the date of capitalisation. The estimated useful life is reviewed at the end of each reporting period and the effect of any changes in estimate is accounted for prospectively.

Intangible assets are derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset, and recognised in the Statement of Profit and Loss when the asset is derecognised.

#### (ii) Intangible assets under development - Exploratory Wells in Progress

All exploration and evaluation costs incurred in drilling and equipping exploratory and appraisal wells, are initially capitalized as Intangible assets under development - Exploratory Wells in Progress till the time these are either transferred to Oil and Gas Assets on completion as per Note No.3.11 or expensed as exploration and evaluation cost (including allocated depreciation) as and when determined to be dry or of no further use, as the case may be.

Cost of drilling exploratory type stratigraphic test wells are initially capitalized as Intangible assets under development - Exploratory Wells in Progress till the time these are either transferred to Oil and Gas Assets as per Note No. 3.11 or expensed as exploration and evaluation cost (including allocated depreciation) as when determined to be dry or the Petroleum Exploration License is surrendered.

Costs of exploratory wells are not carried over unless it could be reasonably demonstrated that there are indications of sufficient quantity of reserves and sufficient progress has been made in assessing the reserves and the economic and operating viability of the project. All such carried over costs are subject to review for impairment as per the policy of the Company.

### 3.9. Impairment of tangible, intangible assets and right-of-use assets

The Company reviews the carrying amount of its tangible and intangible assets (Oil and Gas Assets, Development Wells in Progress (DWIP), Property, Plant and Equipment (including Capital Works-in-Progress) and right-of use assets of a “Cash Generating Unit” (CGU) at the end of each reporting period to determine whether there is any significant indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount and impairment loss is recognised in the Statement of Profit and Loss.

An assessment is made at the end of each reporting period to see if there are any indications that impairment losses recognized earlier, may no longer exist or may have come down. The impairment loss is reversed, if there has been a change in the estimates used to determine the asset’s recoverable amount since the previous impairment loss was recognized. If it is so, the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. After a reversal, the depreciation charge is adjusted in future periods to allocate the asset’s revised carrying amount, less any residual value, on a systematic basis over its remaining useful life. Reversals of Impairment loss are recognized in the Statement of Profit and Loss.

Exploration and Evaluation assets are tested for Impairment when further exploration activities are not planned in near future or when sufficient data exists to indicate that although a development is likely to proceed, the carrying amount of the exploration asset is unlikely to be recovered in full from successful development or by sale. Impairment loss is reversed subsequently, to the extent that conditions for impairment are no longer present.

### 3.10. Exploration & Evaluation, Development and Production Costs

#### (i) Pre-acquisition cost

Expenditure incurred before obtaining the right(s) to explore, develop and produce oil and gas are expensed as and when incurred.

**(ii) Acquisition cost**

Acquisition costs of Oil and Gas Assets are costs related to right to acquire mineral interest and are accounted as follows: -

**Exploration and development stage**

Acquisition cost relating to projects under exploration or development are initially accounted as Intangible Assets under development - exploratory wells in progress or Oil & Gas Assets under development - development wells in progress respectively. Such costs are capitalized by transferring to Oil and Gas Assets when a well is ready to commence commercial production. In case of abandonment / relinquishment of Intangible Assets under development - exploratory wells in progress, such costs are written off.

**Production stage**

Acquisition costs of producing Oil and Gas Assets are capitalized as proved property acquisition cost under Oil and Gas Assets and amortized using the unit of production method over proved reserves of underlying assets.

**(iii) Survey cost**

Cost of Survey and prospecting activities conducted in the search of oil and gas are expensed as exploration cost in the year in which these are incurred.

**(iv) Oil & Gas asset under development - Development Wells in Progress**

All costs relating to Development Wells are initially capitalized as 'Development Wells in Progress' and transferred to 'Oil and Gas Assets' on "completion".

**(v) Production costs**

Production costs include pre-well head and post-well head expenses including depreciation and applicable operating costs of support equipment and facilities.

### 3.11. Oil and Gas Assets

The Company had elected to continue with the carrying value of all of its Oil and Gas assets recognised as of April 1, 2015 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as of the transition date except adjustment related to decommissioning provisions.

Oil and Gas Assets are stated at historical cost less accumulated depletion and impairment losses. These are created in respect of an area / field having proved developed oil and gas reserves, when the well in the area / field is ready to commence commercial production.

Cost of temporary occupation of land, successful exploratory wells, all development wells (including service wells), allied facilities, depreciation on support equipment used for drilling and estimated future decommissioning costs are capitalised and classified as Oil and Gas Assets.

Oil and Gas Assets are depleted using the "Unit of Production Method". The rate of depletion is computed with reference to an area covered by individual lease/license/asset/amortization base by considering the proved developed reserves and related capital costs incurred including estimated future decommissioning / abandonment costs net of salvage value. Acquisition cost of Oil and Gas Assets is depleted by considering the proved reserves. These reserves are estimated annually by the Reserve Estimates Committee of the Company, which follows the International Reservoir Engineering Procedures.

### 3.12. Side tracking

In the case of an exploratory well, cost of side-tracking is treated in the same manner as the cost incurred on a new exploratory well. The cost of abandoned portion of side tracked exploratory wells is expensed as 'Exploration cost written off'.

In the case of development wells, the entire cost of abandoned portion and side tracking is capitalized.

In case of side tracking of producing wells and service wells which form part of the development schemes are treated as development wells and the cost incurred on the side tracking is capitalized.

In the case of side tracking of producing wells and service wells which do not form part of the development schemes and the side-tracking results in additional proved developed oil and gas reserves or increases the future economic benefits therefrom beyond previously assessed standard of performance, the cost incurred on side tracking is capitalised, whereas the cost of abandoned portion of the well is depleted in the normal way. Otherwise, the cost of side tracking is expensed as 'Work over Expenditure'.

### 3.13. Decommissioning costs

Decommissioning cost includes cost of restoration. Provision for decommissioning costs is recognized when the Company has a legal or constructive obligation to plug and abandon a well, dismantle and remove a facility or an item of Property, Plant and Equipment and to restore the site on which it is located. The full eventual estimated provision towards costs relating to dismantling, abandoning and restoring well sites and allied facilities are recognized in respective assets when the well is complete / facilities or Property, Plant and Equipment are installed.

The amount recognized is the present value of the estimated future expenditure determined using existing technology at current prices and escalated using appropriate inflation rate till the expected date of decommissioning and discounted up to the reporting date using the appropriate risk free discount rate.

An amount equivalent to the decommissioning provision is recognized along with the cost of exploratory well or Property, Plant and Equipment. The decommissioning cost in respect of dry well is expensed as exploratory well cost.

Any change in the present value of the estimated decommissioning provision other than the periodic unwinding of discount is adjusted to the decommissioning provision and the carrying value of the related asset. In case reversal of decommissioning provision exceeds the carrying amount of the related asset including WDV of the capitalised portion of decommissioning provision in the carrying amount of the related asset, the excess amount is recognized in the Statement of Profit and Loss. The unwinding of discount on provision is charged in the Statement of Profit and Loss as finance cost.

Provision for decommissioning cost in respect of assets under Joint Operations is considered as per participating interest of the Company on the basis of estimates approved by the respective operating committee. Wherever the same are not approved by the respective operating committee, decommissioning cost estimates of the Company are considered.

### 3.14. Inventories

Finished goods (other than Sulphur and carbon credits) including inventories in pipelines / tanks are valued at cost or net realisable value whichever is lower. Cost of finished goods is determined on absorption costing method. Sulphur and carbon credits are valued at net realisable value. The value of inventories includes excise duty and royalty (wherever applicable) but excludes cess.

Crude oil in semi-finished condition at Group Gathering Stations (GGS) is valued at cost on absorption costing method or net realisable value whichever is lower.

Crude oil in unfinished condition in flow lines up to GGS / platform is not valued as the same is not measurable. Natural Gas is not valued as it is not stored.

Inventory of stores and spare parts is valued at weighted average cost or net realisable value, whichever is lower. Provisions are made for obsolete and non-moving inventories.

Unserviceable and scrap items, when determined, are valued at estimated net realisable value.

**3.15. Revenue recognition**

The Company derives revenues primarily from sale of products and services, such as crude oil, natural gas, value added products, pipeline transportation and processing services.

Revenue from contracts with customers is recognized at the point in time when the Company satisfies a performance obligation by transferring control of a promised product or service to a customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for the sale of products and service, net of discount, taxes or duties. The transfer of control on sale of crude oil, natural gas and value added products occurs at the point of delivery, where usually the title is passed and the customer takes physical possession, depending upon the contractual conditions. Any retrospective revision in prices is accounted for in the year of such revision.

Sale of crude oil and natural gas (net of levies) produced from Intangible assets under development – Exploratory Wells in Progress / Oil and Gas assets under development – Development Wells in Progress is deducted from expenditure on such wells.

Any payment received in respect of contractual short lifted gas quantity for which an obligation exists to make-up such gas in subsequent periods is recognised as Contract Liabilities in the year of receipt. Revenue in respect of such contractual short lifted quantity of gas is recognized when such gas is actually supplied or when the customer's right to make up is expired, whichever is earlier.

As per the Production Sharing Contracts for extracting the Oil and Gas Reserves with Government of India, out of the earnings from the exploitation of reserves after recovery of cost, a part of the revenue is paid to Government of India which is called Profit Petroleum. It is reduced from the revenue from Sale of Products as Government of India's Share in Profit Petroleum.

Revenue in respect of the following is recognized when collectability of the receivable is reasonably assured:

**(i)** Contractual short lifted quantity of gas with no obligation for make-up

**(ii)** Interest on delayed realization from customers and cash calls from JV partners

**(iii)** Liquidated damages from contractors/suppliers

**Dividend and interest income**

Dividend income from investments is recognised when the shareholder's right to receive payment is established and it became probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.

Interest income from financial assets is recognised at the effective interest rate method applicable on initial recognition.

**3.16. Leases**

Effective April 01, 2019, the Company adopted Ind AS 116 "Leases" using the modified prospective approach. The new standard defines a lease as a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company has exercised the option not to apply this standard to leases of intangible assets.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

**(i)** the Contract involves use of an identified asset,

**(ii)** the Company obtains substantially all of the economic benefits from the use of the asset through the period of the lease and

**(iii)** the Company has the right to direct the use of the asset.

**The Company as a 'lessee'**

At the date of commencement of the lease, the Company recognises a right-of-use asset (ROU asset) and a corresponding lease liability for all hiring contracts / arrangements in which it is a lessee, except for lease with a term of twelve months or less (i.e. short term leases) and lease of low value assets. For these short-term and low value leases, the Company recognizes the lease payments on straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The lease liability is initially measured at present value of the future lease payments over the reasonably certain lease term. The lease payments are discounted using the interest rate implicit in the lease, if it not readily determinable, using the incremental borrowing rate. For leases with similar characteristics, the Company, on a lease by lease basis, applies either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

The right-of-use assets are initially recognized at cost, which comprises the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the inception date of the lease along with any initial direct costs, restoration obligations and lease incentives received.

Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets. The Company applies Ind AS 36 to determine whether a ROU asset is impaired and accounts for any identified impairment loss as described in the accounting policy below on "Impairment of tangible, intangible assets and right-of-use assets".

The interest cost on lease liability (computed using effective interest method), is expensed in the statement of profit and loss, unless eligible for capitalization as per accounting policy below on "Borrowing costs".

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract in accordance with Ind AS 116 and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### 3.17. Foreign Exchange Transactions

The functional currency of the Company is Indian Rupees which represents the currency of the primary economic environment in which it operates.

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated using mean exchange rate prevailing on the last day of the reporting period.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise.

### 3.18. Employee Benefits

Employee benefits include salaries, wages, Contributory provident fund, gratuity, leave encashment towards un-availed leave, compensated absences, post-retirement medical benefits and other terminal benefits.

All short term employee benefits are recognized at their undiscounted amount in the accounting period in which they are incurred.

#### (i) Defined contribution plans

Employee Benefit under defined contribution plans comprising Contributory provident fund, Post Retirement benefit scheme, Employee pension scheme-1995, composite social security scheme etc. is recognized based on the undiscounted amount of obligations of the Company to contribute to the plan. The same is paid to a fund administered through a separate trust.

#### (ii) Defined benefit plans

Defined employee benefit plans comprising of gratuity, post-retirement medical benefits and other terminal benefits, are recognized based on the present value of defined benefit obligation which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

Net interest on the net defined liability is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset and is recognised the Statement of Profit and Loss except those included in cost of assets as permitted.

Remeasurement of defined retirement benefit plans except for leave encashment towards un-availed leave and compensated absences, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest as defined above), are recognised in other comprehensive income except those included in cost of assets as permitted in the period in which they occur and are not subsequently reclassified to profit or loss.

The Company contributes all ascertained liabilities with respect to gratuity and un-availed leave to the ONGC's Gratuity Fund Trust (OGFT) and Life Insurance Corporation of India (LIC), respectively. Liability towards post-retirement medical benefits is being funded and contributed to LIC. Other defined benefit schemes are unfunded.

The retirement benefit obligation recognised in the Financial Statements represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

#### (iii) Other long term employee benefits

Other long term employee benefit comprises of leave encashment towards un-availed leave and compensated absences. These are recognized based on the present value of defined obligation which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

Re-measurements of leave encashment towards un-availed leave and compensated absences are recognized in the Statement of profit and loss except those included in cost of assets as permitted in the period in which they occur.

### 3.19. Voluntary Retirement Scheme

Expenditure on Voluntary Retirement Scheme (VRS) is charged to the Statement of Profit and Loss when incurred.

### 3.20. General Administrative Expenses

General administrative expenses which are directly attributable are allocated to activities and the balance is charged to Statement of Profit and Loss.

### 3.21. Insurance claims

Insurance claims are accounted for on the basis of claims admitted/ expected to be admitted to the extent that the amount recoverable can be measured reliably and it is virtually certain to expect ultimate collection.

### 3.22. Research and Development Expenditure

Expenditure of capital nature are capitalised and expenses of revenue nature are charged to the Statement of Profit and Loss, as and when incurred.

### 3.23. Income Taxes

Income tax expense represents the sum of the current tax and deferred tax.

#### (i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period and any adjustment to tax payable in respect of previous year.

**(ii) Deferred tax**

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognised for all deductible temporary differences, and any unused tax losses to the extent that it is probable that taxable profit will be available in future against which the deductible temporary differences, and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit or loss nor taxable profit or loss.

**(iii) Current and deferred tax expense for the year**

Current and deferred tax expense is recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

### 3.24. Borrowing or Finance Costs

Borrowing costs including finance cost on lease liability specifically identified to the acquisition or construction of qualifying assets or development wells or exploratory wells is capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

Borrowing cost also includes exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs i.e. equivalent to the extent to which the exchange loss does not exceed the difference between the cost of borrowing in functional currency (₹) when compared to the cost of borrowing in a foreign currency.

When there is an unrealised exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealised gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest.

### 3.25. Rig Days Costs

Rig movement costs are booked to the next location drilled/planned for drilling. Abnormal Rig days' costs are considered as un-allocable and charged to the Statement of Profit and Loss.

### 3.26. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote. Contingent liabilities are disclosed on the basis of judgment of the management/ independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

### 3.27. Financial instruments

Financial assets and financial liabilities are recognised when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

### 3.28. Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

### 3.29. Financial assets

**(i) Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

**(ii) Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost using the effective interest method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**(iii) Financial assets at fair value through other comprehensive income**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading.

**(iv) Financial assets at fair value through profit or loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition.

**(v) Impairment of financial assets**

The Company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

**(vi) Derecognition of financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and Loss.

**3.30. Financial liabilities**

**(a) Financial guarantee contracts**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

**i.** the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and

**ii.** the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115. [refer Note No.. 3.3 for Financial guarantee issued to subsidiaries]

**(b) Financial liabilities**

Financial liabilities are measured at amortised cost using the effective interest method.

**(c) Derecognition of financial liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

When an existing financial liability is exchanged with another financial liability, from the existing lender of the debt instrument on substantially different terms, or the terms of an existing financial liability are substantially modified, such an exchange or modification is treated as the derecognition of the original financial liability and the recognition of a new financial liability. The difference in the respective carrying amount is recognised in the Statement of Profit and Loss.

**3.31. Earnings per share**

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

**3.32. Statement of Cash Flow**

Cash flows are reported using the indirect method, whereby profit after tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of future or past operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

**3.33. Segment reporting**

Operating segments are identified and reported taking into account the different risks and returns, the organization structure and the internal reporting systems.

## 4. Critical Accounting Judgments, Assumptions and Key Sources of Estimation Uncertainty

Inherent in the application of many of the accounting policies used in preparing the Financial Statements is the need for Management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual outcomes could differ from the estimates and assumptions used.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key source of judgments, assumptions and estimation uncertainty in the preparation of the Financial Statements which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of Oil and

Gas reserves, long term production profile, impairment, useful lives of Property, Plant and Equipment, depletion of oil and gas assets, decommissioning provision, employee benefit obligations, impairment, provision for income tax, measurement of deferred tax assets, litigation and contingent assets and liabilities.

### 4.1. Critical judgments in applying accounting policies

The following are the critical judgements, apart from those involving estimations (refer Note No. 4.2), that the Management have made in the process of applying the Company's accounting policies and that have the significant effect on the amounts recognized in the Financial Statements.

#### (a) Determination of functional currency

Currency of the primary economic environment in which the Company operates ("the functional currency") is Indian Rupee (₹) in which the Company primarily generates and expends cash. Accordingly, the Management has assessed its functional currency to be Indian Rupee (₹).

#### (b) Classification of investment

Judgement is required in assessing the level of control obtained in a transaction to acquire an interest in another entity; depending upon the facts and circumstances in each case, the Company may obtain control, joint control or significant influence over the entity or arrangement. Transactions which give the Company control of a business are business combinations. If the Company obtains joint control of an arrangement, judgement is also required to assess whether the arrangement is a joint operation or a joint venture. If the Company has neither control nor joint control, it may be in a position to exercise significant influence over the entity, which is then classified as an associate.

The Company has 49.36% equity interest in ONGC Petro additions Limited (OPaL). The Company has subscribed for 3,451.24 million (Previous year 3,451.24 million) share warrants as at March 31, 2022, entitling the Company to exchange each warrant with an equity share of face value of ₹ 10 each against which ₹ 9.75 each has been paid.

Further the Company has entered into an arrangement for backstopping support towards repayment of principal and coupon of Compulsory Convertible Debentures (CCDs) amounting to ₹ 77,780.00 million (Previous year ₹ 77,780.00 million) issued by ONGC Petro additions Limited in three tranches. The outstanding interest accrued as at March 31, 2022 is ₹ 1,699.28 million (Previous year ₹ 1,926.75 million).

The Company has evaluated the interest in OPaL to be in the nature of joint venture as the shareholder agreement between OPaL and the joint Venture partners, Gas Authority of India Limited (GAIL) and the company provides for sharing of control on the decisions relating to specific activities of OPaL by both the Joint Venture partners.

#### (c) Identifying whether a contract includes a lease

The Company enters into hiring/service arrangements for various assets/services. The Company evaluates whether a contract contains a lease or not, in accordance with the principles of Ind AS 116. This requires significant judgements including but not limited to, whether asset is implicitly identified, substantive substitution rights available with the supplier, decision making rights with respect to how the underlying asset will be used, economic substance of the arrangement, etc.

#### (d) Determining lease term (including extension and termination options)

The Company considers the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. Assessment of extension/termination options is made on lease by lease basis, on the basis of relevant facts and circumstances. The lease term is reassessed if an option is actually exercised. In case of contracts, where the Company has the option to hire and de-hire the underlying asset on some circumstances (such as operational requirements), the lease term is considered to be initial contract period.

#### (e) Identifying lease payments for computation of lease liability

To identify fixed (including in-substance fixed) lease payments, the Company consider the non-operating day rate/standby as minimum fixed lease payments for the purpose of computation of lease liability and corresponding right of use asset.

#### (f) Low value leases

Ind AS 116 requires assessment of whether an underlying asset is of low value, if lessee opts for the option of not to apply the recognition and measurement requirements of Ind AS 116 to leases where the underlying asset is of low value. For the purpose of determining low value, the Company has considered nature of assets and concept of materiality as defined in Ind AS 1 and the conceptual framework of Ind AS which involve significant judgement.

#### (g) Evaluation of indicators for impairment of Oil and Gas Assets

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline in asset's value, significant changes in the technological, market, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the asset etc.) which could result in significant change in recoverable amount of the Oil and Gas Assets.

#### (h) Oil & Gas Accounting

The determination of whether potentially economic oil and natural gas reserves have been discovered by an exploration well is usually made within one year of well completion, but can take longer, depending on the complexity of the geological structure. Exploration wells that discover potentially economic quantities of oil and natural gas and are in areas where major capital expenditure (e.g. an offshore platform or a pipeline) would be required before production could begin, and where the economic viability of that major capital expenditure depends on the successful completion of further exploration work in the area, remain capitalized on the balance sheet as long as additional exploration or appraisal work is under way or firmly planned.

It is not unusual to have exploration wells and exploratory-type stratigraphic test wells remaining suspended on the balance sheet for several years while additional appraisal drilling and seismic work on the potential oil and natural gas field is performed or while the optimum development plans and timing are established. All such carried costs are subject to regular technical, commercial and management review on at least an annual basis to confirm the continued intent to develop, or otherwise extract value from the discovery. Where this is no longer the case, the costs are immediately expensed.

### 4.2. Assumptions and key sources of estimation uncertainty

Information about estimates and assumptions that have the significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may differ from these estimates.

**(a) Estimation of provision for decommissioning**

The Company estimates provision for decommissioning as per the principles of Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' for the future decommissioning of Oil and Gas assets at the end of their economic lives. Most of these decommissioning activities would be in the future, the exact requirements that may have to be met when the removal events occur are uncertain. Technologies and costs for decommissioning are constantly changing. The timing and amounts of future cash flows are subject to significant uncertainty.

The timing and amount of future expenditures are reviewed annually or when there is a material change, together with rate of inflation for escalation of current cost estimates and the interest rate used in discounting the cash flows. The economic life of the Oil and Gas assets is estimated on the basis of long term production profile of the relevant Oil and Gas asset and the management expects that the Mining Lease(s) expired will be extended before the end of the economic life of the related assets.

The long term average General Consumer Price Index (CPI) for inflation i.e. 4.67% (Previous year 4.47%) has been used for escalation of the current cost estimates and pre-tax discounting rate used to determine the balance sheet obligation as at the end of the year is long term average risk free government bond rate with 10 year yield i.e. 6.92% (Previous year 7.05%).

**(b) Determining discount rate for computation of lease liability**

For computation of lease liability, Ind AS 116 requires lessee to use their incremental borrowing rate as discount rate if the rate implicit in the lease contract cannot be readily determined.

For leases denominated in Company's functional currency, the Company considers the incremental borrowing rate to be risk free rate of government bond as adjusted with applicable credit risk spread and other lease specific adjustments like relevant lease term. For leases denominated in foreign currency, the Company considers the incremental borrowing rate as risk free rate based on US treasury bills as adjusted with applicable credit risk spread and other lease specific adjustments like relevant lease term and currency of the obligation.

**(c) Determination of cash generating unit (CGU)**

The Company is engaged mainly in the business of oil and gas exploration and production in Onshore and Offshore. In case of onshore assets, the fields are using common production/ transportation facilities and are sufficiently economically interdependent to constitute a single cash generating unit (CGU). Accordingly, impairment test of all onshore fields is performed in aggregate of all those fields at the Asset Level. In case of Offshore Assets, a field is generally considered as CGU except for fields which are developed as a Cluster or group of Clusters, for which common facilities are used, in which case the impairment testing is performed in aggregate for all the fields included in the Cluster or group of Clusters.

**(d) Impairment of assets**

Determination as to whether, and by how much, a CGU is impaired involves Management estimates on uncertain matters such as future crude oil, natural gas and value added product (VAP) prices, the effects of inflation on operating expenses, discount rates, production profiles for crude oil, natural gas and value added products. For Oil and Gas assets, the expected future cash flows are estimated using Management's best estimate of future crude oil and natural gas prices, production and reserves volumes.

The present values of cash flows are determined by applying pre tax-discount rates of 14.74% (Previous year 14.29%) for Rupee transactions and 10.10% (Previous year 9.60%) for crude oil, natural gas and value added products revenue, which are measured in US$. Future cash inflows from sale of crude oil, natural gas and value added products are estimated using Management's best estimate of future prices and its co-relations with benchmark crudes and other petroleum products.

The discount rate used is based upon the cost of capital from an established model.

The value in use of the producing/developing CGUs is determined under a multi-stage approach, wherein future cash flows are initially estimated based on Proved Developed Reserves. Under circumstances where the further development of the fields in the CGUs is under progress and where the carrying value of the CGUs is not likely to be recovered through exploitation of proved developed reserves alone, the Proved and probable reserves (2P) of the CGUs are also taken for the purpose of estimating future cash flows. In such cases, full estimate of the expected cost of evaluation/development is also considered while determining the value in use.

The discount rates applied in the assessment of impairment calculation are re-assessed each year.

**(e) Estimation of reserves**

Management estimates reserves in relation to all the Oil and Gas Assets based on the policies and procedures determined by the Reserves Estimation Committee (REC) of the Company. The estimates so determined are used for the computation of depletion and impairment testing.

The year-end reserves of the Company are estimated by the REC which follows international reservoir engineering procedures consistently. For reporting its petroleum resources, company follows universally accepted Petroleum Resources Management System-PRMS (2018) sponsored by Society of Petroleum Engineers (SPE), World Petroleum Council (WPC), American Association of Petroleum Geologists (AAPG), Society of Petroleum Evaluation Engineers (SPEE), Society of Exploration Geophysicists (SEG), Society of Petrophysicists and Well Log Analysts (SPWLA) and European Association of Geoscientists and Engineers (EAGE).

PRMS (2018) defines Proved Reserves under Reserves category as those quantities of petroleum that, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable from a given date forward from known reservoirs and under defined economic conditions, operating methods, and government regulations. Further it defines Developed Reserves as expected quantities to be recovered from existing wells and facilities and Undeveloped Reserves as the Quantities expected to be recovered through future significant investments.

Volumetric estimation is the main procedure in estimation which uses reservoir rock and fluid properties to calculate hydrocarbons in-place and then estimate that portion which will be recovered from it. As the field gets matured and reasonably good production history is available, then performance methods such as material balance, simulation, decline curve analysis are applied to get more accurate assessments.

The annual revision of estimates is based on the yearly exploratory and development activities and results thereof. New In-place Volume and Estimated Ultimate Recovery (EUR) are estimated for new discoveries. Revision of estimates are also due to Field growth which includes delineation/appraisal activities and field reassessment. Delineation/appraisal activities lead to revision in estimates due to new sub-surface data. Similarly, reassessment is also carried out for existing fields due to necessity of revision in petro-physical parameters, new seismic input, updating of static and dynamic models and performance analysis leading to change in Reserves. Intervention of new technology, change in classifications and contractual provisions also necessitate revision in estimation of Reserves.

As per Standards Pertaining to the Estimating and Auditing of Oil and Gas Reserves Information (revised June 2019), approved by the SPE Board on 25 June 2019

"The reliability of Reserves information is considerably affected by several factors. Initially, it should be noted that Reserves information is imprecise as a result of the inherent uncertainties in, and the limited nature of, the accumulation and interpretation of data upon which the estimating and auditing of Reserves information is predicated. Moreover, the methods and data used in estimating Reserves information are often necessarily indirect or analogical in character rather than direct or deductive..."

"The estimation of Reserves and other Reserves information is an imprecise science because of the many unknown geological and reservoir factors that can only be estimated through sampling techniques. Reserves are therefore only estimates, and they cannot be audited for the purpose of verifying exactness…"

The Company uses the services of third-party agencies for due diligence and it gets the reserves of its major fields audited by third party periodically by internationally reputed consultants who adopt latest industry practices for their evaluation.

**(f) Defined benefit obligation (DBO)**

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

**(g) Litigations**

From time to time, the Company is subject to legal proceedings and the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgment is made when evaluating, among other factors, the probability of unfavourable outcome and the liability to make a reasonable estimate of the amount of potential loss. Provision for litigations are reviewed at the end of each accounting period and revisions made for the changes in facts and circumstances.

## 5. Oil and Gas Assets

**(₹ in million)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Gross cost (Note No. 5.1 & 5.2)** | | |
| Opening balance | 1,850,826.81 | 1,745,972.37 |
| Transfer from Intangible Assets under Development – Exploratory Wells-in Progress | 20,474.05 | 9,311.15 |
| Transfer from Development Wells-in-Progress | 70,747.12 | 67,408.71 |
| Increase/(decrease) in Decommissioning cost estimates | 25,008.27 | 5,346.04 |
| Addition during the year | 58,520.82 | 48,929.64 |
| Deletion/Retirement during the year | (256.21) | (26,230.34) |
| Reclassification / Other adjustments | 274.59 | 89.24 |
| | **2,025,595.45** | **1,850,826.81** |
| **Less: Accumulated Depletion and Impairment** | | |
| **Accumulated Depletion** | | |
| Opening balance | 696,200.58 | 604,473.55 |
| Provided for the year (Note No. 36) | 126,254.84 | 117,877.70 |
| Deletion/Retirement during the year | (6.00) | (26,174.21) |
| Reclassification / Other adjustments | (159.74) | 23.54 |
| | **822,289.68** | **696,200.58** |
| **Accumulated Impairment** | | |
| Opening balance | 47,835.71 | 56,731.99 |
| Provided for the year | 10,315.50 | 22,417.55 |
| Written back of impairment | (23,623.62) | (31,313.83) |
| | **34,527.59** | **47,835.71** |
| **Total** | **1,168,778.18** | **1,106,790.52** |

**5.1.** The Company has elected to continue with the carrying value of its Oil and Gas Assets recognised as of April 1, 2015 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101 except for decommissioning and restoration provision included in the cost of Oil and Gas Assets which have been adjusted in terms of para D21 of Ind AS 101 'First –time Adoption of Indian Accounting Standards'.

**5.2.** During the year 2016-17, Tapti A series facilities which were part of the assets of PMT Joint Operation (JO) and surrendered by the JO to the Government of India (GoI) as per the terms of JO agreement were transferred by GoI to the Company free of cost as its nominee and recorded as a non-monetary grant. During the year 2019-20, the Company opted to recognize the non-monetary government grant at nominal value and recorded the said facilities at nominal value, in line with amendment in Ind AS 20 'Accounting for Government Grants and Disclosure of Government Assistance' vide Companies (Indian Accounting Standards) Second Amendment Rules, 2018 (the 'Rules'). These assets were decapitalised / retired to the extent of the Company's share in the Joint Operation.

Ministry of Petroleum and Natural Gas, Government of India (GoI) vide letter dated May 31, 2019 assigned the Panna-Mukta fields w.e.f. December 22, 2019 on nomination basis to the Company on expiry of present PSC without any cost to ensure continuity of operation. Being a non-monetary grant, the Company has recorded these assets and grant at a nominal value.

Subsequent to assignment of Panna-Mukta field to the Company GoI has directed JV partners of the PMT (Panna Mukta & Tapti) field to transfer the existing SRF fund maintained for decommissioning obligation for Tapti Part A facility and Panna Mukta fields to the Company along with full financial and physical liability of site restoration and decommissioning of Panna Mukta fields and Tapti Part A facilities. Accordingly, in the year 2019-20 the Company received SRF fund of $ 33.81 million (₹ 2,402.18 million) for Tapti Part-A facilities and $ 598.24 million (₹ 42,506.87 million) for Panna Mukta fields from JV partners (including the Company share of 40% in the fields) and acquired the corresponding decommissioning obligation with the conditions that Company will maintain separate dedicated SRF accounts under Site Restoration Fund scheme, 1999 and extent guidelines of SRF, the Company will not utilise the fund of dedicated SRF fund of Panna- Mukta Fields and Tapti Part-A facilities for any other purpose, other than one defined under SRF scheme/guidelines. Company shall periodically carry out the re-estimation of cost of decommissioning of Panna- Mukta Fields and Tapti Part-A facilities as per existing Company policy and contribute to SRF account as per Company policy in nomination fields. In case, final actual cost of decommissioning of facilities of Panna-Mukta fields at the time of physical decommissioning is higher than approved decommissioning cost plus the accumulated amount, Company will contribute the additional amount required for decommissioning. However, in case the actual cost at the time of decommissioning is less than the accumulated amount, the balance amount will be transferred to the Government of India. The Company is mandated to pay Rupee one per annum as rental charges to Government of India for use of Tapti A facilities till its abandonment.

**5.3.** Union Cabinet, Government of India in its meeting held on February 19, 2019, on reforms in Exploration and Licensing Policy for enhancing domestic exploration and production of oil and gas, directed to bid out identified marginal nomination fields operated by National Oil Companies. In pursuance to decision of Union Cabinet, the Company offered 64 such marginal fields which are clustered geographically in 17 contract areas for bidding under the supervision of Directorate General of Hydrocarbons. The Company issued notice of award (NOA) for 49 marginal fields covering 13 contract areas through the bidding process and signed contacts for production enhancement for 21 marginal fields and NOA of 28 fields were cancelled due to non-submission of performance bank guarantee by the successful bidders.

Out of 21 fields for which contracts have been signed, the company has handed over 19 fields to the contractors upto March 31, 2022 and handing over of 2 fields is in progress. For bid out of balance 43 marginal nomination fields in 11 Contract Areas the company had issued notice inviting tenders for 2nd Bid round and the technical bids received for the same are under evaluation. The impact of the same on the financial statements for the year ended March 31, 2022 is immaterial.

**5.4.** Cyclone Tauktae hit Arabian Sea off the coast of Mumbai in the early hours of May 17, 2021 where the company's major production installations and drilling rigs are situated/operating. The cyclone has caused some damages to offshore facilities/platforms like twisting/breakages in instrument air line systems, staircases from lower deck to spider deck, interconnecting bridges, boat landing facilities, fire water and produced water pipelines, tearing and flying off of Insulation on equipment/vessels/rigs, helideck net and peripheral safety nets, crane booms/operator cabins/crane rope, disorientation of process piping, solar panels, disengagement of various fire proof doors and frames etc.

The occurrence of incident was intimated to the Insurance Company under Offshore insurance Package policy and the surveyors/ Loss adjustors have been appointed by the insurance Company for the incident. Physical survey of facilities could not take place immediately after Cyclone Tauktae due to travel restrictions on account of Covid-19. After relaxing of the travel restrictions, the physical survey of the damages to facilities have commenced in April 2022. The estimation of loss/damage due to cyclone is currently under assessment and the impact of the same on the carrying value of oil and gas assets is not material.

## 6. Other Property, Plant and Equipment

**(₹ in million)**

| **Carrying amount of:** (Note No. 6.1) | **As at March 31, 2022** | **As at March 31, 2021** |
|---|---|---|
| Freehold land | 10,579.51 | 9,557.73 |
| Building and bunk houses | 15,607.94 | 15,278.00 |
| Plant and equipment | 62,666.33 | 58,129.56 |
| Furniture and fixtures | 1,724.87 | 1,853.94 |
| Office equipment | 2,784.47 | 2,922.27 |
| Vehicles, ships & boats | 4,241.58 | 2,939.20 |
| **Total** | **97,604.70** | **90,680.70** |

(₹ in million)

| Cost or deemed cost | Freehold land | Buildings and bunk houses | Plant and equipment | Furniture and fixtures | Office equipment | Vehicles, ships & boats | Total |
|---|---|---|---|---|---|---|---|
| **Balance at March 31, 2020** | **8,889.17** | **23,126.93** | **136,552.50** | **7,146.09** | **7,586.39** | **10,505.88** | **193,806.96** |
| Additions | 668.56 | 1,521.35 | 13,464.40 | 606.91 | 2,174.86 | 1,009.98 | 19,446.06 |
| Disposals/ adjustments | - | (24.12) | (9,337.96) | (488.49) | (707.98) | (1,502.08) | (12,060.63) |
| **Balance at March 31, 2021** | **9,557.73** | **24,624.16** | **140,678.94** | **7,264.51** | **9,053.27** | **10,013.78** | **201,192.39** |
| Additions | 1,081.55 | 2,021.71 | 18,248.69 | 741.52 | 2,227.30 | 2,568.32 | 26,889.09 |
| Disposals/ adjustments | 25.19 | (2.06) | (1,366.39) | (607.58) | (1,580.81) | (1,267.65) | (4,799.30) |
| **Balance at March 31, 2022** | **10,664.47** | **26,643.81** | **157,561.24** | **7,398.45** | **9,699.76** | **11,314.45** | **223,282.18** |

(₹ in million)

| Accumulated depreciation and impairment | Freehold land | Buildings and bunk houses | Plant and equipment | Furniture and fixtures | Office equipment | Vehicles, ships & boats | Total |
|---|---|---|---|---|---|---|---|
| **Balance at March 31, 2020** | **-** | **7,714.86** | **77,455.34** | **4,952.15** | **4,687.98** | **6,780.41** | **101,590.74** |
| Depreciation expense | - | 1,621.47 | 13,451.90 | 863.99 | 2,006.30 | 1,796.67 | 19,740.33 |
| Impairment loss recognised in profit or loss | - | 13.59 | 48.30 | 1.74 | 118.15 | 0.28 | 182.06 |
| Eliminated on disposal / adjustments of assets | - | (3.76) | (7,987.01) | (401.97) | (669.38) | (1,499.02) | (10,561.14) |
| Impairment loss written back during the year | - | - | (419.15) | (5.34) | (12.05) | (3.76) | (440.30) |
| **Balance at March 31, 2021** | **-** | **9,346.16** | **82,549.38** | **5,410.57** | **6,131.00** | **7,074.58** | **110,511.69** |
| Depreciation expense | - | 1,687.95 | 13,458.20 | 767.43 | 2,385.26 | 1,265.39 | 19,564.23 |
| Impairment loss recognised in profit or loss (Note No. 10.3) | 84.96 | 3.44 | 9.89 | 0.65 | 2.70 | - | 101.64 |
| Eliminated on disposal / adjustments of assets | - | (1.64) | (1,111.06) | (505.07) | (1,511.47) | (1,267.10) | (4,396.34) |
| Impairment loss written back during the year | - | (0.04) | (11.50) | - | (92.20) | - | (103.74) |
| **Balance at March 31, 2022** | **84.96** | **11,035.87** | **94,894.91** | **5,673.58** | **6,915.29** | **7,072.87** | **125,677.48** |

**a.** Building includes cost of undivided interest in land.

**b.** Details of immovable properties not having title deed in the name of ONGC

**As at March 31, 2022**

| Relevant line Item in the Balance Sheet | Description of item of property | Gross Carrying Value (₹ in million) | Title Deeds held in the name of | Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter / director | Property held since which date | Reason for not being held in the name of the company |
|---|---|---|---|---|---|---|
| Property Plant & Equipment | Building/ Flats | 18.38 | Seller-Co-op Housing Society | No | 29.02.1984 | Pursuant to Registrar's order, registration is under process. |
| Property Plant & Equipment | Building/ Flats | 28.62 | Seller- Industrial/ Infrastructure Development Corporation | No | 29.02.1984 | Registration under process. |
| Property Plant & Equipment | Building/ Flats | 1.87 | Seller-State Development Authority | No | 29.02.1984 | Registration under process. |

| Relevant line Item in the Balance Sheet | Description of item of property | Gross Carrying Value (₹ in million) | Title Deeds held in the name of | Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter / director | Property held since which date | Reason for not being held in the name of the company |
|---|---|---|---|---|---|---|
| Property Plant & Equipment | Building/ Flats | 70.96 | Seller-State Development Authority | No | 31.03.2001 | Registration under process. |
| Property Plant & Equipment | Building/ Flats | 4.80 | Seller-Co-op Housing Society | No | 29.02.1984 | Registration under process. |
| Property Plant & Equipment | Building/ Flats | 155.01 | Seller- State Development Authority | No | 01.04.1985 | Matter pending with Metropolitan Development Authority |
| Property Plant & Equipment | 3 Land | 0.02 | Seller(s)- Individual(s) | No | 17.08.2011 | Registration under process |
| Property Plant & Equipment | Land | 0.18 | Seller(s)- Individual(s) | No | 06.03.2012 | Registration under process |
| Property Plant & Equipment | Land | 0.08 | Seller(s)- Individual(s) | No | 18.05.2012 | Registration under process |
| Property Plant & Equipment | Land | 37.47 | Seller(s)- Individual(s) | No | 30.09.2015 | Registration under process |
| Property Plant & Equipment | Land | 1,272.01 | Seller- Industrial/ Infrastructure Development Corporation | No | 22.04.2016 | Sale Deed will be executed on commissioning of project as per the terms of agreement. |
| **Total** | | **1,589.38** | | | | |

**As at March 31, 2021**

| Relevant line Item in the Balance Sheet | Description of item of property | Gross Carrying Value (₹ in million) | Title Deeds held in the name of | Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter / director | Property held since which date | Reason for not being held in the name of the company |
|---|---|---|---|---|---|---|
| Property Plant & Equipment | Building/ Flats | 18.38 | Seller-Co-op Housing Society | No | 29.02.1984 | Pursuant to Registrar's order, registration is under process. |
| Property Plant & Equipment | Building/ Flats | 28.62 | Seller- Industrial/ Infrastructure Development Corporation | No | 29.02.1984 | Registration under process. |
| Property Plant & Equipment | Building/ Flats | 1.87 | Seller-State Development Authority | No | 29.02.1984 | Registration under process. |
| Property Plant & Equipment | Building/ Flats | 70.96 | Seller-State Development Authority | No | 31.03.2001 | Registration under process. |
| Property Plant & Equipment | Building/ Flats | 155.01 | Seller- State Development Authority | No | 01.04.1985 | Matter pending with Metropolitan Development Authority |
| Property Plant & Equipment | Building/ Flats | 4.80 | Seller-Co-op Housing Society | No | 29.02.1984 | Registration under process. |

| Relevant line Item in the Balance Sheet | Description of item of property | Gross Carrying Value (₹ in million) | Title Deeds held in the name of | Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter / director | Property held since which date | Reason for not being held in the name of the company |
|---|---|---|---|---|---|---|
| Property Plant & Equipment | 3 Land | 0.02 | Seller(s)-Individual(s) | No | 17.08.2011 | Registration under process |
| Property Plant & Equipment | Land | 0.18 | Seller(s)-Individual(s) | No | 06.03.2012 | Registration under process |
| Property Plant & Equipment | Land | 0.08 | Seller(s)-Individual(s) | No | 18.05.2012 | Registration under process |
| Property Plant & Equipment | Land | 43.90 | Seller(s)-Individual(s) | No | 30.09.2015 | Registration under process. |
| Property Plant & Equipment | Land | 1,272.01 | Seller- Industrial/ Infrastructure Development Corporation | No | 22.04.2016 | Matter pending with Metropolitan Development Authority |
| Property Plant & Equipment | Land | 4.25 | Seller(s)-Individual(s) | No | 26.06.2020 | Registration under process |
| Property Plant & Equipment | Land | 1.85 | Seller(s)-Individual(s) | No | 21.08.2020 | Registration under process |
| Property Plant & Equipment | Land | 3.86 | Seller(s)-Individual(s) | No | 01.10.2020 | Registration under process |
| Property Plant & Equipment | Land | 5.16 | Seller(s)-Individual(s) | No | 09.11.2020 | Registration under process |
| **Total** | | **1,610.93** | | | | |

**6.1.** The Company has elected to continue with the carrying value of its other Property Plant & Equipment (PPE) recognised as of April 1, 2015 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101 except for decommissioning provision included in the cost of other Property, Plant and Equipment (PPE) which has been adjusted in terms of para D21 of Ind AS 101 'First –time Adoption of Indian Accounting Standards'.

**6.2.** During the year 2016-17, Tapti A facilities which were part of the assets of PMT Joint Operation (JO) and surrendered by the JO to the Government of India (GoI) as per the terms of JO agreement were transferred by GoI to the Company free of cost as its nominee. During the year 2019-20, the Company opted to recognize the non-monetary government grant at nominal value and recorded the said facilities at nominal value, in line with amendment in Ind AS 20 'Accounting for Government Grants and Disclosure of Government Assistance' vide Companies (Indian Accounting Standards) Second Amendment Rules, 2018 (the 'Rules'). These assets were decapitalised / retired to the extent of the Company's share in the Joint Operation.

Ministry of Petroleum and Natural Gas, Government of India vide letter dated May 31, 2019 has assigned the Panna-Mukta fields w.e.f. December 22, 2019 on nomination basis to the Company on expiry of present PSC without any cost to ensure continuity of operation. Being a non-monetary grant, the Company has recorded these assets and grant at a nominal value (refer Note No. 5.2).

**6.3.** Cyclone Tauktae hit Arabian Sea off the coast of Mumbai in the early hours of May 17, 2021 where the company's major production installations and drilling rigs are situated/operating. The cyclone has caused some damages to offshore facilities/platforms like twisting/breakages in instrument air line systems, staircases from lower deck to spider deck, interconnecting bridges, boat landing facilities, fire water and produced water pipelines, tearing and flying off of Insulation on equipment/vessels/rigs, helideck net and peripheral safety nets, crane booms/operator cabins/crane rope, disorientation of process piping, solar panels, disengagement of various fire proof doors and frames etc.

The occurrence of incident was intimated to the Insurance Company under Offshore insurance Package policy and the surveyors/ Loss adjustors have been appointed by the insurance Company for the incident. Physical survey of facilities could not take place immediately after Cyclone Tauktae due to travel restrictions on account of Covid-19. After relaxing of the travel restrictions, the physical survey of the damages to facilities have commenced in April 2022. The estimation of loss/damage due to cyclone is currently under assessment and the impact of the same on the carrying value of property plant & equipment is not material.

## 7. Right of Use (ROU) Assets

(₹ in million)

| Carrying amount of: | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Land | 4,907.95 | 4,972.18 |
| Buildings | 302.55 | 91.49 |
| Plant and equipment | 72,017.92 | 73,414.90 |
| Vehicles, ships & boats | 23,920.72 | 28,875.33 |
| **Total** | **101,149.14** | **107,353.90** |

(₹ in million)

| Cost | Land | Buildings | Plant and equipment | Vehicles, ships & boats | Total |
|---|---|---|---|---|---|
| **Balance at March 31, 2020** | **5,133.22** | **361.30** | **111,173.98** | **24,882.57** | **141,551.07** |
| Additions | - | - | 46,528.92 | 22,699.57 | 69,228.49 |
| Adjustments on completion/ Termination of Lease | - | - | (12,055.44) | (3.94) | (12,059.38) |
| **Balance at March 31, 2021** | **5,133.22** | **361.30** | **145,647.46** | **47,578.20** | **198,720.18** |
| Additions | - | 338.48 | 33,463.38 | 10,707.41 | 44,509.27 |
| Adjustments on completion/ Termination of Lease | - | - | (26,021.37) | (4,624.90) | (30,646.27) |
| **Balance at March 31, 2022** | **5,133.22** | **699.78** | **153,089.47** | **53,660.71** | **212,583.18** |

(₹ in million)

| Accumulated depreciation | Land | Buildings | Plant and equipment | Vehicles, ships & boats | Total |
|---|---|---|---|---|---|
| **Balance at March 31, 2020** | **90.48** | **133.71** | **35,793.74** | **7,335.22** | **43,353.15** |
| Depreciation | 70.56 | 136.10 | 41,691.42 | 11,371.59 | 53,269.67 |
| Adjustments on completion/ Termination of Lease | - | - | (5,252.60) | (3.94) | (5,256.54) |
| **Balance at March 31, 2021** | **161.04** | **269.81** | **72,232.56** | **18,702.87** | **91,366.28** |
| Depreciation | 64.23 | 127.42 | 35,622.94 | 14,528.56 | 50,343.15 |
| Adjustments on completion/ Termination of Lease | - | - | (26,783.95) | (3,491.44) | (30,275.39) |
| **Balance at March 31, 2022** | **225.27** | **397.23** | **81,071.55** | **29,739.99** | **111,434.04** |

**7.1.** Effective April 1, 2019, the Company has adopted Ind AS 116 “Leases”, applied to all lease contracts existing on April 1, 2019 using modified retrospective transition method.

**7.2.** Details of Leasehold land not having lease deeds in the name of the Company

**As at March 31, 2022**

| Relevant line Item in the Balance Sheet | Description of item of property | Gross Carrying Value (₹ in million) | Title Deeds held in the name of | Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter /director | Property held since which date | Reason for not being held in the name of the company |
|---|---|---|---|---|---|---|
| Right-of-Use Assets | Land-leasehold | 350.82 | Seller- Industrial/ Infrastructure Development Corporation | No | 30.09.1996 | Matter pending with State Industrial Development Corporation |
| Right-of-Use Assets | Land-Leasehold | 47.14 | Seller- Industrial/ Infrastructure Development Corporation | No | 28.10.1985 | Matter subjudice at High Court. |
| Right-of-Use Assets | Land-Leasehold | 36.25 | Seller- Industrial/ Infrastructure Development Corporation | No | 29.02.1984 | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets | Land-Leasehold | 15.16 | Seller- Industrial/ Infrastructure Development Corporation | No | 10.03.1983 | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets | Land-Leasehold | 5.24 | Seller- Industrial/ Infrastructure Development Corporation | No | 10.03.1983 | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets | Land-Leasehold | 1.02 | Seller- Industrial/ Infrastructure Development Corporation | No | 02.07.1982 | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets | Land-Leasehold | 29.90 | Seller- Industrial/ Infrastructure Development Corporation | No | 05.11.1979 | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets | Land-Leasehold | 75.46 | Seller- Industrial/ Infrastructure Development Corporation | No | 01.10.1982 | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets | Land-Leasehold | 0.44 | Seller- Industrial/ Infrastructure Development Corporation | No | 25.05.1987 | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets | Land-Leasehold | 5.80 | Seller- Industrial/ Infrastructure Development Corporation | No | 07.05.1987 | Matter pending with State City and Industrial Development Corporation |

| Relevant line Item in the Balance Sheet | Description of item of property | Gross Carrying Value (₹ in million) | Title Deeds held in the name of | Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter /director | Property held since which date | Reason for not being held in the name of the company |
|---|---|---|---|---|---|---|
| Right-of-Use Assets | Land-Leasehold | 0.34 | Seller- Industrial/ Infrastructure Development Corporation | No | 30.11.1987 | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets | Land-Leasehold | 1.28 | Seller- State Development Authority | No | 31.01.1994 | Matter pending with State Housing Development Authority |
| Right-of-Use Assets | Land-Leasehold | 3.69 | Seller- State Development Authority | No | 31.01.1994 | Matter pending with State Housing Development Authority |
| **Total** | | **572.54** | | | | |

**As at March 31, 2021**

| Relevant line Item in the Balance Sheet | Description of item of property | Gross Carrying Value (₹ in million) | Title Deeds held in the name of | Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter /director | Property held since which date | Reason for not being held in the name of the company |
|---|---|---|---|---|---|---|
| Right-of-Use Assets | Land-leasehold | 350.82 | Seller- Industrial/ Infrastructure Development Corporation | No | 30.09.1996 | Matter pending with State Industrial Development Corporation |
| Right-of-Use Assets | Land-Leasehold | 47.14 | Seller- Industrial/ Infrastructure Development Corporation | No | 28.10.1985 | Matter subjudice at High Court. |
| Right-of-Use Assets | Land-Leasehold | 36.25 | Seller- Industrial/ Infrastructure Development Corporation | No | 29.02.1984 | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets | Land-Leasehold | 15.16 | Seller- Industrial/ Infrastructure Development Corporation | No | 10.03.1983 | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets | Land-Leasehold | 5.24 | Seller- Industrial/ Infrastructure Development Corporation | No | 10.03.1983 | Matter pending with State City and Industrial Development Corporation |

| Relevant line Item in the Balance Sheet | Description of item of property | Gross Carrying Value (₹ in million) | Title Deeds held in the name of | Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter /director | Property held since which date | Reason for not being held in the name of the company |
|---|---|---|---|---|---|---|
| Right-of-Use Assets | Land-Leasehold | 1.02 | Seller- Industrial/ Infrastructure Development Corporation | No | 02.07.1982 | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets | Land-Leasehold | 29.90 | Seller- Industrial/ Infrastructure Development Corporation | No | 05.11.1979 | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets | Land-Leasehold | 75.46 | Seller- Industrial/ Infrastructure Development Corporation | No | 01.10.1982 | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets | Land-Leasehold | 0.44 | Seller- Industrial/ Infrastructure Development Corporation | No | 25.05.1987 | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets | Land-Leasehold | 5.80 | Seller- Industrial/ Infrastructure Development Corporation | No | 07.05.1987 | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets | Land-Leasehold | 0.34 | Seller- Industrial/ Infrastructure Development Corporation | No | 30.11.1987 | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets | Land-Leasehold | 1.28 | Seller- State Development Authority | No | 31.01.1994 | Matter pending with State Housing Development Authority |
| Right-of-Use Assets | Land-Leasehold | 3.69 | Seller- State Development Authority | No | 31.01.1994 | Matter pending with State Housing Development Authority |
| **Total** | | **572.54** | | | | |

## 8. Capital Work-in-Progress

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **A) Oil and Gas Assets** (Note No. 8.1) | | |
| **(i) Development Wells in Progress** | | |
| (Note No. 8.2 & 10.2) | | |
| Opening balance | 56,753.05 | 52,965.35 |
| Expenditure during the year | 62,687.64 | 54,594.00 |
| Depreciation during the year | 19,597.38 | 16,602.41 |
| Other adjustments | 157.51 | - |
| Less: Transfer to Oil and Gas Assets | 70,747.12 | 67,408.71 |
| | **68,448.46** | **56,753.05** |
| **Less: Impairment** | | |
| Opening balance | 1,782.62 | 3,744.97 |
| Provided for the year | 1,223.01 | 844.48 |
| Written back during the year | (689.77) | (2,806.83) |
| | 2,315.86 | 1,782.62 |
| **Total Development Wells in Progress** | **66,132.60** | **54,970.43** |
| **(ii) Oil and Gas facilities in progress** | | |
| Oil and Gas facilities | 200,900.46 | 178,089.52 |
| Acquisition Costs | 1,799.79 | 1,957.30 |
| | 202,700.25 | 180,046.82 |
| **Less: Accumulated Impairment** | | |
| Opening balance | 7,410.02 | 6,884.68 |
| Provided for the year | 989.01 | 1,548.10 |
| Written back during the year | (40.50) | (1,576.41) |
| Reclassification | 818.72 | 553.65 |
| | 9,177.25 | 7,410.02 |
| **Total Oil and Gas facilities in progress** | **193,523.00** | **172,636.80** |
| **B) Other Capital Work In Progress** | | |
| Buildings | 1,393.77 | 1,702.77 |
| Plant and equipment | 24,007.88 | 17,381.03 |
| Capital stores (including in transit) (Note No. 5.2 and 6.2) | 2,658.64 | 2,532.23 |
| Less: Impairment for Non-Moving Items at stores | 8.06 | 45.56 |
| | **28,052.23** | **21,570.47** |
| **Less: Accumulated Impairment** | | |
| Opening balance | 1,064.85 | 1,610.37 |
| For the year | 2.80 | 10.43 |
| Written back during the year | (78.30) | (0.15) |
| Reclassification | (818.72) | (555.80) |
| Other adjustments | 0.36 | - |
| | 170.99 | 1,064.85 |
| **Total Other Capital Work In Progress** | **27,881.24** | **20,505.62** |
| **Total Capital Work In Progress** | **287,536.84** | **248,112.85** |

**8.1.** The Company has elected to continue with the carrying value of its Capital Works-in-Progress recognised as of April 1, 2015 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101 except for decommissioning and restoration provision included in the cost of Capital Works-in-Progress which have been adjusted in terms of para D21 of Ind AS 101 'First –time Adoption of Indian Accounting Standards'.

**8.2. CWIP ageing schedule**

**As at March 31, 2022**

(₹ in million)

| Capital work in progress | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| Projects in progress | 94,414.81 | 56,899.11 | 58,998.68 | 76,935.38 | 287,247.98 |
| Projects temporarily suspended | 84.42 | 310.05 | 2,085.87 | 9,480.68 | 11,961.02 |
| **Total** | **94,499.23** | **57,209.16** | **61,084.55** | **86,416.06** | **299,209.00** |
| Less: Accumulated impairment | | | | | 11,672.16 |
| **Total** | | | | | **287,536.84** |

**CWIP (whose completion is overdue or has exceeded its cost compared to its original plan) completion schedule (Note No. 8.2.1)**

(₹ in million)

| Capital work in progress | To be Completed in | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| **Projects in progress:** | | | | | |
| Well platform development projects | 4,389.95 | - | - | - | 4,389.95 |
| CBM-Bokaro field development project | 3,284.77 | - | - | - | 3,284.77 |
| Pipeline replacement project-VI | 2,869.43 | - | - | - | 2,869.43 |
| Continuous Combined Power Plants project at Hazira | 1,864.96 | - | - | - | 1,864.96 |
| Gas Turbine Power Plants project at Uran | - | 1,440.13 | - | - | 1,440.13 |
| Upgradation of Fire Protection System-Ankleshwar | 898.26 | - | - | - | 898.26 |
| Effluent Treatment Plant project at Uran | - | 884.06 | - | - | 884.06 |
| Upgradation of Fire Protection System-Ahmedabad | 598.61 | - | - | - | 598.61 |
| Lean Gas compressor development project | 537.39 | - | - | - | 537.39 |
| Assam asset renewal project | - | - | 480.70 | - | 480.70 |
| Development of Trishna EPS facility | 418.42 | - | - | - | 418.42 |
| Other Oil and Gas facilities in progress | 3,870.09 | 17.86 | 602.20 | - | 4,490.15 |
| Other CWIP-Buildings | 383.62 | 7.23 | - | - | 390.85 |
| Other CWIP-Plant and equipment | 2,348.13 | 104.05 | 1.20 | - | 2,453.38 |
| Development wells in progress at Joint Venture Southern Region | 2,499.19 | 5,577.74 | - | 1,151.05 | 9,227.98 |
| Development wells in progress at Western Offshore asset | 6,642.64 | - | - | - | 6,642.64 |
| Development wells in progress at Assam asset | 3,888.12 | 246.80 | - | - | 4,134.92 |
| Development wells in progress at Joint Venture Kolkata | 3,433.64 | - | - | - | 3,433.64 |
| Development wells in progress at Rajahmundry asset | 1,406.75 | - | - | - | 1,406.75 |
| Development wells in progress at Ahmedabad asset | 1,266.84 | - | - | - | 1,266.84 |
| Development wells in progress-Others | 953.75 | 434.54 | 1,292.44 | 0.50 | 2,681.23 |
| **Projects temporarily suspended:** | | | | | |
| Sagar Pragati conversion project | - | - | - | 4,144.36 | 4,144.36 |
| Sagar Laxmi conversion project | - | - | - | 2,136.84 | 2,136.84 |
| Process Gas Compressor project at B-127 platform | - | - | - | 928.48 | 928.48 |
| Development project of field B-22 | - | - | - | 762.21 | 762.21 |
| Other Oil and Gas facilities in progress | 38.14 | - | 29.35 | - | 67.49 |

| Capital work in progress | To be Completed in | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| Other CWIP-Buildings | - | - | 1.28 | - | 1.28 |
| Other CWIP-Plant and equipment | - | - | - | 253.12 | 253.12 |
| Development wells in progress at HPHT asset | - | - | 2,586.81 | - | 2,586.81 |
| Development wells in progress-Others | 45.60 | - | 124.75 | - | 170.35 |
| **Total** | **41,638.30** | **8,712.41** | **5,118.73** | **9,376.56** | **64,846.00** |

**As at March 31, 2021**

(₹ in million)

| Capital work in progress | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| Projects in progress | 79,187.40 | 78,637.43 | 41,621.75 | 42,573.49 | 242,020.07 |
| Projects temporarily suspended | 3,632.64 | 2,732.37 | 1,319.98 | 8,710.84 | 16,395.83 |
| **Total** | **82,820.04** | **81,369.80** | **42,941.73** | **51,284.33** | **258,415.90** |
| Less: Accumulated impairment | | | | | 10,303.05 |
| **Total** | | | | | **248,112.85** |

**CWIP (whose completion is overdue or has exceeded its cost compared to its original plan) completion schedule (Note No. 8.2.1)**

(₹ in million)

| Capital work in progress | To be Completed in | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| **Projects in progress:** | | | | | |
| Well platform development projects | 6,411.69 | - | - | - | 6,411.69 |
| CBM-Bokaro field development project | 3,098.39 | - | - | - | 3,098.39 |
| Pipeline replacement project-VI | 2,824.71 | - | - | - | 2,824.71 |
| Sulphur Recovery Unit revamping project at Hazira | 1,878.97 | - | - | - | 1,878.97 |
| Continuous Combined Power Plants project at Hazira | 1,674.35 | - | - | - | 1,674.35 |
| Gas Turbine Power Plants project at Uran | 1,256.66 | - | - | - | 1,256.66 |
| LPG production plant project at Uran | 854.14 | - | - | - | 854.14 |
| Upgradation of Fire Protection System-Ankleshwar | - | 840.43 | - | - | 840.43 |
| Pipeline replacement project-V | 671.67 | - | - | - | 671.67 |
| Firewater Network project at Nhava | 650.06 | - | - | - | 650.06 |
| Enhanced Reactive Thermal Oxidiser project | 509.78 | - | - | - | 509.78 |
| Assam asset renewal project | - | - | - | 480.70 | 480.70 |
| Lean Gas compressor development project | 433.70 | - | - | - | 433.70 |
| Development of Trishna EPS facility | 429.61 | - | - | - | 429.61 |
| Other Oil and Gas facilities in progress | 3,116.84 | 818.99 | - | - | 3,935.83 |
| Other CWIP-Buildings | 227.98 | 18.82 | - | 1.28 | 248.08 |
| Other CWIP-Plant and equipment | 2,408.54 | 108.03 | - | 10.07 | 2,526.64 |
| Development wells in progress at Western Offshore | 4,045.79 | 3,919.45 | - | - | 7,965.24 |
| Development wells in progress at Joint Venture Kolkata | - | 2,455.30 | - | - | 2,455.30 |
| Development wells in progress at Joint Venture Southern Region | - | - | - | 1,149.87 | 1,149.87 |

| Capital work in progress | To be Completed in | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| Development wells in progress at Agartala asset | 521.03 | - | 255.42 | - | 776.45 |
| Development wells in progress at Ahmedabad asset | 723.25 | - | - | - | 723.25 |
| Development wells in progress-Others | 798.74 | - | 179.13 | 0.50 | 978.37 |
| **Projects temporarily suspended:** | | | | | |
| Sagar Pragati conversion project | - | - | - | 4,144.36 | 4,144.36 |
| Sagar Laxmi conversion project | - | - | - | 2,136.84 | 2,136.84 |
| Process Gas Compressor project at B-127 platform | - | - | - | 928.48 | 928.48 |
| Development project of field B-22 | - | - | - | 762.21 | 762.21 |
| Other Oil and Gas facilities in progress | 25.67 | 16.13 | - | 29.35 | 71.15 |
| Other CWIP-Buildings | 2.11 | - | - | - | 2.11 |
| Other CWIP-Plant and equipment | 31.04 | 54.96 | - | 56.62 | 142.62 |
| Development wells in Progress at HPHT asset | 3,003.10 | - | 2,525.38 | - | 5,528.48 |
| Development wells in progress-Others | - | 48.52 | - | - | 48.52 |
| **Total** | **35,597.82** | **8,280.63** | **2,959.93** | **9,700.28** | **56,538.66** |

**8.2.1.** The identification of temporarily suspended projects and the projects with cost overrun/time overrun with the estimated period of completion is done on the basis of estimates made by technical executives of the Company involved in the implementation of the projects.

## 9. Intangible Assets

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Application software** (Note No. 9.1) | | |
| Opening balance | 4,606.11 | 3,642.13 |
| Additions during the year | 435.63 | 964.20 |
| Other adjustments | (0.59) | (0.22) |
| | **5,041.15** | **4,606.11** |
| **Less: Accumulated amortisation and impairment** | | |
| **Accumulated amortization** | | |
| Opening balance | 2,429.82 | 1,828.58 |
| Provided for the year | 784.07 | 600.91 |
| Other adjustments | (0.45) | 0.33 |
| | **3,213.44** | **2,429.82** |
| **Accumulated Impairment** | | |
| Opening Balance | 3.76 | 3.96 |
| Provided for the year | - | 1.58 |
| Written back during the year | - | (1.78) |
| | **3.76** | **3.76** |
| **Total** | **1,823.95** | **2,172.53** |

**9.1.** The Company has elected to continue with the carrying value of its Intangible Assets, recognised as of April 1, 2015 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101 ‘First – time Adoption of Indian Accounting Standards’.

## 10. Intangible Assets under Development

(₹ in million)

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| **Exploratory Wells in Progress** | | | | |
| (Note No. 10.2) | | | | |
| Opening balance | | 197,274.16 | | 194,213.76 |
| Expenditure during the year | 38,922.33 | | 40,249.64 | |
| Less: Sale proceeds of Oil and Gas (net of levies) | 52.17 | 38,870.16 | 44.71 | 40,204.93 |
| Depreciation during the year (Note No. 36) | | 10,665.91 | | 17,779.48 |
| | | **246,810.23** | | **252,198.17** |
| **Less:** | | | | |
| Transfer to Oil and Gas Assets | 20,474.05 | | 9,311.15 | |
| Wells written off during the year | 37,439.30 | 57,913.35 | 45,612.86 | 54,924.01 |
| | | **188,896.88** | | **197,274.16** |
| **Less : Impairment** | | | | |
| Opening Balance | 35,896.23 | | 32,124.08 | |
| Provided during the year (Note No. 10.3) | 20,830.40 | | 10,144.90 | |
| Written back during the year | - | 56,726.63 | (6,372.75) | 35,896.23 |
| **Total** | | **132,170.25** | | **161,377.93** |

### 10.1. Ageing schedule

**As at March 31, 2022**

(₹ in million)

| Intangible assets under development | Amount in intangible assets under development for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| Projects in progress | 28,469.77 | 20,958.87 | 17,324.74 | 101,481.77 | 168,235.15 |
| Projects temporarily suspended | 36.65 | 45.10 | 1,038.38 | 19,541.60 | 20,661.73 |
| **Total** | **28,506.42** | **21,003.97** | **18,363.12** | **121,023.37** | **188,896.88** |
| Less: Accumulated impairment | | | | | 56,726.63 |
| **Total** | | | | | **132,170.25** |

**Intangible assets under development (whose completion is overdue or has exceeded its cost compared to its original plan) completion schedule (Note No. 10.1.2)**

(₹ in million)

| Intangible assets under development | To be completed in | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| **Projects in progress:** | | | | | |
| **Exploratory Wells at** | | | | | |
| - Mumbai offshore | 7,974.50 | - | - | 28,522.88 | 36,497.38 |
| - Block KG-DWN-98/02 | - | 9,253.33 | 3,696.34 | - | 12,949.67 |
| - Rajamundry Asset | 4,138.83 | - | 6,802.29 | - | 10,941.12 |
| - Agartala Asset | 18.79 | 4,542.47 | - | - | 4,561.26 |
| - Assam Asset | 2,980.90 | - | - | - | 2,980.90 |
| - Jointly operated blocks Mumbai offshore | - | - | - | 1,312.22 | 1,312.22 |

ONGC

| Intangible assets under development | To be completed in | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| - Others | 2,963.67 | 402.18 | 65.75 | - | 3,431.60 |
| **Projects temporarily suspended:** | | | | | |
| **Exploratory Wells at** | | | | | |
| - Agartala Asset | 807.65 | - | - | - | 807.65 |
| - Others | - | 26.62 | - | - | 26.62 |
| **Total** | **18,884.34** | **14,224.60** | **10,564.38** | **29,835.10** | **73,508.42** |

**10.1.1. As at March 31, 2021**

**(₹ in million)**

| Intangible assets under development | Amount in intangible assets under development for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| Projects in progress | 30,536.31 | 19,483.26 | 21,103.26 | 104,771.59 | 175,894.42 |
| Projects temporarily suspended | 112.52 | 1,196.81 | 506.28 | 19,564.13 | 21,379.74 |
| **Total** | **30,648.83** | **20,680.07** | **21,609.54** | **124,335.72** | **197,274.16** |
| Less: Accumulated impairment | | | | | 35,896.23 |
| **Total** | | | | | **161,377.93** |

**Intangible assets under development (whose completion is overdue or has exceeded its cost compared to its original plan) completion schedule (Note No. 10.1.2)**

**(₹ in million)**

| Intangible assets under development | To be completed in | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| **Projects in progress:** | | | | | |
| **Exploratory Wells at** | | | | | |
| - Mumbai offshore | 15,651.42 | 12.82 | - | 22,083.35 | 37,747.59 |
| - Rajamundry Asset | 13,448.88 | 2,656.34 | 6,800.93 | 59.19 | 22,965.34 |
| - Block KG-DWN-98/02 | 10,122.69 | - | 4,843.30 | - | 14,965.99 |
| - Agartala Asset | 1,805.56 | - | 2,141.64 | - | 3,947.20 |
| - Jointly operated blocks Mumbai offshore | 1,580.83 | - | - | 1,312.22 | 2,893.05 |
| - Assam Asset | 817.19 | 1,088.31 | - | - | 1,905.50 |
| - Others | 1,848.60 | 163.23 | 109.78 | 22.60 | 2,144.21 |
| **Projects temporarily suspended:** | | | | | |
| **Exploratory Wells at** | | | | | |
| - Jointly operated blocks Mumbai offshore | 807.65 | - | - | - | 807.65 |
| - Others | 182.50 | - | - | - | 182.50 |
| **Total** | **46,265.32** | **3,920.70** | **13,895.65** | **23,477.36** | **87,559.03** |

**10.1.2.** The identification of suspended projects and the projects with cost overrun/time overrun with the estimated period of completion is done on the basis of estimates made by technical executives of the Company involved in the implementation of the projects.

**10.2.** During the year 2004-05, the Company had acquired, 90% Participating Interest in Exploration Block KG-DWN-98/2 from Cairn Energy India Limited for a lump sum consideration of ₹ 3,711.22 million which, together with subsequent exploratory drilling costs of wells had been capitalized under exploratory wells in progress. During 2012-13, the Company had acquired the remaining 10% participating interest in the block from Cairn Energy India Limited on actual past cost basis for a consideration of ₹ 2,124.44 million. Initial in-place reserves were established in this block and adhering to original PSC time lines, a declaration of commerciality (DOC) with a conceptual cluster development plan was submitted on December 21, 2009 for Southern Discovery Area and on July 15, 2010 for Northern Discovery Area. Thereafter, in the revised DOC submitted in December, 2013, Cluster-wise development of the Block had been envisaged by division of entire development area into three clusters.

The DOC in respect of Cluster II had been reviewed by the Management Committee (MC) of the block on September 25, 2014. Field Development Plan (FDP) for Cluster-II was submitted on September 8, 2015 which included cost of all exploratory wells drilled in the Contract Area and the same had been approved by the Company Board on March 28, 2016 and by MC on March 31, 2016. Investment decision has been approved by the Company. Contracts for Subsea umbilical risers, flow lines, Subsea production system, Central processing platform – living quarter utility platform and Onshore Terminal have been awarded during 2018-19. Sixteen (16) Oil wells, Seven (7) Gas wells and Six (6) Water injector wells were drilled upto March 31, 2021. Towards early monetization, it was planned to produce Gas from U-field utilizing Vashishta and S1 Project facilities. One Gas well-U3B was completed in the month of March 2020 and test production commenced on March 5, 2020. In line with the Accounting Policy of the Company, Oil and Gas assets were created for the well U3B on establishment of proved developed reserves during the year 2019-20. Commercial production from the well commenced on May 25, 2020.

Similarly Well U1B was completed an put to production from August 26, 2021. The cost of development wells in progress, Capital work in progress and Oil & gas assets as at March 31, 2022 is ₹ 37,488.80 million (Previous year ₹ 27,326.51 million), ₹ 110,903.50 million (Previous year ₹ 75,468.01 million) and ₹ 24,995.63 million (Previous year ₹ 10,615.47million) respectively under Cluster II.

FDP in respect of Cluster-I was approved for development of Gas discoveries in E1 and integrated development of Oil discoveries in F1 field along with nominated field GS-29 by the Management Committee in FY 2019-20. E1 is now proposed to be developed along with integrated development of Oil discoveries in F1 field along with nominated field GS-29. Drilling of an Appraisal cum Development Well GS29_8_A was completed on April 30, 2021 under F1. The cost of development wells in progress as at March 31, 2022 is ₹ 885.56 million.

In respect of Cluster III, Directorate General of Hydrocarbon (DGH) vide letter dated December 24, 2019 has extended the timeline for submission of FDP by 25 months which was further extended upto August 2022 vide letter dated November 16, 2020. In line with the approval of Management Committee, two appraisal well was drilled upto 2021-22. Hiring of consultancy service for Pre-FEED studies is in advance stage as on March 31, 2022.

In view of the definite plan for development of all the clusters, the cost of exploratory wells in the block i.e. ₹ 46,483.78 million (Previous year ₹ 53,323.75 million) has been carried over.

**10.3.** During the year certain fields of the Company falling under Contract Areas have been identified by Directorate General of Hydrocarbon, Ministry of Petroleum & Natural Gas, and Government of India for bidding under Discovered Small Field Round III, in terms of the said bid documents the value of such fields has been considered as Nil. The Company will need to hand over these fields to the successful bidders on conclusion of Bid Round. Pending finalization of mechanism of recovery of carrying cost of the fields, an impairment provision of ₹ 12,549.06 million (₹ 84.96 million towards land and ₹ 12,464.10 million towards carrying cost of exploratory wells in these fields) has been made during the year.

## 11. Investments

**(₹ in million)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Investment in Equity Instruments (Note No. 11.1) | 746,759.32 | 705,892.17 |
| Investment in Preference Shares (Note No. 11.5) | - | 233.90 |
| Investment in Government securities (Note No. 11.6) | 1,975.08 | 1,975.08 |
| Other Investments (Note No. 11.7) | 102,997.75 | 105,663.25 |
| **Total** | **851,732.15** | **813,764.40** |

### 11.1. Investments in Equity Instruments

**(₹ in million)**

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | (No. in million) | Amount | (No. in million) | Amount |
| **(i) Investment in Subsidiaries (at Cost)** | | | | |
| (Note No. 11.1.1) | | | | |
| **Quoted – Fully paid up** | | | | |
| (a) Hindustan Petroleum Corporation Limited | 778.85 | 369,150.00 | 778.85 | 369,150.00 |
| (Face Value ₹10 per share) | | | | |
| (b) Mangalore Refinery and Petrochemicals Limited (Note No. 11.1.2) | 1,255.35 | 10,405.73 | 1,255.35 | 10,405.73 |
| (Face Value ₹10 per share) | | | | |
| **Unquoted – Fully paid up** | | | | |
| (c) ONGC Videsh Limited | 1,500.00 | 150,000.00 | 1,500.00 | 150,000.00 |
| (Face Value ₹100 per share) | | | | |

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | (No. in million) | Amount | (No. in million) | Amount |
| (d) Petronet MHB Limited | 274.33 | 3,693.10 | 274.33 | 3,693.10 |
| (Face Value ₹ 10 per share) | | | | |
| (Note No. 11.1.3) | | | | |
| **Total Investment in Subsidiaries** | | **533,248.83** | | **533,248.83** |
| **(ii) Investment in Associates (at Cost)** | | | | |
| (Note no. 11.1.1) | | | | |
| **Quoted – Fully paid up** | | | | |
| (a) Petronet LNG Limited | 187.50 | 987.50 | 187.50 | 987.50 |
| (Face Value ₹10 per share) | | | | |
| **Unquoted – Fully paid up** | | | | |
| (b) Pawan Hans Limited | 0.27 | 2,731.66 | 0.27 | 2,731.66 |
| (Face Value ₹10,000 per share) | | | | |
| (Note No. 11.1.7) | | | | |
| (c) Rohini Heliport Limited | - | 0.05 | - | 0.05 |
| (Face Value ₹10 per share) | | | | |
| **Total Investment in Associates** | | **3,719.21** | | **3,719.21** |
| **(iii) Investment in Joint Ventures (at Cost) (Note no. 11.1.1)** | | | | |
| **Unquoted – Fully paid up** | | | | |
| (a) Mangalore SEZ Limited | 13.00 | 130.00 | 13.00 | 130.00 |
| (Face Value ₹10 per share) | | | | |
| (b) ONGC Petro Additions Limited | 997.98 | 9,979.81 | 997.98 | 9,979.81 |
| (Face Value ₹10 per share) | | | | |
| (Note No. 4.1.b & 11.1.4 ) | | | | |
| (c) ONGC Teri Biotech Limited | 12.50 | 0.25 | 12.50 | 0.25 |
| (Face Value ₹10 per share) | | | | |
| (Note No. 11.1.5) | | | | |
| (d) ONGC Tripura Power Company Limited | 560.00 | 5,600.00 | 560.00 | 5,600.00 |
| (Face Value ₹10 per share) | | | | |
| (Note No. 11.1.4) | | | | |
| (e) Dahej SEZ Limited | 23.02 | 230.25 | 23.02 | 230.25 |
| (Face Value ₹10 per share) | | | | |
| (f) Indradhanush Gas Grid Limited | 85.00 | 850.00 | 61.00 | 610.00 |
| (Face Value ₹10 per share) | | | | |
| (Note No. 11.1.8) | | | | |
| **Total Investment in Joint Ventures** | | **16,790.31** | | **16,550.31** |
| **(iv) Investment in other entities** | | | | |
| **(at FVTOCI)** | | | | |
| **Quoted – Fully paid up** | | | | |
| (a) Indian Oil Corporation Limited | 1,337.22 | 159,061.75 | 1,337.22 | 122,823.22 |
| (Face Value ₹10 per share) | | | | |
| (b) GAIL (India) Limited | 217.81 | 33,902.27 | 217.81 | 29,513.38 |
| (Face Value ₹10 per share) | | | | |

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | (No. in million) | Amount | (No. in million) | Amount |
| **Unquoted – Fully paid up** | | | | |
| (c) Indian Gas Exchange Limited | 3.69 | 36.94 | 3.69 | 36.94 |
| (Face Value ₹10 per share) | | | | |
| (Note No. 11.1.9) | | | | |
| **(at FVTPL)** | | | | |
| **Unquoted – Fully paid up** | | | | |
| (d) Planys Technologies Private Limited | - | - | - | 0.27 |
| (Face Value ₹10 per share) | | | | |
| (Note No. 11.1.6) | | | | |
| (e) String Bio Private Limited | - | - | 0.00 | 0.00 |
| (Face Value ₹10 per share) | | | | |
| (Note No. 11.1.6) | | | | |
| (f) Oil Spill Response Limited* | - | 0.01 | - | 0.01 |
| (Face Value ₹10 per share) | | | | |
| **Total Investment in other entities** | | **193,000.97** | | **152,373.82** |
| **Total Investment in Equity Instruments** | | **746,759.32** | | **705,892.17** |
| Aggregate carrying value of quoted investments | | 573,507.25 | | 532,879.83 |
| Aggregate carrying value of unquoted investments | | 173,252.07 | | 173,012.34 |
| Aggregate market value of quoted investments | | 491,296.88 | | 425,868.23 |
| Aggregate amount of impairment in value of investments | | - | | - |

* 100 nos. Equity Shares of Oil Spill Response Limited valued at GBP one each at the time of issuance. Total value in ₹ at the time of issuance of shares was ₹ 6,885/-, further 200 nos. equity shares have also been allotted to the Company without any consideration thereby the Company holds total 300 nos. equity shares.

**11.1.1.** The Company has elected to continue with the carrying value of its investments in subsidiaries, joint ventures and associates, measured as per the Previous GAAP and used that carrying value on the transition date April 1, 2015 in terms of Para D15 (b) (ii) of Ind AS 101 'First –time Adoption of Indian Accounting Standards'.

**11.1.2.** On January 01, 2021, the Company sold its entire holding (48.99 %) of 1,246,653,746 nos. equity shares in its step down subsidiary company ONGC Mangalore Petrochemicals Limited, having face value ₹10 per share at a value of ₹ 9.76 per share to Mangalore Refinery & Petrochemicals Limited (MRPL), a subsidiary of the Company. (Please also refer note no 11.7.4). The Board of subsidiary MRPL at their meeting held on June 10, 2021, has approved the scheme of amalgamation of ONGC Mangalore Petrochemicals Limited (OMPL) and the Ministry of Corporate Affairs (MCA) vide its order No. 24/3/2021-CL-III dated April 14, 2022 has approved the Scheme of Amalgamation of OMPL with MRPL w.e.f. from April 1, 2021.

**11.1.3.** Petronet MHB Limited is classified as a subsidiary of the Company as it holds 49.99% (Previous year 49.99%) ownership interest and its subsidiary Hindustan Petroleum Corporation Limited holds 49.99% (Previous year 49.99%) ownership interest.

**11.1.4.** The Company is restrained from diluting the investment in the respective companies as per the covenants in the respective loan agreements of the companies till the sponsored loans are fully repaid.

**11.1.5.** During the previous year, the Company had received 12,470,010 nos. equity shares from ONGC Teri Biotech Limited as bonus shares.

**11.1.6.** During the year, investments in Equity Share along with Compulsory Convertible Preference Shares in startup companies were sold to ONGC Startup Fund Trust (registered with SEBI as an Alternative Investment Fund category I) for the total consideration of ₹ 235.76 million.

**11.1.7.** During the year 2018-19, the Company has exercised option to exit Pawan Hans Limited by offloading entire 49% stake holdings of the Company as a preferred option, along with the strategic sale proposal being pursued by the Government of India. As at

March 31, 2022, the proposed strategic sale transaction is yet to be consummated. In view of the uncertainty in the completion of the transaction, the investment in Pawan Hans Limited has not been classified as Non-current Asset Held for Sale and accordingly the Company continues to classify Pawan Hans Limited as an Associate Company and carry the investment at Cost.

**11.1.8.** During the year, the Company has subscribed additional 24,000,000 nos. equity share of Indradhanush Gas Grid Limited (IGGL), a Joint Venture Company having face value of ₹10 per share at par value. Total investment in IGGL as at March 31, 2022 is ₹ 850 million (Previous year ₹ 610 million). Further, during the year, the Company has paid share application money amounting to ₹ 830 million to subscribe additional 83,000,000 nos. equity share having face value of ₹10 per share at par value, of which is in the process of allotment as at March 31, 2022.

**11.1.9.** During the previous year 2020-21, the Company had subscribed 3,693,750 nos. equity shares of Indian Gas Exchange Limited (IGX) having face value of ₹ 10 per share at par value for an aggregate consideration of ₹ 36.94 million. The investment being a strategic investment, the same is designated as fair valued through other comprehensive income (FVTOCI).

**11.2. Details of Subsidiaries**

| Name of Subsidiary | Principal activity | Place of incorporation and principal place of business | Proportion of ownership interest/ voting rights held by the Company | | Effective ownership interest/ voting rights held by the Company | |
|---|---|---|---|---|---|---|
| | | | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| ONGC Videsh Limited | Exploration and Production activities | Incorporated in India having all operation outside India | 100.00% | 100.00% | 100.00% | 100.00% |
| Mangalore Refinery and Petrochemicals Limited | Refinery | India | 71.63% | 71.63% | 80.94% | 80.72% |
| Hindustan Petroleum Corporation Limited* | Refining and Marketing | India | 54.90% | 53.64% | 54.90% | 53.64% |
| Petronet MHB Limited (Note No. 11.1.3) | Multi products Pipeline | India | 49.99% | 49.99% | 77.44% | 76.81% |

* During the year 2020-21 Subsidiary Hindustan Petroleum Corporation Limited (HPCL) has executed buy-back program which commenced on 17th November, 2020 and completed on May 14, 2021 through Open Market Operations and has bought back 71,801,491 nos. shares up to March 31, 2021, further 33,472,789 nos. shares were bought back during the year from persons other than promoters, cumulatively representing 6.91% of paid up Share Capital (prior to commencement of buy-back) and accordingly 105,274,280 nos. shares were extinguished. After considering the effect of this extinguishment, Company's shareholding in the subsidiary HPCL has increased to 54.90% as on March 31, 2022 from 53.64% as on March 31, 2021.

**11.3. Details of Associates**

| Name of Associate | Principal activity | Place of incorporation and principal place of business | Proportion of ownership interest/ voting rights held by the Company | | Effective ownership interest/ voting rights held by the Company | |
|---|---|---|---|---|---|---|
| | | | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| Pawan Hans Limited | Helicopter services | India | 49.00% | 49.00% | 49.00% | 49.00% |
| Petronet LNG Limited* | Liquefied Natural Gas supply | India | 12.50% | 12.50% | 12.50% | 12.50% |
| Rohini Heliport Limited | Helicopter Services | India | 49.00% | 49.00% | 49.00% | 49.00% |

* Petronet LNG Limited (PLL) has been classified as an associate since the Company has significant influence on PLL.

**11.4. Details of Joint Ventures**

| Name of joint venture | Principal activity | Place of incorporation and principal place of business | Proportion of ownership interest/ voting rights held by the Company | | Effective ownership interest/ voting rights held by the Company | |
|---|---|---|---|---|---|---|
| | | | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| Mangalore SEZ Limited | Special Economic Zone | India | 26.00% | 26.00% | 26.78% | 26.77% |
| ONGC Petro Additions Limited | Petrochemicals | India | 49.36% | 49.36% | 49.36% | 49.36% |
| ONGC Teri Biotech Limited | Bioremediation | India | 49.98% | 49.98% | 49.98% | 49.98% |
| ONGC Tripura Power Company Limited | Power Generation | India | 50.00% | 50.00% | 50.00% | 50.00% |
| Dahej SEZ Limited | Special Economic Zone | India | 50.00% | 50.00% | 50.00% | 50.00% |
| Indradhanush Gas Grid Limited | Pipeline | India | 20.00% | 20.00% | 20.00% | 20.00% |

**11.5. Investments in Compulsory Convertible Preference Shares**

**(₹ in million)**

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | (No. in million) | Amount | (No. in million) | Amount |
| **Investment in Compulsory Convertible Preference Shares (at FVTPL)** | | | | |
| **Unquoted – Fully paid up** | | | | |
| (a) Planys Technologies Private Limited (Face Value ₹ 1,500 per share) (Note No. 11.1.6) | - | - | - | 42.07 |
| (b) String Bio Private Limited (Face Value ₹ 10 per share) (Note No. 11.1.6) | - | - | 0.16 | 45.00 |
| (c) Chakr Innovation Private Limited (Face Value ₹ 100 per share) (Note No. 11.1.6) | - | - | - | 30.96 |
| (d) Logicladder Technologies Private Limited (Face Value ₹ 100 per share) (Note No. 11.1.6) | - | - | 0.02 | 59.24 |
| (e) Sagar Defence Engineering Private Limited (Face Value ₹ 10 per share) (Note No. 11.1.6) | - | - | 0.01 | 56.63 |
| **Total Investment in Preference Shares** | | **-** | | **233.90** |
| Aggregate carrying value of unquoted investments | | - | | 233.90 |

ONGC

### 11.6. Investments in Government Securities

(₹ in million)

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | (No. in million) | Amount | (No. in million) | Amount |
| **Financial assets carried at amortized cost** | | | | |
| (a) 8.40% Oil Co. GOI Special Bonds -2025 | | | | |
| (Unquoted – Fully paid up) | 0.20 | 1,975.08 | 0.20 | 1,975.08 |
| **Total Investment in Government or trust securities** | | **1,975.08** | | **1,975.08** |
| Aggregate carrying value of unquoted investments | | 1,975.08 | | 1,975.08 |
| Aggregate amount of impairment in value of investments | | - | | - |

### 11.7. Other Investments

(₹ in million)

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | (No. in million) | Amount | (No. in million) | Amount |
| **(i) Deemed Investment in Subsidiaries** | | | | |
| (a) Mangalore Refinery and Petrochemicals Limited (Note No. 11.7.1 & 11.7.4) | | 42.17 | | 42.17 |
| (b) ONGC Videsh Limited (Note No. 11.7.2) | | 5,614.38 | | 5,374.41 |
| (c) ONGC Videsh Rovuma Limited (Note No. 11.7.3) | | 36.05 | | 24.92 |
| (d) ONGC Mangalore Petrochemicals Limited (Note No. 11.7.4) | | - | | 4,193.61 |
| **Total Deemed Investment in Subsidiaries** | | **5,692.60** | | **9,635.11** |
| **(ii) Deemed Investment in Joint Ventures** | | | | |
| (a) ONGC Petro Additions Limited (Note No. 11.7.6) | | 62,381.35 | | 62,378.55 |
| **Total Deemed Investment in Joint ventures** | | **62,381.35** | | **62,378.55** |
| **(iii) Subscription of Share Warrants -Joint ventures (Unquoted – Partially paid up)** | | | | |
| (a) ONGC Petro Additions Limited (Note No. 11.7.5 & 11.7.6) | 3,451 | 33,649.59 | 3,451 | 33,649.59 |
| **Total Investment - Share Warrants** | | **33,649.59** | | **33,649.59** |
| **(iv) Investment in Share application money-Joint ventures** | | | | |
| (a) Indradhanush Gas Grid Limited | | 830.00 | | - |
| (Note No. 11.1.8) | | | | |
| **Total Investment in Share application money** | | **830.00** | | **-** |
| **(v) Investment in Start Up Fund** | | | | |
| (a) ONGC Start Up Fund | | | | |
| (Face value ₹10 per unit) | 44 | 444.21 | | - |
| (Note No. 11.7.7) | | | | |
| **Total Investment in Start Up Fund** | | **444.21** | | **-** |
| **Total other investments** | | **102,997.75** | | **105,663.25** |
| Aggregate carrying value of investments | | 102,997.75 | | 105,663.25 |
| Aggregate amount of impairment in value of investment | | - | | - |

**11.7.1.** The amount of ₹ 42.17 million (Previous year ₹ 42.17 million) denotes the fair value of fees towards financial guarantee given for Mangalore Refinery and Petrochemicals Limited without any consideration.

**11.7.2.** The amount of ₹ 5,614.38 million (Previous year ₹ 5,374.41 million) includes, (i) ₹ 4,010.07 million (Previous year ₹ 3,770.10 million) towards the fair value of guarantee fee on financial guarantee given without any consideration for ONGC Videsh Limited and (ii) ₹ 1,604.31 million (Previous year ₹ 1,604.31 million) towards fair value of interest free loan to ONGC Videsh Limited till January 31, 2018.

**11.7.3.** The amount of ₹ 36.05 million (Previous year ₹ 24.92 million) is towards the fair value of guarantee fee on financial guarantee given without any consideration for the Company's stepdown subsidiary ONGC Videsh Rovuma Limited.

**11.7.4.** The Company along with its subsidiary Mangalore Refinery and Petrochemicals Limited (MRPL) had entered into an arrangement during the year 2019-20, for backstopping support towards repayment of principal towards Compulsory Convertible Debentures (CCDs) amounting to ₹10,000.00 million issued by ONGC Mangalore Petrochemicals Limited (OMPL) and coupon amount for three years. The backstopping support was provided by the Company along with MRPL according to their respective shareholding i.e. 49% by the Company and 51% by MRPL. During the year the company has exercised its right as per the agreement and nominated MRPL to exercise the accelerated buy out option. Accordingly MRPL has exercised the accelerated buy out option and as on 31st March 2022, CCDs were relinquished by MRPL.

**11.7.5.** During the previous year, the Company had subscribed to additional 893,240,000 nos. Share Warrants of ONGC Petro additions Limited @ ₹ 9.75 per share warrant, entitling the Company to exchange each warrant with a Equity Share of Face Value of ₹ 10 after a balance payment of ₹ 0.25 for each share warrant within thirty six months of subscription of the Share warrants issued.

The position of share warrants subscribed by the Company in share warrants issued by OPaL is as under:

| Share warrants issued on | No of warrants subscribed | Value of share warrants (₹ in million) | Subscribed amount paid by the Company (₹ in million) | Execution / Conversion date of Warrants |
|---|---|---|---|---|
| August 25, 2015 | 1,922,000,000 | 19,220.00 | 18739.50 | February 24, 2023 |
| December 13, 2018 | 636,000,000 | 6,360.00 | 6,201.00 | June 12, 2023 |
| April 07, 2020 | 893,240,000 | 8,932.40 | 8,709.09 | April 06, 2023 |

**11.7.6.** During the previous year, the Company entered into an arrangement for backstopping support towards repayment of principal and coupon of Compulsory Convertible Debentures (CCDs) amounting to ₹ 77,780.00 million (Previous year ₹ 77,780.00 million) issued by the Joint Venture ONGC Petro additions Limited (OPaL) in three tranches. The Company is continuing the same back stopping support. The outstanding interest accrued as at March 31, 2022 is ₹ 1,699.28 million (Previous year ₹ 1,926.75 million). The second tranche of CCDs amounting to ₹ 16,710 million has been further extended for a period of 18 months and are due for maturity in May 2023, while the first and third tranche of CCD amounting to ₹ 56,150 million and ₹ 4,920 million will be due for maturity in July, 2022 and September, 2022 respectively.

Based on opinion of Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India, as stated at refer Note No. 11.7.4 above, the Company has recognized a financial liability at fair value for backstopping support towards repayment of principal and a financial guarantee obligation towards coupon amount with a corresponding recognition of Deemed Investment in OPaL.

The Deemed Investment amount of ₹ 62,381.25 million (As at March 31, 2021 ₹ 62,378.55 million) includes, ₹ 62,308.05 million (As at March 31, 2021 ₹ 62,308.05 million) towards the fair value of Financial Liability against these CCDs and ₹ 73.30 million (As at March 31, 2021 ₹ 70.50 million) towards the fair value of guarantee fee on financial guarantee given without any consideration for OPaL.

**11.7.7.** During the year the company has subscribed 44,420,792 no's units of ONGC Startup Fund Trust (registered with SEBI as an Alternative Investment Fund category I) for the total consideration of ₹ 444.21 million.

**11.8. The aggregate investments in each subsidiary, associates and joint ventures is as follows:**

(₹ in million)

| Name of entity | ONGC Videsh Limited | Mangalore Refinery and Petrochemicals Limited | ONGC Mangalore Petrochemicals Limited | Hindustan Petroleum Corporation Limited | Petronet MHB Limited | ONGC Videsh Rovuma Ltd. | Petronet LNG Limited | Pawan Hans Limited | Rohini Heliport Limited | ONGC Petro additions Limited | ONGC Tripura Power Company Limited | Mangalore SEZ Limited | ONGC Teri Biotech Limited | Dahej SEZ Limited | Indradhanush Gas Grid Limited |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Nature of entity** | **Subsidiary** | | | | | | **Associate** | | | **Joint Venture** | | | | | |
| **As at March 31, 2022** | | | | | | | | | | | | | | | |
| Equity | 150,000.00 | 10,405.73 | - | 369,150.00 | 3,693.10 | - | 987.50 | 2,731.66 | 0.05 | 9,979.81 | 5,600.00 | 130.00 | 0.25 | 230.25 | 850.00 |
| Share warrants | - | - | - | - | - | - | - | - | - | 33,649.59 | - | - | - | - | - |
| Deemed investment | 5,614.38 | 42.17 | - | - | - | 36.05 | - | - | - | 62,381.35 | - | - | - | - | - |
| Share application money | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 830.00 |
| **Total** | **155,614.38** | **10,447.90** | **-** | **369,150.00** | **3,693.10** | **36.05** | **987.50** | **2,731.66** | **0.05** | **106,010.75** | **5,600.00** | **130.00** | **0.25** | **230.25** | **1,680.00** |
| **As at March 31, 2021** | | | | | | | | | | | | | | | |
| Equity | 150,000.00 | 10,405.73 | - | 369,150.00 | 3,693.10 | - | 987.50 | 2,731.66 | 0.05 | 9,979.81 | 5,600.00 | 130.00 | 0.25 | 230.25 | 610.00 |
| Share warrants | - | - | - | - | - | - | - | - | - | 33,649.59 | - | - | - | - | - |
| Deemed investment | 5,374.41 | 42.17 | 4,193.61 | - | - | 24.92 | - | - | - | 62,378.55 | - | - | - | - | - |
| **Total** | **155,374.41** | **10,447.90** | **4,193.61** | **369,150.00** | **3,693.10** | **24.92** | **987.50** | **2,731.66** | **0.05** | **106,007.95** | **5,600.00** | **130.00** | **0.25** | **230.25** | **610.00** |

## 12. Trade receivables- Current

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| (a) Considered Good- Secured | 2,190.14 | 1,591.46 |
| (b) Considered Good- Unsecured (Note No. 12.3) | 115,694.70 | 76,381.79 |
| (c) Credit impaired (Note No. 12.4) | 2,132.83 | 1,594.78 |
| Less: Impairment for doubtful receivables | 2,132.83 | 1,594.78 |
| **Total** | **117,884.84** | **77,973.25** |

### 12.1 Trade Receivables- Ageing Schedule

**As at March 31, 2022**

(₹ in million)

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | | Total |
|---|---|---|---|---|---|---|---|
| | | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| (i) Undisputed Trade receivables - considered good | 112,002.36 | 221.17 | 32.02 | 4.20 | 35.29 | 11.39 | 112,306.43 |
| (ii) Undisputed Trade receivables - which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade receivables - credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade receivable - considered good | 0.78 | 13.82 | 235.88 | 672.78 | 1,029.91 | 3,604.40 | 5,557.57 |
| (v) Disputed Trade receivable - which have significant increase in credit risk | - | - | - | - | 7.45 | 13.39 | 20.84 |
| (vi) Disputed Trade receivable - credit impaired | - | - | - | - | - | 2,132.83 | 2,132.83 |
| **Gross Total** | **112,003.14** | **234.99** | **267.90** | **676.98** | **1,072.65** | **5,762.01** | **120,017.67** |
| Less: Impairment for doubtful receivables | | | | | | | 2,132.83 |
| **Total** | | | | | | | **117,884.84** |

**As at March 31, 2021**

(₹ in million)

| Particulars | Not due | Outstanding for following periods from due date of payment | | | | | Total |
|---|---|---|---|---|---|---|---|
| | | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| (i) Undisputed Trade receivables - considered good | 70,394.67 | 723.92 | 444.50 | 35.73 | 25.24 | 0.01 | 71,624.07 |
| (ii) Undisputed Trade receivables - which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade receivables - credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade receivable - considered good | 0.16 | 428.93 | 268.28 | 1,416.33 | 579.53 | 3,655.95 | 6,349.18 |
| (v) Disputed Trade receivable - which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade receivable - credit impaired | - | - | 0.04 | - | - | 1,594.74 | 1,594.78 |
| **Gross Total** | **70,394.83** | **1,152.85** | **712.82** | **1,452.06** | **604.77** | **5,250.70** | **79,568.03** |
| Less: Impairment for doubtful receivables | | | | | | | 1,594.78 |
| **Total** | | | | | | | **77,973.25** |

**12.2** Generally, the Company enters into crude oil and gas sales arrangement with its customers. The normal credit period on sales of crude, gas and value added products is 7 - 30 days. No interest is charged during this credit period. Thereafter, interest on delayed payments is charged at SBI Base rate plus 4% - 6% per annum compounded each quarter on the outstanding balance.

Out of the gross trade receivables as at March 31, 2022, an amount of ₹ 101,672.40 million (as at March 31, 2021 ₹ 64,894.62 million) is due from Oil and Gas Marketing companies, the Company's largest customers. There are no other customers who represent more than 5% of total balance of trade receivables.

Accordingly, the Company assesses impairment loss on dues from Oil Marketing Companies on facts and circumstances relevant to each transaction.

The Company has concentration of credit risk due to the fact that the Company has significant receivables from Oil and Gas Marketing Companies (refer Note No. 44.2.2, 44.3.2 & 45.4). However, these companies are reputed and creditworthy public sector undertakings (PSUs).

**12.3** Includes an amount of ₹ 3,764.43 million (Previous year ₹ 3,755.22 million) due towards Pipeline Transportation Charges for the period from November 20, 2008 to March 31, 2022 from GAIL India Limited (GAIL) on account of revised pipeline transportation tariff charges.

In terms of Gas Sales Agreement (GSA) signed between GAIL and the Company, GAIL is to pay transportation charges in addition to the price of gas in case of Uran Trombay Natural Gas Pipe Line (UTNGPL) and were being paid by GAIL. Subsequent to the replacement of pipeline in 2008, the revised pipeline transportation tariff in respect of UTNGPL as approved by Petroleum and Natural Gas Regulatory Board (PNGRB) is being invoiced to GAIL with effect from November 20, 2008.

Maharashtra Gas Limited (MGL), one of the customers of GAIL, had filed a complaint with PNGRB on February 12, 2015 regarding applicability of tariff on supply of gas to GAIL. After hearing all parties, PNGRB vide order dated October 15, 2015 dismissed the complaint and gave a verdict in favour of the Company. Pursuant to appeal by MGL to the Appellate Tribunal for Electricity (APTEL), the case was remanded back to PNGRB. Once again, PNGRB vide order dated March 18, 2020 had dismissed the complaint, authorized the pipeline as a Common Carrier Pipeline and directed both GAIL and MGL to pay the transportation tariff fixed by PNGRB from time to time for UTNGPL. MGL again filed an appeal with APTEL on April 04, 2020 against the order of PNGRB. APTEL vide order dated July 16, 2021 remanded the matter to PNGRB for fresh adjudication and passing final order within 3 months from the date of appointment of Member (Legal). Matter is presently pending with APTEL.

MGL has been paying the applicable tariff since July 2021.

Rashtriya Chemicals and Fertilisers Ltd (RCF), another customer of GAIL, was paying revised tariff since February 2016 and the tariff from November 20, 2008 till January 31, 2016 was under dispute. The matter was referred to Committee of Secretaries under Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD) that met on June 17, 2021 and concluded that RCF would pay the transportation charges with effect from the date of order (i.e. December 30, 2013) of revised tariff rates of PNGRB. The Company has requested clarification from the MoP&NG regarding the impact of AMRCD order on its receivable from GAIL. However, in view of the conclusion of AMRCD, a provision of ₹ 446.43 million has been created against dues from GAIL on account of Pipeline Transportation Charges in respect of RCF for the period prior to December 30, 2013.

The Company has been raising invoices on GAIL towards Pipeline Transportation Charges during the period from November 2008 to March 2022 amounting to ₹ 7,371.26 million, out of this an amount of ₹ 3,606.83 million has since been received.

In view of the above, the balance receivable (excluding provision ) of ₹ 3,318.00 million as at March 31, 2022 (Previous year ₹ 3755.22 million) is considered good.

**12.4 Movement of Impairment for doubtful receivables**

**(₹ in million)**

| **Particulars** | **Year ended March 31, 2022** | **Year ended March 31, 2021** |
|---|---|---|
| Balance at beginning of the year | 1,594.78 | 1,594.41 |
| Addition | 547.62 | 0.37 |
| Written back during the year | (9.57) | - |
| **Balance at end of the year** | **2,132.83** | **1,594.78** |

## 13. Loans

**(₹ in million)**

| **Particulars** | **As at March 31, 2022** | | **As at March 31, 2021** | |
|---|---|---|---|---|
| | **Non-current** | **Current** | **Non-current** | **Current** |
| **a. Loans to Public Sector Undertakings** | | | | |
| - Credit impaired | 170.50 | - | 170.50 | - |
| Less: Impairment for doubtful loans | 170.50 | - | 170.50 | - |
| **Total Loans to Public Sector Undertakings** | **-** | **-** | **-** | **-** |
| **b. Loans to Employees** | | | | |
| (Note No. 13.1) | | | | |
| - Secured, Considered Good | 14,247.62 | 2,412.89 | 11,511.31 | 2,249.64 |
| - Unsecured, Considered Good | 222.96 | 29.35 | 249.35 | 3.88 |
| - Credit impaired | - | 8.55 | - | 9.94 |
| Less: Impairment for doubtful loans | - | 8.55 | - | 9.94 |
| **Total Loan to Employees** | **14,470.58** | **2,442.24** | **11,760.66** | **2,253.52** |
| **Total Loans** | **14,470.58** | **2,442.24** | **11,760.66** | **2,253.52** |

**13.1** Loans to employees include an amount of ₹ 3.50 million (As at March 31, 2021 ₹ 1.59 million) outstanding from Key Managerial Personnel. (Note No. 44.2.8)

**13.2 Movement of Impairment for doubtful loans:**

**(₹ in million)**

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| **Balance at beginning of the year** | **180.44** | **194.60** |
| Recognized during the year | 0.18 | 0.26 |
| Written back during the year | (1.57) | (0.01) |
| Reclassification | - | (14.41) |
| **Balance at end of the year** | **179.05** | **180.44** |

## 14. Deposits under Site Restoration Fund Scheme

**(₹ in million)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Deposits under site restoration fund scheme | 246,305.67 | 233,586.78 |
| | **246,305.67** | **233,586.78** |

**14.1** The above amount has been deposited with State Bank of India under section 33ABA of the Income Tax Act, 1961 and can be withdrawn only for the purposes specified in the Scheme i.e. towards removal of equipment and installations in a manner agreed with Central Government pursuant to an abandonment plan. This amount is considered as restricted cash and hence not considered as 'Cash and cash equivalents'.

**14.2** Includes ₹ 2,650.56 million (Previous year ₹ 2,522.07 million) towards Tapti A Facilities and ₹ 47,765.55 million (Previous year ₹ 45,405.22 million) towards Panna Mukta Fields (refer Note No. 5.2, 6.2 and 24.3).

## 15. Financial assets - Others

**(₹ in million)**

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Non- current | Current | Non- current | Current |
| **(Unsecured, considered good unless otherwise stated)** | | | | |
| **(a) Deposits** | | | | |
| - Considered Good | 1,466.09 | 1,137.46 | 1,513.41 | 1,437.17 |
| - Credit impaired | 267.52 | - | 14.41 | - |
| Less: Impairment for doubtful deposits | 267.52 | - | 14.41 | - |
| **Total Deposits** | **1,466.09** | **1,137.46** | **1,513.41** | **1,437.17** |
| **(Unsecured, considered good unless otherwise stated)** | | | | |
| **(b) Advance Recoverable in cash** | | | | |
| - Considered Good (Note No. 15.1) | 205.48 | 20,972.68 | 1,091.60 | 23,916.45 |
| - Credit impaired (Note No. 15.2, 15.3 & 15.4) | 230.40 | 14,935.58 | 416.87 | 14,333.27 |
| Less: Impairment for doubtful advances | 230.40 | 14,935.58 | 416.87 | 14,333.27 |
| **Total Advance Recoverable in cash** | **205.48** | **20,972.68** | **1,091.60** | **23,916.45** |
| **(c) Cash Call Receivable from JO Partners** | | | | |
| - Considered Good | - | 2,558.32 | - | 4,051.99 |
| - Credit impaired (Note No. 15.4) | 8,259.92 | - | 6,345.47 | - |
| Less: Impairment for doubtful cash call receivables | 8,259.92 | - | 6,345.47 | - |
| **Total Cash Call Receivable from JO Partners** | **-** | **2,558.32** | **-** | **4,051.99** |
| **(d) Interest Accrued on deposits and loans** | | | | |
| - Considered Good | - | 152.05 | - | 177.94 |
| - Credit impaired (Note No. 15.4) | 22.87 | - | 22.87 | - |

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Non- current | Current | Non- current | Current |
| Less: Impairment for doubtful receivables | 22.87 | - | 22.87 | - |
| **Total Interest Accrued on deposits and loans** | **-** | **152.05** | **-** | **177.94** |
| **(e) Others** | | | | |
| - Considered Good | - | 1,949.93 | 79.20 | 5,896.43 |
| - Credit impaired (Note No. 15.4) | - | 0.10 | - | 0.10 |
| Less: Impairment for doubtful receivables | - | 0.10 | - | 0.10 |
| **Total Others** | **-** | **1,949.93** | **79.20** | **5,896.43** |
| **Total financial assets-Others** | **1,671.57** | **26,770.44** | **2,684.21** | **35,479.98** |

**15.1** During the year 2010-11, the Oil Marketing Companies, nominees of the Government of India (GoI) recovered US$ 80.18 million (Share of the Company US$ 32.07 million (equivalent to ₹ 2,429.30 million)) as per directives of GoI in respect of Joint Operation - Panna Mukta and Tapti Production Sharing Contracts (PSCs). Pending finality by Arbitration Tribunal, the company's share of US$ 32.07 million equivalent to ₹ 2,429.30 million (March 31, 2021: ₹ 2,356.82 million) has been disclosed under the head 'Advance Recoverable in Cash' (refer Note No. 48.1.1 (d)).

**15.2** In Ravva Joint Operation, the demand towards additional profit petroleum raised by Government of India (GoI), due to differences in interpretation of the provisions of the Production Sharing Contract (PSC) in respect of computation of Post Tax Rate of Return (PTRR), based on the decision of the Malaysian High Court setting aside an earlier arbitral tribunal award in favor of operator, was disputed by the operator Vedanta Limited (erstwhile Cairn India Limited). The Company is not a party to the dispute but has agreed to abide by the decision applicable to the operator. The Company is carrying an amount of US$ 167.84 million (equivalent to ₹ 12,714.22 million) after adjustments for interest and exchange rate fluctuations which has been recovered by GoI, this includes interest amounting to US$ 54.88 million (equivalent to ₹ 4,157.16 million). The Company has made impairment provision towards this recovery made by the GoI.

In subsequent legal proceedings, the Appellate Authority of the Honorable Malaysian High Court of Kuala Lumpur had set aside the decision of the Malaysian High Court and the earlier decision of arbitral tribunal in favour of operator was restored, against which the GoI has preferred an appeal before the Federal Court of Malaysia. The Federal Court of Malaysia, vide its order dated October 11, 2011, has dismissed the said appeal of the GoI.

The Company has taken up the matter regarding refund of the recoveries made in view of the favorable judgment of the Federal Court of Malaysia with Ministry of Petroleum and Natural Gas (MoP&NG), GoI. However, according to a communication dated January 13, 2012, MoP&NG expressed the view that the Company's proposal would be examined when the issue of carry in Ravva PSC is decided in its entirety by the Government along with other partners.

In view of the perceived uncertainties in obtaining the refund at this stage, the impairment made in the books as above has been retained and netted off against the amount recoverable as above in the Financial Statements for the year ending March 31, 2022. (Figures in ₹ are restated).

**15.3** The Ravva PSC stipulates Base Development Cost of Ravva JV to be at US$ 188.98 million with a cap of 5% increase. Accordingly the development cost stated in the PSC is US$ 198.43 million. However, actual cost incurred by JV is more than amount stipulated in the PSC. Director General of Hydrocarbons did not approve the increase in base development cost for cost recovery and demanded additional profit petroleum vide letter dated August 8, 2006 from the contractor / JV for an amount of US$ 166 million as short paid on account of cost recovery of Development cost in excess of Base Development Cost.

In August 2008 three JV partners excluding the company had invoked arbitration against Government of India (GoI) on the issue. The contention of claim as operator was that it should be allowed 100% Cost recovery of the Base Development cost. The issue was argued at various levels including court of Appeals and Malaysian Federal Court. The decision of court was in favour of JV partners. After Federal court of Malaysia decision, the case was filed with Delhi High court for enforcement of award in India. Delhi High Court vide order dated February 19, 2020 allowed enforcement of the Arbitration Award including declaratory relief. GoI had filed an SLP in Honorable Supreme Court of India against the said order and the judgment dated September 16, 2020 was in favour JV partner.

Ministry of Petroleum and Natural Gas (MoPNG), GoI vide letter dated October 10, 2018 issued a recovery notice to Oil Marketing companies (OMCs) for US$ 52 million plus applicable interest towards short payment of Government share of Profit Petroleum on account of dispute of Cost recovery of Base Development cost from the payments made to the Company towards the sales proceeds of Crude Oil and Natural Gas. During the year OMCs deducted and deposited the sales proceeds of Crude Oil and Natural Gas to MoPNG and the entire amount of US$ 83 million (US$ 52 million along with interest of US$31 million) (equivalent to ₹ 6,099.67 million) has been recovered.

In view of the Supreme Court Judgment for enforcement of arbitration award in India, an amount of US$ 83 million (US $ 52 million along with interest of US$31 million) has been adjusted from profit petroleum payable to GoI during the year 2020-21 and 2021-22.

**15.4 Movement of Impairment for financial assets-others**

**(₹ in million)**

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| **Balance at beginning of the year** | **21,132.99** | **27,168.62** |
| Recognized during the year | 2,648.13 | 829.58 |
| Written back during the year | (64.73) | (6,879.62) |
| Reclassification | - | 14.41 |
| **Balance at end of the year** | **23,716.39** | **21,132.99** |

## 16. Other assets

(₹ in million)

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Non-current | Current | Non-current | Current |
| **a. Capital advances** | | | | |
| - Considered good | 11,683.00 | - | 946.39 | - |
| - Credit impaired | 341.99 | - | 341.99 | - |
| Less: Impairment | 341.99 | - | 341.99 | - |
| | **11,683.00** | **-** | **946.39** | **-** |
| **b. Others receivables** | | | | |
| - Considered Good | 56.50 | - | 61.95 | - |
| - Credit impaired | 385.89 | - | 408.42 | - |
| Less: Impairment | 385.89 | - | 408.42 | - |
| | **56.50** | **-** | **61.95** | **-** |
| **c. Deposits** | | | | |
| With Customs/Port Trusts etc. | 0.05 | 29.03 | 0.05 | 28.93 |
| With Others | | | | |
| - Considered Good | 13,291.39 | 98,880.35 | 9,825.57 | 89,360.02 |
| - Credit impaired | 1,972.43 | 723.67 | 1,625.38 | 682.21 |
| Less: Impairment | 1,972.43 | 723.67 | 1,625.38 | 682.21 |
| | **13,291.44** | **98,909.38** | **9,825.62** | **89,388.95** |
| **d. Advance recoverable** | | | | |
| - Considered Good | 662.50 | 32,268.08 | 901.79 | 24,907.40 |
| - Credit impaired | 642.72 | 980.51 | 642.72 | 961.54 |
| Less: Impairment for receivables | 642.72 | 980.51 | 642.72 | 961.54 |
| | **662.50** | **32,268.08** | **901.79** | **24,907.40** |
| e. Prepayments - Mobilization Charges | - | 3.80 | - | - |
| f. Prepayments - lease land (Note No. 7.2) | 171.65 | 9.53 | 183.07 | 1.15 |
| **Total** | **25,865.09** | **131,190.79** | **11,918.82** | **114,297.50** |

### 16.1 Movement of Impairment for other assets

(₹ in million)

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| **Balance at beginning of the year** | **4,662.26** | **4,629.68** |
| Recognized during the year | 424.66 | 462.06 |
| Written back during the year | (39.71) | (374.41) |
| Other adjustments | - | (55.07) |
| **Balance at end of the year** | **5,047.21** | **4,662.26** |

## 17. Inventories

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Raw Materials (Condensate) | 1.03 | 1.64 |
| Semi-finished goods (Note No. 32 & 33) | 579.30 | 432.16 |
| Finished Goods (Note No. 17.1, 32 & 33) | 14,531.92 | 13,249.58 |
| Stores and spares | | |
| (a) on hand | 69,170.99 | 75,057.32 |
| (b) in transit | 1,243.55 | 2,333.83 |
| | **70,414.54** | **77,391.15** |
| Less: Impairment for non-moving items | 7,063.04 | 6,736.03 |
| | **63,351.50** | **70,655.12** |
| Unserviceable Items | 150.40 | 406.21 |
| **Total** | **78,614.15** | **84,744.71** |

**17.1** This includes an amount of ₹ 5.59 million (as at March 31, 2021 ₹ 5.69 million) in respect of 3,30,484 nos. (Previous year 3,30,484 nos.) Carbon Credits (CER) which are valued at net realisable value. There are no CERs under certification. During the year ₹ 386.62 million (₹ 249.51 million for 2020-21) and ₹ 335.45 million (₹ 391.83 million for 2020-21) have been expensed towards Operating & maintenance cost and depreciation respectively for emission reduction equipment.

**17.2** Inventory amounting to ₹ 217.04 million (as at March 31, 2021 ₹ 268.55 million) has been valued at net realisable value of ₹ 168.45 million (as at March 31, 2021 ₹ 99.51 million). Consequently, an amount of ₹ 48.59 million (as at March 31, 2021 ₹ 169.04 million) has been recognised as an expense in the Statement of Profit and Loss under note 33.

## 18. Cash and Cash Equivalents

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Balances with Banks | 498.84 | 1,197.84 |
| Cash in Hand | 2.21 | 2.30 |
| | **501.05** | **1,200.14** |

## 19. Other Bank Balances

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Unclaimed Dividend Account (Note No. 19.1) | 304.39 | 310.11 |
| Deposits in Escrow Account (Note No. 19.2) | 1,556.86 | 1,515.26 |
| | **1,861.25** | **1,825.37** |

**19.1** Amount deposited in unclaimed dividend account is earmarked for payment of dividend and cannot be used for any other purpose. No amount is due for deposit in Investor Education and Protection Fund.

**19.2** Matter of Dispute on Delivery Point of Panna-Mukta gas between Government of India (GoI) and BG Exploration and Production India Limited (BGEPIL) along with Reliance Industries Limited (RIL) and the Company (PMT JO Partners) arose due to differing interpretation of relevant PSC clauses. According to the PMT JO Partners, Delivery Point for Panna-Mukta gas is at Offshore, however, Ministry of Petroleum and Natural Gas (MoP&NG), GoI and GAIL (India) Limited (GAIL) maintained that the delivery point is onshore at Hazira. The gas produced from Panna-Mukta fields was transported through Company's pipelines. Owing to the delivery point dispute neither the seller (PMT JO) nor the buyer of gas (GAIL) was paying any compensation to the Company for usage of its pipeline for gas transportation

Hon'ble Gujarat High Court decided that the Panna Mukta oil fields from where the movement of goods is occasioned fall within the customs frontiers of India. Consequently, the sale of goods cannot be said to have taken place in the course of import of goods into the territory of India. Accordingly the Hon'ble Gujarat High Court has determined that the Delivery Point for Panna-Mukta gas is at Offshore. The State Government of Gujarat has filed a petition with the Hon'ble Supreme Court of India against the decision of Hon'ble Gujarat High Court. Since the said matter of determination of delivery point is pending with the Hon'ble Supreme Court of India, an amount of US $51.90 million (Previous year US $ 51.37 million) equivalent to ₹ 3,871.25 million (Previous year ₹ 3,752.80 million) for the PMT JV including Company's Share US $ 21.18 million (Previous year US$ 20.74 million) equivalent to ₹ 1,556.87 million (Previous year ₹ 1,515.26 million) is maintained in the escrow account by the PMT JO Partners.

## 20. Equity Share Capital

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Equity Share Capital | 62,901.39 | 62,901.39 |
| | **62,901.39** | **62,901.39** |
| **Authorised:** | | |
| 30,000,000,000 Equity Shares of ₹ 5 each | | |
| (as at March 31, 2021: 30,000,000,000 Equity Shares of ₹ 5 each) | **150,000.00** | **150,000.00** |
| **Issued and Subscribed:** | | |
| 12,580,279,206 Equity Shares of ₹ 5 each | | |
| (as at March 31, 2021: 12,580,279,206 Equity Shares of ₹ 5 each) | **62,901.39** | **62,901.39** |
| **Fully paid equity shares:** | | |
| 12,580,279,206 Equity Shares of ₹ 5 each | | |
| (as at March 31, 2021: 12,580,279,206 Equity Shares of ₹ 5 each) | 62,901.39 | 62,901.39 |
| **Total** | **62,901.39** | **62,901.39** |

**20.1 Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period:**

| Particulars | Number of shares in million | Share capital (₹ in million) |
|---|---|---|
| **Balance at April 1, 2020** | **12,580.28** | **62,901.39** |
| Changes during the year | - | - |
| **Balance at April 1, 2021** | **12,580.28** | **62,901.39** |
| Changes during the year | - | - |
| **Balance at March 31, 2022** | **12,580.28** | **62,901.39** |

**20.2 Terms / rights attached to equity shares**

The Company has only one class of equity shares having a par value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**20.3** The Company had allotted 4,277,745,060 number of fully paid Bonus shares on December 18, 2016 in the ratio of one equity share of ₹ 5 each fully paid up for every two existing equity shares of ₹ 5 each fully paid up.

**20.4** The Board of Directors of the Company, at the 312th meeting held on December 20, 2018 approved the proposal for buy-back of equity shares of the Company upto 252,955,974 fully paid-up equity shares at the price of ₹ 159/- per equity share payable in cash for an aggregate consideration not exceeding ₹ 40,220 million. The buy-back offer worked out to 2.50% of the net-worth of the Company as on March 31, 2017 and 2.34% as on March 31, 2018. The Company has completed the buy-back of 252,955,974 fully paid-up equity shares on February 22, 2019.

Upon completion of the buy-back in 2018-19, the number of paid-up equity share capital of the Company stands reduced from 12,833,235,180 (₹ 64,166.17 million) to 12,580,279,206 (₹ 62,901.39 million).

**20.5 Details of shareholders holding more than 5% shares in the Company are as under:-**

| Name of equity share holders | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | No. in million | % holding | No. in million | % holding |
| President of India | 7,410.90 | 58.91 | 7,599.61 | 60.41 |
| Life Insurance Corporation of India | 1,223.51 | 9.73 | 1,367.36 | 10.87 |
| Indian Oil Corporation Limited | 986.89 | 7.84 | 986.89 | 7.84 |

**20.6 Details of shareholding of promoters in equity shares of the Company**

| Name of promoters | As at March 31, 2022 | | | As at March 31, 2021 | | |
|---|---|---|---|---|---|---|
| | No. in million | % holding | % change during the year | No. in million | % holding | % change during the year |
| President of India | 7,410.90 | 58.91 | (1.50) | 7,599.61 | 60.41 | - |

**20.6.1** During the year President of India acting through and represented by Ministry of Petroleum and Natural Gas, Government of India has offloaded 188,704,188 equity shares of the company representing 1.50 % of the total equity share capital of the company through offer for sale.

## 21. Other Equity

**(₹ in million)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Capital Reserve | 159.59 | 159.59 |
| Capital Redemption Reserve | 1,264.78 | 1,264.78 |
| Reserve for equity instruments through other comprehensive income | 141,073.73 | 103,483.58 |
| General Reserve | 2,157,161.51 | 1,868,585.42 |
| Retained Earnings | 8,919.86 | 9,190.90 |
| **Total** | **2,308,579.47** | **1,982,684.27** |

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **A. Capital Reserve** | | |
| Balance at beginning of year (Note No. 21.1) | 159.59 | 159.44 |
| Add: Cancellation of forfeited shares (Note No. 21.5) | - | 0.15 |
| **Balance at end of year** | **159.59** | **159.59** |
| **B. Capital Redemption Reserve** | | |
| Balance at beginning of year | 1,264.78 | 1,264.78 |
| Movements | - | - |
| **Balance at end of year** | **1,264.78** | **1,264.78** |
| **C. Reserve for equity instruments through other comprehensive income (Note No. 21.2)** | | |
| Balance at beginning of year | 103,483.58 | 78,961.70 |
| Fair value gain/(loss) on investments in equity instruments | 37,590.15 | 24,521.88 |
| **Balance at end of year** | **141,073.73** | **103,483.58** |
| **D. General Reserve (Note No. 21.3)** | | |
| Balance at beginning of year | 1,868,585.42 | 1,793,185.42 |
| Add: Transfer from retained earnings | 288,576.09 | 75,400.00 |
| **Balance at end of year** | **2,157,161.51** | **1,868,585.42** |
| **E. Retained Earnings** | | |
| Balance at beginning of year | 9,190.90 | (5,524.85) |
| Profit after tax for the year | 403,057.37 | 112,464.37 |
| Add: Other comprehensive income arising from re-measurement of defined benefit obligation, net of income tax | (271.04) | (333.13) |
| Less: Payments of dividends (Note No. 21.4) | 114,481.28 | 22,015.49 |
| Less: Transferred to general reserve | 288,576.09 | 75,400.00 |
| **Balance at end of year** | **8,919.86** | **9,190.90** |

**21.1** Represent assessed value of assets received as gift.

**21.2** The Company has elected to recognise changes in the fair value of certain investments in equity securities through other comprehensive income. This reserve represents the cumulative gains and losses arising on revaluation of equity instruments measured at fair value through other comprehensive income. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are disposed off.

**21.3** General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes, as the same is created by transfer from one component of equity to another.

**21.4** The amount that can be distributed by the Company as dividends to its equity shareholders is determined considering the requirements of the Companies Act, 2013 and the dividend distribution policy of the Company.

On February 11, 2022 and November 12, 2021, the Company had declared an interim dividend of ₹1.75 per share (35%) and ₹5.50 per share (110%) respectively which has since been paid.

In respect of the year ended March 31, 2022, the Board of Directors has proposed a final dividend of ₹ 3.25 per share (65%) be paid on fully paid-up equity shares. This final dividend shall be subject to approval by shareholders at the ensuing Annual General Meeting and has not been included as a liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is ₹ 40,885.91 million.

**21.5** During the previous year 2020-21, 18,972 equity shares of ₹ 10 each (equivalent to 37,944 equity shares of ₹ 5 each) which were forfeited in the year 2006-07 were cancelled w.e.f. November 13, 2020 and accordingly the partly paidup amount of ₹ 0.15 million against these shares have been transferred to the Capital Reserve.

## 22. Lease Liabilities

(₹ in million)

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Non current | Current | Non current | Current |
| Lease Liabilities (Note No. 41) | 54,649.75 | 45,506.71 | 63,084.23 | 41,126.60 |
| **Total** | **54,649.75** | **45,506.71** | **63,084.23** | **41,126.60** |

**22.1 Movement of Lease Liabilities**

**(₹ in million)**

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| **Balance at beginning of the year** | **104,210.83** | **98,265.75** |
| Recognized during the year | 44,517.61 | 69,233.15 |
| Unwinding of discount on lease liabilities | 3,291.28 | 3,808.25 |
| Payment during the year | (54,205.91) | (58,524.82) |
| Written back during the year | (388.28) | (5,479.80) |
| Revaluation of lease liabilities | 1,746.13 | (3,577.27) |
| Effect of remeasurement / other adjustments | 984.80 | 485.57 |
| **Balance at end of the year** | **100,156.46** | **104,210.83** |

## 23. Other financial liabilities

**(₹ in million)**

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Non current | Current | Non current | Current |
| Deposits from suppliers and contractors | 321.29 | 5,335.64 | 641.71 | 4,500.42 |
| Financial Guarantee obligation (Note No. 23.1) | 727.07 | 368.65 | 612.56 | 613.66 |
| Unclaimed Dividend (Note No. 23.2) | - | 304.38 | - | 310.11 |
| Liability for Capital Goods | - | 21,933.31 | - | 22,977.39 |
| Liability for Employees | - | 19,353.30 | - | 14,260.99 |
| Liability for Post-Retirement Benefit Scheme | - | 998.21 | - | 248.95 |
| Cash call payable to Joint Venture partners | - | 28,211.95 | - | 27,726.11 |
| Liquidated damages deducted from parties | - | 26,995.30 | - | 27,817.39 |
| Interest accrued on borrowings | - | 1,223.43 | - | 1,219.78 |
| Liability for Compulsory Convertible Debentures | 15,978.53 | 60,423.29 | 62,548.65 | 16,203.56 |
| Liability for Unspent Corporate Social Responsibility | - | 144.89 | - | - |
| Other Liabilities | - | 24,996.93 | - | 23,201.13 |
| **Total** | **17,026.89** | **190,289.28** | **63,802.92** | **139,079.49** |

**23.1** This represents the fair value of fee towards financial guarantee issued on behalf of subsidiaries and joint ventures, recognised as financial guarantee obligation with corresponding debit to deemed investment.

**23.2** No amount is due for deposit in Investor Education and Protection Fund.

## 24. Provisions

**(₹ in million)**

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Non current | Current | Non current | Current |
| **Provision for Employee benefits (Note No. 42.9)** | | | | |
| - For Post-Retirement Medical and Terminal Benefits | 1,234.19 | 23,994.32 | 51,067.93 | 2,418.78 |
| - Gratuity for regular employees | - | - | - | 468.67 |
| - Gratuity for contingent employees | 67.74 | 13.39 | 66.79 | 20.94 |
| - Unavailed Leave and compensated absences | - | 5,364.36 | - | 6,988.67 |
| **Provision for Others** (Note No. 24.1) | | | | |
| - Provision for decommissioning (Note No. 24.2) | 264,702.08 | 4,086.57 | 221,298.70 | 3,908.91 |
| - Other Provisions (Note No. 24.3) | 35,858.36 | 10.23 | 32,918.41 | 52.29 |
| | **301,862.37** | **33,468.87** | **305,351.83** | **13,858.26** |

**24.1 Movement of Provision for Others**

(₹ in million)

| Particulars | Provision for decommissioning | | Other provisions | |
|---|---|---|---|---|
| | Year ended March 31, 2022 | Year ended March 31, 2021 | Year ended March 31, 2022 | Year ended March 31, 2021 |
| **Balance at beginning of the year** | **225,207.61** | **204,410.19** | **32,970.70** | **31,168.67** |
| Recognized during the year | 5,430.60 | 4,568.27 | 2,903.38 | 2,510.29 |
| Amount used during the year | (234.79) | (444.49) | - | - |
| Unwinding of discount | 14,564.07 | 13,066.89 | - | - |
| Written back during the year | - | (100.85) | (5.49) | (708.26) |
| Effect of remeasurement / other adjustment | 23,821.16 | 3,707.60 | - | - |
| **Balance at end of the year** | **268,788.65** | **225,207.61** | **35,868.59** | **32,970.70** |

**24.2** The Company estimates provision for decommissioning as per the principles of Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' for the future decommissioning of Oil and Gas assets, wells in progress etc. at the end of their economic lives. Most of these decommissioning activities would be in the future for which the exact requirements that may have to be met when the removal events occur are uncertain. Technologies and costs for decommissioning are constantly changing. The timing and amounts of future cash flows are subject to significant uncertainty. The economic life of the Oil and Gas assets is estimated on the basis of long term production profile of the relevant Oil and Gas asset. The timing and amount of future expenditures are reviewed annually, together with rate of inflation for escalation of current cost estimates and the interest rate used in discounting the cash flows.

**24.3** Includes ₹ 35,284.92 million (Previous year ₹ 32,500.41 million) accounted as provision for contingency to the extent of excess of accumulated balance in the SRF fund after estimating the decommissioning provision of Panna-Mukta fields and Tapti Part A facilities as per the Company's accounting policy (refer Note No. 5.2, 6.2 & 14.2).

**25. Deferred Tax Liabilities (net)**

The following is the analysis of deferred tax assets / (liabilities) presented in the Balance Sheet:

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Deferred tax liabilities | 255,093.87 | 333,308.54 |
| Less: Deferred tax assets | 57,761.33 | 58,574.87 |
| **Total** | **197,332.54** | **274,733.67** |

**For FY 2021-22**

(₹ in million)

| Particulars | Opening balance | Recognised in profit or loss | Recognised in other comprehensive income | Closing balance |
|---|---|---|---|---|
| **Deferred tax (liabilities) / assets in relation to:** | | | | |
| **Deferred Tax Assets** | | | | |
| Unclaimed Exploratory Wells written off | 31,689.58 | (7,903.95) | - | 23,785.63 |
| Impairment/Expenses Disallowed Under Income Tax | 18,199.34 | 9,771.87 | - | 27,971.21 |
| Financial Assets | 2,490.72 | (351.02) | - | 2,139.70 |
| Intangible assets | 657.54 | (351.32) | - | 306.22 |
| Defined benefit obligation | 5,537.69 | - | (1,979.12) | 3,558.57 |
| **Total Deferred Tax Assets** | **58,574.87** | **1,165.58** | **(1,979.12)** | **57,761.33** |
| **Deferred Tax Liabilities** | | | | |
| Property, plant and equipment | 264,291.68 | (61,409.11) | - | 202,882.57 |
| Exploratory wells in progress | 46,397.51 | (19,087.76) | - | 27,309.75 |
| Development wells in progress | 16,848.63 | (883.59) | - | 15,965.04 |
| Intangible assets | - | - | - | - |
| Financial liabilities | 22.17 | (13.33) | - | 8.84 |
| Fair value gain on investments in equity shares at FVTOCI | 5,974.00 | - | 3,037.27 | 9,011.27 |

| Particulars | Opening balance | Recognised in profit or loss | Recognised in other comprehensive income | Closing balance |
|---|---|---|---|---|
| Others | (225.45) | 141.85 | - | (83.60) |
| **Total Deferred Tax Liabilities** | **333,308.54** | **(81,251.94)** | **3,037.27** | **255,093.87** |
| **Deferred Tax Liabilities (Net)** | **274,733.67** | **(82,417.52)** | **5,016.39** | **197,332.54** |

**For FY 2020-21**

**(₹ in million)**

| Particulars | Opening balance | Recognised in profit or loss | Recognised in other comprehensive income | Closing balance |
|---|---|---|---|---|
| **Deferred tax (liabilities) / assets in relation to:** | | | | |
| **Deferred Tax Assets** | | | | |
| Unclaimed Exploratory Wells written off | 30,750.95 | 938.63 | - | 31,689.58 |
| Impairment/Expenses Disallowed Under Income Tax | 15,043.15 | 3,156.19 | - | 18,199.34 |
| Financial Assets | 2,099.25 | 391.47 | - | 2,490.72 |
| Intangible assets | 1,256.61 | (599.07) | - | 657.54 |
| Defined benefit obligation | 5,358.75 | - | 178.94 | 5,537.69 |
| **Total Deferred Tax Assets** | **54,508.71** | **3,887.22** | **178.94** | **58,574.87** |
| **Deferred Tax Liabilities** | | | | |
| Property, plant and equipment | 251,524.75 | 12,766.93 | - | 264,291.68 |
| Exploratory wells in progress | 44,680.66 | 1,716.85 | - | 46,397.51 |
| Development wells in progress | 15,820.12 | 1,028.51 | - | 16,848.63 |
| Intangible assets | - | - | - | - |
| Financial liabilities | 3.82 | 18.35 | - | 22.17 |
| Fair value gain on investments in equity shares at FVTOCI | 4,016.34 | - | 1,957.66 | 5,974.00 |
| Others | 1,903.98 | (2,129.43) | - | (225.45) |
| **Total Deferred Tax Liabilities** | **317,949.67** | **13,401.21** | **1,957.66** | **333,308.54** |
| **Deferred Tax Liabilities (Net)** | **263,440.96** | **9,513.99** | **1,778.72** | **274,733.67** |

## 26. Other liabilities

**(₹ in million)**

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Non-current | Current | Non-current | Current |
| Advance from Customers | - | 523.34 | - | 1,268.45 |
| Contract Liability-Advance MGO | 196.14 | 82.88 | 256.74 | 28.67 |
| (Note No. 26.2, 26.3 & 26.4) | | | | |
| Deferred government grant (Note No. 26.1) | 94.49 | - | 116.40 | - |
| Liability for Statutory Payments | - | 33,018.88 | - | 20,572.93 |
| Other liabilities | 16.66 | 1,576.45 | 30.16 | 1,318.84 |
| **Total** | **307.29** | **35,201.55** | **403.30** | **23,188.89** |

**26.1** During the year 2016-17, assets, facilities and inventory which were a part of the Tapti A series of PMT Joint Operation (JO) and surrendered by the JO to the Government of India as per the terms and conditions of the JO Agreement and these assets, facilities and inventory were transferred by Government of India to the Company free of cost as its nominee. In line with amendment in Ind AS 20 'Accounting for Government Grants and Disclosure of Government Assistance' vide Companies (Indian Accounting Standards) Second Amendment Rules, 2018 (the 'Rules'), during the year 2019-20 the Company had opted to recognize the non-monetary government grant at nominal value. (refer Note No. 5.2 & 6.2).

**26.2** Revenue recognised that was included in the contract liability;

**(₹ in million)**

| Particulars | For the year ended | |
|---|---|---|
| | March 31, 2022 | March 31, 2021 |
| Natural gas | 21.78 | 39.27 |

**26.3** Transaction price allocated to the remaining performance obligations that are unsatisfied at the reporting date:

**(₹ in million)**

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Less than 12 Months | More than 12 Months | Less than 12 Months | More than 12 Months |
| Natural gas | 82.88 | 196.14 | 28.67 | 256.74 |

**26.4** Significant changes in the contract liability balances during the year are as follows:

**(₹ in million)**

| Particulars | For the year ended | |
|---|---|---|
| | March 31, 2022 | March 31, 2021 |
| **Balance at the beginning of the year** | **285.41** | **304.71** |
| Add: Amount received from customers during the year | 15.39 | 60.82 |
| Less: Minimum Guaranteed Offtake (MGO) refunded | - | 40.85 |
| Less: Revenue recognised during the year | 21.78 | 39.27 |
| **Balance at the end of the year** | **279.02** | **285.41** |

## 27. Borrowings

**(₹ in million)**

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Non-current | Current | Non-current | Current |
| Foreign currency Term Loans (Note No. 27.1 & 27.2) | - | - | - | 30,135.68 |
| Working Capital Loans (Note No. 27.3) | - | - | - | 39,368.10 |
| Non-Convertible Debenture (Note No. 27.4) | 41,400.00 | - | 41,400.00 | - |
| Less: Unamortised issue and other charges on Non-Convertible Debenture | (2.32) | - | (3.24) | - |
| Foreign Currency Bond (Note No. 27.5) | 22,725.00 | - | 22,047.00 | - |
| Less: Unamortised Discount and other charges on Foreign Currency Bond | (153.66) | - | (168.55) | - |
| Commercial Paper (Note No. 27.6) | - | - | - | 17,500.00 |
| Less: Unamortised Discount on Commercial Paper | - | - | - | (53.45) |
| Bank Overdraft | - | - | - | 1.10 |
| **Total** | **63,969.02** | **-** | **63,275.21** | **86,951.43** |

**27.1** The outstanding Foreign Currency Term Loans of US$ 410.06 million as on March 31, 2021 was fully repaid during the year.

**27.2** The details of Foreign Currency Term Loans (FCTL) / Foreign Currency Non-Resident (Bank) Loans (FCNR-B) outstanding:

**As at March 31, 2022**

| Sl. No. | US$ in million | ₹ in million | Terms of Repayment | Interest Rate p.a. (Payable monthly) |
|---|---|---|---|---|
| -NIL- | | | | |

**As at March 31, 2021**

| Sl. No. | US$ in million | ₹ in million | Terms of Repayment | Interest Rate p.a. (Payable monthly) |
|---|---|---|---|---|
| 1. | 410.06 | 30,135.68 | Upto December 9, 2021 | 1 Month LIBOR + 0.71 % |

**27.3** The Working Capital Loans outstanding :

**As at March 31, 2022**

| Sl. No. | ₹ in million | Interest Rate p.a. (payable monthly) |
|---|---|---|
| -NIL- | | |

**As at March 31, 2021**

| Sl. No. | ₹ in million | Interest Rate p.a. (payable monthly) |
|---|---|---|
| 1. | 39,368.10 | 4.00% |

**27.4** Details of Non-Convertible Debentures outstanding

**As at March 31, 2022**

| Sl. no. | Particulars | Date of Issue | Date of repayment | ₹ in million (at face value) | Interest Rate p.a. |
|---|---|---|---|---|---|
| 1 | 6.40% ONGC 2031 Series II | August 11, 2020 | April 11, 2031 | 10,000.00 | 6.40 % |
| 2 | 5.25% ONGC 2025 Series I | July 31, 2020 | April 11, 2025 | 5,000.00 | 5.25 % |
| 3 | 4.50% ONGC 2024 Series IV | January 11, 2021 | February 09, 2024 | 15,000.00 | 4.50 % |
| 4 | 4.64% ONGC 2023 Series III | October 21, 2020 | November 21, 2023 | 11,400.00 | 4.64 % |
| | **Total** | | | **41,400.00** | |

**As at March 31, 2021**

| Sl. no. | Particulars | Date of Issue | Date of repayment | ₹ in million (at face value) | Interest Rate p.a. |
|---|---|---|---|---|---|
| 1 | 6.40% ONGC 2031 Series II | August 11, 2020 | April 11, 2031 | 10,000.00 | 6.40 % |
| 2 | 5.25% ONGC 2025 Series I | July 31, 2020 | April 11, 2025 | 5,000.00 | 5.25 % |
| 3 | 4.50% ONGC 2024 Series IV | January 11, 2021 | February 09, 2024 | 15,000.00 | 4.50 % |
| 4 | 4.64% ONGC 2023 Series III | October 21, 2020 | November 21, 2023 | 11,400.00 | 4.64 % |
| | **Total** | | | **41,400.00** | |

**27.5** Details of Foreign Currency Bonds outstanding:

**As at March 31, 2022**

| Sl. No. | Date of Issue | Date of repayment | US$ in million | ₹ in million (at face value) | Interest Rate p.a. (payable half yearly) |
|---|---|---|---|---|---|
| 1. | December 05, 2019 | December 05, 2029 | 300.00 | 22,725.00 | 3.375 % |

**As at March 31, 2021**

| Sl. No. | Date of Issue | Date of repayment | US$ in million | ₹ in million (at face value) | Interest Rate p.a. (payable half yearly) |
|---|---|---|---|---|---|
| 1. | December 05, 2019 | December 05, 2029 | 300.00 | 22,047.00 | 3.375 % |

**27.6** Details of Commercial Papers outstanding:

**As at March 31, 2022**

| Sl. no. | Date of Issue | Date of repayment | ₹ in million (at face value) | Discount Rate p.a. |
|---|---|---|---|---|
| -NIL- | | | | |

**As at March 31, 2021**

| Sl. no. | Date of Issue | Date of repayment | ₹ in million (at face value) | Discount Rate p.a. |
|---|---|---|---|---|
| 1. | February 17, 2021 | May 11, 2021 | 10,000.00 | 3.42% |
| 2. | March 01, 2021 | April 26, 2021 | 7,500.00 | 3.18% |
| | **Total** | | **17,500.00** | |

## 28. Trade payables

### 28.1 Trade payables- Micro and Small enterprises*

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| a) Principal & Interest amount remaining unpaid but not due as at year end | 3,549.23 | 1,475.10 |
| b) Interest paid by the Company in terms of Section 16 of The 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. | - | - |
| c) 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 The Micro, Small and Medium Enterprises Development Act, 2006. | - | - |
| d) Interest accrued and remaining unpaid as at year end. | - | - |
| e) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above is actually paid to the small enterprise. | - | - |

* Micro and Small enterprises status based on the confirmation from Vendors.

### 28.2 Trade payables - other than micro and small enterprises

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Trade payable (Note No. 28.3) | 57,998.02 | 62,291.38 |
| **Total** | **57,998.02** | **62,291.38** |

### 28.3 Age Analysis of Trade Payables

**As at March 31, 2022** (₹ in million)

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | Total |
|---|---|---|---|---|---|---|
| | | Less than 1 Year | 1 - 2 Years | 2 - 3 Years | More than 3 years | |
| (i) MSME | 972.98 | 754.23 | - | - | - | 1,727.21 |
| (ii) Others | 20,989.77 | 14,249.19 | 308.64 | 5.06 | 948.58 | 36,501.24 |
| (iii) Disputed dues – MSME | 133.01 | - | - | - | - | 133.01 |
| (iv) Disputed dues – Others | 94.19 | 1,031.52 | 738.32 | 168.79 | 505.33 | 2,538.15 |
| **Total** | **22,189.95** | **16,034.94** | **1,046.96** | **173.85** | **1,453.91** | **40,899.61** |
| Unbilled (including MSME Dues) | | | | | | 20,647.64 |
| **Total Trade Payable** | | | | | | **61,547.25** |

**As at March 31, 2021** (₹ in million)

| Particulars | Not Due | Outstanding for following periods from due date of payment | | | | Total |
|---|---|---|---|---|---|---|
| | | Less than 1 Year | 1 - 2 Years | 2 - 3 Years | More than 3 years | |
| (i) MSME | 74.75 | 1,366.18 | - | - | - | 1,440.93 |
| (ii) Others | 15,323.34 | 10,489.24 | 719.40 | 538.47 | 976.04 | 28,046.49 |
| (iii) Disputed dues – MSME | 34.17 | - | - | - | - | 34.17 |
| (iv) Disputed dues – Others | 66.45 | 5,986.38 | 1,110.78 | 224.27 | 2,269.72 | 9,657.60 |
| **Total** | **15,498.71** | **17,841.80** | **1,830.18** | **762.74** | **3,245.76** | **39,179.19** |
| Unbilled (including MSME Dues) | | | | | | 24,587.29 |
| **Total Trade Payable** | | | | | | **63,766.48** |

**28.4** Payment towards trade payables is made as per the terms and conditions of the contract / purchase orders. Generally, the average credit period on purchases is 21 days.

**29. Tax Assets / liabilities (Net)**

**(a) Non- Current Tax Assets (Net)**

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Non- Current tax assets (Net) | 84,269.50 | 76,558.02 |
| **Total** | **84,269.50** | **76,558.02** |

**(b) Current Tax Liabilities (Net)**

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Current Tax Liabilities (Net) | - | 327.82 |
| **Total** | **-** | **327.82** |

## 30. Revenue from Operations

(₹ in million)

| Particulars | | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|---|
| **A.** | **Sale of Products** | | |
| | Own Products (including excise duty) (Note No. 30.1, 30.2 & 30.3) | 1,134,906.19 | 694,425.30 |
| | Less: Transfer to Exploratory Wells in progress | 59.67 | 51.74 |
| | Less: Government of India's (GoI's) share in Profit Petroleum | 35,223.54 | 15,464.60 |
| | | 1,099,622.98 | 678,908.96 |
| **B.** | **Other Operating Revenue** | | |
| | Contractual Short Lifted Gas Receipts | 408.32 | 104.49 |
| | Pipeline Transportation Receipts | 1,123.40 | 214.83 |
| | North-East Gas Subsidy (Note No. 30.2) | 1,519.06 | 1,395.33 |
| | Production Bonus | - | 132.92 |
| | Sale of Electricity | 754.51 | 635.17 |
| | Processing Charges | 25.71 | 19.20 |
| | | 3,831.00 | 2,501.94 |
| | **Total** | **1,103,453.98** | **681,410.90** |

**30.1** Sales revenue in respect of Crude Oil produced from nomination blocks is based on pricing formula provided in Crude Oil Sales Agreements (COSAs) signed with Buyer refineries. COSAs with Indian Oil Corporation Limited (IOCL), Hindustan Petroleum Corporation Limited (HPCL), Bharat Petroleum Corporation Limited (BPCL), Chennai Petroleum Corporation Limited (CPCL) which were valid till March 31, 2018 and have been extended provisionally from time to time presently till March 31, 2022. COSA with Mangalore Refinery and Petrochemicals Limited (MRPL) has been signed and effective from April 01, 2018, is valid for 5 years.

For Crude Oil produced in North East Region, Sales revenue in respect of Crude oil supplied to IOCL is based on the pricing formula provided in COSA signed with IOCL effective from April 01, 2018, is valid for 5 years and to Numaligarh Refinery Limited (NRL) is based on pricing formula provided by Ministry of Petroleum and Natural Gas (MoP&NG) respectively.

30.2 Majority of Sales revenue in respect of Natural Gas is based on domestic gas price of US$ 1.79/mmbtu and US$ 2.90/mmbtu (on GCV basis) notified by GoI for the period April 01, 2021 to September 30, 2021 and October 01, 2021 to March 31, 2022 respectively in terms of "New Domestic Natural Gas Pricing Guidelines, 2014". For consumers in North-East (upto Govt. allocation), consumer price is 60% of the domestic gas price and the difference between domestic gas price and consumer price is paid to the Company through GoI Budget and classified as 'North-East Gas Subsidy'.

**30.3** LPG produced by the Company is presently being sold as per guideline issued by MoP&NG to PSU Oil Marketing Companies (OMCs), as per provision of Memorandum of Understanding (MOU) dated March 31, 2002 signed by the Company with OMCs which was valid for a period of 2 years or till the same is replaced by a bilateral agreement or on its termination.

Value Added Products other than LPG are sold to different customers at prices agreed in respective Term sheets / Agreements entered into between the parties.

**30.4** The Company has assessed the possible impact of continuing COVID-19 on the basis of internal and external sources of information and expects no significant impact on the continuity of operations, useful life of Property Plant and Equipment, recoverability of assets, trade receivables etc., and the financial position of the Company on a long term basis.

However, the revenue for the quarter and year ended March 31, 2021 were impacted by low crude oil and natural gas prices due to the COVID-19 pandemic and volatile global crude oil and natural gas markets. Accordingly, the same are not comparable with those for the year ended March 31, 2022.

**30.5 Details of Sales Revenue**

| Product | Unit | Year ended March 31, 2022 | | Year ended March 31, 2021 | |
|---|---|---|---|---|---|
| | | Quantity | Value ₹ in million | Quantity | Value ₹ in million |
| Crude Oil * | MT | 20,295,439 | 867,712.64 | 20,713,745 | 493,267.36 |
| Less: From Exploratory Wells in progress | | 1,151 | 33.02 | 1,925 | 43.67 |
| Less: Government of India's share in Profit Petroleum | | | 31,067.38 | | 13,885.68 |
| | | | **836,612.24** | | **479,338.01** |
| Natural Gas * | 000M 3 | 16,753,037 | 128,596.91 | 17,694,219 | 115,803.19 |
| Less: From Exploratory Wells in progress | | 1,660 | 26.65 | 503 | 8.07 |
| Less: Government of India's share in Profit Petroleum | | | 4,156.16 | | 1,578.92 |
| | | | **124,414.10** | | **114,216.20** |
| Liquefied Petroleum Gas | MT | 883,425 | 46,751.77 | 1,010,885 | 31,972.90 |
| Naphtha | MT | 963,870 | 50,640.14 | 914,809 | 26,080.90 |
| Ethane-Propane | MT | 314,771 | 9,078.41 | 241,299 | 4,962.80 |
| Ethane | MT | 499,578 | 10,814.60 | 483,236 | 9,740.78 |
| Propane | MT | 196,574 | 10,636.58 | 183,086 | 6,051.40 |
| Butane | MT | 115,927 | 6,185.22 | 97,467 | 3,207.00 |
| Superior Kerosene Oil | MT | 18,434 | 879.64 | 32,465 | 837.05 |
| LSHS | MT | 22,968 | 838.77 | 24,623 | 537.56 |
| HSD | MT | 12,152 | 1,018.36 | 25,788 | 1,530.89 |
| Aviation Turbine Fuel (ATF) | MT | 26,124 | 1,543.64 | 10,177 | 335.83 |
| MTO | MT | 4,257 | 206.64 | 3,424 | 97.44 |
| Others | | | 2.87 | | 0.20 |
| **Total** | | | **1,099,622.98** | | **678,908.96** |

* Quantity includes share from Joint Operations as per the Participating interest and / or Entitlement interest, whichever is applicable.

## 31. Other Income

**(₹ in million)**

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| **Interest on:** | | |
| Deposits with Banks | 484.75 | 91.55 |
| Income Tax Refund | 19.65 | 819.60 |
| Delayed Payment from Customers and Others | 68.58 | 177.40 |
| Financial assets (measured at amortized cost) | | |
| - Site Restoration Fund Deposit | 9,653.70 | 8,973.21 |
| - Employee loans | 1,373.16 | 1,195.43 |
| - Other Investments | 165.79 | 165.79 |
| - Others | 7.91 | 7.60 |
| | **11,773.54** | **11,430.58** |
| **Dividend Income from:** | | |
| Investment in Subsidiaries, Associates and Joint Ventures | 26,518.42 | 15,500.24 |
| Other Investments (FVTOCI) | 16,001.06 | 15,129.81 |
| | **42,519.48** | **30,630.05** |
| **Other Non-Operating Income** | | |
| Excess decommissioning provision written back | - | 100.85 |
| Excess provision written back - Others | 780.67 | 8,140.72 |

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Liabilities no longer required written back | 1,783.08 | 1,391.93 |
| Contractual Receipts | 732.02 | 954.81 |
| Profit on sale of investments | 49.44 | - |
| Profit on sale of assets | - | 1.04 |
| Amortization of financial guarantee obligation | 383.81 | 419.18 |
| Gain on fair valuation of financial instruments | 39.86 | 58.61 |
| Gain on revaluation / redemption of financial liability towards CCDs | 1,439.34 | 4,659.61 |
| Exchange gain (Net) | - | 7,785.02 |
| Miscellaneous receipts | 5,654.59 | 5,852.67 |
| | **10,862.81** | **29,364.44** |
| **Total** | **65,155.83** | **71,425.07** |

## 32. Changes in inventories of finished goods and work in progress

**(₹ in million)**

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Closing Stock | 15,111.22 | 13,681.74 |
| Opening Stock | 13,681.74 | 9,418.24 |
| **(Increase)/decrease in inventories** | **(1,429.48)** | **(4,263.50)** |

## 33. Details of opening and closing inventories of finished goods and work in progress

**(₹ in million)**

| Particulars | Unit | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|---|
| | | Quantity | Value | Quantity | Value |
| **Opening stock** | | | | | |
| Crude Oil* | MT | 1,050,140 | 12,793.51 | 952,782 | 8,817.64 |
| Liquefied Petroleum Gas | MT | 12,578 | 147.63 | 9,522 | 83.37 |
| Naphtha | MT | 60,715 | 382.89 | 35,801 | 182.75 |
| Ethane/Propane | MT | 674 | 8.55 | 341 | 4.65 |
| Superior Kerosene Oil | MT | 5,309 | 23.83 | 4,859 | 18.61 |
| Aviation Turbine Fuel | MT | 5,145 | 41.44 | 4,515 | 40.64 |
| Low Sulphur Heavy Stock | MT | 1,580 | 37.66 | 991 | 14.31 |
| High Speed Diesel | MT | 4,459 | 204.26 | 6,247 | 179.44 |
| Ethane | MT | 796 | 9.77 | 1,245 | 20.18 |
| Propane | MT | 425 | 10.71 | 571 | 9.07 |
| Butane | MT | 376 | 10.73 | 348 | 6.64 |
| Mineral Turpentine Oil | MT | 83 | 1.98 | 281 | 3.46 |
| Carbon Credits | Units | 330,484 | 5.69 | 330,484 | 5.50 |
| Others | | | 3.09 | | 31.96 |
| | | | **13,681.74** | | **9,418.22** |
| **Closing stock** | | | | | |
| Crude Oil* | MT | 894,387 | 14,458.93 | 1,050,140 | 12,793.51 |
| Liquefied Petroleum Gas | MT | 11,315 | 126.43 | 12,578 | 147.63 |

| Particulars | Unit | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|---|
| | | Quantity | Value | Quantity | Value |
| Naphtha | MT | 28,957 | 230.39 | 60,715 | 382.89 |
| Ethane-Propane | MT | 369 | 5.07 | 674 | 8.55 |
| Superior Kerosene Oil | MT | 5,308 | 31.37 | 5,309 | 23.83 |
| Aviation Turbine Fuel | MT | 5,919 | 54.51 | 5,145 | 41.44 |
| Low Sulphur Heavy Stock | MT | 1,605 | 46.57 | 1,580 | 37.66 |
| High Speed Diesel | MT | 3,435 | 119.84 | 4,459 | 204.26 |
| Ethane | MT | 548 | 6.64 | 796 | 9.77 |
| Propane | MT | 166 | 7.60 | 425 | 10.71 |
| Butane | MT | 157 | 9.78 | 376 | 10.73 |
| Mineral Turpentine Oil | MT | 172 | 4.99 | 83 | 1.98 |
| Carbon Credits | Units | 330,484 | 5.59 | 330,484 | 5.69 |
| Others | | | 3.51 | | 3.09 |
| **Total** | | | **15,111.22** | | **13,681.74** |

*Includes Company's share in stock of Joint Oprations

## 34. Production, Transportation, Selling and Distribution Expenditure

(₹ in million)

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Royalty | 136,057.02 | 81,353.57 |
| OIDB Cess | 141,261.00 | 80,187.49 |
| National Calamity Contingent Duty | 973.58 | 989.46 |
| Excise Duty | 265.33 | 539.08 |
| Port Trust Charges | 542.72 | 432.73 |
| Other Levies | 222.72 | 734.43 |
| Staff Expenditure | 28,877.14 | 23,072.52 |
| Workover Operations | 14,172.36 | 15,425.72 |
| Water Injection, Desalting and Demulsification | 11,048.95 | 10,233.97 |
| Consumption of Raw materials, Stores and Spares | 32,724.65 | 19,807.30 |
| Pollution Control | 3,080.03 | 2,222.76 |
| Transport Expenditure | 5,922.73 | 3,185.21 |
| Insurance | 1,586.17 | 1,189.55 |
| Power and Fuel | 3,946.55 | 3,013.04 |
| Repairs and Maintenance | 18,193.76 | 18,520.98 |
| Contractual payments including Hire charges etc. | 16,891.96 | 15,709.86 |
| Other Production Expenditure | 7,631.29 | 9,456.42 |
| Transportation and Freight of Products | 14,487.15 | 12,410.32 |
| Research and Development | 5,133.08 | 5,541.30 |
| General Administrative Expenditure | 38,542.14 | 34,918.97 |
| CSR expenditure (Note No. 34.2) | 4,503.17 | 5,387.72 |
| Exchange Loss (Net) (Note No. 35.1) | 2,983.70 | - |
| Miscellaneous Expenditure (Note No. 34.3) | 9,288.15 | 6,933.81 |
| Loss on fair valuation of financial instruments | 1,860.40 | 1,538.47 |
| Loss on sale of Investment (Note No. 11.1.2) | - | 956.81 |
| **Total** | **500,195.75** | **353,761.49** |

### 34.1 Details of Nature wise Expenditure

(₹ in million)

| Particular | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Employee Benefit Expenses | | |
| (a) Salaries, Wages, Ex-gratia etc. | 89,112.20 | 75,413.88 |
| (b) Contribution to Provident and other funds | 10,655.45 | 9,558.50 |
| (c) Provision for gratuity | (949.75) | 787.54 |
| (d) Provision for Leave (Including Compensatory Absence) | 5,458.15 | 6,977.91 |
| (e) Post Retirement Medical & Terminal Benefits | 2,906.67 | 4,898.99 |
| (f) Staff welfare expenditure | 3,638.20 | 3,628.58 |
| **Sub Total:** | **110,820.92** | **101,265.40** |
| Consumption of Raw materials, Stores and Spares | 80,986.09 | 66,647.78 |
| Royalty | 136,057.02 | 81,353.57 |
| OIDB Cess | 141,261.00 | 80,187.49 |
| National Calamity Contingent Duty | 973.58 | 989.46 |
| Excise Duty | 265.33 | 539.08 |
| Port Trust Charges | 542.72 | 432.73 |
| Other Levies | 222.72 | 734.43 |
| Rent | 3,177.84 | 3,949.62 |
| Rates and taxes | 341.70 | 421.40 |
| Hire charges of equipments and vehicles | 35,476.96 | 32,164.33 |
| Power, fuel and water charges | 5,758.23 | 5,064.86 |
| Contractual drilling, logging, workover etc. | 58,868.81 | 56,073.67 |
| Contractual security | 9,437.76 | 8,703.58 |
| Repairs to building | 1,365.21 | 1,137.18 |
| Repairs to plant and equipment | 12,506.50 | 12,816.57 |
| Other repairs | 2,440.54 | 2,711.31 |
| Insurance | 2,595.84 | 2,041.10 |
| Expenditure on Tour / Travel | 2,816.39 | 1,685.87 |
| CSR expenditure (Note No. 34.2) | 4,503.17 | 5,387.72 |
| Exchange Loss (Net) (Note No. 35.1) | 2,983.70 | - |
| Miscellaneous expenditure (Note No. 34.3) | 13,400.24 | 10,461.81 |
| | **626,802.27** | **474,768.96** |
| **Less:** | | |
| Allocated to exploration, development drilling, capital jobs, recoverables etc. | 126,606.52 | 121,007.47 |
| **Production, Transportation, Selling and Distribution Expenditure** | **500,195.75** | **353,761.49** |

**34.2 CSR Expenditure**

**34.2.1** Break-up of various heads of CSR expenditure

(₹ in million)

| Sl.No. | Heads of Expenditure | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|---|
| i. | Promoting Education | 1,222.19 | 824.97 |
| ii. | Promoting Health Care | 1,417.81 | 649.29 |
| iii. | Empowerment of Socially and Economically Backward groups | 60.04 | 21.90 |
| iv. | Promotion of Nationally recognized and Para-Olympic Sports | 35.82 | 65.23 |
| v | Imparting Employment by Enhancing Vocational Skills | 402.86 | 56.41 |
| vi. | Swachh Bharat Abhiyaan | 79.17 | 30.46 |
| vii | Environment Sustainability | 81.55 | 131.92 |
| viii | PM CARES Fund | 700.00 | 3,000.00 |
| ix. | Women Empowerment | 6.80 | - |
| x. | Rural Infrastructure Development | 212.23 | - |
| xi. | Promotion of Art, Culture & Handicraft | 24.38 | - |
| xii. | Disaster Management | 33.11 | - |
| xiii. | Others | 304.01 | 750.56 |
| | **Total** | **4,579.97** | **5,530.74** |

**34.2.2** The CSR expenditure comprises the following:

**(a)** Gross amount required to be spent by the Company during the year ₹ 4,503.17 million (Previous year ₹ 5,387.72 million) as against the budget approved by the Board of ₹ 4,503.17 million (Previous year ₹ 5,387.72 million).

**(b)** Amount spent during the year on:

(₹ in million)

| Sl. No. | Particulars | Year ended March 31, 2022 | | | Year ended March 31, 2021 | | |
|---|---|---|---|---|---|---|---|
| | | In Cash | Yet to be paid in cash | Total | In Cash | Yet to be paid in cash | Total |
| i. | Construction/acquisition of any asset | - | - | - | - | - | - |
| ii. | On purpose other than (i) above | 4,133.28 | 446.69 | 4,579.97 | 5,391.17 | 139.57 | 5,530.74 |
| | **Total** | **4,133.28** | **446.69** | **4,579.97** | **5,391.17** | **139.57** | **5,530.74** |

**(c)** Contribution to ONGC Foundation, a trust of the Company, in relation to CSR expenditure during the year is ₹ 1,511.68 million (Previous year ₹ 282.20 million) refer Note No. 44.2.7.

**(d)** Excess Amount of CSR spent during the year carried forward:

(₹ in million)

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Opening Balance | 143.02 | - |
| Amount required to be spent during the year | 4,503.17 | 5,387.72 |
| Amount spent during the year | 4,579.97 | 5,530.74 |
| **Closing Balance** | **219.82** | **143.02** |

**34.3** The Miscellaneous Expenditure in Note No. 34 includes Statutory Auditors Remuneration as under:

(₹ in million)

| Payment to Auditors | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Audit Fees | 38.94 | 32.57 |
| Certification and Other Services | 17.70 | 12.75 |
| Travelling and Out of Pocket Expenses | 2.50 | 2.39 |
| **Total** | **59.14** | **47.71** |

### 35. Finance Cost

(₹ in million)

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| **Interest:** | | |
| - On Non-convertible Debentures | 2,107.37 | 967.11 |
| - On Foreign Currency Bonds | 479.51 | 293.71 |
| - On Foreign Currency Term Loan and Working Capital Loans | 301.04 | 1,217.44 |
| - On Cash Credit | 1.23 | 10.39 |
| - On Commercial Papers | 158.36 | 577.46 |
| - Others | 4.90 | 15.45 |
| Borrowing Cost-Exchange difference on Foreign Currency Loan (Note No. 35.1) | 473.15 | (772.96) |
| **Unwinding of:** | | |
| - Decommissioning Provisions | 14,564.07 | 13,066.89 |
| - Lease liabilities | 2,202.91 | 2,298.33 |
| - Financial liabilities | 24.12 | 38.00 |
| - Liability for Compulsory Convertible Debentures | 3,281.96 | 4,433.59 |
| **Total** | **23,598.62** | **22,145.41** |

**35.1** In terms of para 6 and 6A of Ind AS 23 'Borrowing Cost' the exchange difference arising out of foreign currency borrowings i.e. the difference between the cost of borrowings in functional currency (₹) as compared to the cost of borrowings in foreign currency is treated as finance cost as an adjustment to foreign exchange loss.

### 36. Depreciation, Depletion, Amortization and Impairment

(₹ in million)

| Particulars | Year ended March 31, 2022 | | Year ended March 31, 2021 | |
|---|---|---|---|---|
| Depletion of Oil and Gas Assets | | 126,254.84 | | 117,877.70 |
| Depreciation of other Property, Plant and Equipment | 19,564.23 | | 19,740.33 | |
| Depreciation of right-of-use assets | 50,343.15 | | 53,269.67 | |
| Total Depreciation | 69,907.38 | | 73,010.00 | |
| **Less :** Allocated to: | | | | |
| Exploratory Drilling | 10,665.91 | | 17,779.48 | |
| Development Drilling | 19,597.38 | | 16,602.41 | |
| Others | 152.32 | 39,491.77 | 220.35 | 38,407.76 |
| Amortisation of intangible assets | | 784.07 | | 600.91 |
| **Impairment Loss** (Note No. 47) | | | | |
| Provided during the year | 33,462.27 | | 35,140.20 | |
| **Less:** Reversed during the year | 24,535.94 | 8,926.33 | 28,752.80 | 6,387.40 |
| **Total** | | **175,457.01** | | **163,273.77** |

## 37. Other impairment and Write Offs

(₹ in million)

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| **Impairment for:** | | |
| Doubtful Debts | 547.62 | 0.37 |
| Doubtful Claims/Advances | 3,078.67 | 1,289.59 |
| Non-Moving Inventory | 949.13 | 1,194.82 |
| Others | 144.30 | 2.32 |
| | **4,719.72** | **2,487.10** |
| **Write-Offs** | | |
| Disposal/Condemnation of Other PPE & ROU Assets | 208.56 | 1,170.24 |
| Claims/Advances | 3.76 | 4.80 |
| Inventory | 373.12 | 123.82 |
| | **585.44** | **1,298.86** |
| **Total** | **5,305.16** | **3,785.96** |

## 38. Tax Expense

(₹ in million)

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| **Current tax in relation to:** | | |
| - Current year | 94,540.00 | 30,560.00 |
| - Earlier years | (4,779.99) | 11,489.53 |
| | **89,760.01** | **42,049.53** |
| Deferred tax | (82,417.52) | 9,514.00 |
| | **(82,417.52)** | **9,514.00** |
| **Total** | **7,342.49** | **51,563.53** |

**38.1** Pursuant to the introduction of Section 115BAA of the Income Tax Act, 1961 vide Taxation Laws (Amendment) Act, 2019 the company has an option to pay corporate income tax at the rate of 22% plus applicable surcharge and cess (lower rate) as against the earlier rate of 30% plus applicable surcharge and cess, subject to certain conditions. Considering all the provisions under said section 115BAA of the Income Tax Act, 1961, during the year ended March 31, 2022 the Company has decided to avail the option of lower rate with effect from the financial year 2020-21. Accordingly, the Company has recognized provision for tax expenses during the year and re-measured its net Deferred Tax liabilities on the basis of the provision prescribed in the said section.

The net impact due to availing the above option has resulted in decrease in deferred tax by ₹ 90,905.15 million (of which ₹ (-) 1382.25 million has been accounted in Other Comprehensive Income) and decrease in current tax by ₹ 28,019.77 million (including ₹ 1,639.72 million relating to earlier years).

**38.2** During the year, the Company has considered the benefit of deduction on dividend income during the year, as per section 80M of the Income Tax Act, 1961, having a tax impact amounting to ₹4,245.04 million (previous year ₹ 7,693.09 million) on current tax expense.

ONGC offshore facilities employ state-of-the-art technologies

## 39. The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ in million)

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| **Profit before tax** | **410,399.86** | **164,027.90** |
| Income tax expense calculated at 25.168% (FY 2020-2021: 34.944%) | 103,289.43 | 57,317.91 |
| **Less: Exemptions / Deductions** | | |
| Deduction under section 80-IA | - | 166.70 |
| Deduction under section 80-M | 10,683.92 | 7,693.09 |
| **Add: Effect of expenses that are not deductible in determining taxable profit** | | |
| Corresponding Effect of temporary differences on account of current tax of earlier periods | (82,223.53) | (11,186.42) |
| Current Tax on CSR Expenditure | 1,133.36 | 1,751.39 |
| Expenses not allowed in Income Tax | 603.99 | 60.79 |
| **Sub total** | **12,119.33** | **40,083.88** |
| Others | 3.15 | (9.88) |
| | **12,122.48** | **40,074.00** |
| Adjustments recognised in the current year in relation to the current tax of prior years | (4,779.99) | 11,489.53 |
| Income tax expense recognised in profit or loss (relating to continuing operations) | **7,342.49** | **51,563.53** |

(₹ in million)

| Income tax recognised in other comprehensive income | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| **Deferred tax** | | |
| Arising on income and expenses recognised in other comprehensive income: | | |
| Net fair value gain/(loss) on investments in equity shares at FVTOCI | (3,037.27) | (1,957.67) |
| Remeasurement of defined benefit obligation | (1,979.12) | 178.94 |
| **Total income tax recognised in other comprehensive income** | **(5,016.39)** | **(1,778.73)** |
| Bifurcation of the income tax recognised in other comprehensive income into:- | | |
| -Items that will not be reclassified to profit or loss | (5,016.39) | (1,778.73) |
| -Items that may be reclassified to profit or loss | - | - |

## 40. Earnings per Equity share

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Profit after tax for the year attributable to equity shareholders (₹ in million) | 403,057.37 | 112,464.37 |
| Weighted average number of equity shares (No. in million) | 12,580.28 | 12,580.28 |
| Basic and Diluted earnings per equity share (₹) | 32.04 | 8.94 |
| Face Value per equity share (₹) | 5.00 | 5.00 |

## 41. Leases

As part of transition, under Ind AS 116 'Leases' during the Previous year, the Company had availed the practical expedient of not to apply the recognition requirements of Ind AS 116 to short term leases and also applied materiality threshold for recognition of assets and liabilities related to leases.

**41.1 Expenditure booked under various heads related to Ind AS 116 'Leases' and Company's exposure to future cash outflows is as under:**

(₹ in million)

| Expenditure Heads | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Depreciation expense on right-of-use assets | 50,343.16 | 53,269.67 |
| Interest expense on lease liabilities | 3,291.28 | 3,808.25 |
| Expense relating to short-term leases | 8,594.18 | 4,988.01 |
| Expense relating to leases of low value assets | 3,051.64 | 2,639.64 |
| Expense relating to variable lease payments not included in the measurement of the lease liability | 7,761.40 | 5,116.77 |

**41.2 Estimated future undiscounted cash flows for lease payments as at March 31, 2022:**

(₹ in million)

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Future Lease payable from end of the year : | | |
| Up to 1 year | 47,719.94 | 43,919.23 |
| Between 1 to 3 year | 40,691.18 | 46,542.65 |
| Between 3 to 5 year | 7,366.26 | 8,711.37 |
| More than 5 year | 9,517.02 | 11,829.84 |
| **Total** | **105,294.40** | **111,003.09** |
| Impact of discount | 5,555.90 | 7,210.22 |
| **Net lease liability** | **99,738.50** | **103,792.87** |
| Perpetual lease liability | 417.96 | 417.96 |
| **Total lease liability** | **100,156.46** | **104,210.83** |

**41.3** Pursuant to amendment to Ind AS 116 vide the Companies (Indian Accounting Standards) Amendment Rules, 2020 dated July 24, 2020, the Company applying the provisions of para 46A of the above rules has opted for practical expedient on rent concessions that meet the conditions in paragraph 46B of amended Ind AS 116. On application of the practical expedient, lease rent concession amounting to Nil (previous year ₹ 37.72 million) has been recognised during previous year and capitalised in the related well cost as per the accounting policies of the Company.

## 42. Employee benefit plans

### 42.1 Defined Contribution plans:

#### 42.1.1 Post Retirement Benefit Scheme (PRBS)

The defined contribution pension scheme of the Company for its employees is administered through a separate trust. The obligation of the Company is to contribute to the trust to the extent of amount not exceeding 30% of basic pay and dearness allowance as reduced by the employer's contribution towards provident fund, gratuity, post-retirement medical Benefit (PRMB) or any other retirement benefits.

The Board of Trustees of the Trust functions in accordance with any applicable guidelines or directions that may be issued in this behalf from time to time by the Central Government. The board of trustees have the following responsibilities:

**(i)** Investments of the surplus as per the pattern notified by the Government in this regard so as to meet the requirements of the fund from time to time.

**(ii)** Fixation of rate of contribution and interest thereon.

**(iii)** Purchase of annuities for the members.

#### 42.1.2 National Pension Scheme (NPS)

The Company has introduced NPS for its employees during the year within the overall limit of Post Retirement Benefit Scheme. An employee has the option to determine the contribution to be made in PRBS and NPS.

The obligation of the Company is to contribute to NPS at the option of employee to the extent of amount not exceeding 30% of basic pay and dearness allowance as reduced by the employer's contribution towards provident fund, gratuity, post-retirement medical Benefit (PRMB), post-retirement benefit scheme or any other retirement benefits. An employee can opt for a maximum of up to 10% of its Basic Salary and DA as employer's contribution towards NPS. All other standard provisions of NPS applies to the scheme.

### 42.2 Employee Pension Scheme 1995

The Employee Pension Scheme -1995 is administered by Employees Provident Fund Organization of India, wherein the Company has to contribute 8.33% of salary (subject to maximum of ₹15,000 per month) out of the employer's contribution to Provident Fund.

### 42.3 Composite Social Security Scheme (CSSS)

The Composite Social Security Scheme is formulated by the Company for the welfare of its regular employees and it is administered through a separate Trust, named as Composite Social Security Scheme Trust. The obligation of the Company is to provide matching contribution to the Trust to the extent of contribution of the regular employees of the Company. The Trust provides an assured lump sum support amount in the event of death or permanent total disablement of an employee while in service. In case of Separation other than Death/Permanent total disability, employees own contribution along with interest is refunded.

The Board of Trustees of the Trust functions in accordance with Trust deed, Rule, Scheme and applicable guidelines or directions that may be issued by Management from time to time.

The Board of Trustees has the following responsibilities:

**(i)** Investments of the surplus as per the pattern notified by the Government in this regard so as to meet the requirements of the fund from time to time.

**(ii)** Fixation of rate of interest to be credited to members' accounts.

**(iii)** To provide cash benefits to the nominees in the event of death of an employee or Permanent Total Disablement leading to the cessation from service and refund of own contribution along with interest in case of separation other than death.

**42.4** The amounts recognized in the financial statements before allocation for the defined contribution plans are as under:

**(₹ in million)**

| Defined Contribution Plans | Amount recognized during | | Contribution for key management personnel | |
|---|---|---|---|---|
| | 2021-22 | 2020-21 | 2021-22 | 2020-21 |
| Provident Fund | 4,489.16 | 4,934.19 | 2.74 | 2.85 |
| Post Retirement Benefit Scheme (PRBS) | 4,400.36 | 5,249.94 | 2.85 | 2.84 |
| Employee Pension Scheme-1995 (EPS) | 262.77 | 282.61 | 0.07 | 0.07 |
| Composite Social Security Scheme (CSSS) | 537.01 | 543.62 | 0.18 | 0.19 |
| National Pension Scheme (NPS) | 966.15 | 177.79 | 0.33 | 0.14 |

**42.5 Defined benefit plans**

**42.5.1** Brief Description: A general description of the type of Employee Benefits Plans is as follows:

All the employee benefit plans of the Company are run as Group administration plans (Single Employer Scheme) which include employees of the Company seconded to ONGC Videsh Limited (OVL) 100% subsidiary, as well as employees directly appointed by OVL.

**42.5.2 Provident Fund**

The Company pays fixed contribution to provident fund at predetermined rates to a separate trust, which invests the funds in permitted securities. The obligation of the Company is to make such fixed contribution and to ensure a minimum rate of return to the members as specified by Government of India (GoI). As per report of the consulting actuary, overall interest earnings and cumulative surplus is more than the statutory interest payment requirement. Hence, no further provision is considered necessary. The details of fair value of plan assets and obligations are as under:

**(₹ in million)**

| Particulars | As at March 31, 2022 | As at March 31, 2021* |
|---|---|---|
| Obligations at the end of the year | 147,300.29 | 143,302.00 |
| Fair Value of Plan Assets at the end of the year | 149,259.15 | 144,788.00 |

* Fair value of Plan Assets is reinstated based on Audited Balance Sheet of the Provident Fund Trust as at March 31, 2021 and figure of Obligation is reinstated based on re-computation of liability at official rates declared by Employees Provident Fund Organization for the FY 2021-2022.

Provident Fund is governed through a separate trust. The Board of Trustees of the Trust functions in accordance with any applicable guidelines or directions that may be issued in this behalf from time to time by the Central Government or the Central Provident Fund Commissioner. The board of trustees have the following responsibilities:

**(i)** Investments of the surplus as per the pattern notified by the Government in this regard so as to meet the requirements of the fund from time to time.

**(ii)** Raising of moneys as may be required for the purposes of the fund by sale, hypothecation or pledge of the investment wholly or partially.

**(iii)** Fixation of rate of interest to be credited to members' accounts.

**42.5.3 Gratuity**

15 days salary for each completed year of service. Vesting period is 5 years and the payment is restricted to ₹ 2 million on superannuation, resignation, termination, disablement or on death.

Scheme is funded through own Gratuity Trust. The liability for gratuity as above is recognized on the basis of actuarial valuation.

**42.5.4 Post-Retirement Medical Benefits**

The Company has Post-Retirement Medical benefit (PRMB), under which the retired employees and their spouses are provided medical facilities in the Company hospitals / empanelled hospitals. They can also avail treatment as out-patient. The liability for the same is recognized annually on the basis of actuarial valuation. Full medical benefits on voluntary retirement are available subject to the completion of minimum 20 years of service and 50 years of age.

An employee should have put in a minimum of 15 years of service rendered in continuity in the Company at the time of superannuation to be eligible for availing post-retirement medical facilities. However, as per DPE guidelines dated August 03, 2017, the Post-Retirement Medical Benefits is allowed to Board Level executives (without any linkage to 15 years of service) upon completion of their tenure or upon attaining the age of retirement, whichever is earlier.

During previous year, as per the approved PRMB scheme of the Company, "ONGC PRMB Trust" was formed and subsequently registered. During the year, funding towards Post-Retirement Medical Liability was started in a staggered manner and the company has contributed ₹ 27,240 million to the ONGC PRMB

Trust. The PRMB fund is managed by Life Insurance Corporation of India. Accordingly, the PRMB liability and its plan assets are accounted for as per the requirements of Ind AS- 19 “Employee Benefits”.

**42.5.5 Terminal Benefits**

At the time of superannuation, employees are entitled to settle at a place of their choice and they are eligible for Settlement Allowance.

**42.5.6** These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

| | |
|---|---|
| Investment risk | The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. When there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Currently, for these plans, investments are made in government securities, debt instruments, Short term debt instruments, Equity instruments and Asset Backed, Trust Structured securities as per notification of Ministry of Finance. |
| Interest risk | A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan’s investments. |
| Longevity risk | The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan’s liability. |
| Salary risk | The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan’s liability. |

No other post - retirement benefits are provided to these employees.

In respect of the above plans, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2022 by a member firm of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

**42.6 Other long term employee benefits**

**42.6.1 Brief Description:** A general description of the type of Other long term employee benefits is as follows:

All the employee benefit plans of the Company are run as Group administration plans (Single Employer Scheme) including employees of the Company seconded to ONGC Videsh Limited (OVL) 100% subsidiary, as well as employees directly appointed by OVL.

Further, the company accounts for the employee benefit liability of all Defined Benefit plans pertaining to OVL employees in its books of account and expenditure for the period is transferred to OVL’s books of account. This is done in compliance with the requirement for group administrative plan stated in para 38 of Ind AS 19 ‘Employee Benefits’.

**42.6.2 Earned Leave (EL) Benefit**

Accrual – 30 days per year

Encashment while in service – 75% of Earned Leave balance subject to a maximum of 90 days per calendar year

Encashment on retirement – maximum 300 days

Scheme is funded through Life Insurance Corporation of India (LIC).

Each employee is entitled to get 15 earned leaves for each completed half year of service. All regular employees of the company while in service may be allowed encashment of Earned Leave once in a calendar year, to the extent of 75% of the Earned Leave at their credit, subject to maximum of 90 days.

In addition, each employee is entitled to get 10 HPL at the end of every six months. The entire accumulation is permitted for encashment only at the time of retirement. DPE had clarified earlier that sick leave cannot be encashed, though Earned Leave (EL) and Half Pay Leave (HPL) could be considered for encashment on retirement subject to the overall limit of 300 days. Consequently, Ministry of Petroleum and Natural Gas (MoP&NG), GOI had advised the company to comply with the DPE Guidelines. Subsequently, the matter has been dealt in 3rd PRC recommendations, which is effective January 1, 2017 and CPSEs have been allowed to frame their own leave rules considering operational necessities and subject to conditions set therein. Therefore, the requisite conditions are met by the company.

**42.6.3 Good Health Reward (Half pay leave)**

Accrual - 20 days per year

Encashment while in service - Nil

Encashment on retirement - 50% of Half Pay Leave balance.

Scheme is funded through Life Insurance Corporation of India (LIC).

The liability for the same is recognized annually on the basis of actuarial valuation.

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

| S. No. | Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| | **Gratuity** | | |
| I. | Discount rate (%) | 7.25 | 6.81 |
| II. | Expected return on plan assets (%) | 6.81 | 6.80 |
| III. | Annual increase in salary (%) | 7.50 | 7.50 |
| | **Leave** | | |
| IV. | Discount rate (%) | 7.25 | 6.81 |
| V. | Expected return on plan assets (%) | 6.81 | 6.80 |
| VI. | Annual increase in salary (%) | 7.50 | 7.50 |
| | **Post-Retirement Medical Benefits** | | |
| VII. | Discount rate (%) | 7.25 | 6.81 |
| VIII. | Expected return on plan assets (%) | 6.81 | NA |
| IX. | Annual increase in costs (%) | 7.50 | 7.50 |
| | **Terminal Benefits** | | |
| X. | Discount rate (%) | 7.25 | 6.81 |
| XI. | Expected return on plan assets (%) | NA | NA |
| XII. | Annual increase in costs (%) | 7.50 | 7.50 |
| XIII. | Annual increase in salary (%) | 7.50 | 7.50 |
| | **Employee Turnover (%)** | | |
| XIV. | Up to 30 Years | 3.00 | 3.00 |
| XV. | From 31 to 44 years | 2.00 | 2.00 |
| XVI. | Above 44 years | 1.00 | 1.00 |
| XVII. | Weighted Average Duration of Present Benefit Obligations | 13.73 | 13.30 |
| | **Mortality Rate** | | |
| XVIII. | Before retirement | As per Indian Assured Lives Mortality Table (2012-14) | As per Indian Assured Lives Mortality Table (2012-14) |
| XIX. | After retirement | As per Indian Individual Annuitant's Mortality Table (2012-15) | As per Indian Assured Lives Mortality Table (2012-14) |

The discount rate is based upon the market yield available on Government bonds at the accounting date with a term that matches the weighted average duration of present benefit obligations. The salary growth takes account inflation, seniority, promotion and other relevant factors on long term basis. Expected rate of return on plan assets is based on market expectation, at the beginning of the year, for return over the entire life of the related obligation.

The mortality rate for male insured lives before retirement have been assumed for Actuarial Valuation as on 31.03.2022 as per 100% of Indian Assured Life Mortality (2012-14) issued by Institute of Actuaries of India on 02.08.2018. As separate rates applicable for female lives has not been notified by The Institute of Actuaries of India, uniform rates of mortality for male have been used for both male and female employees for computation of Employee Benefit Liability. The mortality rate after retirement is assumed as per Indian Individual Annuitant's Mortality Table (2012-15) effective from 01.04.2021.

**42.7** Amounts recognized in the Financial Statements before allocation in respect of these defined benefit plans and other long term employee benefits are as follows:

**(₹ in million)**

| Particulars | Gratuity | | Leave | | Post-Retirement Medical Benefits | | Terminal Benefits | |
|---|---|---|---|---|---|---|---|---|
| | Year ended March 31, 2022 | Year ended March 31, 2021 | Year ended March 31, 2022 | Year ended March 31, 2021 | Year ended March 31, 2022 | Year ended March 31, 2021 | Year ended March 31, 2022 | Year ended March 31, 2021 |
| **Service Cost :** | | | | | | | | |
| Current service cost | 677.60 | 719.57 | 1,847.17 | 1,857.20 | 980.42 | 1,024.22 | 80.98 | 86.14 |
| Past service cost and (gain)/loss from settlements | - | - | - | - | - | - | - | - |
| Net interest expense | (7.59) | (22.62) | 473.06 | 248.22 | 3,402.22 | 3,390.62 | 102.88 | 97.20 |
| Increase or decrease due to adjustment in opening corpus consequent to audit | (140.87) | (29.76) | (29.26) | 162.30 | - | - | - | - |
| Incremental Contribution in Fund | (690.64) | - | - | - | - | - | - | - |
| **Components of defined benefit costs recognised in Employee Benefit expenses** | **161.50** | **667.19** | | | **4,382.64** | **4,414.84** | **183.86** | **183.34** |
| **Re-measurement on the net defined benefit liability:** | | | | | | | | |
| Actuarial (gains) / losses arising from changes in demographic assumptions | - | - | - | - | - | - | - | - |
| Actuarial (gains) / losses arising from changes in financial assumptions | (610.11) | (14.29) | (1,095.88) | (23.14) | (2,532.19) | (49.76) | (47.46) | (0.90) |
| Actuarial (gains) / losses arising from experience adjustments | (65.39) | 218.06 | 4,572.96 | 4,853.95 | 1,364.23 | 564.81 | (34.32) | 5.66 |
| Return on Plan Assets excluding amount included in net interest cost | (107.24) | (70.01) | (390.27) | (122.72) | (17.36) | - | - | - |
| **Components of Re-measurement** | **(782.74)** | **133.76** | | | **(1,185.32)** | **515.05** | **(81.78)** | **4.76** |
| **Total** | **(944.24)** | **800.95** | **5,377.78** | **6,975.81** | **3,197.32** | **4,929.89** | **102.08** | **188.10** |

The Components of Re-measurement of the net defined benefit liability recognized in other comprehensive income is actuarial gain of ₹ 1,708.08 million (previous year: actuarial loss ₹ 512.07 million).

**42.8** Movements in the present value of the defined benefit obligation and other long term employee benefits are as follows:

**(₹ in million)**

| Particulars | Gratuity | | Leave | | Post-Retirement Medical Benefits | | Terminal Benefits | |
|---|---|---|---|---|---|---|---|---|
| | Year ended March 31, 2022 | Year ended March 31, 2021 | Year ended March 31, 2022 | Year ended March 31, 2021 | Year ended March 31, 2022 | Year ended March 31, 2021 | Year ended March 31, 2022 | Year ended March 31, 2021 |
| Opening defined benefit obligation | 23,053.36 | 24,845.16 | 31,147.73 | 29,462.90 | 51,970.62 | 49,910.35 | 1,516.07 | 1,433.58 |
| Current service cost | 684.24 | 726.49 | 1,872.18 | 1,871.60 | 990.00 | 1,033.02 | 81.82 | 86.99 |
| Interest cost | 1,569.93 | 1,689.47 | 2,121.16 | 2,003.48 | 3,539.20 | 3,393.90 | 103.24 | 97.48 |
| **Re-measurement (gains)/losses:** | | | | | | | | |
| Actuarial (gains) / losses arising from changes in demographic assumptions | - | - | - | - | - | - | - | - |
| Actuarial (gains) / losses arising from changes in financial assumptions | (612.21) | (14.34) | (1,101.59) | (23.35) | (2,533.65) | (49.81) | (47.59) | (0.90) |
| Actuarial (gains) / losses arising from experience adjustments | (65.47) | 235.16 | 4,540.17 | 4,865.06 | 1,348.47 | 565.75 | (35.66) | 5.74 |
| Past service cost, including losses/ (gains) on curtailments | - | - | - | - | - | - | - | - |
| Benefits paid | (3,853.82) | (4,428.58) | (6,500.88) | (7,031.96) | (4,115.36) | (2,882.59) | (198.33) | (106.82) |
| **Closing defined benefit obligation** | **20,776.02** | **23,053.36** | **32,078.78** | **31,147.73** | **51,199.29** | **51,970.62** | **1,419.55** | **1,516.07** |
| Current obligation | 20,776.02 | 23,053.36 | 32,078.78 | 31,147.73 | 51,199.29 | 2,229.96 | 185.37 | 188.82 |
| Non-Current obligation | - | - | - | - | - | 49,740.66 | 1,234.18 | 1,327.25 |

**42.9** The amount included in the Standalone Balance sheet arising from the entity's obligation in respect of its defined benefit plan and other long term employee benefits is as follows:

**(₹ in million)**

| Particulars | Gratuity | | Leave | | Post-Retirement Medical Benefits | | Terminal Benefits | |
|---|---|---|---|---|---|---|---|---|
| | Year ended March 31, 2022 | Year ended March 31, 2021 | Year ended March 31, 2022 | Year ended March 31, 2021 | Year ended March 31, 2022 | Year ended March 31, 2021 | Year ended March 31, 2022 | Year ended March 31, 2021 |
| Present value of funded defined benefit obligation | 20,776.02 | 23,053.36 | 32,078.78 | 31,147.73 | 51,199.29 | 51,970.62 | 1,419.56 | 1,516.07 |
| Fair value of plan assets | 21,721.64 | 22,584.69 | 26,711.54 | 24,159.06 | 27,390.34 | NA | NA | NA |
| Funded status | 945.62 | (468.67) | (5,367.24) | (6,988.67) | (23,808.95) | NA | NA | NA |
| Restrictions on asset recognized | NA | NA | NA | NA | NA | NA | NA | NA |
| **Net liability/(assets) arising from defined benefit obligation** | **(945.62)** | **(468.67)** | **5,367.24** | **6,988.67** | **23,808.95** | **51,970.62** | **1,419.56** | **1,516.07** |

**42.10** Movements in the fair value of the plan assets are as follows:

**(₹ in million)**

| **Particulars** | **Gratuity** | | **Leave** | | **PRMB** | |
|---|---|---|---|---|---|---|
| | **Year ended March 31, 2022** | **Year ended March 31, 2021** | **Year ended March 31, 2022** | **Year ended March 31, 2021** | **Year ended March 31, 2022** | **Year ended March 31, 2021** |
| Opening fair value of plan assets | 22,584.69 | 25,197.52 | 24,159.06 | 26,120.76 | - | - |
| Adjustment in opening corpus consequent to audit of the Trust | 143.94 | 29.91 | 25.49 | (161.45) | - | - |
| Incremental Contribution in Fund | 468.67 | - | - | - | - | - |
| Expected return on plan assets | 1,579.74 | 1,715.47 | 1,646.97 | 1,765.23 | 132.96 | - |
| Re-measurement gain (loss): | | | | | | - |
| Return on plan assets (excluding amounts included in net interest expense) | 107.78 | 70.37 | 392.23 | 124.34 | 17.38 | - |
| Contributions from the employer | 690.64 | - | 6,988.67 | 3,342.14 | 27,240.00 | - |
| Benefits paid | (3,853.82) | (4,428.58) | (6,500.88) | (7,031.96) | | - |
| **Closing fair value of plan assets** | **21,721.64** | **22,584.69** | **26,711.54** | **24,159.06** | **27,390.34** | **-** |

Expected Contribution in respect of Gratuity for next year will be ₹ 589.27 million (for the year ended March 31, 2021 ₹ 1,190.82 million).

Expected Contribution in respect of Leave Liability for next year will be ₹ 2,320.22 million (for the year ended March 31, 2021 ₹ 2,403.21 million).

The Company has recognized a gratuity liability of ₹ 81.13 million as on March 31, 2022 (As at March 31, 2021 ₹ 87.73 million) as per actuarial valuation for 150 contingent employees (As at March 31, 2021: 190 employees) engaged in different work centers.

**42.11** The fair value of the plan assets at the end of the reporting period for each category, are as follows:

**(₹ in million)**

| **Particulars** | **Year ended March 31, 2022** | **Year ended March 31, 2021** |
|---|---|---|
| **Gratuity** | | |
| Cash and cash equivalents | 0.05 | 0.02 |
| Investments in Mutual Fund | 1.50 | 1.50 |
| **Debt investments (Corporate Bonds) categorized by issuers' credit rating:** | | |
| - AAA | 931.44 | 1,085.83 |
| - AA+ | 397.34 | 397.49 |
| **Group Gratuity Cash Accumulation Scheme** | | |
| **(Traditional Fund)** | | |
| Insurance Companies | 20,789.63 | 19,830.23 |
| **Other Assets** | | |
| Bank Deposits | 643.80 | 687.10 |
| Net Current Assets | (1,042.12) | 582.52 |
| **Total Gratuity** | **21,721.64** | **22,584.69** |
| **Leave** | | |
| 100% managed by Insurance Company (through Trust) | 26,711.54 | 24,159.06 |
| **PRMB** | | |
| 100% managed by Insurance Company (through Trust) | 27,390.34 | - |
| **Total** | **75,823.52** | **46,743.75** |

**42.11.1** The fair values of the above PSU bonds (Debt Instruments) are arrived as face value plus premium to the extent not written off and minus discount to the extent not written back.

**42.11.2** Cost of Investment is taken as fair value of Investment in Mutual funds and Bank TDR.

**42.11.3** All Investments in PSU Bonds are quoted in active market.

**42.11.4** Fair value of Investment in Group Gratuity Cash Accumulation Scheme (Traditional Fund) of Insurance Company is taken as book value on reporting date.

**42.11.5** Net Current Assets represent accrued interest on Investments less outstanding gratuity reimbursements as on reporting date.

**42.11.6** The actual return on plan assets of gratuity during FY 2021-22 was ₹ 1,687.52 million (during FY 2020-21 ₹ 1,785.83 million), on plan asset of leave ₹ 2,039.20 million (during FY 2020-21 ₹ 1,889.57 million) and on plan asset of PRMB ₹ 150.34 million (PRMB Liability was unfunded in FY 2020-21).

**42.11.7** Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary/ cost increase. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

**42.11.8 Sensitivity Analysis as at March 31, 2022**

(₹ in million)

| Significant actuarial assumptions | Gratuity | Leave | Post-Retirement Medical Benefits | Terminal Benefits | Provident Fund |
|---|---|---|---|---|---|
| **Discount Rate** | | | | | |
| - Impact due to increase of 50 basis points | (661.44) | (1,055.18) | (2,523.64) | (54.08) | (28.68) |
| - Impact due to decrease of 50 basis points | 686.86 | 1,037.70 | 2,600.46 | 54.82 | 30.34 |
| **Salary increase** | | | | | |
| - Impact due to increase of 50 basis points | 191.46 | 1,024.80 | - | - | |
| - Impact due to decrease of 50 basis points | (228.01) | (1,055.90) | - | - | |
| **Cost increase** | | | | | |
| - Impact due to increase of 50 basis points | - | - | 2,521.91 | 54.03 | |
| - Impact due to decrease of 50 basis points | - | - | (2,585.64) | (53.09) | |
| **Statutory Interest rate** | | | | | |
| - Impact due to increase of 50 basis points | - | - | - | - | 29.66 |
| - Impact due to decrease of 50 basis points | - | - | - | - | (28.59) |

**42.11.9 Sensitivity Analysis as at March 31, 2021**

(₹ in million)

| Significant actuarial assumptions | Gratuity | Leave | Post-Retirement Medical Benefits | Terminal Benefits | Provident Fund |
|---|---|---|---|---|---|
| **Discount Rate** | | | | | |
| - Impact due to increase of 50 basis points | (735.56) | (1,116.71) | (2,489.81) | (59.31) | (19.52) |
| - Impact due to decrease of 50 basis points | 701.55 | 1,213.96 | 2,565.62 | 53.04 | 20.36 |
| **Salary increase** | | | | | |
| - Impact due to increase of 50 basis points | 176.71 | 1,183.81 | - | - | |
| - Impact due to decrease of 50 basis points | (269.13) | (1,100.33) | - | - | |
| **Cost increase** | | | | | |
| - Impact due to increase of 50 basis points | - | - | 2,488.12 | 53.64 | |
| - Impact due to decrease of 50 basis points | - | - | (2,550.98) | (51.58) | |
| **Statutory Interest rate** | | | | | |
| - Impact due to increase of 50 basis points | - | - | - | - | 31.95 |
| - Impact due to decrease of 50 basis points | - | - | - | - | (31.31) |

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Sensitivity due to mortality & withdrawals are not material & hence impact of change not calculated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

**42.12 Maturity Profile of Defined Benefit Obligation and other long term employee benefits:**

(₹ in million)

| Defined Benefit: | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Gratuity:** | | |
| Less than One Year | 3,578.77 | 3,852.76 |
| One to Three Years | 5,079.28 | 5,767.82 |
| Three to Five Years | 3,538.76 | 4,075.21 |
| More than Five Years | 8,579.21 | 9,357.57 |
| **Leave:** | | |
| Less than One Year | 5,204.74 | 4,918.52 |
| One to Three Years | 7,111.69 | 7,000.84 |
| Three to Five Years | 5,595.45 | 5,390.64 |
| More than Five Years | 14,166.90 | 13,837.73 |

## 43. Segment Reporting

**43.1** The Company has identified and reported segments taking into account the different risks and returns, the organization structure and the internal reporting systems. Accordingly, the Company has identified following geographical segments as reportable segments

**A.** Offshore

**B.** Onshore

### 43.2 Segment revenue and results

The following is an analysis of the Company's revenue and results from continuing operations by reportable segment:

**(₹ in million)**

| Particulars | Segment revenue | | Segment profit/(loss) | |
|---|---|---|---|---|
| | Year ended March 31, 2022 | Year ended March 31, 2021 | Year ended March 31, 2022 | Year ended March 31, 2021 |
| Offshore | 715,413.31 | 444,757.14 | 325,066.64 | 140,756.62 |
| Onshore | 388,040.67 | 236,653.76 | 70,430.85 | 15,044.99 |
| **Total** | **1,103,453.98** | **681,410.90** | **395,497.49** | **155,801.61** |
| Unallocated corporate expense (Net) | | | (15,792.03) | (11,688.93) |
| Finance costs | | | (23,598.62) | (22,145.41) |
| Interest/Dividend income | | | 54,293.02 | 42,060.63 |
| **Profit before tax** | | | **410,399.86** | **164,027.90** |

**43.2.1** Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sale in the current year (Previous year: Nil).

**43.2.2** The accounting policies of the reportable segments are the same as the Company's accounting policies described in Note No. 3. Segment profit represents the profit before tax earned by each segment excluding finance cost and other income like interest/dividend income. This is the measure reported to the Chief Operating Decision maker for the purposes of resource allocation and assessment of segment performance.

### 43.3 Segment assets and liabilities

**(₹ in million)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Segment assets** | | |
| Offshore | 1,494,378.00 | 1,415,917.49 |
| Onshore | 737,311.96 | 677,356.50 |
| Total segment assets | **2,231,689.96** | **2,093,273.99** |
| Unallocated | 1,140,952.42 | 1,091,261.80 |
| **Total assets** | **3,372,642.38** | **3,184,535.79** |
| **Segment liabilities** | | |
| Offshore | 481,069.86 | 452,196.49 |
| Onshore | 159,088.66 | 148,038.27 |
| Total segment liabilities | **640,158.52** | **600,234.76** |
| Unallocated | 361,003.00 | 538,715.37 |
| **Total liabilities** | **1,001,161.52** | **1,138,950.13** |

Aforesaid segments are used for the purpose of monitoring performance and allocation of resources.

**43.3.1** All assets are allocated to reportable segments other than investments in subsidiaries, associates and joint ventures, other investments, loans and current and deferred tax assets.

**43.3.2** All liabilities are allocated to reportable segment other than borrowing, current and deferred tax liabilities.

**43.3.3** Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segments and amount allocated on reasonable basis. Unallocated expenditure includes common expenditure incurred for all the segments and expenses incurred at the corporate level. Finance cost includes unwinding of discount on decommissioning provisions not allocated to segment.

**43.4 Other information**

(₹ in million)

| Particulars | Depreciation, depletion and amortization | | Other non-cash items-impairment and write off | |
|---|---|---|---|---|
| | Year ended March 31, 2022 | Year ended March 31, 2021 | Year ended March 31, 2022 | Year ended March 31, 2021 |
| Offshore | 110,071.25 | 106,481.47 | 4,343.86 | 2,790.82 |
| Onshore | 55,085.56 | 49,217.18 | 926.29 | 972.85 |
| Unallocated | 1,373.87 | 1,187.72 | 35.01 | 22.29 |
| **Total** | **166,530.68** | **156,886.37** | **5,305.16** | **3,785.96** |

**43.5 Impairment loss** (refer Note No. 47)

(₹ in million)

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Offshore | 21,258.01 | 6,159.47 |
| Onshore | (12,331.68) | 227.93 |
| **Total** | **8,926.33** | **6,387.40** |

**43.5.1 Exceptional Items - Impairment loss** (refer Note No 47)

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Offshore | - | 8,546.83 |
| Onshore | - | (22,297.17) |
| **Total** | **-** | **(13,750.34)** |

**43.6 Additions to non- current assets**

(₹ in million)

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Offshore | 39,923.32 | 53,003.06 |
| Onshore | 46,983.27 | 27,050.27 |
| Unallocated | (385.69) | 988.50 |
| **Total** | **86,520.90** | **81,041.83** |

**43.7 Information about major customers**

Company's significant revenues (more than 85%) are derived from sales to Public Sector Undertakings. The total sales to such companies amounted to ₹ 930,188.42 million in 2021-22 and ₹ 589,473.92 million in 2020-21.

No other single customer contributed 10% or more to the Company's revenue for 2021-22 and 2020-21.

**43.8 Information about geographical areas:**

The Company is domiciled in India. The amount of its revenue from sale of products from external customers broken down by location of customers is tabulated below:

(₹ in million)

| Location | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| India | 1,022,999.71 | 635,046.92 |
| Other Countries (including SEZ) | 76,623.27 | 43,862.04 |
| **Total** | **1,099,622.98** | **678,908.96** |

The total of non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets, broken down by location of assets are shown below:

(₹ in million)

| Location | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| India | 1,814,928.15 | 1,728,407.25 |
| Other Countries | - | - |
| **Total** | **1,814,928.15** | **1,728,407.25** |

**43.9 Information about products and services:**

The Company generates its revenue from sale of crude oil, natural gas and value added products. The information about revenues from external customers about each product is disclosed in Note No. 30.5.

## 44. Related Party Disclosures

**44.1 Name of related parties and description of relationship:**

**A. Subsidiaries**

1. ONGC Videsh Limited (OVL)
1.1. ONGC Nile Ganga B.V. (ONGBV)
1.1.1. ONGC Campos Limiteda
1.1.2. ONGC Nile Ganga (San Cristobal) B.V.
1.2. ONGC Amazon Alaknanda Limited (OAAL)
1.3. ONGC Narmada Limited (ONL)
1.4. ONGC (BTC) Limited
1.5. Carabobo One AB
1.5.1. Petro Carabobo Ganga B.V.
1.6. Imperial Energy Limited
1.6.1. Imperial Energy Tomsk Limited
1.6.2. Imperial Energy (Cyprus) Limited
1.6.3. Imperial Energy Nord Limited
1.6.4. Biancus Holdings Limited
1.6.5. Redcliffe Holdings Limited
1.6.6. Imperial Frac Services (Cyprus) Limited
1.6.7. San Agio Investments Limited
1.6.8. LLC Sibinterneft
1.6.9. LLC Allianceneftegaz
1.6.10. LLC Nord Imperial
1.6.11. LLC Rus Imperial Group
1.6.12. LLC Imperial Frac Services
1.7. Beas Rovuma Energy Mozambique Limited
1.8. ONGC Videsh Rovuma Limited
1.9. ONGC Videsh Atlantic Inc.
1.10. ONGC Videsh Singapore Pte. Limited
1.10.1. ONGC Videsh Vankorneft Pte. Limited
1.11. Indus East Mediterranean Exploration Limited
2. Mangalore Refinery and Petrochemicals Limited (MRPL)
3. Hindustan Petroleum Corporation Limited (HPCL)
3.1. Prize Petroleum Company Limited
3.1.1 Prize Petroleum International Pte. Limited
3.2. HPCL Biofuels Limited
3.3. HPCL Middle East FZCO
3.4 HPCL LNG Limited (HPCLNG) formerly know as HPCL Shapoorji Energy Pvt. Limited (HSEPL)
4. Petronet MHB Limited
5. ONGC Mangalore Petrochemicals Limited (OMPL) (Amalgamated with MRPL w.e.f. April 01, 2021)

**B. Joint Ventures**

1. Mangalore SEZ Limited (MSEZ)
2. ONGC Petro additions Limited (OPaL)
3. ONGC Tripura Power Company Limited (OTPC)
4. ONGC Teri Biotech Limited (OTBL)
5. Dahej SEZ Limited (DSEZ)
6. Indradhanush Gas Grid Limited (IGGL)
7. ONGC Mittal Energy Limited (OMEL) (through OVL)
8. Sudd Petroleum Operating Company (through OVL)
9. Mansarovar Energy Colombia Limited, Colombia (through OVL)
10. Himalaya Energy Syria BV, Netherlands (through OVL)
11. Shell MRPL Aviation Fuels and Services Limited (SMASL) (through MRPL)
12. Hindustan Coals Private Limited (through HPCL)
12.1 Dust-A-Side Hincol Limited (through HPCL)
13. HPOIL Gas Private Limited (through HPCL)
14. HPCL Rajasthan Refinery Limited (through HPCL)
15. South Asia LPG Co. Private Limited (through HPCL)
16. HPCL - Mittal Energy Limited (through HPCL)
16.1 HPCL Mittal Pipeline Limited (through HPCL)
17. Godavari Gas Private Limited (through HPCL)
18. Petronet India Limited. (through HPCL, in process of voluntary winding up w.e.f. August 30, 2018)
19. Mumbai Aviation Fuel Farm Facilities Private Limited (through HPCL)
20. Aavantika Gas Limited (through HPCL)
21. Bhagyanagar Gas Limited (through HPCL)
22. Ratnagiri Refinery & Petrochemical Limited (through HPCL)
23. IHB Limited (through HPCL) (converted into a Public Limited Company effective from April 6, 2021)
24. Mangalore STP Limited (through MSEZ)
25. MSEZ Power Limited (through MSEZ)
26. Adani Petronet Dahej Port Private Limited (through PLL)
27. India LNG Transport Company Private Limited (through PLL)
28. North East Transmission Company Limited (through OTPC)

**C. Associates**

1. Pawan Hans Limited
2. Petronet LNG Limited (PLL)
3. Rohini Heliport Limited

4. Moz LNG1 Holding Company Limited (through OVL)
5. Petro Carabobo S.A., Venezuela (through OVL)
6. Carabobo Ingenieria Y Construcciones, S.A, Venezuela (through OVL)
7. Petrolera Indovenezolana SA, Venezuela (through OVL)
8. South East Asia Gas Pipeline Limited, Hongkong (through OVL)
9. Tamba BV, The Netherlands (through OVL)
10. JSC Vankorneft, Russia (through OVL)
11. Falcon Oil & Gas BV, Netherlands (through OVL)
12. Bharat Energy Office LLC, Russia (through ONGC Videsh Singapore Pte Limited-OVL) (incorporated on October 18, 2021)
13. GSPL India Gasnet Limited (through HPCL)
14. GSPL India Transco Limited (through HPCL)

**D. Trusts (including post retirement employee benefit trust)**

1. ONGC Contributory Provident Fund Trust
2. ONGC CSSS Trust
3. ONGC Sahyog Trust
4. ONGC PRBS Trust
5. ONGC Gratuity Fund Trust
6. ONGC Energy Center
7. ONGC Foundation
8. ONGC Startup Fund Trust
9. MRPL Gratuity Fund Trust (through MRPL)
10. MRPL Provident Fund Trust (through MRPL)
11. MRPL Education Trust (through MRPL)
12. MRPL Janseva Trust (through MRPL)
13. Ujjwala Plus Foundation (through HPCL)
14. Hindustan Petroleum Corporation Limited Provident Fund
15. Hindustan Petroleum Corporation Limited Employees Post Retirement Med Benefit Fund
16. Hindustan Petroleum Corporation Limited Employees Group Gratuity Assurance Scheme
17. Hindustan Petroleum Corporation Limited Employees Superannuation Benefit Fund Scheme

**E Key Management Personnel**

**E.1 Whole time directors**

1. Dr Alka Mittal, Director (HR) and additional charge w.e.f. 4 January 2022 as Chairman & Managing Director
2. Mr. Subhash Kumar, Director (Finance) and additional charge as Chairman & Managing Director (up to 31 December 2021)
3. Mr. Rajesh Kumar Srivastava, Director (Exploration)
4. Mr. O.P. Singh, Director(T&FS)
5. Mr. Anurag Sharma, Director (Onshore)
6. Mr. Pankaj Kumar, Director (Offshore) (w.e.f. 4 September 2021)
7. Ms. Pomila Jaspal, Director (Finance) (w.e.f. 19 April 2022)
8. Mr. Rajesh Kakkar (Up to 30 April 2021)
9. Mr. Vivek C Tongaonkar, Chief Finance Officer (from 23 April 2021 to 31 December 2021)

**E.2 Company Secretary**

1. Mr. Rajni Kant, (w.e.f. 29 June 2021)
2. Mr. M E V Selvam (up to 25 June 2021)

**E.3 Independent Directors**

1. Mr. Amitava Bhattacharya
2. Mr. Syamchand Ghosh (w.e.f. 14 November 2021)
3. Mr. V Ajit Kumar Raju (w.e.f. 14 November 2021)
4. Mr. Manish Pareek (w.e.f. 14 November 2021)
5. Ms. Reena Jaitly (w.e.f. 14 November 2021)
6. Dr Prabhaskar Rai (w.e.f. 31 December 2021)
7. Dr Madhav Singh (w.e.f. 2 February 2022)

**E.4 Government Nominee – Directors**

1. Mr. Amar Nath
2. Mr. Rajesh Madanlal Aggarwal (up to 24 September 2021)

ONGC is becoming younger: Average age of employee is 42 years now

**44.2 Details of Transactions:**

**44.2.1 Transactions with Subsidiaries**

(₹ in million)

| | Name of related party | Nature of transaction | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|---|---|
| **(i)** | **Sale of products to:** | | | |
| | a) Mangalore Refinery and Petrochemicals Limited | Sale of crude oil | 71,437.55 | 38,887.72 |
| | b) Hindustan Petroleum Corporation Limited | Sale of crude oil & value added products | 192,469.32 | 111,234.40 |
| **(ii)** | **Purchase of product from:** | | | |
| | a) Mangalore Refinery and Petrochemicals Limited | Purchase of petroleum oil and lubricants/ high speed diesel | 11,047.25 | 10,252.84 |
| | b) Hindustan Petroleum Corporation Limited | Purchase of petroleum oil and lubricants/ high speed diesel | 2,117.69 | 2,066.36 |
| **(iii)** | **Services received from:** | | | |
| | a) Mangalore Refinery and Petrochemicals Limited | Reimbursement of Expenses | - | 0.34 |
| | b) Prize Petroleum Corporation Limited (Subsidiary of HPCL) | Development of oil field | 2.11 | 12.74 |
| **(iv)** | **Services provided to:** | | | |
| | a) Mangalore Refinery and Petrochemicals Limited | Leasing of office and maintenance | 54.43 | 52.85 |
| | | Tanker/Vehicle hiring charges & other services | 12.17 | - |
| | | Guarantee fees | 19.55 | 8.24 |
| | | Manpower deputation & other reimbursements | - | 63.94 |
| | b) ONGC Videsh Limited | Reimbursement of expenses incurred | 415.34 | 631.66 |
| | | Guarantee fees (OVVL) | 209.41 | 264.40 |
| | | Guarantee fees (BREML) | 2.76 | 0.01 |
| | c) Hindustan Petroleum Corporation Limited | Rent for Office | 0.06 | 0.06 |
| | | Other Expenses | 35.84 | - |
| **(v)** | **Loan Given/Taken:** | | | |
| | a) ONGC Videsh Limited | Inter-corporate Loan taken | - | 2,400.00 |
| | | Repayment of Loan | - | (2,400.00) |
| **(vi)** | **Investments:** | | | |
| | a) Mangalore Refinery and Petrochemicals Limited | Sale of equity shares of OMPL | - | 12,169.49 |
| **(vii)** | **Deemed Investments - Non cash transactions (Ind AS fair valuations):** | | | |
| | a) ONGC Videsh Limited | Deemed equity investment on issue of Financial guarantees by ONGC on behalf of OVL | 239.97 | 258.52 |
| | | Deemed equity investment on issue of Financial guarantees by ONGC on behalf of OVRL | 11.13 | 24.92 |
| **(vii)** | **Dividend income from:** | | | |
| | a) ONGC Videsh Limited | Dividend income | 6,000.00 | 3,000.00 |
| | b) Hindustan Petroleum Corporation Limited | Dividend income | 17,718.73 | 7,593.74 |
| | c) Petronet MHB Ltd | Dividend income | 438.93 | 1,646.00 |

| | Name of related party | Nature of transaction | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|---|---|
| **(ix)** | **Interest expense :** | | | |
| | a) ONGC Videsh Limited | Interest on loan taken | - | 7.20 |
| **(x)** | **Non cash transaction (Ind AS fair valuations):** | | | |
| | a) ONGC Videsh Limited | Guarantee fees in respect of financial guarantee (OVL) | 370.41 | 405.79 |
| | | Guarantee fees in respect of financial guarantee (OVRL) | 2.09 | 0.02 |
| | b) Mangalore Refinery and Petrochemicals Limited | Deemed equity investment for Financial guarantees of interest on Compulsory Convertible Debentures for OMPL which is amalgamated with MRPL w.e.f April 1, 2021 | 0.62 | - |
| **(xi)** | **Corporate Financial guarantee issued:** | | | |
| | a) ONGC Videsh Limited | Financial Guarantee issued during the year against term loans | - | 54,001.94 |
| **(xii)** | **Commitments given:** | | | |
| | a) Mangalore Refinery and Petrochemicals Limited | Bill discounting of invoices raised on MRPL with recourse | - | 3,258.96 |

**44.2.2 Outstanding balances with subsidiaries**

**(₹ in million)**

| | Name of related party | Nature of transaction | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|---|
| **A.** | **Amount receivable:** | | | |
| | a) Mangalore Refinery and Petrochemicals Limited | Trade and other receivables | 6,874.94 | 2,912.13 |
| | b) ONGC Videsh Limited | Other receivables | 365.58 | 439.93 |
| | | Guarantee Fees (OVVL) | 209.41 | 264.40 |
| | | Guarantee Fees (OVRL) | 0.38 | - |
| | | Guarantee Fees (BREML) | 2.77 | 0.01 |
| | c) Hindustan Petroleum Corporation Limited | Trade and other receivables | 27,060.40 | 16,433.63 |
| **B.** | **Amount payable:** | | | |
| | a) Mangalore Refinery and Petrochemicals Limited | Trade payables | 642.69 | 549.33 |
| | b) Hindustan Petroleum Corporation Limited | Trade payables | 187.74 | 161.52 |
| | c) Prize Petroleum Corporation Limited | Trade payables | 0.62 | 0.60 |
| | d) ONGC Videsh Limited | Other payable | 4.30 | - |
| **C.** | **Corporate Financial guarantee issued on behalf of subsidiaries:** | | | |
| | a) ONGC Videsh Limited | Value of outstanding financial guarantees | 366,614.37 | 409,842.86 |
| | b) Mangalore Refinery and Petrochemicals Limited | Value of outstanding financial guarantees | 207,804.98 | - |
| **D.** | **Outstanding value of commitment made:** | | | |
| | a) ONGC Videsh Limited | Performance guarantees | 8,688.53 | 8,429.30 |
| | b) ONGC Mangalore Petrochemicals Limited | Bill discounting of invoices raised on MRPL with recourse | - | 3,258.96 |

### 44.2.3 Transactions with joint ventures

(₹ in million)

| | Name of related party | Nature of transaction | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|---|---|
| (i) | **Sale of products to:** | | | |
| | a) ONGC Tripura Power Company Limited | Sale of natural gas | 6,430.57 | 7,418.86 |
| | b) ONGC Petro additions Limited | Sale of naphtha & C2-C3 | 76,623.27 | 43,172.95 |
| (ii) | **Services received from:** | | | |
| | a) ONGC Teri Biotech Limited | Bio-remediation services | 172.99 | 303.43 |
| | b) Dahej SEZ Limited | Lease rent for SEZ land and ROU charges for pipeline | 16.96 | 15.30 |
| (iii) | **Services provided to:** | | | |
| | a) ONGC Petro additions Limited | ROU Charges for pipeline received | 0.22 | 0.05 |
| | b) ONGC Teri Biotech Limited | Field study charges and rent | 0.56 | 0.52 |
| | c) ONGC Tripura Power Company Limited | Rent of office space | 23.77 | 12.18 |
| | d) Indradhanush Gas Grid Limited (IGGL) | Manpower deputation | 24.95 | 16.80 |
| (iv) | **Subscription to equity shares:** | | | |
| | a) Indradhanush Gas Grid Limited (IGGL) | Subscription to Equity shares | 240.00 | 490.00 |
| (v) | **Subscription of share warrants:** | | | |
| | a) ONGC Petro additions Limited | Subscription of share warrants | - | 8,709.09 |
| (vi) | **Deemed Investments Non cash transaction (Ind AS fair valuations):** | | | |
| | a) ONGC Petro additions Limited | Deemed equity investment for Financial guarantees of interest on CCDs | 13.47 | 16.60 |
| (vii) | **Dividend Income from:** | | | |
| | a) ONGC Tripura Power Company Limited | Dividend income | 392.00 | 448.00 |

### 44.2.4 Outstanding balances with joint ventures

(₹ in million)

| | Name of related party | Nature of transaction | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|---|
| A. | **Amount receivable:** | | | |
| | a) ONGC Petro additions Limited | Trade and other receivables | 5,001.19 | 2,508.09 |
| | b) ONGC Tripura Power Company Limited | Trade and other receivables | 434.93 | 228.08 |
| | c) Indradhanush Gas Grid Limited (IGGL) | Trade and other receivables | 14.00 | 4.56 |
| B. | **Amount payable:** | | | |
| | a) ONGC Teri Biotech Limited | Trade payables | 19.17 | 52.41 |
| | b) ONGC Tripura Power Company Limited | Security deposit | - | 5.39 |
| C. | **Advance outstanding:** | | | |
| | a) ONGC Petro addition Limited | Advance against subscription to share warrants | 33,649.59 | 33,649.59 |
| | b) Indradhanush Gas Grid Limited (IGGL) | Advance for subscription of equity shares | 830.00 | - |
| D. | **Commitments:** | | | |
| | a) ONGC Petro addition Limited | Unpaid subscription of share warrants | 862.81 | 862.81 |
| | | Backstopping support for Interest outstanding towards CCDs | 1,699.28 | 1,926.75 |

| | Name of related party | Nature of transaction | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|---|
| **E.** | **Letter of Comfort:** | | | |
| | a) ONGC Petro addition Limited | Letter of Comfort against term Loan | 65,000.00 | 65,000.00 |
| | | Letter of Comfort against NCDs | 30,000.00 | 30,000.00 |

**44.2.4.1** During the year 2019-20, the Company had approved the related party transaction for transfer of Hazira Dahez Naptha Pipeline (HDNPL) to OPaL on as-is basis for a consideration of ₹ 1,653.40 million comprising ₹ 1,154.40 million (excludes GST) towards the cost incurred by Company for partially completed HDNPL pipe line with associated facilities and ₹ 499.00 million towards Arbitration award and other related legal expenses. As the amount of Arbitral award has neither been paid to the contractor of HDNPL nor deposited with court till date as the same is being contested, the same has not been invoiced to OPaL. Necessary action will be initiated on receipt of final award.

**44.2.5 Transactions with associates**

**(₹ in million)**

| | Name of related party | Nature of transaction | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|---|---|
| **A.** | **Services received from:** | | | |
| | a) Pawan Hans Limited (PHL) | Hiring of helicopter services | 1,259.84 | 1,288.38 |
| | b) Petronet LNG Limited | Purchase of LNG (Net of custom duty) | 18,319.61 | 8,992.74 |
| | | Facilities charges | 770.86 | 824.79 |
| **B.** | **Services provided to:** | | | |
| | a) Pawan Hans Limited (PHL) | Miscellaneous receipt | 60.83 | - |
| **C.** | **Income received from:** | | | |
| | a) Petronet LNG Limited | Dividend Income | 1,968.75 | 2,812.50 |

**44.2.6 Outstanding balances with associates**

**(₹ in million)**

| | Name of related party | Nature of transaction | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|---|
| **A.** | **Amount payable:** | | | |
| | a) Pawan Hans Limited (PHL) | Trade payables | 250.55 | 257.38 |
| | b) Petronet LNG Limited | Trade payables | 652.49 | 573.68 |

**44.2.7 Transactions with Trusts**

**(₹ in million)**

| | Name of related party | Nature of transaction | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|---|---|
| **A.** | **Remittance of payment:** | | | |
| | a) ONGC Contributory Provident Fund Trust | Contribution | 12,369.79 | 14,387.06 |
| | b) ONGC CSSS Trust | Contribution | 1,077.05 | 1,099.10 |
| | c) ONGC Sahyog Trust | Contribution | 31.34 | 23.85 |
| | d) ONGC PRBS Trust | Contribution | 8,510.23 | 12,166.16 |
| | e) ONGC Gratuity Trust | Contribution | 1,097.73 | - |
| **B.** | **Reimbursement of Gratuity payment made on behalf of Trust:** | | | |
| | a) ONGC Gratuity Fund | Reimbursement | 2,088.10 | 4,649.07 |
| **C.** | **Services provided to:** | | | |
| | a) ONGC Energy Center | Rental income | 4.07 | 7.70 |
| **D.** | **Payment to Trust:** | | | |
| | a) ONGC Energy Center | For research and development | 75.00 | 100.00 |
| | b) ONGC Start Up Fund Trust | Investment | 365.00 | 79.21 |
| | c) ONGC Foundation | Supply of Oxygen Concentrator | 93.57 | - |
| | d) ONGC Foundation | CSR Expenditure | 1,511.68 | 282.20 |

| | Name of related party | Nature of transaction | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|---|---|
| E. | **Sale/Purchase of Securities:** | | | |
| | a) ONGC Start Up Fund Trust | Sale of Equity Share & Compulsory Convertible Preference Shares | 235.76 | - |

**44.2.8 Compensation of key management personnel**

**(a) Whole-time Directors and Company secretary**

**(₹ in million)**

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Short term employee benefits | 62.98 | 55.33 |
| Post-employment benefits | 5.35 | 6.87 |
| Long-term benefits | 6.17 | 6.09 |
| **Total** | **74.50** | **68.29** |

**(₹ in million)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Amount receivable | 3.50 | 1.59 |
| Amount Payable | 24.75 | 13.86 |
| | **28.25** | **15.45** |

**(b) Independent Directors**

**(₹ in million)**

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Sitting fees | 3.26 | 1.55 |
| **Total** | **3.26** | **1.55** |

**44.3 Disclosure in respect of Government related Entities**

**44.3.1** Name of Government related entities and description of relationship wherein significant amount of transaction carried out:

| Sl No. | Government related entities | Relation |
|---|---|---|
| 1. | Indian Oil Corporation Limited | Central PSU |
| 2. | GAIL (India) Limited | Central PSU |
| 3. | Bharat Petroleum Corporation Limited | Central PSU |
| 4. | Chennai Petroleum Corporation Limited | Central PSU |
| 5. | Numaligarh Refinery Limited | Central PSU |
| 6. | Kochi Refineries Limited | Central PSU |
| 7. | Bharat Heavy Electricals Limited | Central PSU |
| 8. | United India Insurance Company Limited | Central PSU |
| 9. | Bharat Sanchar Nigam Limited | Central PSU |
| 10. | Mahanagar Telephone Nigam Limited | Central PSU |
| 11. | Balmer Lawrie & Co. Limited | Central PSU |
| 12. | Shipping Corporation of India Limited | Central PSU |
| 13. | Bharat Electronics Limited | Central PSU |
| 14. | Brahmaputra Cracker and Polymer Limited | Central PSU |
| 15. | Bharat Pump and Compressor Limited | Central PSU |
| 16. | Oil India Limited | Central PSU |
| 17. | Coal India Limited | Central PSU |
| 18. | North Eastern Electric Power Corporation Limited | Central PSU |

### 44.3.2 Transactions with Government Related Entities

(₹ in million)

| Name of related party | Nature of transaction | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|---|
| **Sale of products during year to:** | | | |
| a) Indian Oil Corporation Limited | Sale of crude oil C2-C3, SKO, HSD & LPG and related services | 319,310.36 | 226,715.12 |
| b) Bharat Petroleum Corporation Limited | Sale of crude oil C2-C3, SKO, HSD & LPG | 153,444.49 | 88,503.03 |
| c) Chennai Petroleum Corporation Limited | Sale of crude oil | 72,808.50 | 42,158.73 |
| d) Numaligarh Refinery Limited | Sale of crude oil | 33,717.05 | 17,816.43 |
| e) GAIL (India) Limited | Sale of Natural Gas | 99,469.27 | 98,289.24 |
| f) Brahmaputra Cracker and Polymer Limited | Sale of Natural Gas | 506.65 | 553.87 |
| g) North Eastern Electric Power Corporation Limited | Sale of Natural Gas | 1,242.47 | 922.61 |
| **Purchase of product during year from:** | | | |
| a) Indian Oil Corporation Limited | Purchase of Petrol Oil & lubricant | 3,543.17 | 3,354.27 |
| b) Bharat Petroleum Corporation Limited | Purchase of Petrol Oil & lubricant | 3,993.72 | 1,547.62 |
| c) GAIL (India) Limited | Purchase of LNG | 5,142.94 | 4,457.74 |
| d) Bharat Heavy Electricals Limited | Purchase of drilling rig related items including spares and related services | 1,627.94 | 3,141.51 |
| e) Numaligarh Refinery Limited | Purchase of HSD | 6.73 | 63.58 |
| f) Bharat Electronics Limited | Purchase of product | 1,023.20 | 356.61 |
| g) Bharat Pumps and Compressors Limited | Purchase of spare parts | 53.11 | 254.79 |
| **Services Received from:** | | | |
| a) United India Insurance Company Limited | Insurance premium | 1,263.74 | 1,226.52 |
| b) Balmer Lawrie & Co Limited | Travel expenses | 552.45 | 399.69 |
| c) Shipping Corporation of India Limited | Hiring of vessels | 4,854.12 | 5,321.21 |
| d) Oil India Limited | Pipe line service | 237.77 | 241.16 |
| **Dividend Income received from:** | | | |
| a) Indian Oil Corporation Limited | Dividend income | 14,040.76 | 14,040.76 |
| b) GAIL (India) Limited | Dividend income | 1,960.30 | 1,089.05 |
| **Amount receivable:** | | | |
| a) Indian Oil Corporation Limited | Trade & other receivable | 32,584.08 | 22,784.55 |
| b) Bharat Petroleum Corporation Limited | Trade & other receivable | 12,323.96 | 8,466.18 |
| c) Chennai Petroleum Corporation Limited | Trade & other receivable | 9,902.24 | 6,200.67 |
| d) Numaligarh Refinery Limited | Trade & other receivable | 3,114.44 | 1,878.92 |
| e) GAIL (India) Limited | Trade & other receivable | 9,995.77 | 8,038.28 |
| f) United India Insurance Company Limited | Claim receivable (net) | - | 3.07 |
| g) Oil India Limited | Trade & other receivable | 840.09 | 590.71 |
| h) Brahmaputra Cracker and Polymer Limited | Trade & other receivable | 89.26 | 397.52 |
| i) Kochi Refineries Limited | Trade & other receivable | 0.05 | 9.61 |
| j) Coal India Limited | Trade & other receivable | 897.44 | 779.91 |
| **Amount payable:** | | | |
| a) Indian Oil Corporation Limited | Trade & other payable | 79.25 | 52.74 |
| b) Bharat Petroleum Corporation Limited | Trade & other payable | 1,028.32 | 13.04 |
| c) GAIL (India) Limited | Trade & other payable | 320.76 | 153.78 |
| d) Bharat Heavy Electricals Limited | Trade & other payable | 112.70 | 701.64 |
| e) Balmer Lawrie & Co Limited | Trade & other payable | 32.68 | 60.88 |
| f) Shipping Corporation of India Limited | Trade & other payable | 1,971.23 | 1,446.42 |
| g) Bharat Electronics Limited | Trade & other payable | 383.08 | 420.87 |
| h) Oil India Limited | Trade & other payable | 4.35 | 47.56 |
| i) Bharat Pumps and Compressors Limited | Trade & other payable | 4.30 | 18.52 |

The above transactions with the government related entities cover transactions that are significant individually and collectively. The Company has also entered into other transactions such as telephone expenses, air travel, fuel purchase and deposits etc. with above mentioned and other various government related entities. These transactions are insignificant individually and collectively and hence not disclosed.

## 45. Financial instruments Disclosure

### 45.1 Capital Management

The Company's objective when managing capital is to:

- Safeguard its ability to continue as going concern so that the Company is able to provide maximum return to stakeholders and benefits for other stakeholders; and
- Maintain an optimal capital structure to reduce the cost of capital.

The Company maintains its financial framework to support the pursuit of value growth for shareholders, while ensuring a secure financial base. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The capital structure of the Company consists of total equity (refer Note No. 20 & 21). The Company is not subject to any externally imposed capital requirements.

The management of the Company reviews the capital structure on a regular basis. As part of this review, the committee considers the cost of capital, risks associated with each class of capital requirements and maintenance of adequate liquidity.

#### 45.1.1 Gearing Ratio

The Company has outstanding current and non-current borrowings / debt. Accordingly, the gearing ratio is worked out as followed:

**(₹ in million)**

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|---|---|---|
| Current Borrowings (Note No.27) | - | 86,951.43 |
| Non-Current Borrowings (Note No. 27) | 63,969.02 | 63,275.21 |
| Cash & Bank Balances | 2,362.28 | 3,025.51 |
| Net Debt | 61,606.72 | 147,201.13 |
| Total Equity | 2,371,480.86 | 2,045,585.66 |
| **Net Debt to Equity Ratio** | **2.60%** | **7.20%** |

### 45.2 Categories of financial instruments

**(₹ in million)**

| Particulars | As at 31 March, 2022 | As at 31 March, 2021 |
|---|---|---|
| **Financial assets** | | |
| **Measured at fair value through profit or loss (FVTPL)** | | |
| (a) Compulsory Convertible Preference Share# | - | 233.90 |
| (b) Investment in Equity Shares # * | 441.21 | 0.28 |
| **Measured at amortised cost** | | |
| (a) Investment in GoI Special Bonds | 1,975.08 | 1,975.08 |
| (b) Trade and other receivables | 117,884.84 | 77,973.25 |
| (c) Cash and cash equivalents | 501.05 | 1,200.14 |
| (d) Other bank balances | 1,861.25 | 1,825.37 |
| (e) Deposit under Site Restoration Fund | 246,305.67 | 233,586.78 |
| (f) Loans | 16,912.82 | 14,014.18 |
| (g) Other financial assets | 28,442.01 | 38,164.19 |
| **Measured at FVTOCI** | | |
| (a) Investments in equity instruments * | 193,000.96 | 152,373.54 |
| **Financial liabilities** | | |
| **Measured at amortised cost** | | |
| (a) Short Term Borrowings | - | 86,951.43 |
| (b) Long Term Borrowings | 63,969.02 | 63,275.21 |
| (c) Trade payables | 61,547.25 | 63,766.48 |
| (d) Other financial liabilities | | |
| i. Compulsory Convertible Debentures | 76,401.82 | 78,752.21 |
| ii. Financial guarantee contracts | 1,095.72 | 1,226.22 |
| iii. Others | 129,818.63 | 122,903.98 |
| (e) Lease Liabilities | 100,156.46 | 104,210.83 |

# During the year, investment in equity shares of startups were sold to ONGC startup fund for the total consideration of ₹ 235.76 million. (refer note No. 11.1.6)

* Further, during the year the company has subscribed 44,420,792 no's equity units of ONGC startup fund trust (reg under SEBI as AIF category 1) for the total consideration of ₹ 444.21 million. (refer note 11.7.7)

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity (ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."

**45.3 Financial risk management objectives**

While ensuring liquidity is sufficient to meet Company's operational requirements, the Company also monitors and manages key financial risks relating to the operations of the Company by analyzing exposures by degree and magnitude of risks. These risks include credit risk, liquidity risk and market risk (including currency risk and price risk).

During the year, the liquidity position of the Company was comfortable. The lines of Credit/short term loan available with various banks for meeting the short term working capital/ deficit requirements were sufficient for meeting the fund requirements. The Company has also an overall limit of ₹ 100,000 million for raising funds through Commercial Paper. Cash flow/ liquidity position is reviewed on continuous basis.

**45.4 Credit risk management**

Credit risk arises from cash and cash equivalents, investments carried at amortized cost and deposits with banks as well as customers including receivables. Credit risk management considers available reasonable and supportive forward-looking information including indicators like external credit rating (as far as available), macro-economic information (such as regulatory changes, government directives, market interest rate).

Major customers, being public sector oil marketing companies (OMCs) and gas companies having highest credit ratings, carry negligible credit risk. Concentration of credit risk to any other counterparty did not exceed 7.88% (Previous year 5.67%) of total monetary assets at any time during the year.

Credit exposure is managed by counterparty limits for investment of surplus funds which is reviewed by the Management. Investments in liquid plan/schemes are with public sector Asset Management Companies having highest rating. For banks, only high rated banks are considered for placement of deposits. Bank balances are held with reputed and creditworthy banking institutions.

The Company is exposed to default risk in relation to financial guarantees given to banks / vendors on behalf of subsidiaries / joint venture companies for the estimated amount that would be payable to the third party for assuming the obligation. The Company's maximum exposure in this regard on as at March 31, 2022 is ₹ 389,094.14 million (As at March 31, 2021 ₹ 411,769.54 million).

**45.5 Liquidity risk management**

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents including bank deposits and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due. Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets & liabilities and monitoring balance sheet liquidity ratios.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(₹ in million)

| Particulars | Less than 1 month | 1 month -1 year | 1 year – 3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| **As at March 31, 2022** | | | | | |
| Trade Payable | 61,547.25 | - | - | - | **61,547.25** |
| Security Deposits from Contractors & Customers | 4,856.85 | 340.34 | 476.35 | 18.56 | **5,692.10** |
| Non-Current Borrowings # | | | 26,400.00 | 37,569.02 | **63,969.02** |
| Lease Liabilities # | | | | | **100,156.46** |
| Compulsory Convertible Debentures | - | 60,423.29 | 15,978.53 | | **76,401.82** |
| Other Financial Liabilities | 122,633.88 | - | - | - | **122,633.88** |
| **Total** | **189,037.98** | **60,763.63** | **42,854.88** | **37,587.58** | **430,400.53** |
| Financial Guarantee Obligation* | | | | | **389,094.14** |
| **As at March 31, 2021** | | | | | |
| Trade Payable | 63,766.48 | - | - | - | **63,766.48** |
| Security Deposits from Contractors | 4,156.91 | 375.93 | 669.08 | 3.64 | **5,205.56** |
| Non-Current Borrowings | | | 26,400.00 | 36,875.21 | **63,275.21** |
| Lease Liabilities# | | | | | **104,210.83** |
| Current Borrowing | - | 86,951.43 | | | **86,951.43** |

| Particulars | Less than 1 month | 1 month -1 year | 1 year – 3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| Compulsory Convertible Debentures | | 16,203.56 | 62,548.65 | | **78,752.21** |
| Other Financial Liabilities | 116,231.94 | - | - | - | **116,231.94** |
| **Total** | **184,155.33** | **103,530.92** | **89,617.73** | **36,878.85** | **518,393.66** |
| Financial Guarantee Obligation* | | | | | **411,769.54** |

*Represents Company's maximum exposure as on March 31, 2022 in respect of financial guarantee obligation given to banks / vendors on behalf of subsidiaries / joint venture companies for the estimated amount that would be payable to the third party for assuming theobligation.
# refer Note No. 41.2 for Maturity Analysis of Lease Liabilities and refer Note No. 27.2 & 27.4 for Non-Current Borrowings.

The Company along with its wholly owned subsidiary ONGC Videsh Limited, had set up Euro Medium Term Note (EMTN) Program for US$ 2 billion on August 27, 2019 which was listed on Singapore Stock Exchange and subsequently on India International Exchange (India INX) and will mature in December 05, 2029. The EMTN program was updated by the Company along with its wholly owned subsidiaries ONGC Videsh Limited and ONGC Videsh Vankorneft Ltd. on April 19, 2021 for drawdown.

The domestic debt capital market was tapped by the Company during FY 2020-21 by issuance of four series of Non-Convertible Debentures (NCD) aggregating to ₹ 41,400 million on private placement basis. Details of NCDs outstanding as on March 31, 2022 are given under Note no 27.4.

Liabilities for Compulsory Convertible Debentures (CCDs) represents maturity profile against CCDs issued by Joint Venture Company ONGC Petro additions Limited (OPaL) amounting to ₹ 77,780.00 million.

The Company has access to committed credit facilities and the details of facilities used are given below. The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

**(₹ in million)**

| Unsecured bank overdraft facility, reviewed annually and payable at call: | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Amount used | - | - |
| Amount unused # | 40,000 | 2,663 |

# At the year-end, the cash credit limit was ₹ 40,000 million (Previous year ₹ 11,023 million) considering business requirement of the Company. The cash credit limit of NIL (Previous year ₹ 8,360 million) was utilized as working capital loan.

Besides the above, the Company had arrangement for unutilized short term loan facilities of ₹ 40,000 million as on March 31, 2022 (Previous year ₹ 15,833 million) with other banks.

The Company also had an unutilized limit of ₹ 100,000 million (Previous year ₹ 82,500 million) for raising funds through Commercial Paper.

**45.6 Market Risk**

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of a business. The major components of market risk are commodity price risk, foreign currency risk and interest rate risk.

The primary commodity price risks that the Company is exposed to international crude oil and gas prices that could adversely affect the value of the Company's financial assets or expected future cash flows. Substantial or extended decline in international prices of crude oil and natural gas may have an adverse effect on the Company's reported results.

The management has assessed the possible impact of continuing COVID-19 on the basis of internal and external sources of information and expects no significant impact on the continuity of operations, useful life of Property Plant and Equipment, recoverability of assets, trade receivables etc., and the financial position of the Company on a long term basis. The Company is constantly carrying out macro level analysis and keeping a vigilant eye on global reports & analysis being done by global analyst & firms.

**45.7 Foreign currency risk management**

Sale price of crude oil is denominated in United States dollar (US$) though billed and received in Indian Rupees (₹). The Company is, therefore, exposed to foreign currency risk principally out of ₹ appreciating against US$. Foreign currency risks on account of receipts / revenue and payments / expenses are managed by netting off naturally-occurring opposite exposures through export earnings, wherever possible and carry unhedged exposures for the residual considering the natural hedge available to it from domestic sales.

The Company undertakes transactions denominated in different foreign currencies and consequently exposed to exchange rate fluctuations. Exchange rate exposures are managed within approved policy parameters.

The Company has a Foreign exchange and Interest Risk Management Policy (RMP) with objective to ensure that foreign exchange exposures on both revenue and balance sheet accounts are properly computed, recorded and monitored, risks are limited to tolerable levels and an efficient process is created for reporting of risk and evaluation of risk management operations.

The primary objective of the RMP is limitation / reduction of risk and a Forex Risk Management Committee (FRMC) with appropriate authority and structured responsibility are in place for the management of foreign exchange risk. The FRMC identifies, assesses, monitor and manage / mitigate appropriately within the legal and regulatory framework.

The Company has a Hedging policy so that exposures are identified and measured across the Company, accordingly, appropriate hedging can be done on net exposure basis. The Company has a structured risk management policy to hedge foreign exchange risk within acceptable risk limit. Hedging instrument includes plain vanilla forward (including plain vanilla swaps) and option contract. FRMC decides and take necessary decisions regarding selection of hedging instruments based on market volatility, market conditions, legal framework, global events and other macro-economic situations. All the decisions and strategies are taken in line and within the approved Foreign exchange and Interest Risk Management Policy. Since the company is naturally hedged, hedging decisions are triggered in case of a Net Exposure exceeds US$ 500 million. During the year, no hedging decision was necessitated as net exposure of US$ 500 million was not breached.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as under:

**(₹ in million)**

| Exposure in | Liabilities as at | | Assets as at | |
|---|---|---|---|---|
| | As at March 31, 2022 | As at March 31, 2021 | As at 31 March, 2022 | As at March 31, 2021 |
| US$ | 91,711.16 | 128,741.68 | 8,149.03 | 8,803.52 |
| GBP | 1,329.20 | 3,185.83 | - | - |
| EURO | 1,762.69 | 1,265.03 | - | - |
| JPY | 27.72 | 435.76 | - | - |
| Others | 61.39 | 284.67 | - | - |
| **Total** | **94,892.16** | **133,912.97** | **8,149.03** | **8,803.52** |

### 45.7.1 Foreign currency sensitivity analysis

The Company is principally exposed to risk against US$. Sensitivity of profit or loss arises mainly from US$ denominated receivables and payables.

As per management's assessment of reasonable possible changes in the exchange rate of (+/-) 5% between US$- ₹ currency pair, sensitivity of profit or loss only on outstanding US$ denominated monetary items at the period end is presented below:

**(₹ in million)**

| US$ sensitivity at year end | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| **Assets:** | | |
| Weakening of ₹ by 5% | 407.45 | 440.18 |
| Strengthening of ₹ by 5% | (407.45) | (440.18) |
| **Liabilities:** | | |
| Weakening of ₹ by 5% | (4,585.56) | (6,437.08) |
| Strengthening of ₹ by 5% | 4,585.56 | 6,437.08 |

The Sensitivity of Revenue from operation (net of levies) to change in (+/-) Re. 1 in exchange rate between ₹ US$ currency pair is presented as under:

**(₹ in million)**

| Sensitivity of Revenue from operation (net of levies) | 2021-2022 | 2020-2021 |
|---|---|---|
| Impact on Revenue from operation (net of levies) for exchange rate | (+/-)11,061.47 | (+/-) 7,040.98 |

In Company's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

### 45.7.2 Forward foreign exchange contracts

During the year, the Company has not entered into any forward foreign exchange contracts.

### 45.8 Interest rate risk management

The Company is exposed to interest rate risk because the Company has borrowed funds benchmarked to overnight MCLR, Treasury Bills, debt (capital) market, Mibor, RBI Repo and US$ LIBOR. The Company's exposure to interest rates are detailed in Note No. 27.

The Company invests the surplus fund generated from operations in term deposits with banks and mutual funds. Bank deposits are made for a period of upto 12 months carry interest rate as per prevailing market interest rate. Considering these bank deposits are short term in nature, there is no significant interest rate risk. Average interest earned on term deposit and a mutual fund for the year ended March 31, 2022 was 3.39% p.a. (Previous year 4.09% p.a.).

### 45.9 Price risks

The Company's price risk arises from investments in equity shares (other than investment in group companies) held and classified in the balance sheet either at fair value through other comprehensive income (FVTOCI) or at fair value through profit or loss (FVTPL).

Investment of short-term surplus funds of the Company in liquid schemes of mutual funds provides high level of liquidity from a portfolio of money market securities and high quality debt and categorized as 'low risk' product from liquidity and interest rate risk perspectives.

The revenue from operations of the company are also subject to price risk on account of change in prices of Crude Oil, Natural Gas & Value Added Products.

### 45.9.1 Price sensitivity analysis

The sensitivity of profit or loss in respect of investments in equity shares at the end of the reporting period for +/-5% change in price and net asset value is presented below:

Other comprehensive income for the year ended March 31, 2022 would increase / decrease by ₹ 9,650.05 million (for the year ended March 31, 2021 would increase / decrease by ₹ 7,618.68 million) as a result of 5% changes in fair value of equity investments measured at FVTOCI.

The Sensitivity of Revenue from operation (net of levies) to change in (+/-) 1 US$ in prices of Crude Oil, Natural Gas & Value Added Products (VAP)

**(₹ in million)**

| Sensitivity of Revenue from operation (net of levies) | 2021-2022 | 2020-2021 |
|---|---|---|
| Impact on Revenue from operation (net of levies) for US$ in prices of crude oil, natural gas & VAP | (+/-) 52,562.42 | (+/-) 55,914.20 |

**45.10 Fair value measurement of Financial Instruments**

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of the financial year. The following table gives information about how the fair values of these financial assets/ and financial liabilities are determined.

**(₹ in million)**

| Financial Assets/ (Financial Liabilities) | Fair value as at | | Fair value hierarchy | Valuation technique(s) and key input(s) |
|---|---|---|---|---|
| | March 31, 2022 | March 31, 2021 | | |
| Investment in Equity Instruments (quoted) | 192,964.02 | 152,336.60 | Level 1 | Quoted bid prices from Stock exchange-NSE. |
| Compulsory Convertible Preference Shares | - | 233.90 | Level 2 | Discounted Free Cash Flow Methodology |
| Investment in other Equity Instruments (unquoted) | 481.16 | 37.21 | Level 2 | Discounted Free Cash Flow Methodology |
| Employee Loans | 16,912.82 | 14,014.18 | Level 2 | Discounted Cash Flows i.e. present value of expected receipt/payment discounted using appropriate discounting rate. |
| Financial Guarantees | (1,095.72) | (1,226.22) | Level 2 | Interest Rate Differential Model. |
| Lease Liabilities | (100,156.46) | (104,210.83) | Level 2 | Discounted Cash Flows i.e. present value of expected receipt/payment discounted using appropriate discounting rate. |
| Security Deposits from Contractors | (5,656.93) | (5,142.13) | Level 2 | Discounted Cash Flows i.e. present value of expected receipt/payment discounted using appropriate discounting rate. |
| Compulsory Convertible Debentures | (76,401.82) | (78,752.21) | Level 2 | Discounted Cash Flows i.e. present value of expected receipt/payment discounted using appropriate discounting rate. |

**45.11 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)**

The Company considers that the carrying amounts of Financial Assets and Financial Liabilities recognized in the financial statements except as per Note No. 45.10 approximate their fair values.

The qualified technical manpower of ONGC work 24x7 (in shifts) to keep productivity high

## 46. Disclosure of Interests in Joint Arrangements and Associates:

### 46.1 Joint Operations

In respect of certain unincorporated PSC/NELP/HELP/CBM blocks, the Company's Joint Operation (JO) with certain body corporates have entered into Production Sharing Contracts (PSCs) / Revenue Sharing Contracts (RSCs) with GoI for operations in India. As per signed PSC, RSC & JOA, Company has direct right on Assets, liabilities, income & expense of blocks. Details of these Joint Operation Blocks are as under:

| Sl. No. | Blocks | Company's Participating Interest | | Others Partners and their PI in the JO/Operatorship |
|---|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 | |
| **A** | **Jointly Operated JOs** | | | |
| 1 | Panna, Mukta and Tapti (Note No. 48.1.1.d) | 40% | 40% | BGEPIL 30%, RIL 30% |
| 2 | NK-CBM-2001/1 | 55% | 55% | IOCL 20%, PEPL 25% |
| **B** | **ONGC Operated JOs** | | | |
| 3 | AA-ONN-2001/2 | 80% | 80% | IOCL 20% |
| 4 | CY-ONN-2002/2 | 60% | 60% | BPRL 40% |
| 5 | KG-ONN-2003/1 | 51% | 51% | Vedanta Ltd (erstwhile Cairn India Ltd) 49% |
| 6 | CB-ONN-2004/1 | 60% | 60% | GSPC 40%, |
| 7 | CB-ONN-2004/2 | 55% | 55% | GSPC 45% |
| 8 | CB-ONN-2004/3 | 65% | 65% | GSPC 35% |
| 9 | CY-ONN-2004/2 | 80% | 80% | BPRL 20% |
| 10 | MB-OSN-2005/1 | 80% | 80% | GSPC 20% |
| 11 | Raniganj (Note No. 46.1.10) | 74% | 74% | CIL 26% |
| 12 | Jharia (Note No. 46.1.9) | 74% | 74% | CIL 26% |
| 13 | BK-CBM-2001/1 | 80% | 80% | IOCL 20% |
| 14 | WB-ONN-2005/4 | 75% | 75% | OIL 25% |
| 15 | GK-OSN-2009/1 | 40% | 40% | AWEL 20%, GSPC 20%, IOCL 20% |
| 16 | GK-OSN-2010/1 | 60% | 60% | OIL 30%, GAIL 10% |
| 17 | MB-OSN-2005/3* | 70% | 70% | EEPL 30% |
| 18 | KG-OSN-2009/2* | 90% | 90% | APGIC 10% |
| 19 | KG-OSN-2001/3 | 80% | 80% | GSPC 10%, JODPL 10% |
| **C** | **Operated by JO Partners** | | | |
| 20 | Ravva | 40% | 40% | Vedanta Ltd (erstwhile Cairn India Ltd) (Operator) 22.5%, VIL 25%, ROPL 12.5% |
| 21 | CY-OS-90/1 | 40% | 40% | HEPI (operator) 18%, HOEC 21%, TPL 21% |
| 22 | RJ-ON-90/1 | 30% | 30% | Vedanta Ltd (erstwhile Cairn India Ltd) (Operator) 35%, CEHL 35% |
| 23 | CB-OS/2 | 50% | 50% | Vedanta Ltd (erstwhile Cairn India Ltd) (operator) 40% , TPL 10% |
| 24 | CB-ON/7 | 30% | 30% | HOEC (Operator) 35%, GSPC 35% |
| 25 | CB-ON/3 | 30% | 30% | EOGEPL (Operator)70% |
| 26 | CB-ON/2 | 30% | 30% | GSPC (Operator) 56%, Geo-Global Resources 14% |
| 27 | AA-ONN-2010/2 | 30% | 30% | OIL 50% (Operator), GAIL 20% |

| Sl. No. | Blocks | Company's Participating Interest | | Others Partners and their PI in the JO/Operatorship |
|---|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 | |
| 28 | AA-ONN-2010/3 | 40% | 40% | OIL 40% (Operator), BPRL 20% |
| 29 | CB-ONHP-2017/9 | 40% | 40% | BPRL 60% (Operator) |
| 30 | AA-ONHP-2017/10 | 30% | 30% | OIL 70% (Operator) |
| 31 | AA-ONHP-2017/13 | 30% | 30% | OIL 70% (Operator) |

*Proposed for relinquishment.

**Note:** There is no change in previous year details unless otherwise stated.

**Abbreviations:-**APGIC-Andhra Pradesh Gas Infrastructure Corporation Private Limited, AWEL-Adani Welspun Exploration Limited, BGEPIL-British Gas Exploration & Production India Limited, BPRL-Bharat Petro Resources Limited, CEHL-Cairn Energy Hydrocarbons Limited, CIL-Coal India Limited, EEPL-Essar Exploration & Production Limited, EOGEPL-Essar Oil & Gas Exploration and Production Limited, GAIL-Gas Authority of India Limited, GSPC- Gujarat State Petroleum Corporation Limited, HEPI-Hardy Exploration & Production India Limited, HOEC-Hindustan Oil Exploration Company Limited, IOCL-Indian Oil Corporation Limited, JODPL-Jubilant Offshore Drilling Private Limited, OIL-Oil India Limited, PEPL-Prabha Energy Private Limited, RIL-Reliance Industries Limited, ROPL- Ravva Oil (Singapore) Private Limited, TPL- Tata Petrodyne Limited, VIL- Videocon Industries Limited.

**46.1.1 Financial position of the Joint Operation –Company's share are as under:**

The financial statements of 154 nos. (Previous year 157) out of 166 nos. (Previous year 167) Joint operation block (JOs/NELP/HELP) have been incorporated in the accounts to the extent of Company's participating interest in assets, liabilities, income, expenditure and profit / (loss) before tax on the basis of statements certified in accordance with production sharing contract and in respect of balance 12 (Previous year 10) Joint operation blocks (JOs/NELP/CBM blocks), the figures have been incorporated on the basis of uncertified statements prepared under the production sharing contracts. Both the figures have been adjusted for changes as per note no. 3.4. The financial positions of JO/NELP/HELP are as under:-

**As at March 31, 2022**

**(₹ in million)**

| Particulars | Current Assets | Non Current Assets | Current Liabilities | Non Current Liabilities | Revenue | Profit or ( Loss) from continuing operations | Other Comprehensive Income | Total Comprehensive Income |
|---|---|---|---|---|---|---|---|---|
| NELP -100% PI (9) | 538.67 | 226,159.20 | 539.64 | 2,672.54 | 3,272.63 | (13,514.09) | 0.39 | (13,513.70) |
| HELP -100% PI (22) | 23.45 | 20.35 | 1.99 | - | - | (5,296.75) | 0.33 | (5,296.42) |
| DSF 100% (5) | 7.07 | 890.41 | 11.55 | 16.75 | - | (780.79) | - | (780.79) |
| NELP/Pre NELP Block with other partner (28) | 53,062.81 | 110,354.46 | 47,255.20 | 15,143.71 | 102,108.63 | (2,598.68) | 2.37 | (2,596.31) |
| HELP Blocks with other partners (3) | 0.53 | 1.46 | (2.00) | - | - | (86.27) | - | (86.27) |
| Surrendered (99) | 358.29 | 51.95 | 17,064.70 | 59.07 | - | (880.58) | - | (880.58) |
| **Total (166)** | **53,990.82** | **337,477.83** | **64,871.08** | **17,892.07** | **105,381.26** | **(23,157.16)** | **3.09** | **(23,154.07)** |
| **Further Break-up of above blocks as under:** | | | | | | | | |
| Audited (145) | 4,492.20 | 289,047.52 | 17,602.87 | 4,537.23 | 6,759.01 | (37,685.00) | 2.60 | (37,682.40) |
| Certified (9)# | 44,828.11 | 43,534.62 | 40,083.57 | 11,936.75 | 98,583.94 | 15,236.66 | 0.07 | 15,236.73 |
| Unaudited (12) | 4,670.51 | 4,895.69 | 7,184.64 | 1,418.09 | 38.31 | (708.82) | 0.42 | (708.40) |
| **Total (166)** | **53,990.82** | **337,477.83** | **64,871.08** | **17,892.07** | **105,381.26** | **(23,157.16)** | **3.09** | **(23,154.07)** |

# Certified by other Chartered Accountants as per PSC provisions.

**As at March 31, 2021**

(₹ in million)

| Particulars | Current Assets | Non Current Assets | Current Liabilities | Non Current Liabilities | Revenue | Profit or ( Loss) from continuing operations | Other Comprehensive Income | Total Comprehensive Income |
|---|---|---|---|---|---|---|---|---|
| NELP -100% PI (9) | 372.68 | 169,392.67 | 448.44 | 1,054.62 | 1,586.75 | (14,336.99) | (6.22) | (14,343.21) |
| HELP -100% PI (22) | 10.44 | 6.56 | 0.05 | - | - | (6,791.07) | 1.25 | (6,789.82) |
| DSF 100% (5) | 7.11 | 201.85 | - | 9.65 | - | (30.62) | - | (30.62) |
| NELP/Pre NELP Block with other partner (28) | 49,601.78 | 126,656.60 | 42,306.93 | 13,929.17 | 62,681.07 | 4,680.56 | (0.11) | 4,680.45 |
| HELP Blocks with other partners (3) | 3.75 | 1.28 | 163.86 | - | - | (247.55) | - | (247.55) |
| Surrendered (100) | 819.67 | 44.76 | 16,831.37 | 59.07 | - | (557.91) | - | (557.91) |
| **Total (167)** | **50,815.43** | **296,303.72** | **59,750.65** | **15,052.51** | **64,267.82** | **(17,283.58)** | **(5.08)** | **(17,288.66)** |
| **Further Break-up of above blocks as under:** | | | | | | | | |
| Audited (149) | 5,919.95 | 246,009.38 | 17,452.37 | 3,806.31 | 3,507.01 | (37,210.77) | (5.05) | (37,215.82) |
| Certified (8)# | 40,393.31 | 46,090.75 | 35,537.64 | 9,959.69 | 60,629.92 | 19,749.54 | - | 19,749.54 |
| Unaudited (10) | 4,502.17 | 4,203.59 | 6,760.64 | 1,286.51 | 130.89 | 177.65 | (0.03) | 177.62 |
| **Total (167)** | **50,815.43** | **296,303.72** | **59,750.65** | **15,052.51** | **64,267.82** | **(17,283.58)** | **(5.08)** | **(17,288.66)** |

# Certified by other Chartered Accountants as per PSC provisions

**46.1.2 Additional Financial information related to Joint Operation blocks are as under:**

**As at March 31, 2022**

(₹ in million)

| Particulars | Cash and Cash Equivalents | Current Financial Liabilities | Depreciation and Amortisation | Interest Income | Interest Expense |
|---|---|---|---|---|---|
| NELP -100% PI (9) | 0.03 | 355.41 | 2,796.89 | 4.27 | 125.41 |
| HELP -100% PI (22) | - | 0.15 | 0.27 | 0.24 | - |
| DSF 100% (5) | - | 9.54 | - | 0.30 | - |
| NELP/Pre NELP Block with other partner (28) | 264.36 | 39,263.27 | 25,976.53 | 497.61 | 1,007.16 |
| HELP Blocks with other partners (3) | 0.01 | (2.00) | - | - | - |
| Surrendered (99) | 0.09 | 17,018.10 | - | 0.92 | - |
| **Total (166)** | **264.49** | **56,644.47** | **28,773.69** | **503.34** | **1,132.57** |
| **Further Break-up of above blocks as under:** | | | | | |
| Audited (145) | 0.07 | 17,153.29 | 18,660.56 | 9.18 | 302.71 |
| Certified (9)# | 0.39 | 34,091.43 | 10,096.14 | 329.57 | 744.93 |
| Unaudited (12) | 264.03 | 5,399.75 | 16.99 | 164.59 | 84.93 |
| **Total (166)** | **264.49** | **56,644.47** | **28,773.69** | **503.34** | **1,132.57** |

# Certified by other Chartered Accountants as per PSC provisions.

**As at March 31, 2021**

(₹ in million)

| Particulars | Cash and Cash Equivalents | Current Financial Liabilities | Depreciation and Amortisation | Interest Income | Interest Expense |
|---|---|---|---|---|---|
| NELP -100% PI (10) | 0.03 | 333.27 | 1,289.06 | 0.19 | 78.51 |
| HELP -100% PI (22) | - | 0.05 | 23.01 | 0.20 | - |
| DSF 100% (5) | - | - | - | 0.25 | - |
| NELP/Pre NELP Block with other partner (28) | 334.43 | 36,037.64 | 19,774.45 | 467.36 | 934.22 |
| HELP Blocks with other partners (3) | 0.01 | 163.86 | - | - | - |
| Surrendered (99) | 0.09 | 16,782.25 | (827.48) | 0.85 | - |
| **Total (167)** | **334.56** | **53,317.07** | **20,259.04** | **468.85** | **1,012.73** |
| **Further Break-up of above blocks as under:** | | | | | |
| Audited (149) | 0.07 | 16,456.35 | 14,183.36 | 1.81 | 272.02 |
| Certified (8)# | 216.49 | 31,438.66 | 5,981.28 | 280.85 | 664.36 |
| Unaudited (10) | 118.00 | 5,422.06 | 94.40 | 186.19 | 76.35 |
| **Total (167)** | **334.56** | **53,317.07** | **20,259.04** | **468.85** | **1,012.73** |

# Certified by other Chartered Accountants as per PSC provisions.

**46.1.3** In respect of 1 Pre NELP block (Previous year 1) which has expired as at March 31, 2022, the Company's share of Unfinished Minimum Work Programme (MWP) amounting to ₹ 493.81 million (previous year ₹ 493.81 million) has not been provided for since the Company has already applied for further extension of period in these blocks as 'excusable delay'/ special dispensations citing technical complexities, within the extension policy of NELP Blocks, which are under active consideration of GoI. The delays have occurred generally on account of pending statutory clearances from various Govt. authorities like Ministry of Defence, Ministry of Commerce & Industry, environmental clearances, State Govt. permissions etc. The MWP amount of ₹ 493.81 million (previous year ₹ 493.81 million) is included in MWP commitment under note no. 48.2.2 (i).

As per the Production Sharing Contracts signed by the Company with the GoI, the Company is required to complete Minimum Work Programme (MWP) within stipulated time. In case of delay in completion of the MWP, Liquidated Damages (LD) are payable for extension of time to complete MWP. Further, in case the Company does not complete MWP or surrender the block without completing the MWP, the estimated cost of completing balance work programme is required to be paid to the GoI. LD amounting to ₹ 5.47 million [Previous year ₹ 100.09 million (net of reversal)] and cost of unfinished MWP amounting to Nil [Previous year ₹ 996.96 million (net of reversal)], paid/payable to the GoI is included in survey and wells written off expenditure respectively.

**46.1.4** Government of India has approved the relinquishment of 30% Participating Interest (PI) of ONGC in SGL Field with future interest in block RJ-ON/6 in Jaisalmer Basin Rajasthan and assignment of PI to Focus Energy Limited (Operator) and other JV partners on the condition that Focus Energy Limited (Operator) will pay towards 100 % past royalty obligation, PEL/ML fees, other statutory levies (total amount ₹ 2,290.22 million as on March 31, 2022) and waive off development/production cost payable by the Company in SGL Field of the block as well as take all future 100% royalty obligation of the Company as licensee. The process of entering into Farm-out Agreement and amendment in Production Sharing Contract (PSC) is under progress. Pending the execution of agreements, no adjustment is made in the accounts in respect of relinquishment of block RJ-ON/6.

**46.1.5** The Company is having 30% Participating interest in Block RJ-ON-90/1 along with Vedanta Limited (erstwhile Cairn India Limited) (Operator) and Cairn Energy Hydrocarbons Limited. There are certain unresolved issues including cost recovery and sharing in respect of exploration, development and production cost in the Block between the Company and Operator of the Block amounting to tentatively US$ 1,257.11 million (equivalent to ₹ 95,225.95 million) as on March 31, 2021. The amount under dispute related to cost recovery and sharing for FY 2021-22 is yet to be finalized.

The Company, as Government nominee under Article 13.2 is liable to contribute its share as per the PI, only for the development & production operations, and is not liable to share Exploration Cost. However, any recovery of exploration expenditure by Operator will impact on the share of Cost Oil/Gas available to ONGC. The Operator already took recovery of Exploration expenditure of US$ 388.37 Million (incurred upto Exploration Phase), hence the Company's liability upto Exploration phase is NIL. Further, the Operator has also claimed exploration cost (beyond exploration phase of PSC) of US$ 167.08 million (equivalent to ₹ 12,656.35 million) being 30% of US$ 556.93 million (equivalent to ₹42,187.82 million) from the Company upto FY 2020-21 (Previous year US$ 147.11 million and equivalent ₹10,810.91 million) from the Company, which in view of Company is not tenable. The Company has shown a sum of US$ 167.08 million (equivalent to ₹ 12,656.35 million) under Contingent Liabilities, as the issues are presently under Arbitration proceedings.

Pending settlement of issues, an amount of US$ 134.49 million (equivalent to ₹ 10,187.80 million), which is 30% of US$ 448.31 Million pertaining to development and production cost have been accounted for as per the participating interest of the Company.

Royalty on production is being paid by the Company as licensee and the share of JV Partners of Royalty is recoverable through revenue from Sale of Crude Oil and Gas as per PSC. Accordingly, an amount of ₹ 15,376.03 million outstanding from JV Partners has been included in the revenue upto March 31, 2022.

**46.1.6** The primary period of twenty five years of the Production Sharing Contract (PSC) of the Block RJ-ON-90/1 expired on May 14, 2020. The Contractors in the Block had applied for extension of the PSC for a period of 10 years, which was approved by Government in October 2018 under the pre-NELP Extension Policy as per notification dated April 7, 2017, subject to certain conditions. One of the conditions for extension, stipulated by Government relates to notification of certain audit exceptions raised for FY 2016-17 as per PSC provisions and requires payment of Additional Profit Petroleum, in case these exceptions are accepted by Contractors. In connection with these audit exceptions, US$ 156.03 million (₹ 11,819.25 million) relating to the share of Company out of total US$ 520.10 million (₹39,397.52 million) has been raised by DGH on May 12, 2020. Subsequently in December 2020, the amount of demand has been increased to US$ 654.83 million (Companies share US$ 196.45 million), based on audit exceptions for FY 2017-18. The other Partners in the JV have disputed the demand with a Notice of Arbitration dated May 14, 2020 against the Government. The Company is not a Party to the Arbitration against Government and will pay the amount, once liability, if any, arises out of the Audit Exceptions is finalized for the Contractors. The Company share of US$ 196.45 million (₹14,881.01 million) in the Audit Exceptions has already been shown under Contingent liabilities.

As all the conditions required for extension of PSC could not be complied with and the Addendum for extension of the PSC could not be signed by the Contractors and Government on or before May 14, 2020, Government has allowed the Contractors to continue the Petroleum operations for a period of three months or signing of PSC amendment, whichever is earlier. The Government subsequently extended the period of Petroleum Operations from time to time and currently it is extended upto August 14, 2022. It is expected that Govt. will further extend this period further and the Addendum for extension of the PSC will be signed by all Parties. Accordingly, the accounts of the Company's share in the Block for FY 2021-22 has been prepared on a 'going concern' basis.

**46.1.7** In respect of Jharia CBM Block, revised Feasibility Report (FR) has been approved in the 27th Steering Committee (SC) held on September 9, 2019. In light of better techno-economics, the Company has decided to implement the revised FR as phases in the light of overlap issue with Bharat Coking Coal Limited and early implementation and monetization. Therefore, Parbatpur and adjoining area was taken up in Phase-I under the approved FR and accordingly, implementation strategy for Stage-I has been approved by the Company on November 21, 2019 and 36th Operating Committee (OC) meeting for Jharia CBM Block held on December 10, 2019. The same was communicated to the Partner, Coal India Limited (CIL) and was approved by the Board of Directors of CIL in its meeting held on January 10, 2020. As per Performa provided by DGH, all the formalities for enhancement of participating interest (PI) from 10% of CIL to 26% have been completed by both the Company (Assignor) and CIL (Assignee) and the signed documents were submitted to DGH for the approval of GoI on January 27, 2020. However, GoI, on the basis of the application and supporting documents has granted enhancement of PI of CIL from 10% to 26% w.e.f January 25, 2021. This has been contested by the Company as the provision and timing of exercising the option of enhancing PI from 10% to 26% is very clearly defined in the JOA i.e. the option shall be exercised by CIL before the start of Development Phase. Accordingly, DGH and MoPNG has been requested to consider April 23, 2013 as the date of commencement of PI enhancement, as delay in PI enhancement is primarily due to late submission of requisite documents by CIL. Considering the provisions of JOA and approval of Steering Committee, the cash calls amounting to ₹ 707.95 million from CIL have been continued to be recognized at 26% w.e.f. April 23, 2013 (which is the start date of development phase activity) upto January 24, 2021 as against ₹ 272.29 million of cash calls at the rate of 10% PI up to January 24, 2021.

**46.1.8** In respect of Raniganj (N) CBM Block, the Feasibility Report (FR) is under process exploring different variants to optimize the cost. Work Program and Budget for RE 2021-22, BE 2022-23 have been approved by the Operating Committee. The issue of connectivity of proposed locations in Raniganj with Urja Ganga Pipeline is being discussed with GAIL (India) Limited, Kolkata. Government of West Bengal has granted PML for 311.79 Sq. km including the BAPL overlap area on February 10, 2020 w.e.f. June 9, 2019. Pending final decision on the Block, an impairment provision of ₹ 617.36 million has been provided in the books.

**46.1.9** During the year 2017-18 the Company had acquired the entire 80% Participating Interest (PI) of Gujarat State Petroleum Corporation Limited (GSPC) along with operatorship rights, at a purchase consideration of US$ 995.26 million (equivalent to ₹ 62,950.20 million) for Deen Dayal West (DDW) Field in the Block KG-OSN-2001/3. The revised PI in the block after above acquisition stands for the Company 80%, GSPC 10% and Jubilant Offshore Drilling Private Limited (JODPL) 10%.A farm-in Farm-out agreement (FIFO) was signed with GSPC on March 10, 2017 and the said consideration has been paid on August 04, 2017 being the closing date. In the current year 2021-22, accounting for the final closing adjustment (i.e., working capital and other adjustments) to sale consideration viz. transactions from the economic date up to the closing date has been provisionally carried out and a sum of ₹ 946.71 million is net payable to GSPC as final settlement and the same is under deliberation. As per FIFO, the Company is entitled to receive sums as adjustments to the consideration already paid based on the actual gas production and the differential in agreed gas price. Pending executing mother wells and estimating future production, the contingent adjustment to consideration remains to be quantified. The Company has also paid part consideration of US$ 200 million (equivalent to ₹12,650.00 million) for six discoveries other than DDW Field in the Block KG-OSN-2001/3 to GSPC towards acquisition rights for these discoveries in the Block KG-OSN-2001/3 to be adjusted against the valuation of such fields based on valuation parameters agreed between GSPC and the Company.

The JV partner JODPL is under liquidation since December 2017 and has defaulted all the cash calls since acquisition of the block by the Company. The amount of outstanding cash call from JODPL as at March 31, 2022 is ₹ 1624.86 million (Previous year: ₹ 1,368.26 million). The assignment of JODPL's 10% PI in accordance with provisions of Production sharing Contract (PSC) is pending with Management Committee (MC). As per provision of the Joint Operating Agreement (JOA), the receivable amount of ₹ 1,624.86 million (Previous year: ₹ 1,368.26 million) after the acquisition of block is required to be contributed by the non-defaulting JV Partner in their ratio of participating interest. Pending decision of assignment of JODPL's PI by MC a provision for an amount of ₹ 1,444.32 million (Previous year: ₹ 1,216.23 million) has been made against the said cash call receivables from JODPL, being the company's share as per PI ratio.

**46.1.10** In case of Joint Venture Block CB-ONN-2004/3, the discovery well Uber#2 ceased to flow from June 23, 2020. ONGC in consultation with JV partner M/s GSPC has initiated a proposal for examination / surrendering the NELP block CB-ONN-2004/3 and relinquishment of the development area of 10.78 sq. km. The Management Committee (MC) in March 2021 had advised that action plan be drawn up to revive the field, which can include drilling a new development well in a better part of the reservoir, so that fairly good quantity of gas, as approved in the FDP, is achieved at the earliest. Pending assessment of the same, an impairment loss of ₹ 370.95 million has been provided in the books.

**46.1.11** The designated currency, for the purpose of cost recovery under the Production Sharing Contracts (PSC) is US$. Thus, the expenditure incurred in Indian Rupees (₹) needs to be converted in US$ for the preparation of cost recovery statements. The Company has already submitted the draft Management Committee agendas for the corresponding blocks for adoption of State Bank of India (SBI) reference rate in place of Reserve Bank of India (RBI) reference rate for preparation of cost recovery statements.

The management committee (MC) of the block named VN-ONN-2009/3 has recommended to the Government for approval of SBI reference rate in lieu of RBI reference rate for the conversion purpose between US$ and ₹ in modification of provision laid down under the PSC. The MC also recommended that the same may be extended to other similarly placed PSCs of the operator. MC further recommended that the above dispensation to opt for SBI exchange rate may be made available as one time measure also to other operators, should they opt to do so, provided they have adopted SBI exchange rate at the corporate level.

Subsequently, Directorate General of Hydrocarbons (DGH) which is PSC monitoring arm of the Ministry of Petroleum and Natural Gas (MoPNG), Government of India, submitted the proposal for the approval of MoPNG for adoption of SBI reference rate in lieu of RBI reference rate for the block VN-ONN-2009/3 in May 2020 which is at present pending with MoPNG.

The Company is following the SBI reference exchange rates on consistent basis for maintenance of accounts as the main banker of the Company is State Bank of India, and there is no impact on the Company financial statements due to adoption of SBI exchange rate, as the transactions of foreign currency in the Company are recorded at actual cost basis and foreign currency liabilities & assets at period end are also recognised as per SBI reference rate. The financial implication for adoption of SBI reference rate preparation of cost recovery statements with DGH, as against the RBI reference rate is immaterial.

## 47. Disclosure under Indian Accounting Standard 36 – Impairment of Assets

**47.1** The Company is engaged mainly in the business of oil and gas exploration and production in Onshore and Offshore. In case of onshore, the fields are using common production/transportation facilities and are sufficiently economically interdependent to constitute a cash generating unit (CGU). Accordingly, impairment test of all onshore fields is performed in aggregate at the Asset Level. In case of Offshore, a field is generally considered as CGU except for fields which are developed as a Cluster or group of Clusters, for which common facilities are used, in which case the impairment testing is performed in aggregate for all the fields included in the cluster or group of Clusters.

**47.2** The Value in Use of producing/developing CGUs is determined under a multi-stage approach, wherein future cash flows are initially estimated based on Proved Developed Reserves. Under the circumstances where further development of the fields in the CGUs are under progress and where the carrying value of the CGUs is not likely to be recovered through exploitation of proved developed reserves alone, the Proved and probable reserves (2P) of the CGUs are taken for the purpose of estimating future cash flows. In such cases, full estimate of the expected cost of future development is also considered while determining the value in use.

**47.3** In assessing value in use, the estimated future cash flows from the continuing use of assets and from its disposal at the end of its useful life are discounted to their present value. The present value of cash flows has been determined by applying discount rates of 14.74% (as at March 31, 2021: 14.29%) for Rupee transactions and 10.10% (as at March 31, 2021: 9.60%) for crude oil, natural gas and value added products revenue, which are measured in US$. Future cash inflows from sale of crude oil, natural gas and value added products have been computed using Management's estimate of future crude oil, natural gas and value added products price, discounted applying the rate applicable to the cash flows measured in US$.

**47.4** The Company has considered the prevailing business conditions to make an assessment of future crude oil and natural gas prices based on internal and external information / indicators of future economic conditions. Based on the assessment, the Company has recorded a net impairment reversal to the extent the value in use exceeds the carrying amount subject to accumulated impairment provision, amounting to ₹ 11,904.07 million (Previous year: ₹ 11,135.08 million), this consist of net impairment reversal at Onshore CGUs amounting to ₹ 14,746.95 million (Previous year: ₹ 22,117.06 million) and net impairment loss at Offshore CGUs amounting to ₹ 2,842.88 million (Previous year ₹ 10,981.98 million).

**47.5** The following 2P reserves for respective CGU were considered as a basis for the impairment testing as at March 31, 2022:

| Name of the CGU | Quantity of Reserves used for Impairment Assessment (In MMTOE) |
|---|---|
| Assam Onshore Asset | 41.72 |
| KG-OSN-2001/3 Block | 18.10 |
| Rajahmundry Onshore Asset | 16.85 |
| RJ-ON-90/1 Block | 11.79 |
| WO 16 (Western Offshore) | 8.15 |
| B-193 (Western Offshore) | 5.19 |
| S1-Vashishta | 4.34 |
| Ravva JV | 0.76 |
| Silchar Onshore Asset | 0.86 |
| Rajasthan Exploratory Asset | 0.10 |

**47.6** Impairment testing of assets under exploratory phase (Exploratory wells in progress) has been carried out as on March 31, 2022 and a net impairment loss of ₹ 20,830.40 million (Previous year: ₹ 3,772.15 million) has been provided during the year (Note No. 10).

## 48. Contingent Liabilities, Contingent Assets and commitments (to the extent not provided for)

### 48.1 Contingent Liabilities & Contingent Assets:

#### 48.1.1 Claims against the Company/ disputed demands not acknowledged as debt: -

(₹ in million)

| | Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| **A** | **In respect of Company** | | |
| I | Income Tax | 83,171.90 | 71,389.26 |
| II | Excise Duty | 7,591.65 | 7,134.62 |
| III | Custom Duty | 451.24 | 402.49 |
| IV | Royalty | 496.82 | 496.82 |
| V | Cess | - | 6.45 |
| VI | AP Mineral Bearing Lands (Infrastructure) Cess | 3,425.29 | 3,329.74 |
| VII | Sales Tax | 27,443.75 | 26,033.00 |
| VIII | Service Tax (Note No. 48.1.1.b) | 32,929.48 | 32,726.47 |
| IX | GST (Note No. 48.1.1.b) | 69,560.79 | 53,848.14 |
| X | Octroi and other Municipal Taxes | 91.86 | 72.72 |
| XI | Specified Land Tax (Assam) | 14,465.76 | 12,214.82 |
| XII | Claims of contractors (Incl. LAQ) in Arbitration / Court | 166,305.17 | 172,305.08 |
| XIII | Employees Provident Fund | 66.35 | 66.35 |
| XIV | Others | 24,260.68 | 25,731.33 |
| | **Sub Total (A)** | **430,260.74** | **405,757.29** |
| **B** | **In respect of Joint Operations** | | |
| I | Income Tax | 8.91 | 8.91 |
| II | Municipal Taxes | 75.34 | 75.34 |
| III | Royalty | - | 108.02 |
| IV | Sales Tax | 2,621.66 | 2,621.66 |
| V | Service Tax (Note No. 48.1.1.b) | 24,469.90 | 23,973.88 |
| VI | GST (Note No. 48.1.1.b) | 36,122.04 | 26,067.62 |
| VII | Claims of contractors in Arbitration / Court | 10,688.82 | 9,692.62 |
| VIII | Others (Note No. 48.1.1.c & d) | 151,213.64 | 145,207.09 |
| | **Sub Total (B)** | **225,200.31** | **207,755.14** |
| | **Total (A+B)** | **655,461.05** | **613,512.43** |

**a.** The Company's pending litigations comprise claims against the Company and proceedings pending with Tax / Statutory/ Government Authorities. After review of all its pending litigations and proceedings, the Company has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position. Future cash outflows in respect of the above are determinable only on receipt of judgments/ decisions pending with various forums/ authorities.

**b.** The Company had received demand orders from Service Tax Department at various work centres on account of Service Tax on Royalty in respect of Crude oil and Natural gas. Appeals against such orders have been filed before the Tribunals. The Ahmedabad Tribunal adjourned the matter sine-die vide order dated June 25, 2019, against which the Company has filed writ petition before Gujarat High Court. In this matter, Hon'ble Gujarat High Court in the hearing held on 04.01.2021 directed the revenue authorities to file counter affidavit by 21.01.2021. The Central Government has filed counter affidavit on 20.01.2021. The next date of hearing before Hon'ble Gujarat High court is not scheduled as yet. The Company had also obtained legal opinion as per which the Service Tax/GST on Royalty in respect of Crude oil and Natural gas is not applicable. Meanwhile, the Company also received demand order dated January 01, 2019 on account of GST on Royalty in the State of Rajasthan against which the Company filed writ petition (4919/2019) before Hon'ble High Court of Rajasthan. The Hon'ble High Court of Rajasthan heard the matter on April 3, 2019 and issued notice to Department with a direction that no coercive action shall be taken against the Company. The final hearing has not yet taken place. The Company also filed writ of mandamus (9961/2019) before Hon'ble High Court of Madras seeking stay on the levy of GST on royalty. The Hon'ble High Court of Madras heard the matter on April 3, 2019 and issued notice to Central Government and State Government. The Central Government has filed their counter affidavit on August 26, 2019. The Company has filed additional grounds to the writ petition and filed rejoinder to the counter of the Central Government before Hon. Madras High Court on January 24, 2020. The final hearing has not yet taken place. Disputes are also pending at various forums for various work centres in respect to GST on Royalty.

The total estimated amount (including penalty and interest up to March 31, 2022) works out towards Service Tax is ₹ 40,172.56 million (upto March 31, 2021: ₹ 39,604.84 million) and GST is ₹ 102,731.94 million (upto March 31, 2021: ₹ 77,173.72 million). Since the Company is contesting the matter, it has been considered as contingent liability. Further, as an abundant caution, the Company has deposited Service Tax and GST along-with interest under-protest amounting to ₹ 13,524.39 million (upto March 31, 2021: ₹ 13,524.39 million) and ₹ 74,043.48 million (upto March 31, 2021: ₹ 56,777.04 million) respectively.

**c.** There are certain unresolved issues including cost recovery and sharing in respect of exploration, development and production cost in the Block between the Company and Operator - Vedanta Limited (erstwhile Cairn India Limited) of the Block RJ-ON-90/1. Pending settlement of issues, the company has shown an amount of US$ 167.08 million - equivalent to ₹ 12,656.35 million (Previous year: US$ 147.11 million – equivalent to ₹ 10,810.91 million) under contingent liability as on March 31, 2022. For further details, please refer Note No. 46.1.5.

**d.** The Company, with 40% Participating Interest (PI), was a Joint Operator in Panna-Mukta and Mid and South Tapti Fields along with Reliance Industries Limited (RIL) and BG Exploration and Production India Limited (BGEPIL) each having 30% PI, (all three together referred to as "Contractors") signed two Production sharing Contracts (PSCs) with Government of India (Union of India) on December 22, 1994 for a period of 25 years. The PSCs for Panna Mukta and Mid & South Tapti have expired on December 21, 2019. In terms of the Panna Mukta Field Asset Handover Agreement, the Contractors of PMT JV are liable for the pre-existing liability.

In December 2010, RIL & BGEPIL (JV Partners) invoked an international arbitration proceeding against the Union of India in respect of certain disputes, differences and claims arising out of and in connection with both the PSCs .The Ministry of Petroleum and Natural Gas (MoP&NG), vide their letter dated July 4, 2011, had directed the Company not to participate in the Arbitration initiated by the JV Partners (BGEPIL & RIL). MoP&NG has also stated that the Arbitral Award would be applicable to the Company also as a constituent of the Contractor for both the PSCs.

Directorate General of Hydrocarbons (DGH), vide letters dated May 25, 2017 had informed the Company that on October 12, 2016, a Final Partial Award (FPA) was pronounced by the Tribunal in the said arbitrations. As informed by BGEPIL additionally Audit Award on January 11, 2018, Agreement Case Award on October 1, 2018 and Jurisdictional Award on March 12, 2019 wherein the principles relating to the aforesaid disputes were pronounced. However, the details of proceedings of the FPA and other Orders are not available with the Company. DGH, vide their letter dated May 25, 2017 and June 4, 2018, marked to the Contractors, had directed the payment of differential Government of India share of Profit Petroleum and Royalty alleged to be payable by Contractors pursuant to Governments interpretation of the FPA (40% share of the Company amounting to US$ 1,624.05 million, including interest upto November 30, 2016) equivalent to ₹ 123,021.60 million @ ₹ 75.75 i.e. closing rate as on March 31,2022 (March 31, 2021: ₹ 119,351.43 million). In response to the letters of DGH, the JV partners (with a copy marked to all Joint Venture Partners) had stated that demand of DGH was premature as the FPA did not make any money award in favour of Government of India, since quantification of liabilities were to be determined during the final proceedings of the arbitration. Further the award had also been challenged before the English Commercial Court (London High Court). Based on the above facts, the Company had also responded to the letters of DGH stating that pending finality of the order, the amount due and payable by the Company was not quantifiable. In view of the Company, if any changes are approved for increase in the Cost Recovery Limit (CRL) by the Arbitral Tribunal as per the terms of the PSCs the liability to DGH would potentially reduce.

The English Court has delivered its final verdict on May 2, 2018 following which the Arbitral Tribunal re-considered some of its earlier findings from the 2016 FPA (Revised Award).The Government of India and JV Partners have challenged parts of the Revised Award before English Court. On February 12, 2020, the English Court passed a verdict favoring the challenges made by BGEPIL and RIL and also remitted the matter in the Revised Award back to Arbitral Tribunal for reconsideration. Based on the information shared by BGEPIL in January 2021, the Tribunal issued a verdict favoring BGEPIL/RIL on the remitted matter, which has been challenged by the GOI before the English Court.

Based on the information shared by one of the JV partners in the earlier periods, The GOI has also filed an execution petition before the Hon'ble Delhi High Court seeking enforcement and execution of the October 12, 2016 FPA. BGEIPL / RIL contend that GOI's execution petition is not maintainable and have opposed the reliefs sought by the GOI under the said petition. The matter is pending before the Hon'ble Delhi High Court and no final orders on the reliefs sought by the GOI have been passed so far. In January 2018, the Company along with the JV partners has filed an application with MC for increase in CRL in terms of the PSCs.

The application has been rejected by MC. Pursuant to the rejection, the JV partners have filed a claim with Arbitral Tribunal. One of the JV partners has further informed the Company that the hearing before the Arbitral Tribunal has been partially heard in the quarter. Further the additional hearing are scheduled to be heard in the Quarter 2 and Quarter 3 of the year 2022.

DGH vide letter dated January 14, 2019 has advised the contractors to re-cast the accounts for Panna-Mukta and Mid and South Tapti Fields for the year 2017-18. Pending finalization of the decision of the Arbitral Tribunal, the JV partners and the Company had indicated in their letters to DGH that the final recasting of the accounts was premature and thus the issues raised by DGH may be kept in abeyance.

During the financial year 2010-11, the Oil Marketing Companies, nominees of the Government of India (GoI) recovered US$ 80.18 million (Share of the Company US$ 32.07 million (equivalent to ₹ 2,429.30 million)) as per directives of GoI in respect of Joint Operation - Panna Mukta and Tapti Production Sharing Contracts (PSCs). The recovery is towards certain observations raised by auditors appointed by the Director General of Hydrocarbons (DGH) under the two PSCs for the period 2002-03 to 2005-06 in respect of cost and profit petroleum share payable to GoI

Pending finality by Arbitration Tribunal on various issues raised above, re-casting of the financial statements and final quantification of liabilities, no provision has been accounted in the financial statements. The demand raised by DGH, amounting to US$ 1,624.05 million equivalent to ₹ 123,021.60 million@ ₹ 75.75 i.e. closing rate as on 31.03.2022 (March 31, 2021: ₹ 119,351.43 million) has been considered as contingent liability.

The Company's share of US$ 32.07 Million ₹ 2,429.30 Million @ ₹ 75.75 i.e. closing rate as on 31.03.2022 (March 31, 2021: ₹ 2,356.82 Million) recovered by Government of India has been disclosed under Note No.15 in the financial statements.

**e.** The Company is operating Petroleum Mining Leases (PML) granted by the State Government (s) after initial clearance from the Government of India (GoI). The grant of oil mining lease is regulated and governed by the provisions of the Oilfields [Regulation and Development] Act 1948 (ORD Act). Once the lease order is granted, the lessee has to execute lease deeds with the respective State Government. The stamp duty on the executed lease deed is payable as per the Stamp Act of the respective States. Certain State Governments are of the view to include the amount of Royalty apart from other payments like Security Deposit, surface rent and dead rent etc. for the purpose of calculation of stamp duty under the Stamp Duty Act (s) applicable for such States.

However, the company is of the view that the royalty payable by the Company is not a rent to the State Government(s) but is payable under Rule 14 of the Petroleum and Natural Gas Rules, 1959 (PNG Rules). There is a distinction between the concept of rent and royalty. The word "royalty" signifies in mining lease that part of reddendum which is variable and depends upon the quantity of minerals gotten or the mineral worked out within a specified period. Whereas rent is the amount payable for use and occupation of land. Hence, it could be reasonably assumed that for the purpose of calculation of stamp duty, amount of royalty would not form part of the consideration value of lease deeds to be executed for PML granted. Ministry of Petroleum and Natural Gas, Government of India communicated to the State Government of Tamil Nadu vide letter dated December, 31, 2014, that royalty should not be taken as a basis for fixation of Stamp Duty to the mining leases granted under the ORD Act read with PNG Rules.

The Solicitor General of India, through his opinion dated May 05, 2007, had also opined that the distinction between royalty and rent is well settled. Rent would be payable regardless of whether the property is worked upon or not. On the other hand, royalty is a variable figure. It would depend upon the quantity of mineral obtained. If the mine is not worked upon, rent would nevertheless be payable. Hence, he opined that inclusion of royalty for the purpose of calculation of stamp duty is unjustified and not tenable. In absence of clarity on the issue the amount of firm liability or contingent liability is unascertainable.

**48.1.2** A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. During the normal course of business, several unresolved claims are currently outstanding. The inflow of economic benefits, in respect of such claims cannot be measured due to uncertainties that surround the related events and circumstances.

**48.2 Commitments**

**48.2.1 Capital Commitments:**

Estimated amount of contracts remaining to be executed on capital account:-

**i)** In respect of Company: ₹ 126,849.43 million (Previous year ₹ 75,813.40 million).

**ii)** In respect of Joint Operations: ₹ 60,403.60 million (Previous year ₹ 104,006.40 million).

**48.2.2 Other Commitments**

**(i)** Estimated amount of Minimum Work Programme (MWP) committed under various 'Production Sharing Contracts' and 'Revenue Sharing Contracts' with Government of India/Nominated Blocks:

**a)** In respect of NELP/HELP blocks in which the Company has 100% participating interest: ₹ 34,511.42 million (Previous year ₹ 41,454.05 million).

**b)** In respect of NELP/HELP blocks in Joint Operations, Company's share: ₹ 1,573.30 million (Previous year ₹ 2.339.97 million).

**c)** In respect of DSF blocks in which the Company has 100% participating interest: ₹ 36,946.99 million (Previous year ₹ 14,986.03 million).

**(ii)** In respect of ONGC Petro additions Limited, (OPaL) a Joint Venture Company ₹ 862.81 million (Previous year ₹ 862.81 million) on account of subscription of Share Warrants with a condition to convert it to shares after a balance payment of ₹ 0.25 per share.

**(iii)** The Company entered into an arrangement for backstopping support towards repayment of principal and coupon of Compulsory Convertible Debentures (CCDs) amounting to ₹ 77,780.00 million (Previous year ₹ 77,780.00 million) issued by ONGC Petro additions Limited in three tranches. The Company is continuing the back stopping support and the outstanding interest accrued as at March 31, 2022 is ₹ 1,699.28 million (Previous year ₹ 1,926.75 million).

**(iv)** As per the directions of the Ministry of Environment, Forest and Climate Change, Government of India, the company is required to carry out certain activities under the Corporate Environment Responsibility, which include infrastructure creation for drinking water supply, sanitation, health, education, skill development, roads, cross drains, electrification, including solar power, solid waste management facilities, scientific support and awareness to local farmers to increase yield of crop and fodder, rain water harvesting, soil moisture conservation works, avenue plantation, plantation in community areas etc. The commitments towards these activities are worked out on the public hearing conducted, social need assessment etc. for grant of environment clearance for development or commissioning of Green Field and Brown field project of the Company. The Company has outstanding commitments towards the aforesaid activities amounting to ₹ 1,951.49 Million as on March 31, 2022 (₹ 2,045.20 million as on March 31, 2021), the company is required to spend the committed amount towards the aforesaid activities during a period of seven years from the date of grant of Environment Clearances as Validity of EC is for seven years and further extendable by three years.

## 49. Disclosure under Guidance Note on Accounting for "Oil and Gas Producing Activities" (Ind AS)

**49.1 Company's share of Proved Reserves on the geographical basis is as under :**

| Particulars | Details | Crude Oil (MMT) | | Gas (Billion Cubic Meter) | | Total Oil Equivalent (MMTOE)# | |
|---|---|---|---|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| Offshore | Opening | 173.88 | 180.33 | 175.19 | 181.62 | 349.07 | 361.95 |
| | Addition | 5.01 | 6.88 | 4.62 | 10.85 | 9.63 | 17.73 |
| | Production | 12.88 | 13.33 | 16.14 | 17.28 | 29.02 | 30.61 |
| | **Closing** | **166.01** | **173.88** | **163.67** | **175.19** | **329.68** | **349.07** |
| Onshore | Opening | 128.70 | 136.89 | 119.08 | 121.53 | 247.78 | 258.42 |
| | Addition | 5.63 | (0.39) | 1.47 | 2.88 | 7.10 | 2.49 |
| | Production | 7.65 | 7.80 | 5.38 | 5.33 | 13.03 | 13.13 |
| | **Closing** | **126.68** | **128.70** | **115.17** | **119.08** | **241.85** | **247.78** |
| Total | Opening | 302.58 | 317.22 | 294.27 | 303.15 | 596.85 | 620.37 |
| | Addition | 10.64 | 6.49 | 6.09 | 13.73 | 16.73 | 20.22 |
| | Production | 20.53 | 21.13 | 21.52 | 22.61 | 42.05 | 43.74 |
| | **Closing** | **292.69** | **302.58** | **278.84** | **294.27** | **571.53** | **596.85** |

Refer note no. 4.2 (e) for procedure of estimation of reserves.

**49.2 Company's share of Proved Developed Reserves on the geographical basis is as under:**

| Particulars | Details | Crude Oil (MMT) | | Gas (Billion Cubic Meter) | | Total Oil Equivalent (MMTOE)# | |
|---|---|---|---|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| **Offshore** | Opening | 134.30 | 144.23 | 118.77 | 128.50 | 253.07 | 272.73 |
| | Addition | 4.95 | 3.40 | 5.50 | 7.55 | 10.45 | 10.95 |
| | Production | 12.88 | 13.33 | 16.14 | 17.28 | 29.02 | 30.61 |
| | **Closing** | **126.37** | **134.30** | **108.13** | **118.77** | **234.50** | **253.07** |
| **Onshore** | Opening | 66.09 | 72.18 | 42.33 | 42.78 | 108.42 | 114.96 |
| | Addition | 4.38 | 1.71 | 2.40 | 4.88 | 6.78 | 6.59 |
| | Production | 7.65 | 7.80 | 5.38 | 5.33 | 13.03 | 13.13 |
| | **Closing** | **62.82** | **66.09** | **39.35** | **42.33** | **102.17** | **108.42** |
| **Total** | Opening | 200.39 | 216.41 | 161.10 | 171.28 | 361.49 | 387.69 |
| | Addition | 9.33 | 5.11 | 7.90 | 12.43 | 17.23 | 17.54 |
| | Production | 20.53 | 21.13 | 21.52 | 22.61 | 42.05 | 43.74 |
| | **Closing** | **189.19** | **200.39** | **147.48** | **161.10** | **336.67** | **361.49** |

# MMTOE denotes "Million Metric Tonne Oil Equivalent" and for calculating Oil equivalent of Gas, 1000 M3 of Gas has been taken to be equal to 1 MT of Crude Oil.

Crude oil production includes wellhead condensate.

Variations in totals, if any, are due to internal summations and rounding off.

**50. Disclosure pursuant to SEBI (Listing obligation and disclosure requirements) Regulations 2015:**

**(₹ in million)**

| Particulars | Outstanding as at March 31, 2022 | Maximum Amount Outstanding during the year 2021-22 | Outstanding as at March 31, 2021 | Maximum Amount Outstanding during the year 2020-21 |
|---|---|---|---|---|
| (a) Loans to Subsidiaries:* | Nil | Nil | Nil | Nil |
| (b) Loan to Associates: | Nil | Nil | Nil | Nil |
| (c) Loans in the nature of loans to Firms\ companies in which directors are interested: | Nil | Nil | Nil | Nil |

* Excludes Current account transactions.

**50.1** The Company has not provided any loan or advance in the nature of loan to any of its subsidiary, associate or firms\ companies in which directors are interested during the current year and the previous year. Since there is no loan outstanding in the current and previous year, the requirement for the disclosure of investments made by the loanee in the shares of Parent company and subsidiary company is not applicable to the company.

**51. Disclosure on Foreign currency exposures at the year-end that have not been hedged by derivative instrument or otherwise are given below:**

**(₹ in million)**

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Foreign Currency | Equivalent ₹ | Foreign Currency | Equivalent ₹ |
| **Import Creditors** | | | | |
| United Arab Emirates Dirham- (AED) | 0.02 | 0.41 | 0.00 | 0.02 |
| Australian Dollar- $ (AUD) | 0.06 | 3.34 | 0.06 | 3.29 |
| Euro - € (EUR) | 20.85 | 1,762.69 | 14.70 | 1,265.03 |
| Great Britain Pound- £ (GBP) | 13.38 | 1,329.20 | 31.58 | 3,185.83 |
| Japanese Yen- ¥ (JPY) | 44.75 | 27.72 | 657.04 | 435.76 |
| Norwegian Krone - kr (NOK) | 1.89 | 16.62 | 17.28 | 148.41 |
| Swedish Krona - kr (SEK) | 0.03 | 0.23 | 0.03 | 0.24 |
| Singapore Dollar - $ (SGD) | 0.70 | 38.92 | 2.41 | 131.71 |
| US Dollar -$ (US$) | 687.46 | 52,075.16 | 792.76 | 58,259.84 |

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Foreign Currency | Equivalent ₹ | Foreign Currency | Equivalent ₹ |
| Malaysian ringgit - RM (MYR) | 0.10 | 1.88 | 0.06 | 1.00 |
| **Total** | | **55,256.16** | | **63,431.13** |
| **Short Term Borrowings** | | | | |
| US Dollar (US$) | - | - | 410.06 | 30,135.68 |
| **Long Term Borrowings** | | | | |
| US Dollar (US$) | 300.00 | 22,725.00 | 303.40 | 22,296.84 |
| **MWP** | | | | |
| US Dollar (US$) | 201.48 | 15,261.96 | 203.96 | 14,988.69 |
| **Cash Call Payable** | | | | |
| US Dollar (US$) | 21.77 | 1,649.04 | 41.65 | 3,060.63 |
| **Receivables** | | | | |
| US Dollar (US$) | 87.27 | 6,610.80 | 99.49 | 7,311.18 |
| **Cash Call Receivable** | | | | |
| US Dollar (US$) | 20.31 | 1,538.23 | 20.31 | 1,492.34 |

## 52. Disclosure on relationship with Struck off Companies u/s 148 of Companies Act, 2013:

**(i) Details of Vendors and Customers Struck off as on 31.03.2022**

**(₹ in million)**

| Name of the Company | Nature of transactions with struck off company | Transactions during the year March 31, 2022 | Balance Outstanding as on 31.03.2022 | Relationship with the Struck off company |
|---|---|---|---|---|
| Flotomatic Engineering Pvt. Ltd. | Payables | -* | - | Vendor |
| Greenwelt Energy Pvt. Ltd. | Payables | -* | - | Vendor |
| Gem Hvac Engineering Pvt. Ltd. | Payables | -* | - | Vendor |
| Lakshmi Bhargavi Constructions Pvt. Ltd. | Payables | -* | - | Vendor |
| Sri Srinivasa Catering & Housekeeping Services Pvt. Ltd. | Payables | -* | - | Vendor |
| Umiya Chemicals Pvt. Ltd. | Payables | -* | - | Vendor |
| Arunodoi Techno Services Pvt. Ltd. | Payables | -* | - | Vendor |
| Ambarish Builders Pvt. Ltd. | Payables | - | -* | Vendor |
| Geo Tech Pvt. Ltd. | Payables | 12.07 | -* | Vendor |
| Fascel Ltd. | Payables | -* | - | Vendor |
| Hindustan Relocator Pvt. Ltd. | Payables | -* | - | Vendor |
| Armco Shipping & Trading Pvt. Ltd. | Payables | -* | - | Vendor |
| Planet 3 Studios Architecture Pvt. Ltd. | Payables | -* | -* | Vendor |
| Magna Energy & Hydro Systems Pvt. Ltd. | Payables | -* | - | Vendor |
| Management and Technology Application India Ltd. | Payables | - | -* | Vendor |
| Kusalava Power Pvt. Ltd. | Receivable | - | -* | Customer |

* Less than ₹ 1 Million.

**(ii) Details of Vendors and Customers Struck off as on 31.03.2021**

**(₹ in million)**

| Name of the Company | Nature of transactions with struck off company | Transactions during the year March 31, 2021 | Balance Outstanding as on 31.03.2021 | Relationship with the Struck off company |
|---|---|---|---|---|
| Greenwelt Energy Pvt. Ltd. | Payables | - | -* | Vendor |
| Gem Hvac Engineering Pvt. Ltd. | Payables | 1.06 | -* | Vendor |
| Lakshmi Bhargavi Constructions Pvt. Ltd. | Payables | - | -* | Vendor |
| Sri Srinivasa Catering & Housekeeping Services Pvt. Ltd. | Payables | - | -* | Vendor |
| Umiya Chemicals Pvt. Ltd. | Payables | - | -* | Vendor |
| Arunodoi Techno Services Pvt. Ltd. | Payables | - | -* | Vendor |
| Ambarish Builders Pvt. Ltd. | Payables | - | -* | Vendor |
| Geo Tech Pvt. Ltd. | Payables | 18.60 | 1.16 | Vendor |
| Star Shipping Services Pvt. Ltd. | Payables | -* | - | Vendor |
| Purolator India Ltd. | Payables | -* | - | Vendor |
| Fascel Ltd. | Payables | - | -* | Vendor |
| Hindustan Relocator Pvt. Ltd. | Payables | -* | - | Vendor |
| Armco Shipping & Trading Pvt. Ltd. | Payables | - | -* | Vendor |
| Planet 3 Studios Architecture Pvt. Ltd. | Payables | - | -* | Vendor |
| Magna Energy & Hydro Systems Pvt. Ltd. | Payables | - | -* | Vendor |
| Management and Technology Application India Ltd. | Payables | - | -* | Vendor |
| Kusalava Power Pvt. Ltd. | Receivable | - | -* | Customer |

* Less than ₹ 1 Million.

**(iii) Details of Shareholders Struck off as on 31.03.2022**

| Name of the Company | Nature of transactions with struck off company | No. of Shares as on 31.03.2022 | Relationship with the Struck off company |
|---|---|---|---|
| Vikram Textiles Ltd. | Shareholding | 450 | Shareholder |
| Kothari Intergroup Ltd. | Shareholding | 21 | Shareholder |
| Bhakti Elevators Pvt. Ltd. | Shareholding | 600 | Shareholder |
| Fayda Portfolio Pvt. Ltd. | Shareholding | 300 | Shareholder |
| Fairtrade securities Ltd. | Shareholding | 100 | Shareholder |
| Unickon Fincap Pvt. Ltd. | Shareholding | 10,495 | Shareholder |
| Victor Properties Pvt. Ltd. | Shareholding | 3,808 | Shareholder |
| Mayur Share Broking Pvt. Ltd. | Shareholding | 3 | Shareholder |
| Keshan Granite Exports Pvt. Ltd. | Shareholding | 180 | Shareholder |
| Shibir India Ltd. | Shareholding | 8 | Shareholder |
| Architectural Glass Pvt. Ltd. | Shareholding | 150 | Shareholder |
| Suviron Products Pvt. Ltd. | Shareholding | 277 | Shareholder |
| Real World Builders Pvt. Ltd. | Shareholding | 180 | Shareholder |
| Shreeji Enterprises Pvt. Ltd. | Shareholding | 60 | Shareholder |
| Himatsu Bimet Ltd. | Shareholding | 630 | Shareholder |
| Dreams Comtrade Pvt. Ltd. | Shareholding | 4 | Shareholder |
| Sri Mahabir Co Pvt. Ltd. | Shareholding | 180 | Shareholder |
| GNK Investments Pvt. Ltd. | Shareholding | 114 | Shareholder |
| Utsav Leasing & Finstock Ltd. | Shareholding | 72 | Shareholder |
| Rajat Financial Services Pvt. Ltd. | Shareholding | 300 | Shareholder |
| Abhay Carriers Pvt. Ltd. | Shareholding | 43 | Shareholder |
| Voyager2 Infotech Pvt. Ltd. | Shareholding | 300 | Shareholder |

**(iv) Details of Shareholders Struck off as on 31.03.2021**

| Name of the Company | Nature of transactions with struck off company | No. of Shares as on 31.03.2021 | Relationship with the Struck off company |
|---|---|---|---|
| Shankar Suitings Pvt. Ltd. | Shareholding | 4,000 | Shareholder |
| Vikram Textiles Ltd. | Shareholding | 450 | Shareholder |
| Kothari Intergroup Ltd. | Shareholding | 21 | Shareholder |
| Fayda Portfolio Pvt. Ltd. | Shareholding | 300 | Shareholder |
| Fairtrade securities Ltd. | Shareholding | 100 | Shareholder |
| Unickon Fincap Pvt. Ltd. | Shareholding | 10,495 | Shareholder |
| H. B. Portfolio Limited | Shareholding | 900 | Shareholder |
| Victor Properties Pvt. Ltd. | Shareholding | 3,808 | Shareholder |
| Mayur Share Broking Pvt. Ltd. | Shareholding | 3 | Shareholder |
| Keshan Granite Exports Pvt. Ltd. | Shareholding | 180 | Shareholder |
| Shibir India Ltd. | Shareholding | 8 | Shareholder |
| Architectural Glass Pvt. Ltd. | Shareholding | 150 | Shareholder |
| Suviron Products Pvt. Ltd. | Shareholding | 277 | Shareholder |
| Real World Builders Pvt. Ltd. | Shareholding | 180 | Shareholder |
| Shreeji Enterprises Pvt. Ltd. | Shareholding | 60 | Shareholder |
| Himatsu Bimet Ltd. | Shareholding | 630 | Shareholder |
| Dreams Comtrade Pvt. Ltd. | Shareholding | 4 | Shareholder |
| Sri Mahabir Co Pvt. Ltd. | Shareholding | 180 | Shareholder |
| GNK Investments Pvt. Ltd. | Shareholding | 114 | Shareholder |
| Utsav Leasing & Finstock Ltd. | Shareholding | 72 | Shareholder |
| Rajat Financial Services Pvt. Ltd. | Shareholding | 300 | Shareholder |
| Abhay Carriers Pvt. Ltd. | Shareholding | 233 | Shareholder |
| Voyager2 Infotech Pvt. Ltd. | Shareholding | 300 | Shareholder |

## 53. Additional Regulatory Information:

**Financial Ratios**

| Sl. No. | Particulars | 2021-22 | 2020-21 | Change in % | Reasons for variance |
|---|---|---|---|---|---|
| a. | Current ratio | 0.98 | 0.86 | 13.95% | |
| b. | Debt-Equity ratio | 0.03 | 0.07 | (57.14)% | This is mainly due to decrease in borrowings on account of repayment of current borrowings. |
| c. | Debt Service Coverage ratio | 142.18 | 55.95 | 154.12% | This is mainly due to increase in earnings before interest & tax on account of increase in revenue from operations. |
| d. | Return on Equity ratio | 0.18 | 0.06 | 200.00% | This is mainly due to increase in earnings before interest & tax on account of increase in revenue from operations. |
| e. | Inventory Turnover ratio | 13.51 | 8.00 | 68.88% | This is mainly due to increase in revenue from operations and decrease in average inventory during the financial year as compared to previous financial year |
| f. | Trade receivable turnover ratio | 11.27 | 10.84 | 3.97% | |
| g. | Trade payable turnover ratio | 17.61 | 10.12 | 74.01% | This is mainly due to increase in revenue from operations during the financial year as compared to previous financial year. |
| h. | Net capital turnover ratio | (163.50) | (13.49) | 1112.01% | This is cumulative impact of increase in revenue from operations and increase in working capital on account of reduction in current borrowings during the financial year as compared to previous financial year. |
| i. | Net profit ratio | 36.53 | 16.50 | 121.39% | This is due to increase in profit for the period mainly on account of increase in crude oil prices and also on account of reduction in tax expenses during the financial year as compared to previous financial year. |
| j. | Return on Capital employed | 29.01 | 12.23 | 137.20% | This is mainly due to increase in earnings before interest & tax on account of increase in revenue from operations. |

| Sl. No. | Particulars | 2021-22 | 2020-21 | Change in % | Reasons for variance |
|---|---|---|---|---|---|
| k. | Return on investment (%) | | | | |
| | -Subsidiary, Associates and Joint Venture | 3.31 | 0.97 | 241.24% | This is mainly due to increase in dividend received from Subsidiary, Associates and Joint Ventures during the financial year as compared to previous financial year. |
| | -Investment in Government bonds | 8.39 | 8.39 | - | |
| | -Other Investments | 33.13 | 29.84 | 11.03% | |

**Formula used for computation of:**

**a.** Current Ratio = Current assets / Current liabilities.

**b.** Debt Equity Ratio = Total borrowings / Total equity.

**c.** Debt Service Coverage Ratio = Earnings before interest, tax and exceptional item / [Interest on borrowings (net of transfer to expenditure during construction) + Principal repayments of Long Term borrowings].

**d.** Return on Equity ratio = Profit for the year / Average Total equity.

**e.** Inventory turnover = Revenue from operations / Average inventories

**f.** Trade receivable turnover = Revenue from operations / Average trade receivables.

**g.** Trade payable turnover = Revenue from operations / Average trade payables.

**h.** Net capital turnover ratio = Revenue from operations / Working Capital.

**i.** Net Profit Margin (%) = Profit for the period / Revenue from operations.

**j.** Return on Capital employed = Profit Before Interest, Dividend Income & Tax (PBIT excluding Dividend income) / Capital Employed.

**k.** Return on investment = (Closing balance + Interest + Dividend - Opening balance +/- cash flow during the period)/Average investment

**53.1** Additional Regulatory Information/disclosures as required by General Instructions to Division II of Schedule III to the Companies Act, 2013 are furnished to the extent applicable to the Company.

**53.2** For improved disclosures, certain changes have been made in the wordings of some of the Accounting Policies. However, there is no impact on the financial statements due to the such changes as required.

**54.** The Company has a system of physical verification of Inventory, Property, Plant & Equipment and Capital Stores in a phased manner to cover all items over a period of three years. Adjustment differences, if any, are carried out on completion of reconciliation.

**55.** The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

**56.** The Company has a system of obtaining periodic confirmation of balances from banks and other parties. Further, some balances of Trade and other receivables, Trade and other payables and Loans are subject to confirmation/reconciliation. Adjustments, if any, will be accounted for on confirmation/reconciliation of the same, which will not have a material impact.

**57.** Previous year's figures have been regrouped, wherever necessary, to confirm to current year's grouping.

### 58. Approval of financial statements

The Standalone Financial Statements were approved by the Board of Directors on 28 May 2022.

**FOR AND ON BEHALF OF THE BOARD**

| | | |
|---|---|---|
| Sd/-<br>(Rajni Kant)<br>Company Secretary | Sd/-<br>(Pomila Jaspal)<br>Director (Finance)<br>(DIN: 08436633) | Sd/-<br>(Dr. Alka Mittal )<br>Chairman & Managing Director<br>(DIN: 07272207) |

**In terms of our report of even date attached**

| | | |
|---|---|---|
| **For G M Kapadia & Co.**<br>Chartered Accountants<br>Firm Reg. No. 104767W | **For R Gopal & Associates**<br>Chartered Accountants<br>Firm Reg. No.000846C | **For SARC & Associates**<br>Chartered Accountants<br>Firm Reg. No. 006085N |
| Sd/-<br>(Abhishek Singh)<br>Partner (M. No. 407549) | Sd/-<br>(Sandeep Kumar Sawaria)<br>Partner (M. No. 061771) | Sd/-<br>(Pankaj Sharma)<br>Partner (M. No. 086433) |
| **For Kalani & Co.**<br>Chartered Accountants<br>Firm Reg. No: 000722C | **For R.G.N. Price & Co.**<br>Chartered Accountants<br>Firm Reg. No.002785S | **For S. Bhandari & Co.**<br>Chartered Accountants<br>Firm Reg. No. 000560C |
| Sd/-<br>(Vikas Gupta)<br>Partner (M.No. 077076) | Sd/-<br>(G Surendranath Rao)<br>Partner (M. No. 022693) | Sd/-<br>(Sudha Shetty)<br>Partner (M. No. 047684) |

**New Delhi**
**28 May 2022**

**OIL AND NATURAL GAS CORPORATION LTD**

CIN -L74899DL1993GOI054155

# Form- AOC-1

**Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures as on 31.03.2022**

**ANNEXURE-C**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Part "A": Subsidiaries**

**(₹ in million)**

| | | | | | As at 31.03.2022 | | | | | For the year 2021-22 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Sl. No. | Name of the subsidiary | Date since when subsidiary was acquired | Reporting period for the subsidiary | Reporting currency and Exchange rate (note 3) | Share capital | Reserves & surplus | Total assets | Total Liabilities | Investments | Turnover | Profit before taxation | Provision for taxation | Profit after taxation | Proposed Dividend | Extent of shareholding (percentage) |
| 1 | ONGC Videsh Limited | 05.03.1965 | 31.03.2022 | INR | 150,000.00 | 231,444.73 | 883,665.87 | 502,221.14 | 354,040.63 | 131,002.83 | 54,183.24 | 21,707.95 | 32,475.29 | 4,800.00 | 100.00% |
| 2 | Mangalore Refinery & Petrochemicals Limited | 30.03.2003 | 31.03.2022 | INR | 17,526.64 | 54,436.73 | 400,583.05 | 328,619.68 | 154.99 | 860,636.84 | 27,083.34 | (2,469.40) | 29,552.74 | - | 80.94% |
| 3 | Hindustan Petroleum Corporation Limited | 31.01.2018 | 31.03.2022 | INR | 14,189.36 | 372,581.00 | 1,501,603.80 | 1,114,833.40 | 172,881.60 | 3,738,967.40 | 82,037.00 | 18,210.70 | 63,826.30 | 19,859.70 | 54.90% |
| 4 | ONGC Nile Ganga B.V. | 12.03.2003 | 31.03.2022 | USD | 4.29 | 167,952.62 | 189,491.47 | 21,534.55 | 114,926.11 | 43,441.92 | 6,088.76 | (2.14) | 6,090.90 | - | 100% for A&B and 77.491% for Class C |
| 5 | ONGC Campos Ltda. | 16.03.2007 | 31.03.2022 | USD | 38,411.96 | (21,823.31) | 32,905.44 | 16,316.79 | - | 20,091.38 | 11,368.65 | 3,745.86 | 7,622.79 | 7,919.74 | 100.00% |
| 6 | ONGC Nile Ganga (San Cristobal) B.V. | 29.02.2008 | 31.03.2022 | USD | 4.54 | 63,161.39 | 63,984.70 | 818.77 | 32,710.57 | 88.09 | (2,895.49) | (0.14) | (2,895.35) | - | 100.00% |
| 7 | ONGC Amazon Alaknanda Limited | 08.08.2006 | 31.03.2022 | USD | 9,469.74 | 19,719.81 | 29,411.45 | 221.90 | 29,167.81 | - | 630.24 | - | 630.24 | - | 100.00% |
| 8 | ONGC Narmada Limited | 07.12.2005 | 31.03.2022 | USD | 11.79 | (2,366.96) | 23.61 | 2,378.79 | - | - | (0.31) | - | (0.31) | - | 100.00% |
| 9 | ONGC (BTC) Limited | 28.03.2013 | 31.03.2022 | USD | 73.76 | (43.29) | 82.61 | 52.14 | - | 979.83 | 978.08 | 51.30 | 926.78 | - | 100.00% |
| 10 | Carabobo One AB | 05.02.2010 | 31.03.2022 | USD | 355.53 | 4,075.34 | 4,439.39 | 8.52 | 4,438.79 | - | (1.91) | - | (1.91) | - | 100.00% |

| | | | | | As at 31.03.2022 | | | | | For the year 2021-22 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Sl. No. | Name of the subsidiary | Date since when subsidiary was acquired | Reporting period for the subsidiary | Reporting currency and Exchange rate (note 3) | Share capital | Reserves & surplus | Total assets | Total Liabilities | Investments | Turnover | Profit before taxation | Provision for taxation | Profit after taxation | Proposed Dividend | Extent of shareholding (percentage) |
| 11 | Petro Carabobo Ganga B.V. | 26.02.2010 | 31.03.2022 | USD | 1.51 | 13,504.47 | 13,738.09 | 231.94 | 151.93 | 0.02 | (1.61) | 1.10 | (2.70) | - | 100.00% |
| 12 | Imperial Energy Limited | 12.08.2008 | 31.03.2022 | USD | 16.40 | (2,591.90) | 18,316.18 | (20,864.76) | - | 634.76 | (26,450.49) | 10.08 | (26,460.56) | - | 100.00% |
| 13 | Imperial Energy Tomsk Limited | 13.01.2009 | 31.03.2022 | USD | 0.18 | (0.18) | 18.91 | (29.45) | - | 0.52 | (1.34) | - | (1.34) | - | 100.00% |
| 14 | Imperial Energy (Cyprus) Limited | 13.01.2009 | 31.03.2022 | USD | 1.95 | (229.20) | (223.52) | (25.76) | - | 0.34 | (1.37) | - | (1.37) | - | 100.00% |
| 15 | Imperial Energy Nord Limited | 13.01.2009 | 31.03.2022 | USD | 1.96 | (1,062.46) | (932.70) | (102.66) | - | 0.51 | (1.34) | - | (1.34) | - | 100.00% |
| 16 | Biancus Holdings Limited | 13.01.2009 | 31.03.2022 | USD | 0.16 | (0.16) | 21,030.83 | (21,058.87) | - | 696.06 | 98.46 | 12.11 | 86.35 | - | 100.00% |
| 17 | Redcliffe Holdings Limited | 13.01.2009 | 31.03.2022 | USD | 0.20 | (75.95) | (50.07) | - | - | 0.51 | (1.24) | - | (1.24) | - | 100.00% |
| 18 | Imperial Frac Services (Cyprus) Limited | 13.01.2009 | 31.03.2022 | USD | 0.18 | (0.18) | 0.18 | (1.42) | - | (1.12) | (2.38) | - | (2.38) | - | 100.00% |
| 19 | San Agio Investments Limited | 13.01.2009 | 31.03.2022 | USD | 0.16 | (0.16) | 1,861.03 | (1,855.64) | - | (3.25) | (65.05) | - | (65.05) | - | 100.00% |
| 20 | LLC Sibinterneft | 13.01.2009 | 31.03.2022 | USD | 0.09 | (0.09) | 2,143.68 | (2,115.34) | - | (222.96) | (270.36) | - | (270.36) | - | 55.90% |
| 21 | LLC Llianceneftegaz | 13.01.2009 | 31.03.2022 | USD | 0.05 | 227.20 | 27,522.17 | (27,308.79) | - | 3,314.66 | (1,289.66) | 551.26 | (1,840.91) | - | 100.00% |
| 22 | LLC Nord Imperial | 13.01.2009 | 31.03.2022 | USD | 0.27 | (151.77) | 7,167.36 | (7,306.53) | - | 5,242.20 | 270.21 | 311.72 | (41.51) | - | 100.00% |
| 23 | LLC Rus Imperial Group | 13.01.2009 | 31.03.2022 | USD | 0.09 | (0.09) | 1,709.47 | (1,691.53) | - | 0.34 | (161.17) | - | (161.17) | - | 100.00% |
| 24 | LLC Imperial Frac Services | 13.01.2009 | 31.03.2022 | USD | 0.01 | (0.01) | 200.99 | (205.66) | - | 548.16 | 47.22 | (0.03) | 47.25 | - | 100.00% |
| 25 | Beas Rovuma Energy Mozambique Ltd. | 07.01.2014 | 31.03.2022 | USD | 117,889.08 | (18,629.90) | 100,530.52 | 1,271.34 | 1,659.27 | - | (3,913.43) | - | (3,913.43) | - | 60.00% |
| 26 | ONGC Videsh Atlantic Inc. | 14.08.2014 | 31.03.2022 | USD | 154.53 | (63.52) | 108.15 | 17.15 | - | - | 32.24 | 6.77 | 25.47 | - | 100.00% |
| 27 | ONGC Videsh Singapore Pte. Ltd. | 15.04.2016 | 31.03.2022 | USD | 37.88 | 58.02 | 0.02 | 2.39 | 44.77 | - | (6.18) | (0.01) | (6.18) | - | 100.00% |
| 28 | ONGC Videsh Vankorneft Pte. Ltd. | 18.04.2016 | 31.03.2022 | USD | 37.88 | 17,947.85 | 90,126.76 | 72,141.03 | 89,707.92 | - | 2,921.94 | (40.36) | 2,962.31 | - | 100.00% |

| | | | | | As at 31.03.2022 | | | | | For the year 2021-22 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Sl. No. | Name of the subsidiary | Date since when subsidiary was acquired | Reporting period for the subsidiary | Reporting currency and Exchange rate (note 3) | Share capital | Reserves & surplus | Total assets | Total Liabilities | Investments | Turnover | Profit before taxation | Provision for taxation | Profit after taxation | Proposed Dividend | Extent of shareholding (percentage) |
| 29 | Indus East Mediterranean Exploration Ltd. | 27.02.2018 | 31.03.2022 | USD | 20.68 | (20.55) | 0.29 | 0.16 | - | - | (0.34) | - | (0.34) | - | 100.00% |
| 30 | ONGC Videsh Rovuma Ltd., India | 15.04.2019 | 31.03.2022 | INR | 91,726.51 | (37,382.83) | 278,484.78 | 224,141.10 | 1,659.27 | - | (4,948.78) | 1,247.23 | (6,196.01) | - | 100.00% |
| 31 | HPCL Biofuels Ltd. | 31.01.2018 | 31.03.2022 | INR | 9,867.32 | (7,798.16) | 6,411.01 | 4,341.85 | - | 2,164.73 | (669.49) | - | (669.49) | - | 100.00% |
| 32 | Prize Petroleum Company Ltd.# | 31.01.2018 | 31.03.2022 | INR | 2,450.00 | (5,816.45) | 3,310.29 | 6,676.75 | - | 641.11 | 10.19 | - | 10.19 | - | 100.00% |
| 33 | HPCL Middle East FZCO | 11.02.2018 | 31.03.2022 | Arab Emirates Dirham (AED) | 83.34 | (42.58) | 112.15 | 71.39 | - | 158.56 | (6.60) | - | (6.60) | - | 100.00% |
| 34 | HPCL Rajasthan Refinery Ltd.* | 31.01.2018 | 31.03.2022 | INR | 42,661.37 | (875.41) | 127,759.51 | 85,973.54 | - | - | (165.55) | - | (165.55) | - | 74.00% |
| 35 | HPCL LNG Ltd. (erstwhile HPCL Shapoorji Energy Private Ltd.) | 31.03.2021 | 31.03.2022 | INR | 12,570.00 | (264.59) | 25,337.89 | 13,032.48 | - | - | (141.04) | - | (141.04) | - | 100.00% |
| 36 | Petronet MHB Ltd (PMHBL) ** | 31.01.2018 | 31.03.2022 | INR | 5,487.07 | 308.21 | 6,282.83 | 487.55 | - | 1,030.56 | 814.00 | 211.17 | 602.83 | | 77.44% |

**Note:**

1 Name of subsidiaries which are yet to commence operations:
a) HPCL Rajasthan Refinery Ltd.
b) HPCL LNG Limited (Formerly known as HPCL Shapoorji Energy Private Limited) The Company was converted into a Public Limited Company effective 10 September 2021.
c) Indus East Mediterranean Exploration Ltd.

2 Name of subsidiaries which is under winding up/liquidated:
a) ONGC Videsh Rovuma Ltd., Mauritius.

3 Exchange Rates :
For Balance sheet items: 1 USD = ₹ 75.75 (Previous Year - 1 USD = ₹ 73.49)
For Profit & loss item: 1 USD = ₹ 74.5375 (Previous Year - 1 USD = ₹ 74.2642)
1 AED = ₹ 20.63

4 The figures in the table above does not include eliminations of intercompany transactions.

5 # Figures based on Consolidated Financial Statements of the Company.

6 *HPCL Rajasthan Refinery Ltd. is considered as subsidiary as per Sec 2(87) of Companies Act, 2013.

7 ** Petronet MHB Ltd. has been reclassified from joint venture to a subsidiary during the year 2017-18 as the company holds 49.996% ownership interest and its subsidary HPCL holds 49.996% ownership interest.

## FOR AND ON BEHALF OF THE BOARD

| | | |
|---|---|---|
| Sd/-<br>**(Rajni Kant)**<br>Company Secretary | Sd/-<br>**(Pomila Jaspal)**<br>Director (Finance)<br>(DIN : 08436633) | Sd/-<br>**(Dr. Alka Mittal)**<br>Chairman & Managing Director<br>(DIN : 07272207) |

**In terms of our report of even date attached**

| | | | | | |
|---|---|---|---|---|---|
| **For G M Kapadia & Co.**<br>Chartered Accountants<br>Firm Reg. No.104767W | **For R Gopal & Associates**<br>Chartered Accountants<br>Firm Reg. No.000846C | **For SARC & Associates**<br>Chartered Accountants<br>Firm Reg. No.006085N | **For Kalani & Co.**<br>Chartered Accountants<br>Firm Reg. No: 000722C | **For R.G.N. Price & Co.**<br>Chartered Accountants<br>Firm Reg. No.002785S | **For S. Bhandari & Co.**<br>Chartered Accountants<br>Firm Reg. No.000560C |
| Sd/-<br>(Abhishek Singh)<br>Partner (M. No. 407549) | Sd/-<br>(Sandeep Kumar Sawaria)<br>Partner (M. No. 061771) | Sd/-<br>(Pankaj Sharma)<br>Partner (M. No. 086433) | Sd/-<br>(Vikas Gupta)<br>Partner (M. No. 077076) | Sd/-<br>(G Surendranath Rao)<br>Partner (M. No. 022693) | Sd/-<br>(Sudha Shetty)<br>Partner (M. No. 047684)<br>Place: Mumbai |

**New Delhi**
**28 May 2022**

## Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

**( ₹ in million)**

| 1 | 2 | 3 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Sl. No. | Name of the Joint Ventures/ Associates | Latest audited Balance Sheet Date | Date on which associate or joint venture was associated or acquired | Shares of Associate/Joint Ventures held by the company at the year end 31.03.2022 | | | Description of how there is significant influence | Reason why Associate & JV not consolidated | Networth attributable to Shareholding as per latest audited Balance Sheet | Profit / Loss for the year | |
| | | | | No. | Amount of Investment in Associates/ Joint Venture | Extend of Holding % | | | | Considered in Consolidation | Not Considered in Consolidation |
| **Joint Venture** | | | | | | | | | | | |
| 1 | Mangalore SEZ Ltd (MSEZ)$ | 31.03.2022 | 24.02.2006 | 13,000,000 | 130.00 | 26.78 | Share holding more than 20% | NA | (21.04) | (32.33) | - |
| 2 | ONGC Petro additions Ltd. (OPaL) | 31.03.2022 | 15.11.2006 | 997,980,632 | 9,979.81 | 49.36 | Share holding more than 20% | NA | 22,624.23 | (2,638.94) | - |
| 3 | ONGC Tripura Power Company Ltd. (OTPC) | 31.03.2022 | 27.09.2004 | 560,000,000 | 5,600.00 | 50.00 | Share holding more than 20% | NA | 7,225.21 | 554.16 | - |

| 1 | 2 | 3 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Sl. No. | Name of the Joint Ventures/ Associates | Latest audited Balance Sheet Date | Date on which associate or joint venture was associated or acquired | Shares of Associate/Joint Ventures held by the company at the year end 31.03.2022 | | | Description of how there is significant influence | Reason why Associate & JV not consolidated | Networth attributable to Shareholding as per latest audited Balance Sheet | Profit / Loss for the year | |
| | | | | No. | Amount of Investment in Associates/ Joint Venture | Extend of Holding % | | | | Considered in Consolidation | Not Considered in Consolidation |
| 4 | ONGC Teri Biotech Ltd. (OTBL) | 31.03.2022 | 26.03.2007 | 12,495,000 | 0.25 | 49.98 | Share holding more than 20% | NA | 399.42 | 43.12 | - |
| 5 | Dahej SEZ Limited (DSEZ)* | 31.03.2021 | 21.09.2004 | 23,025,000 | 230.25 | 50.00 | Share holding more than 20% | NA | 1,321.70 | 234.91 | - |
| 6 | Shell MRPL Aviation Fuels & Services Limited (SMASL) | 31.03.2022 | 11.03.2008 | 15,000,000 | 150.00 | 50.00 | Share holding more than 20% | NA | 298.34 | 90.04 | - |
| 7 | ONGC Mittal Energy Limited | 31.03.2020 | 26.03.2009 | 24,990,000 | 1,892.99 | 49.98 | Share holding more than 20% | NA | (4.09) | - | - |
| 8 | Mansarovar Energy Colombia Limited | 31.03.2019 | 20.09.2006 | 6,000 | 29,167.81 | 50.00 | Share holding more than 20% | NA | 10,454.90 | 635.04 | - |
| 9 | Himalya Energy Syria BV | 31.12.2014 | 07.11.2006 | 45,000 | 194.24 | 50.00 | Share holding more than 20% | NA | 390.51 | (13.20) | - |
| 10 | SUDD Petroleum Operating Company | 31.12.2015 | 30.04.2012 | 241.25 | 0.02 | 24.13 | Share holding more than 20% | NA | 0.08 | - | - |
| 11 | Hindustan Colas Pvt. Ltd.# | 31.03.2022 | 31.01.2018 | 4,725,000 | 47.25 | 50.00 | Share holding more than 20% | NA | 2,205.89 | 875.08 | - |
| 12 | HPCL-Mittal Energy Ltd. | 31.03.2022 | 31.01.2018 | 3,939,555,200 | 39,395.55 | 48.99 | Share holding more than 20% | NA | 54,801.02 | 6,161.15 | - |
| 13 | South Asia LPG Co. Pvt. Ltd. | 31.03.2022 | 31.01.2018 | 50,000,000 | 500.00 | 50.00 | Share holding more than 20% | NA | 907.41 | 553.30 | - |
| 14 | Bhagyanagar Gas Ltd. | 31.03.2022 | 31.01.2018 | 43,650,000 | 1,282.50 | 48.73 | Share holding more than 20% | NA | 1,941.18 | 215.46 | - |
| 15 | Petronet India Ltd. ^ | 31.03.2022 | 31.01.2018 | 16,000,000 | 1.60 | 16.00 | By virtue of shareholding agreement | NA | 4.40 | 0.11 | - |

| 1 | 2 | 3 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Sl. No. | Name of the Joint Ventures/ Associates | Latest audited Balance Sheet Date | Date on which associate or joint venture was associated or acquired | Shares of Associate/Joint Ventures held by the company at the year end 31.03.2022 | | | Description of how there is significant influence | Reason why Associate & JV not consolidated | Networth attributable to Shareholding as per latest audited Balance Sheet | Profit / Loss for the year | |
| | | | | No. | Amount of Investment in Associates/ Joint Venture | Extend of Holding % | | | | Considered in Consolidation | Not Considered in Consolidation |
| 16 | HPOIL Gas Pvt Ltd. | 31.03.2022 | 30.11.2018 | 72,500,000 | 725.00 | 50.00 | Share holding more than 20% | NA | 682.32 | (17.06) | - |
| 17 | Godavari Gas Pvt Ltd. | 31.03.2022 | 31.01.2018 | 23,128,899 | 231.29 | 26.00 | Share holding more than 20% | NA | 206.83 | (0.73) | - |
| 18 | Aavantika Gas Ltd. | 31.03.2022 | 31.01.2018 | 29,557,038 | 500.22 | 49.99 | Share holding more than 20% | NA | 1,652.04 | 331.93 | - |
| 19 | Mumbai Aviation Fuel Farm Facilities Pvt. Ltd. | 31.03.2022 | 31.01.2018 | 52,918,750 | 529.18 | 25.00 | Share holding more than 20% | NA | 942.60 | 23.94 | - |
| 20 | Ratnagiri Refinery & Petrochemical Ltd. | 31.03.2022 | 31.01.2018 | 50,000,000 | 500.00 | 25.00 | Share holding more than 20% | NA | 297.07 | (22.06) | - |
| 21 | IHB Pvt. Ltd. | 31.03.2022 | 09.07.2019 | 514,500,000 | 5,145.00 | 25.00 | Share holding more than 20% | NA | 5,139.61 | (7.93) | - |
| 22 | Indradhanush Gas Grid Ltd. | 31.03.2022 | 10.08.2018 | 85,000,000 | 850.00 | 20.00 | Share holding more than 20% | NA | 1,155.10 | 3.90 | - |
| | | | | | | **Associates** | | | | | |
| 1 | Petronet LNG Limited (PLL) | 31.03.2022 | 02.04.1998 | 187,500,000 | 987.50 | 12.50 | By virtue of shareholding agreement | NA | 17,085.11 | 4,297.64 | - |
| 2 | Pawan Hans Limited. (PHL) | 31.03.2021 | 15.10.1985 | 273,166 | 2,731.66 | 49.00 | Share holding more than 20% | NA | 4,581.61 | (251.46) | - |
| 3 | Rohini Heliport Limited | 31.03.2020 | 07.01.2019 | 4,900 | 0.05 | 49.00 | Share holding more than 20% | NA | (0.16) | (0.06) | - |
| 4 | Petro Carabobo S.A. | 31.03.2020 | 12.05.2010 | 1,126,400 | 3,399.63 | 11.00 | By virtue of shareholding agreement | NA | 565.39 | (109.74) | - |
| 5 | Carabobo Ingeniería Y Construcciones, S.A. | 31.03.2020 | 21.01.2011 | 379 | 0.32 | 37.90 | Share holding more than 20% | NA | 0.32 | - | - |

| 1 | 2 | 3 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Sl. No. | Name of the Joint Ventures/ Associates | Latest audited Balance Sheet Date | Date on which associate or joint venture was associated or acquired | Shares of Associate/Joint Ventures held by the company at the year end 31.03.2022 | | | Description of how there is significant influence | Reason why Associate & JV not consolidated | Networth attributable to Shareholding as per latest audited Balance Sheet | Profit / Loss for the year | |
| | | | | No. | Amount of Investment in Associates/ Joint Venture | Extend of Holding % | | | | Considered in Consolidation | Not Considered in Consolidation |
| 6 | Petrolera Indovenezolana S.A. | 31.03.2022 | 08.04.2008 | 40,000 | 27,937.79 | 40.00 | Share holding more than 20% | NA | 33,847.22 | (2,807.34) | - |
| 7 | South-East Asia Gas Pipeline Company Limited | 30.09.2021 | 25.06.2010 | 16,694 | 5,496.43 | 8.35 | By virtue of shareholding agreement | NA | 3,536.27 | 1,055.57 | - |
| 8 | Tamba B.V. | 31.12.2020 | 01.11.2006 | 1,620 | 4,745.77 | 27.00 | Share holding more than 20% | NA | 4,090.56 | 106.14 | - |
| 9 | JSC Vankorneft | 31.03.2022 | 15% Acquistion - 31.05.2016 11% Acquistion - 28.10.2016 | 3,092,871 | 89,707.92 | 26.00 | Share holding more than 20% | NA | 48,697.43 | 9,360.16 | - |
| 10 | Moz LNG1 Holding Company Ltd. | 31.12.2020 | 08.05.2020 | 35,557,056 | 2,693.45 | 16.00 | By virtue of shareholding agreement | NA | 2,654.84 | (64.10) | - |
| 11 | Falcon Oil & Gas BV | 31.03.2022 | 06.02.2018 | 40 | 20,549.86 | 40.00 | Share holding more than 20% | NA | 20,549.86 | 1,591.67 | - |
| 12 | Bharat Energy Office LLC | Unaudited | 18.10.2021 | 1,000,000 | 6.89 | 20.00 | According to shares held | NA | 6.89 | (0.49) | - |
| 13 | GSPL India Gasnet Ltd. | 31.03.2022 | 31.01.2018 | 208,122,128 | 2,081.22 | 11.00 | By virtue of shareholding agreement | NA | 2,116.90 | 80.70 | - |
| 14 | GSPL India Transco Ltd. | 31.03.2022 | 31.01.2018 | 66,770,000 | 667.70 | 11.00 | By virtue of shareholding agreement | NA | 386.11 | (171.12) | - |

**Note:**

1 Names of associates or joint ventures which are yet to commence operations:
   a) IHB Limited (The Company was converted into a Public Limited Company effective 6 April 2021)
   b) Ratnagiri Refinery & Petrochemicals Ltd.
   c) Indradhanush Gas Grid Ltd.

2 Names of associates or joint ventures which have been liquidated or sold during the year: NIL.

3 $ After considering holding of 0.96% by Mangalore Refinery Petrochemicals Limited.

4 * figures for the DSEZ Ltd. are derived on the basis Limited reviewed finanicial results for FY'22.

5 ^ Petronet India Limited is in the process of voluntary winding up w.e.f. August 30,2018. Net worth presented above is as per audited accounts as of 31 March 2022.

6 # Figures based on Consolidated Financial Statements of the Company.

**FOR AND ON BEHALF OF THE BOARD**

| | | |
|---|---|---|
| Sd/-<br>**(Rajni Kant)**<br>Company Secretary | Sd/-<br>**(Pomila Jaspal)**<br>Director (Finance)<br>(DIN : 08436633) | Sd/-<br>**(Dr. Alka Mittal)**<br>Chairman & Managing Director<br>(DIN : 07272207) |

**In terms of our report of even date attached**

| | | | | | |
|---|---|---|---|---|---|
| **For G M Kapadia & Co.**<br>Chartered Accountants<br>Firm Reg. No.104767W | **For R Gopal & Associates**<br>Chartered Accountants<br>Firm Reg. No.000846C | **For SARC & Associates**<br>Chartered Accountants<br>Firm Reg. No.006085N | **For Kalani & Co.**<br>Chartered Accountants<br>Firm Reg. No: 000722C | **For R.G.N. Price & Co.**<br>Chartered Accountants<br>Firm Reg. No.002785S | **For S. Bhandari & Co.**<br>Chartered Accountants<br>Firm Reg. No.000560C |
| Sd/-<br>(Abhishek Singh)<br>Partner (M. No. 407549) | Sd/-<br>(Sandeep Kumar Sawaria)<br>Partner (M. No. 061771) | Sd/-<br>(Pankaj Sharma)<br>Partner (M. No. 086433) | Sd/-<br>(Vikas Gupta)<br>Partner (M. No. 077076) | Sd/-<br>(G Surendranath Rao)<br>Partner (M. No. 022693) | Sd/-<br>(Sudha Shetty)<br>Partner (M. No. 047684)<br>Place: Mumbai |

**New Delhi**
**28 May 2022**

# 10 Years' Group Performance at a Glance

## ONGC Group Performance at a Glance

| (₹ in million unless otherwise stated) | 2021-22* | 2020-21* | 2019-20* | 2018-19* | 2017-18* | 2016-17 * | 2015-16 * |
|---|---|---|---|---|---|---|---|
| **FINANCIAL** | | | | | | | |
| Revenue from Operations | 5,317,618 | 3,604,635 | 4,249,611 | 4,536,828 | 3,622,464 | 3,256,662 | 1,356,642 |
| Dividend Income | 17,268 | 15,405 | 9,074 | 15,263 | 15,987 | 17,527 | 10,243 |
| Other Non-operating Income | 57,108 | 77,919 | 81,696 | 62,036 | 58,694 | 75,705 | 71,205 |
| **Total Revenue** | **5,391,994** | **3,697,959** | **4,340,381** | **4,614,127** | **3,697,145** | **3,349,894** | **1,438,090** |
| Statutory Levies | 713,669 | 745,309 | 524,150 | 603,591 | 610,944 | 651,502 | 318,823 |
| Operating Expenses ^ | 3,740,740 | 2,293,238 | 3,078,993 | 3,079,546 | 2,368,010 | 2,024,929 | 584,655 |
| Exchange Loss | 5,541 | - | 35,184 | 13,296 | - | - | 1,033 |
| Exploration costs written off | 58,931 | 71,355 | 90,234 | 92,206 | 74,620 | 52,195 | 60,785 |
| **Profit Before Interest, Depreciation & Tax (PBIDT)** | **873,113** | **588,057** | **611,820** | **825,488** | **643,571** | **621,268** | **472,794** |
| Depreciation, Depletion, Amortisation and Impairment | 268,832 | 255,385 | 266,349 | 237,037 | 231,119 | 202,192 | 163,840 |
| **Profit Before Interest & Tax (PBIT)** | **604,281** | **332,672** | **345,471** | **588,451** | **412,452** | **419,076** | **308,954** |
| Finance Costs | 56,960 | 50,790 | 74,893 | 58,367 | 49,990 | 35,911 | 37,656 |
| **Profit before Tax and Exceptional Items** | **547,321** | **281,882** | **270,578** | **530,084** | **362,462** | **383,165** | **271,298** |
| Exceptional item | (21,049) | 9,188 | (90,285) | (15,910) | 2,481 | 5,910 | (79,432) |
| Share of profit/ (loss) of Joint Ventures & Associates (net) | 14,639 | 10,194 | 9,332 | 34,282 | 27,132 | 28,100 | 8,657 |
| **Profit before Tax** | **540,911** | **301,264** | **189,625** | **548,456** | **392,075** | **417,175** | **200,523** |
| Corporate Tax | 47,970 | 87,662 | 75,062 | 209,076 | 131,395 | 125,484 | 69,507 |
| **Profit after Tax** | **492,941** | **213,602** | **114,563** | **339,380** | **260,680** | **291,691** | **131,016** |
| Profit attributable to Non Controlling interests | 37,720 | 50,558 | 6,527 | 33,920 | 39,621 | 47,499 | 2,264 |
| **Profit attributable to Owners of the Company** | **455,221** | **163,044** | **108,036** | **305,460** | **221,059** | **244,192** | **128,752** |
| Dividend | (114,481) | (22,856) | (72,488) | (96,407) | (79,206) | (112,954) | (49,194) |
| Tax on Dividend | - | - | (13,809) | (19,153) | (15,705) | (22,972) | (10,005) |
| Share Capital | 62,901 | 62,901 | 62,902 | 62,902 | 64,166 | 64,166 | 42,778 |
| Net Worth (Equity) | 2,595,029 | 2,209,810 | 2,051,046 | 2,169,347 | 2,040,189 | 1,943,852 | 1,978,137 |
| Total Equity including NCI | 2,833,278 | 2,425,968 | 2,235,103 | 2,350,409 | 2,196,249 | 2,076,772 | 2,004,655 |
| Long-term Borrowings## | 880,427 | 791,621 | 729,316 | 521,680 | 550,249 | 527,723 | 402,292 |
| Working Capital | (267,364) | (355,630) | (497,081) | (473,776) | (495,362) | (535,501) | 38,978 |
| Capital Employed | 2,308,233 | 2,025,625 | 1,981,199 | 1,950,175 | 1,844,539 | 1,649,004 | 1,756,994 |
| **FINANCIAL PERFORMANCE RATIOS** | | | | | | | |
| PBIDT to Turnover (%) | 16.42 | 16.31 | 14.40 | 18.20 | 17.77 | 19.08 | 34.85 |
| PBDT to Turnover (%) | 15.35 | 14.90 | 12.63 | 16.91 | 16.39 | 17.97 | 32.07 |
| Profit Margin (%)- incl. exceptional items | 8.99 | 5.64 | 2.48 | 6.72 | 6.45 | 8.09 | 9.02 |
| Return on Capital Employed) (%) (ROCE) | 25.43 | 15.66 | 16.98 | 29.39 | 21.49 | 24.35 | 17.00 |
| Return on Capital Employed) (%) (ROCE)- incl. exceptional items | 24.52 | 16.12 | 12.42 | 28.58 | 21.63 | 24.71 | 12.48 |
| Net Profit to Equity (%)- incl. exceptional items | 17.54 | 7.38 | 5.27 | 14.08 | 10.84 | 12.56 | 6.51 |
| **BALANCE SHEET RATIOS** | | | | | | | |
| Current Ratio | 0.83:1 | 0.76:1 | 0.65:1 | 0.67:1 | 0.62:1 | 0.64:1 | 1.13:1 |
| Debt Equity Ratio | | | | | | | |
| - Long Term Debt to Total Equity Ratio | 0.31:1 | 0.33:1 | 0.38:1 | 0.25:1 | 0.27:1 | 0.28:1 | 0.21:1 |
| - Total Debt to Total Equity Ratio | 0.38:1 | 0.49:1 | 0.52:1 | 0.46:1 | 0.48:1 | 0.39:1 | 0.23:1 |
| Debtors Turnover Ratio (Days) | 14 | 15 | 12 | 13 | 15 | 13 | 34 |
| **PER SHARE DATA** | | | | | | | |
| Earning Per Share (₹) # | 36.19 | 12.96 | 8.59 | 23.85 | 17.23 | 19.03 | 10.03 |
| Dividend (%) | 210 | 72 | 100 | 140 | 132 | 121 | 170 |
| Book Value Per Share (₹) (Restated)# | 206 | 176 | 163 | 172 | 159 | 151 | 154 |

| ( ₹ in million unless otherwise stated) | 2014-15 | 2013-14 | 2012-13 |
|---|---|---|---|
| **FINANCIAL** | | | |
| Income form Operations | 1,663,888 | 1,782,051 | 1,658,482 |
| Dividend Income | 6,074 | 4,383 | 3,303 |
| Other Non-operating Income | 53,179 | 64,516 | 51,604 |
| **Total Revenue** | **1,723,141** | **1,850,950** | **1,713,389** |
| Statutory Levies | 306,836 | 299,174 | 284,369 |
| Operating Expenses ^ | 824,585 | 901,110 | 824,465 |
| Exchange Loss/(Gain) | (465) | (650) | 4,206 |
| Exploration costs written off | 109,514 | 84,881 | 110,457 |
| **Profit Before Interest, Depreciation & Tax (PBIDT)** | **482,671** | **566,435** | **489,892** |
| Depreciation, Depletion, Amortisation and Impairment | 180,330 | 166,057 | 117,633 |
| **Profit Before Interest & Tax (PBIT)** | **302,341** | **400,377** | **372,259** |
| Finance Cost | 28,637 | 6,243 | 4,838 |
| **Profit before Tax and Exceptional Items** | **273,704** | **394,134** | **367,421** |
| Exceptional item | - | - | - |
| **Profit before Tax** | **273,704** | **394,134** | **367,421** |
| Corporate Tax | 96,974 | 127,604 | 127,519 |
| **Profit after Tax** | **176,730** | **266,530** | **239,902** |
| Share of profit/(loss) in Associates for the year (net) | 303 | 118 | 38 |
| Profit relating to minority | (6,302) | 1,583 | (2,256) |
| **Profit after Tax & Minority Interest** | **183,335** | **265,065** | **242,196** |
| Dividend | (81,277) | (81,277) | (81,277) |
| Tax on Dividend | (16,317) | (13,842) | (13,053) |
| Share Capital | 42,778 | 42,778 | 42,778 |
| Net Worth (Equity) | 1,794,742 | 1,710,556 | 1,510,417 |
| Total Equity | 1,819,473 | 1,739,676 | 1,529,883 |
| Long-term Borrowings | 475,755 | 316,809 | 88,428 |
| Working Capital | 15,427 | (44,857) | 63,899 |
| Capital Employed | 1,781,995 | 1,447,991 | 1,183,203 |
| **FINANCIAL PERFORMANCE RATIOS** | | | |
| PBIDT to Turnover (%) | 29.01 | 31.79 | 29.54 |
| PBDT to Turnover (%) | 27.29 | 31.44 | 29.25 |
| Profit Margin (%)- incl. exceptional items | 10.62 | 14.96 | 14.47 |
| Return on Capital Employed) (%) (ROCE) | 16.63 | 27.35 | 31.18 |
| Return on Capital Employed) (%) (ROCE)- incl. exceptional items | 16.63 | 27.35 | 31.18 |
| Net Profit to Equity (%)- incl. exceptional items | 10.22 | 15.50 | 16.04 |
| **BALANCE SHEET RATIOS** | | | |
| Current Ratio | 1.03:1 | 0.93:1 | 1.13: 1 |
| Debt Equity Ratio | | | |
| - Long Term Debt to Equity Ratio | 0.27:1 | 0.2:1 | 0.06:1 |
| - Total Debt to Equity Ratio | 0.3:1 | 0.28:1 | 0.13:1 |
| Debtors Turnover Ratio (Days) | 38 | 33 | 34 |
| **PER SHARE DATA** | | | |
| Earning Per Share (₹) # | 14.29 | 20.65 | 18.87 |
| Dividend (%) | 190 | 190 | 190 |
| Book Value Per Share (₹) (Restated)# | 140 | 133 | 118 |

*The figures of FY 2021-22, FY 2020-21, FY 2019-20 (restated), FY 2018-19 (restated), FY 2017-18, FY 2016-17 and FY 2015-16 (restated Ind AS compliant) are given as per requirment of Ind AS Compliant Schedule-III to the Companies Act, 2013. Figures for 2014-15 are given as per requirements of Schedule-III to the Companies Act, 2013 and figures for FY 2012-13 to FY 2013-14 are given as per the requirement of revised Schedule VI to the Companies Act, 1956.

# In accordance with Ind AS 33 'Earnings per Share', Earnings per share has been adjusted for bonus issue and split for all years. The book value per share has also been adjusted post bonus & split.

^ includes (Accretion) / Decretion in stock, Purchase of Stock in Trade and provisions & write-offs

## Pursuant to adoption of Ind AS 116 from April 01, 2019, the Finance Lease Obligation classified as borrowing has been reclassified to lease liabilities under Financial liabilities for FY 2018-19

**Note:**

1. Turnover = Revenue from Operations

2. Capital Employed = Net Working Capital + Net Non Current Assets excluding Capital work in progress, Exploratory/ Developments wells & Investments

3. Equity (Net Worth) = (Equity Share Capital + Other Equity ) attributable to Owners of the Company

4. Total Equity = Equity Share Capital + Other Equity + Non Controlling Interests

5. Total Debt = Short Term Borrowings + Long Term Borrowings + Current Maturities of Long Term Debt

6. Profit Margin (%) = Profit after tax for the year excluding share of profit/(loss) of joint ventures and associates/Turnover

7. Current Ratio = Current Assets including Current Investments / Current Liablities

8. Long Term Debt to Total Equity = (Long Term Borrowings + Current Maturities of Long Term Debt)/ Total Equity

9. Total Debt to Total Equity = Total Debt /Total Equity

10. Net Profit to Equity (%) = Profit after Tax attributable to Owners of the Company/ Equity

11. Debtor Turnover Ratio (days) = (Average Receivables/Revenue from Operaions)*365

12. Earning per share = Profit after Tax attributable to Owners of the Company / No. of Equity Shares

13. Book vaule per share = Equity/ No. of Equity Shares

14. ROCE = (PBIT excluding Dividend income) / Capital Employed.

ONGC is investing over ₹ 30,000 crore in aggressive exploration in next three years

## Statement of Income and Retained Earnings of ONGC Group

| ( ₹ in million) | 2021-22* | 2020-21* | 2019-20* | 2018-19* | 2017-18* | 2016-17 * | 2015-16 * |
|---|---|---|---|---|---|---|---|
| **REVENUES** | | | | | | | |
| **Sale of Products** | **5,297,624** | **3,587,875** | **4,227,808** | **4,515,709** | **3,606,428** | **3,232,749** | **1,348,162** |
| Other Operating Revenue | 19,994 | 16,760 | 21,803 | 21,119 | 16,036 | 23,913 | 8,480 |
| **Total Revenue from Operations** | **5,317,618** | **3,604,635** | **4,249,611** | **4,536,828** | **3,622,464** | **3,256,662** | **1,356,642** |
| Dividend Income | 17,268 | 15,405 | 9,074 | 15,263 | 15,987 | 17,527 | 10,243 |
| Other Non-operating Income | 57,108 | 77,919 | 81,696 | 62,036 | 58,694 | 75,705 | 71,205 |
| **Total Revenues** | **5,391,994** | **3,697,959** | **4,340,381** | **4,614,127** | **3,697,145** | **3,349,894** | **1,438,090** |
| **COST & EXPENSES** | | | | | | | |
| **Operating, Selling & General** | | | | | | | |
| Statutory Levies | | | | | | | |
| (a) Royalties | 159,173 | 91,385 | 127,846 | 147,730 | 109,379 | 125,242 | 99,152 |
| (b) Cess | 141,261 | 80,188 | 107,878 | 128,568 | 99,638 | 89,045 | 101,916 |
| (c) Excise Duty | 404,920 | 565,713 | 281,985 | 320,753 | 395,407 | 431,601 | 115,901 |
| (d) Natural Calamity Contingent Duty - Crude Oil | 974 | 989 | 1,020 | 1,063 | 1,122 | 1,129 | 1,137 |
| (e) Octroi & Port Trust Charges # | 543 | 433 | 347 | 322 | 389 | 354 | 333 |
| (f) Other Levies | 6,798 | 6,601 | 5,074 | 5,155 | 5,009 | 4,131 | 384 |
| **Sub-Total (a to f)** | **713,669** | **745,309** | **524,150** | **603,591** | **610,944** | **651,502** | **318,823** |
| (Accretion) / Decretion in stock | (23,031) | (100,471) | 11,456 | (30,956) | (82) | (47,847) | 7,560 |
| Production, Transportation, Selling and Distribution Expenditure | 1,506,974 | 970,084 | 1,280,146 | 1,439,817 | 1,135,340 | 1,027,440 | 569,416 |
| Purchase of Stock-in-Trade | 2,248,713 | 1,412,015 | 1,760,064 | 1,654,387 | 1,216,894 | 1,041,983 | - |
| Provisions and Write-offs | 8,084 | 11,610 | 27,327 | 16,298 | 15,858 | 3,353 | 7,679 |
| Exchange Loss | 5,541 | - | 35,184 | 13,296 | - | - | 1,033 |
| Exploration Costs Written off | | | | | | | |
| -Survey Costs | 19,885 | 19,677 | 19,015 | 19,607 | 15,968 | 19,019 | 17,389 |
| -Exploratory Well Costs | 39,046 | 51,678 | 71,219 | 72,599 | 58,652 | 33,176 | 43,396 |
| **Profit Before Depreciation, Interest &Tax** | **873,113** | **588,057** | **611,820** | **825,488** | **643,571** | **621,268** | **472,794** |
| Depreciation, Depletion, Amortisation and Impairment | 268,832 | 255,385 | 266,349 | 237,037 | 231,119 | 202,192 | 163,840 |
| **Total Cost & Expenses** | **4,787,713** | **3,365,287** | **3,994,910** | **4,025,676** | **3,284,693** | **2,930,818** | **1,129,136** |
| **Profit Before Interest &Tax** | **604,281** | **332,672** | **345,471** | **588,451** | **412,452** | **419,076** | **308,954** |
| Finance Cost | 56,960 | 50,790 | 74,893 | 58,367 | 49,990 | 35,911 | 37,656 |
| **Profit before Tax and Exceptional item** | **547,321** | **281,882** | **270,578** | **530,084** | **362,462** | **383,165** | **271,298** |
| Exceptional item | (21,049) | 9,188 | (90,285) | (15,910) | 2,481 | 5,910 | (79,432) |
| Share of profit of Joint Ventures & Associates | 14,639 | 10,194 | 9,332 | 34,282 | 27,132 | 28,100 | 8,657 |
| **Profit before Tax** | **540,911** | **301,264** | **189,625** | **548,456** | **392,075** | **417,175** | **200,523** |
| Corporate Tax ( Net) | 47,970 | 87,662 | 75,062 | 209,076 | 131,395 | 125,484 | 69,507 |
| **Profit after Tax (A)** | **492,941** | **213,602** | **114,563** | **339,380** | **260,680** | **291,691** | **131,016** |
| **Other comprehensive income (B)** | **43,972** | **18,647** | **(122,321)** | **(8,965)** | **(31,728)** | **137,070** | **22,465** |
| **Total Comprehensive Income (A) +(B)** | **536,913** | **232,249** | **(7,758)** | **330,415** | **228,952** | **428,761** | **153,481** |
| **Profit after tax for the year attributable to:** | | | | | | | |
| - Owners of the Company | 455,221 | 163,044 | 108,036 | 305,460 | 221,059 | 244,192 | 128,752 |
| - Non-controlling interests | 37,720 | 50,558 | 6,527 | 33,920 | 39,621 | 47,499 | 2,264 |
| **Other comprehensive income** | | | | | | | |
| - Owners of the Company | 42,968 | 17,894 | (119,087) | (8,531) | (31,914) | 136,283 | 22,467 |
| - Non-controlling interests | 1,004 | 753 | (3,234) | (434) | 186 | 787 | (2) |
| **Total comprehensive income attributable to:** | | | | | | | |

| ( ₹ in million) | 2021-22* | 2020-21* | 2019-20* | 2018-19* | 2017-18* | 2016-17 * | 2015-16 * |
|---|---|---|---|---|---|---|---|
| - Owners of the Company | 498,189 | 180,938 | (11,051) | 296,929 | 189,146 | 380,475 | 151,219 |
| - Non-controlling interests | 38,724 | 51,311 | 3,293 | 33,486 | 39,806 | 48,286 | 2,262 |
| **Retained Earnings at beginning of the year** | **246,090** | **152,456** | **204,656** | **190,809** | **184,724** | **100,418** | **214,095** |
| Effect of restatement | - | 2,488 | (12,491) | (12,551) | - | 62,524 | (91,995) |
| **Retained Earnings at beginning of the year (restated)** | **246,090** | **154,944** | **192,165** | **178,258** | **184,724** | **162,942** | **122,100** |
| Profit after tax for the year | 455,221 | 163,044 | 108,036 | 305,460 | 221,059 | 244,192 | 128,752 |
| Other comprehensive income | 504 | (889) | (3,691) | (2,912) | (534) | (3,121) | (299) |
| Other adjustments (including joint ventures & associates) | (83) | (1,500) | (2,690) | 681 | (420) | (132) | (24) |
| Adjustments due to Cross holding of Investment | 2,589 | 1,572 | (2,433) | 1,001 | 2,989 | 2,834 | - |
| Preacquistion Adjustment for Bonus share by HPCL | - | - | - | - | (2,483) | (3,311) | - |
| Dividend | (114,481) | (22,856) | (72,488) | (96,407) | (79,206) | (112,954) | (49,194) |
| Tax on Dividend | - | - | (13,809) | (19,153) | (15,705) | (22,972) | (10,005) |
| Transition impact of Ind AS 115 (net of tax) | - | - | - | (420) | - | - | - |
| Expenses Related to Buy Back of Shares | (999) | - | - | (75) | - | - | - |
| Transfer to Capital redemption reserve | (184) | - | - | - | - | - | - |
| Transfer from/to Legal Reserves | (1,776) | 27,436 | - | (6,890) | (9,530) | (581) | (8,082) |
| Transfer to General Reserve | (289,518) | (75,488) | (50,216) | (154,592) | (110,472) | (64,691) | (76,067) |
| Transfer from/to Debenture Redemption Reserve | (12) | (173) | (2,418) | (295) | 387 | (17,482) | (6,763) |
| **Retained Earnings at end of the year** | **297,351** | **246,090** | **152,456** | **204,656** | **190,809** | **184,724** | **100,418** |

ONGC accords high priority to maintenance and upkeep of facilities

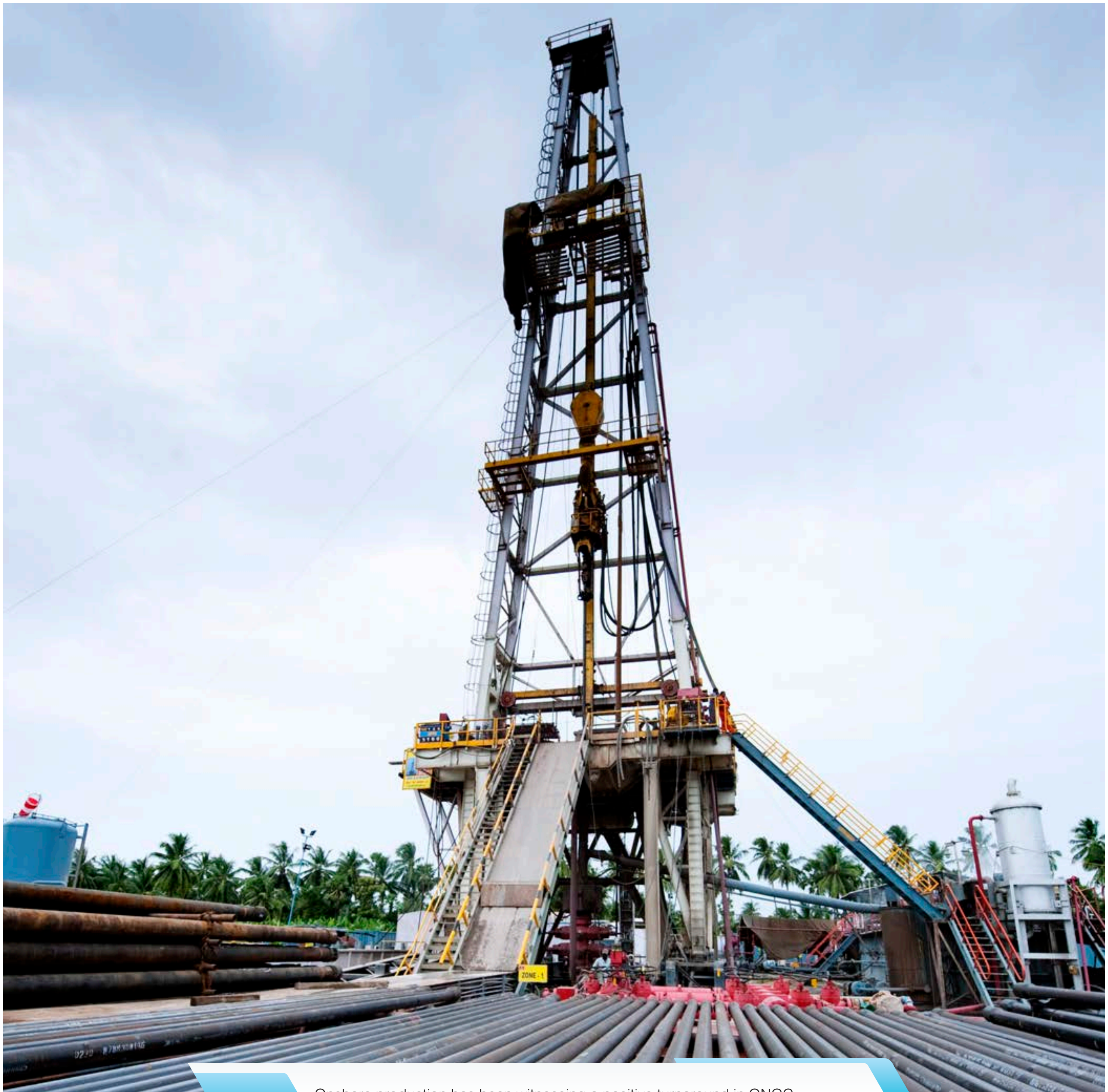
## Statement of Income and Retained Earnings of ONGC Group

| ( ₹ in million) | 2014-15 | 2013-14 | 2012-13 |
|---|---|---|---|
| **REVENUES** | | | |
| **Sale of Products** | **1,645,426** | **1,769,362** | **1,649,074** |
| Traded Products | 60 | 44 | 43 |
| Other Operating Revenue | 18,402 | 12,645 | 9,365 |
| **Total Revenue from Operations** | **1,663,888** | **1,782,051** | **1,658,482** |
| Dividend Income | 6,074 | 4,383 | 3,303 |
| Other Non-operating Income | 53,179 | 64,516 | 51,604 |
| **Total Revenues** | **1,723,141** | **1,850,950** | **1,713,389** |
| **COST & EXPENSES** | | | |
| **Operating, Selling & General** | | | |
| Statutory Levies | | | |
| (a) Royalties | 141,451 | 150,102 | 137,210 |
| (b) Cess | 102,535 | 99,734 | 99,971 |
| (c) Motor Spirit Cess | - | 3 | - |
| (d) Excise Duty | 52,669 | 37,432 | 34,732 |
| (e) Natural Calamity Contingent Duty - Crude Oil | 1,123 | 1,097 | 1,101 |
| (f) Sales Tax | 2,586 | 3,123 | 3,834 |
| (g) Service Tax | 298 | 439 | 353 |
| (h) Education Cess | 91 | 2,348 | 3,111 |
| (i) Octroi & Port Trust Charges | 6,083 | 4,896 | 4,057 |
| **Sub-Total (a to i)** | **306,836** | **299,174** | **284,369** |
| (Accretion) / Decretion in stock | 17,229 | (5,285) | (11,205) |
| Production, Transportation, Selling and Distribution Expenditure | 793,345 | 898,504 | 813,428 |
| Provisions and Write-offs | 10,876 | 10,315 | 22,243 |
| Exchange Loss | (465) | (650) | 4,206 |
| Adjustments relating to Prior Period (Net) | 3,135 | (2,423) | (1) |
| Exploration Costs Written off | | | |
| -Survey Costs | 20,835 | 17,471 | 18,078 |
| -Exploratory Well Costs | 88,679 | 67,410 | 92,379 |
| **Profit Before Depreciation, Interest &Tax** | **482,671** | **566,435** | **489,892** |
| Depreciation, Depletion, Amortisation and Impairment | 180,330 | 166,057 | 117,633 |
| **Total Cost & Expenses** | **1,420,800** | **1,450,573** | **1,341,130** |
| **Operating Income Before Interest &Tax** | **302,341** | **400,377** | **372,259** |
| Finance Cost | 28,637 | 6,243 | 4,838 |
| **Profit before Tax and Exceptional item** | **273,704** | **394,134** | **367,421** |
| Exceptional item | - | - | - |
| **Profit before Tax** | **273,704** | **394,134** | **367,421** |
| Corporate Tax (Net) | 96,974 | 127,604 | 127,519 |
| **Profit after Tax** | **176,730** | **266,530** | **239,902** |
| Share in Associates for the year | 303 | 118 | 38 |
| Profit relating to minority | (6,302) | 1,583 | (2,256) |
| **Group Profit after Tax** | **183,335** | **265,065** | **242,196** |
| Profit & Loss Account Balance b/f | 233,115 | 205,773 | 179,959 |
| Adjustments due to change in share holding /other adjustment | 1 | 46 | 59 |
| Transfer to Capital Redemption Reserve | - | - | (46) |
| Dividend | (81,277) | (81,277) | (81,277) |
| Tax on Dividend | (16,317) | (13,842) | (13,053) |
| Transfer to Self Insurance Reserves | (4) | - | - |

| ( ₹ in million) | 2014-15 | 2013-14 | 2012-13 |
|---|---|---|---|
| Transfer to CSR Reserves | - | - | - |
| Transfer to General Reserve | (80,755) | (132,250) | (117,757) |
| Transfer to Debenture Redemption Reserve | (24,003) | (10,400) | (4,308) |
| **Retained Earnings at Close** | **214,095** | **233,115** | **205,773** |

*The figures of FY 2021-22, FY 2020-21, FY 2019-20 (restated), FY 2018-19(restated), FY 2017-18, FY 2016-17 and FY 2015-16 (restated Ind AS compliant) are given as per requirment of Ind AS Compliant Schedule-III to the Companies Act, 2013. Figures for 2014-15 are given as per requirements of Schedule-III to the Companies Act, 2013 and figures for FY 2012-13 to FY 2013-14 are given as per the requirement of revised Schedule VI to the Companies Act, 1956.

# In terms of Para 8 of Ind AS 18 'Revenue' sale of goods has been presented net of sales tax and Octroi for 2016-17 and 2015-16.



Onshore production has been witnessing a positive turnaround in ONGC

**Statement of Financial Position of ONGC Group**

| ( ₹ in million) | 2021-22* | 2020-21* | 2019-20* | 2018-19* | 2017-18* | 2016-17 * | 2015-16 * |
|---|---|---|---|---|---|---|---|
| **RESOURCES** | | | | | | | |
| **A. Own** | | | | | | | |
| 1. Net Worth | | | | | | | |
| (a) Equity | | | | | | | |
| i)Share Capital | 62,901 | 62,901 | 62,902 | 62,902 | 64,166 | 64,166 | 42,778 |
| ii)Other Equity | | | | | | | |
| - Reserve for equity instruments through other comprehensive income (OCI) | 141,581 | 102,291 | 77,221 | 200,362 | 215,813 | 246,864 | 110,536 |
| -Others | 2,390,547 | 2,044,618 | 1,910,923 | 1,906,083 | 1,760,210 | 1,632,822 | 1,824,823 |
| **Total other equity** | **2,532,128** | **2,146,909** | **1,988,144** | **2,106,445** | **1,976,023** | **1,879,686** | **1,935,359** |
| **Net worth #** | **2,595,029** | **2,209,810** | **2,051,046** | **2,169,347** | **2,040,189** | **1,943,852** | **1,978,137** |
| B. Long-term Borrowings | 880,427 | 791,621 | 729,316 | 521,680 | 550,249 | 527,723 | 402,292 |
| C. Deferred Tax Liability (Net) | 349,345 | 427,068 | 433,745 | 449,910 | 398,070 | 352,172 | 264,456 |
| D. Non-Controlling interests | 238,249 | 216,158 | 184,057 | 181,062 | 156,060 | 132,920 | 26,518 |
| **TOTAL RESOURCES ( A+B+C+D )** | **4,063,050** | **3,644,657** | **3,398,164** | **3,321,999** | **3,144,568** | **2,956,667** | **2,671,403** |
| **DISPOSITION OF RESOURCES** | | | | | | | |
| **A. Non-current assets** | | | | | | | |
| **1. Block Capital (Net)** | | | | | | | |
| i) Other Property Plant & Equipment ^ | 830,263 | 741,258 | 741,274 | 712,382 | 681,341 | 667,449 | 309,498 |
| ii) Oil and Gas Assets ^ | 1,433,524 | 1,392,809 | 1,400,441 | 1,443,794 | 1,430,878 | 1,296,152 | 1,198,915 |
| iii) Right of Use Assets | 157,826 | 159,064 | 147,118 | - | - | - | - |
| iv) Intangible assets | 10,274 | 8,868 | 7,641 | 6,768 | 6,254 | 5,749 | 1,054 |
| v) Investment Properties | 79 | 79 | 79 | 79 | 79 | 1 | - |
| **Total Block Capital** | **2,431,966** | **2,302,078** | **2,296,553** | **2,163,023** | **2,118,552** | **1,969,351** | **1,509,467** |
| 2. Goodwill on consolidation | 112,056 | 135,386 | 142,367 | 140,884 | 142,025 | 141,904 | 153,301 |
| **3. Financial asssets** | | | | | | | |
| a) Trade receivables | 24,765 | 25,630 | 23,741 | 20,572 | 16,564 | 13,630 | 11,695 |
| b) Loans | 26,437 | 23,440 | 32,146 | 28,504 | 20,911 | 21,546 | 21,188 |
| c) Deposit with Bank Under Site Restoration Fund Scheme | 248,722 | 235,115 | 222,836 | 181,884 | 160,640 | 145,943 | 135,986 |
| d) Others | 79,927 | 68,347 | 41,369 | 37,275 | 11,630 | 9,392 | 9,660 |
| **Total Financial assets** | **379,851** | **352,532** | **320,092** | **268,235** | **209,745** | **190,511** | **178,529** |
| 4. Non-current tax assets | 105,190 | 95,669 | 107,600 | 105,232 | 108,314 | 98,720 | 83,615 |
| 5. Other non-current Assets (Excluding Capital Advance) | 30,456 | 24,119 | 36,279 | 44,962 | 32,400 | 25,575 | 15,362 |
| **6. Sub-Total (A) = (1+2+3+4+5)** | **3,059,519** | **2,909,784** | **2,902,891** | **2,722,336** | **2,611,036** | **2,426,061** | **1,940,274** |
| **B. Less: Non-current Liabilities & Provision** | | | | | | | |
| a) Lease liabilities## | 92,167 | 96,462 | 80,149 | 6,053 | - | - | - |
| b) Financial liabilities | 20,028 | 62,867 | 7,019 | 8,353 | 7,310 | 2,321 | 1,538 |
| c) Provisions | 363,306 | 361,268 | 331,006 | 278,499 | 252,002 | 231,146 | 220,487 |
| d) Other non current liabilities | 8,421 | 7,932 | 6,437 | 5,480 | 11,823 | 8,089 | 233 |
| **Sub-Total (B)** | **483,922** | **528,529** | **424,611** | **298,385** | **271,135** | **241,556** | **222,258** |
| **Net Non Current Asset (C)=(A)-(B)** | **2,575,597** | **2,381,255** | **2,478,280** | **2,423,951** | **2,339,901** | **2,184,505** | **1,718,016** |
| **D. Net Working Capital** | | | | | | | |
| **1. Current Assets** | | | | | | | |
| i) Inventories | 541,631 | 445,733 | 330,512 | 351,341 | 305,571 | 298,817 | 99,181 |
| ii) Financial assets | | | | | | | |
| a) Trade Receivables | 191,873 | 160,158 | 91,734 | 153,965 | 138,992 | 125,471 | 83,317 |

| ( ₹ in million) | 2021-22* | 2020-21* | 2019-20* | 2018-19* | 2017-18* | 2016-17 * | 2015-16 * |
|---|---|---|---|---|---|---|---|
| b) Cash & Bank Balances | 68,409 | 71,923 | 96,402 | 48,197 | 50,628 | 132,126 | 246,890 |
| c) Loans | 4,929 | 4,785 | 11,821 | 17,015 | 12,583 | 9,927 | 3,406 |
| d) Others | 52,651 | 65,502 | 115,707 | 169,288 | 142,436 | 110,016 | 79,004 |
| iii) Others Current Assets | 147,385 | 128,935 | 107,468 | 81,315 | 24,085 | 28,435 | 42,804 |
| **Sub-Total (1)** | **1,006,878** | **877,036** | **753,644** | **821,121** | **674,295** | **704,792** | **554,602** |
| **Less:** | | | | | | | |
| **II. Current Liabilities** | | | | | | | |
| **a) Financial liabilities** | | | | | | | |
| i) Short-term borrowings | 197,331 | 398,991 | 315,056 | 493,323 | 462,212 | 216,274 | 43,185 |
| ii) Trade payables | 401,711 | 269,250 | 229,611 | 305,575 | 264,847 | 240,138 | 297,780 |
| iii) Lease Liabilities## | 49,933 | 44,796 | 51,552 | 1,017 | - | - | - |
| iv) Others | 434,264 | 371,480 | 543,047 | 369,207 | 322,356 | 661,557 | 130,660 |
| b) Other current liabilities | 113,948 | 90,379 | 63,335 | 69,897 | 66,659 | 63,862 | 21,244 |
| c) Short-term provisions | 66,630 | 50,344 | 41,872 | 43,825 | 44,099 | 49,512 | 12,309 |
| d) Current tax liabilities (net) | 10,425 | 7,426 | 6,252 | 12,053 | 9,484 | 8,950 | 10,446 |
| **Sub-Total (II)** | **1,274,242** | **1,232,666** | **1,250,725** | **1,294,897** | **1,169,657** | **1,240,293** | **515,624** |
| **Net Working Capital (D)= (1) - (II)** | **(267,364)** | **(355,630)** | **(497,081)** | **(473,776)** | **(495,362)** | **(535,501)** | **38,978** |
| **E. Capital Employed** | **2,308,233** | **2,025,625** | **1,981,199** | **1,950,175** | **1,844,539** | **1,649,004** | **1,756,994** |
| **F. Investments** | | | | | | | |
| i) Non-current Investments | 612,706 | 549,028 | 514,103 | 618,252 | 623,352 | 620,026 | 303,836 |
| ii) Current Investments | 53,715 | 54,176 | 53,449 | 50,838 | 49,994 | 87,431 | 30,032 |
| **G. Capital Works in Progress (Including Capital Advance)** | **736,049** | **641,722** | **469,445** | **311,131** | **225,378** | **332,665** | **329,976** |
| **H. Intangible assets under development** | **352,347** | **374,106** | **379,968** | **391,603** | **401,305** | **267,541** | **250,565** |
| **TOTAL DISPOSITION (E+F+G+H)** | **4,063,050** | **3,644,657** | **3,398,164** | **3,321,999** | **3,144,568** | **2,956,667** | **2,671,403** |

### Statement of Financial Position of ONGC Group

| ( ₹ in million) | 2014-15 | 2013-14 | 2012-13 |
|---|---|---|---|
| **RESOURCES** | | | |
| **A. Own** | | | |
| 1. Net Worth | | | |
| (a) Equity | | | |
| i) Share Capital | 42,778 | 42,778 | 42,778 |
| ii) Reserves & Surplus | 1,761,766 | 1,678,738 | 1,482,498 |
| **Sub-Total** | **1,804,544** | **1,721,516** | **1,525,276** |
| (b) Less: Miscellaneous Expenditure | 9,802 | 10,960 | 14,859 |
| **Net Worth** | **1,794,742** | **1,710,556** | **1,510,417** |
| B. Long-term Borrowings | 475,755 | 316,809 | 88,428 |
| C. Deferred Tax Liability (Net) | 181,759 | 178,635 | 142,251 |
| D. Minority Interest | 24,731 | 29,120 | 19,466 |
| **TOTAL RESOURCES ( A+B+C+D )** | **2,476,987** | **2,235,120** | **1,760,562** |
| **DISPOSITION OF RESOURCES** | | | |
| **A. Non-current assets** | | | |
| **1. Block Capital (Net)** | | | |
| i) Fixed Assets ^ | 686,712 | 462,254 | 406,745 |
| ii) Oil and Gas Assets/Producing Properties ^ | 910,049 | 912,681 | 705,395 |
| iii) Intangible assets | 1,169 | 754 | 1,041 |
| **Total Block Capital** | **1,597,930** | **1,375,689** | **1,113,181** |
| 2. Goodwill on consolidation | 201,399 | 183,545 | 83,255 |
| 3. Long-term Loans and Advances(Excluding Capital Advance) | 94,164 | 83,077 | 67,002 |

| (₹ in million) | 2014-15 | 2013-14 | 2012-13 |
|---|---|---|---|
| 4. Deposit with Bank Under Site Restoration Fund Scheme | 136,424 | 120,830 | 106,349 |
| 5. Other non-current Assets (Excluding DRE) | 71,270 | 53,474 | 19,642 |
| **6. Sub-Total= (1+2+3+4+5)** | **2,101,187** | **1,816,615** | **1,389,429** |
| **7. Less: Non-current Liabilities & Provision** | | | |
| a. Other Long Term Liabilities | 7,625 | 18,467 | 17,163 |
| b. Provision for Abandonment Cost | 298,198 | 274,266 | 207,255 |
| c. Long Term Provisions | 28,796 | 31,034 | 45,707 |
| **Sub-Total (7)** | **334,619** | **323,767** | **270,125** |
| **Net Non Current Asset (A)=(6)-(7)** | **1,766,568** | **1,492,848** | **1,119,304** |
| **B. Net Working Capital** | | | |
| **1. Current Assets** | | | |
| i) Inventories | 106,198 | 148,015 | 127,726 |
| ii) Trade Receivables | 188,158 | 160,290 | 153,956 |
| iii) Cash & Bank Balances | 160,969 | 244,801 | 196,190 |
| iv) Short-term Loans & Advances | 100,174 | 66,317 | 59,766 |
| v) Others Current Assets (Excluding DRE) | 9,635 | 8,135 | 9,082 |
| **Sub-Total (1)** | **565,134** | **627,558** | **546,720** |
| **Less:** | | | |
| **2. Current Liabilities** | | | |
| i) Short-term borrowings | 53,448 | 139,073 | 115,271 |
| ii) Trade payables | 304,660 | 306,803 | 186,148 |
| iii) Other current liabilities | 168,205 | 217,039 | 170,869 |
| iv) Short-term provisions | 23,394 | 9,500 | 10,533 |
| **Sub-Total (2)** | **549,707** | **672,415** | **482,821** |
| **Net Working Capital** | **15,427** | **(44,857)** | **63,899** |
| **C. Capital Employed** | **1,781,995** | **1,447,991** | **1,183,203** |
| **D. Investments** | | | |
| i) Non-current Investments | 47,470 | 47,205 | 20,453 |
| ii) Current Investments | 22 | 254 | 829 |
| **E. Capital Works in Progress (Including Capital Advance)** | **435,533** | **557,603** | **419,676** |
| **F. Exploratory/Development Wells in Progress** | **211,967** | **182,067** | **136,401** |
| **TOTAL DISPOSITION (C+D+E+F)** | **2,476,987** | **2,235,120** | **1,760,562** |

* The figures of FY 2021-22, FY 2020-21, FY 2019-20 (restated), FY 2018-19(restated) , FY 2017-18, FY 2016-17 and FY 2015-16 (restated Ind AS compliant) are given as per requirment of Ind AS Compliant Schedule-III to the Companies Act, 2013. Figures for 2014-15 are given as per requirements of Schedule-III to the Companies Act, 2013 and figures for FY 2012-13 to FY 2013-14 are given as per the requirement of revised Schedule VI to the Companies Act, 1956.

# Includes reserve for equity instruments through other comprehensive income

^ Note: As on transition date 1st April 2015, carrying value of assets pertaining to production & allied facilities has been regrouped from other Property Plant and Equipment to “Oil and Gas Assets” to reflect the aggregate amount of Oil and Gas Assets.

## Pursuant to adoption of Ind AS 116 from April 01, 2019, the Finance Lease Obligation classified as borrowing has been reclassified to lease liabilities under Financial labilties for FY 2018-19


БЕРКУТ
BERKUT БЕРКУТ

# Consolidated Financial Statements

# INDEPENDENT AUDITORS' REPORT

**To the Members of Oil and Natural Gas Corporation Limited Report on the Audit of the Consolidated Financial Statements**

## 1. Opinion

We have audited the accompanying consolidated financial statements of **Oil and Natural Gas Corporation Limited** ("the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), joint ventures and associates, which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, joint ventures and associates, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its joint ventures and associates as at March 31, 2022 and its consolidated profit (including other comprehensive income), consolidated changes in equity and consolidated cash flows for the year then ended.

## 2. Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its joint ventures and associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred into Para 5 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

## 3. Emphasis of Matter

We draw attention to the following matters in the notes to the Consolidated Financial Statements, including the matters reported by the component auditors as per the requirement of Standard on Auditing (SA 600) on 'Using the work of Another Auditor', considering materiality:

**i.** Note No. 13.2, which explains that certain exploratory fields have been identified by DGH, MoPNG, GOI for bidding under DSF III, after considering the value of such fields as 'Nil'. As these fields need to be handed over to the successful bidders, pending finalization of mechanism of recovery of carrying cost of these fields, an impairment provision of ₹ 12,549.06 million has been made during the year towards carrying value of the land and exploratory wells in these fields.

**ii.** Note No. 46.3, which states that pursuant to Section 115BAA of the Income Tax Act, 1961, during the current year, the Holding Company has decided to avail the option of lower tax rate with effect from the financial year 2020-21. Accordingly, the Holding Company has recognised provision for tax expenses in the financial statements for the year ended March 31, 2022 and re-measured its net Deferred Tax liabilities on the basis of the provision prescribed in the said section. The net impact due to availing the said option has resulted in decrease in deferred tax by ₹ 90,555.15 million (of which ₹ (-) 1,382.25 million has been accounted in Other Comprehensive Income) and decrease in current tax by ₹ 28,019.77 million (including ₹ 1,639.72 million relating to earlier years).

**iii.** Note No. 58.1.4, wherein it is stated that Directorate General of Hydrocarbons (DGH) had raised a demand on all the JV partners under the Production Sharing Contract with respect to Panna-Mukta and Mid and South Tapti contract areas (PMT JV), being BG Exploration and Production India Limited (BGEPIL) and Reliance Industries Limited (RIL) (together "the Claimants") and the Holding Company (all three together referred to as "Contractors"), towards differential GOI share of Profit Petroleum and Royalty alleged to be payable by contractors pursuant to Government's interpretation of the Final Partial Award of Arbitral Tribunal (40% share of the Company amounting to USD 1,624.05 million equivalent to ₹123,022 million, including interest upto 30th November, 2016). Subsequent to Tribunal Orders dated October 12, 2016, DGH vide letter dated May 25, 2017, June 4, 2018 and January 14, 2019 had asked contractor for re-casting of accounts of the PMT JV and for remitting the respective PI share of balance dues including interest till the date of remittance. As the Holding Company is not a party to the arbitration, the details of the proceedings of arbitration and copy of the order of London High Court are not available with the Holding Company. The Holding Company has responded that The English high Court has delivered its final verdict on May 2, 2018 following which the Arbitral Tribunal re-considered some of its earlier findings from the 2016 FPA (Revised Award); The Government of India and JV Partners have challenged parts of the Revised Award before English court. On February 12, 2020, the English Court passed a verdict favouring the challenges made by BGEPIL and RIL and also remitted the matter in the Revised Award back to Arbitral Tribunal for reconsideration. In January 2021, the Tribunal issued a verdict favouring BGEPIL/RIL on the remitted matter, which has been challenged by the GOI before the English Court. Pending finalization of the decision of the Arbitral Tribunal, the Holding Company has indicated in their letters to DGH that the final recasting of the accounts is premature and the issues raised by DGH may be kept in abeyance and therefore no provision for the same has been considered necessary and has been considered as contingent liability.

**iv.** Note No. 58.1.2, with respect to ongoing disputes/demands raised on various work centres of the Holding Company under Service Tax (ST) and Goods & Service Tax (GST) in respect of ST and GST on Royalty levied on Crude Oil and Natural Gas. Based on the legal opinion, the Holding Company has disputed such levies and contesting the same at various forums. The estimated amounts under disputes as worked out towards ST and GST (including interest and penalty upto March 31, 2022) of ₹ 40,172.56 million and ₹ 102,731.94 million respectively (Total ₹ 142,904.50 million), has been considered as contingent liability. As a measure of abundant caution, the Holding Company has deposited ST and GST along with interest under protest amounting to ₹ 13,524.39 million and ₹ 74,043.48 million respectively (Total ₹ 87,567.87 million).

**v.** Note No. 49.1.1 which states that, with regard to amalgamation of erstwhile subsidiary company of Mangalore Refinery and Petrochemicals Limited (MRPL) i.e. ONGC Mangalore Petrochemicals Limited (OMPL) with MRPL, as Human Resources (HR) integration with respect to amalgamation is in progress, the Employee Benefits Expenses including Actuarial Valuation in this regards have been considered separately for both companies and possible impact of the changes on account of Human Resources integration could not be quantified and disclosed at this juncture.

**vi.** Note No. 33.5 which states that pursuant to the scheme of Amalgamation of erstwhile subsidiary company ONGC Mangalore Petrochemicals Limited (OMPL)('Amalgamating Company') into and with MRPL ('Amalgamated Company'), the unused tax losses and unused tax credits of the amalgamating company becomes unused tax losses and unused tax credits of the amalgamated company for the financial year 2021-22 and hence MRPL has reassessed and recognised the Deferred Tax Assets on such unused tax losses and unused tax credits based on the probability of earning sufficient taxable profits in the future years in line with Ind As 12 – Income taxes. Accordingly, this has resulted in increase in the Deferred Tax Assets by ₹ 14,554.27 million for the year ended March 31, 2022.

**vii.** Note No. 15.6 of Consolidated Ind AS Financial Statement regarding receivables from Government of Sudan amounting to ₹ 29,164.39 million have been assessed for lifetime expected credit loss, an impairment loss of ₹ 933.46 million has been provided during the year. The total accumulated provision against these receivables stands at ₹ 4,399.38 million. There is a significant estimation uncertainty and future events can have a significant impact on the recoverability of the receivables.

**viii.** Note No. 5 of the Consolidated Ind AS financial statement regarding the management's estimation/view and its impact on current and future performance of the group due to sanction and Russia & Ukraine war.

Our opinion on the Consolidated Financial Statements is not modified in respect of these matters.

### 4. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, description of how the matter was addressed in our audit is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report. Considering the requirement of Standard on Auditing (SA 600) on 'Using the work of Another Auditor' including materiality, below Key Audit Matters have been reproduced from the Independent Auditors' report on the audit of Standalone Financial Statements of the Holding Company and its material subsidiaries:


Search for Oil needs passion, commitment and fortitude – ONGC Energy Soldiers at work, in remote terrains

**A. Key Audit Matters for Holding Company**

| Key Audit Matter | How our audit addressed the matter |
|---|---|
| **Evaluation of adequacy of provision for impairment for tangible and intangible assets (Refer Note 57 to the Consolidated Financial Statements)**<br><br>Management has assessed whether any provision needs to be recognised on account of impairment of tangible and intangible assets.<br><br>The Holding Company reviews the carrying amount of its tangible and intangible assets (Oil and Gas Assets including Capital Work-in-Progress (CWIP) & Development Wells in Progress (DWIP), Other Property, Plant & Equipment (including Capital Works-in-Progress, Right of Use Assets) for the "Cash Generating Unit" (CGU) determined at the end of each reporting period to assess whether there is any indication that those assets have suffered any impairment loss.<br><br>Oil and Gas price assumptions have a significant impact on CGU impairment assessments and are inherently uncertain. Furthermore, oil and gas prices are subject to increased uncertainty, given regulatory guidelines including notified gas prices, climate change and the global energy transition.<br><br>The management's assumptions for prices of oil and gas in future are highly judgemental and may not be reflective of above factors, leading to a risk of material misstatement.<br><br>Given the long timeframes involved, certain recoverable amounts of assets are sensitive to the discount rate applied. Since the determination of appropriate discount rate is judgemental, there is a risk that discount rates may not reflect the return required by the market and the risks inherent in the cash flows being discounted, which may lead to a material misstatement.<br><br>A key input to impairment assessments and valuations is the production forecast, in turn closely related to the Company's reserves estimates, production profile and field development assumptions with reference to Oil and Gas.<br><br>The determination of recoverable amount, being the higher of fair value less costs to sell and value- in use is based on the factors as discussed above, necessitating judgement on the part of management.<br><br>In case of exploration and evaluation assets, based on management's judgement, assessment for impairment is carried out when further exploration activities are not planned in near future or when sufficient data indicate that although a development is likely to proceed, the carrying amount of the exploration asset is unlikely to be recovered in full from successful development or by sale. Based on the above factors, we have considered the measurement of Impairment as Key Audit Matter. | Our audit procedures included the following:<br><br>We evaluated the appropriateness of management's identification of the CGUs and exploration and evaluation assets and tested the operating effectiveness of controls over the impairment assessment process, including indicators of impairment.<br><br>We reviewed the reasonableness of the judgments and decisions made by the management regarding assumptions (including the relevant regulatory guidelines) for Oil and Gas prices in future to identify whether there are indicators of possible management bias and accordingly relied upon the management's assumptions for Oil and Gas prices in future.<br><br>We reviewed the appropriateness of discount rates used in the estimation.<br><br>We relied on the technical assessment of the Management with regard to the Reserves and the Production profile of Oil and Gas, as shown to us by the management.<br><br>We performed testing of the mathematical accuracy of the cash flow models and checked the appropriateness of the related disclosures. We evaluated management's assessment and related calculations of impairment including comparison of the recoverable amount with the carrying amounts of respective CGUs in the books of accounts.<br><br>We perused the future plans related to exploration activities. Further, we have relied upon management's assessment that the Mining Lease (ML)/ Petroleum Mining Lease (PML) shall be re-granted, wherever expired/ is expiring in near future |
| **Estimation of Decommissioning liability (Refer Note 32 to the Consolidated Financial Statements)**<br><br>The Holding Company has an obligation to restore and rehabilitate the Asset/fields operated upon by the Holding Company at the end of their use. This decommissioning liability is recorded based on estimates of the costs required to fulfil this obligation.<br><br>The provision is based upon current cost estimates and has been determined on a discounted basis with reference to current legal requirements and technology. At each reporting date the decommissioning liability is reviewed and re-measured in line with changes in observable assumptions, timing and the latest estimates of the costs to be incurred at reporting date. | Our audit procedures included the following:<br><br>Evaluated the approach adopted by the management in determining the expected costs of decommissioning.<br><br>Identified the cost assumptions used that have the most significant impact on the provisions and tested the appropriateness of these assumptions.<br><br>Reviewed the appropriateness of discount and inflation rates used in the estimation.<br><br>Verified the unwinding of interest as well as understanding if any restoration was undertaken during the year.<br><br>We have relied upon the technical assessment with respect to the Production Profile as estimated by the management based on which the Terminal year of the Asset /fields for decommissioning has been estimated. |

| Key Audit Matter | How our audit addressed the matter |
|---|---|
| We have considered the measurement of decommissioning costs as Key Audit Matter as it requires significant management judgment, including accounting calculations and estimates that involves high estimation uncertainty. | We have relied upon management's assessment that the Mining Lease (ML) / Petroleum Mining Lease (PML) would be regranted, till the terminal year of the field as estimated by the management.<br><br>Relied on the judgments of the internal/ external experts for the purpose of technical /commercial evaluation.<br><br>Assessed the appropriateness of the disclosures made in the financial statements. |
| **Litigations and Claims (Refer Note 58 to the Consolidated Financial Statements)**<br><br>Litigation and claims are pending with multiple tax and regulatory authorities and there are claims from vendors/suppliers and employees which have not been acknowledged as debt by the Holding Company (including Joint Operations).<br><br>In the normal course of business, financial exposures may arise from pending legal/regulatory proceedings and from above referred claims not acknowledged as debt by the Holding Company. Whether a claim needs to be recognized as liability or disclosed as a contingent liability in the Consolidated Financial Statements or is considered as remote, is dependent on a number of significant assumptions and judgments made by the management. The amounts involved are potentially significant and determining the amount, if any, to be recognized or disclosed in the financial statements, is inherently subjective.<br><br>We have considered litigations and claims as Key Audit Matter because the estimates on which these amounts are based involve a significant degree of management judgment, including accounting estimates that involves high estimation uncertainty. | Our audit procedures included the following:<br><br>Understood Management's internal instructions, process and control for determining and estimating the tax litigations, other litigations and claims and its appropriate accounting and/or disclosure.<br><br>Tested key controls surrounding such litigations.<br><br>Discussed pending matters with the Holding Company's personnel with respect to status of cases of litigation and claims.<br><br>Assessed management's conclusions through understanding precedents set in similar cases, reviewed the recommendations of the internal committee specially formed by the management, placed reliance upon the expert opinions, wherever obtained by the management.<br><br>We have assessed the adequacy and appropriateness of presentation and disclosure of the contingent liabilities in the Consolidated Financial Statements. |
| **Information Technology and General Controls**<br><br>The Holding Company is dependent on its Information Technology ("IT") systems for processing and recording its transactions, including financial reporting processes.<br><br>Appropriate IT general controls and application controls are required to ensure that such IT systems are able to process the data, as required, completely, accurately and consistently for reliable financial reporting.<br><br>IT application controls are critical to ensure that changes to applications / files / information and underlying data are made in an appropriate manner and under controlled environment. Appropriate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to applications and data.<br><br>MIS reports, relevant for financial reporting, have been developed and tested through internal and outsourced support arrangements and ultimately authenticated by the users.<br><br>On account of the pervasive use of its IT systems and related control environment on the Holding Company's financial reporting process, the testing of the general computer controls of the IT systems used in financial reporting has been considered to be a Key Audit Matter. | In assessing the integrity of the IT systems relevant for financial reporting, we obtained an understanding of the IT infrastructure and IT systems relevant to the Holding Company's financial reporting process for evaluation and testing of relevant IT general controls and IT application controls ('SAP'), through inquiries with the management and review of the reports of the Information system control audits done by a third party.<br><br>Access rights were tested over applications, operating system, on a sample basis, which are relied upon for financial reporting. We further tested segregation of duties, including preventive controls to ensure that access to change applications, the operating system or databases in the production environment were granted only to authorized personnel.<br><br>Our audit included making necessary inquiries with the management, scrutiny of the report on 'IT audit and security' by a third-party expert, access security (including controls over privileged access), segregation of duties and delegation of authority.<br><br>In response to the above IT requirements, enhancement of functionalities in IT System made during the year, we performed the following:<br><br>- tested controls and performed additional substantive procedures of key general ledger account reconciliations.<br><br>- observed that training sessions are also provided to users, to enable full utilization of SAP functionalities.<br><br>We also tested key automated and manual business cycle controls and logic for the reports generated through the IT infrastructure including those relating to MIS, that were relevant for financial reporting or were used in the exercise of internal financial controls with reference to financial statement, including testing of the compensating controls or alternate procedures to assess whether there were any unaddressed IT risks that would materiality impact the Consolidated Financial Statements. |

**B. Key Audit Matters of Subsidiary Company - Hindustan Petroleum Corporation Limited ('HPCL") as provided by the auditors of HPCL**

| Key Audit Matter | How our audit addressed the matter |
|---|---|
| **Property, plant and equipment and capital work in progress**<br>• The Holding Company is in the process of executing various projects like expansion of refineries, installation of new plants, depots, LPG bottling plants, terminals, pipelines, etc. Since these projects take a substantial period of time to get ready for intended use and due to their materiality in the context of the Balance Sheet of the holding Company, this is considered to be an area with significant effect on the overall audit strategy and allocation of resources in planning and completion of our audit;<br>• With regard to above capital projects, management has identified specific expenditure including employee costs and other overheads relating to each of the assets in the above capital projects and has applied judgement to assess if the costs incurred in relation to these assets meet the recognition criteria of Property, Plant and Equipment in accordance with Ind AS 16. This has been determined as a key audit matter due to the significance of the capital expenditure during the year and the risk that the elements of costs that are eligible for capitalisation are not appropriately capitalised in accordance with the recognition criteria provided in Ind AS 16. | **Principal Audit Procedures Performed**<br>• We performed an understanding and evaluation of the system of internal control process over the projects and those included in capital work in progress, with reference to identification and testing of key controls<br>• We assessed the progress of the project and the intention and ability of the management to carryforward and bring the asset to its state of intended use.<br>• Review of Board minutes relating to approvals of the projects and changes in estimates thereof.<br>• Understood, evaluated and tested the design and operating effectiveness of key controls relating to capitalisation of various costs incurred;<br>• Tested the direct and indirect costs capitalised, on a sample basis, with the underlying supporting documents to ascertain nature of costs and basis for allocation, where applicable, and evaluated whether they meet the recognition criteria provided in the Indian Accounting Standard (Ind AS) 16, Property, Plant and Equipment;<br>• Ensured adequacy of disclosures in the consolidated financial statements. |
| **Evaluation of uncertain indirect tax positions**<br>The Holding Company has material uncertain indirect tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. The Company has disputes pending at various levels of tax authorities over the past several years. | **Principal Audit Procedures Performed**<br>• We have evaluated the appropriateness of the design and tested the operating effectiveness of the management's controls over the tax litigation matters;<br>• Obtained from the management and perused details of completed tax assessments and demands for the year ended March 31, 2022;<br>• Reviewed the management's underlying assumptions in estimating the tax provision, the possible outcome of the disputes, legal precedence and other rulings in evaluating management's position on these uncertain tax positions<br>Relied upon the management judgements, industry level deliberations and estimates for possible outflow and opinion of internal experts of the Company in relation to such disputed tax positions. |
| **Evaluation of disputed claims against the Holding Company under various non-tax matters and Recoverability of pre-deposits related thereto**<br>• The Holding Company has disputed claims against it which are pending at various courts/forums and are at various stages in the judicial process. The holding company also have pre-deposits related thereto with various adjudicating authorities that are pending for/relating to cases pending for more than 3 years. The management has exercised significant judgement in assessing the possible outflow in such matters. | **Principal Audit Procedures Performed**<br>• Read and analysed select key correspondences, internal/ external legal opinions / consultations by management for key disputed non tax matters.<br>• Reviewed and verified other legal pronouncements wherever available in similar matters in the case of the company/other corporates.<br>• Discussed and reviewed the nature of the amounts recoverable vis-à-vis the underlying cases. We further discussed the sustainability of the cases on a sample basis and the likelihood of recoverability or otherwise upon final resolution from the respective authorities.<br>Assessed management's estimate of the possible outcome of the disputed cases and relied on the management judgements in such cases. |

**C. Key Audit Matters of Subsidiary Company - ONGC Videsh Limited ('OVL") as provided by the auditors of OVL**

| Key Audit Matter | How our audit addressed the matter |
|---|---|
| **Investments in Associates and Joint Venture**<br><br>We considered this matter to be of most significance in our audit due to the materiality of the balances of such assets in the financial statements, their susceptibility to various external risks, including geopolitical risks, difficult economic situation in certain countries, where the Holding Company's Associates and Joint Venture operate, the high level of subjectivity in assumptions underlying the impairment analysis and, also, the significant judgments and estimates made by management. | We have obtained and analyzed the latest available financial information and assessed their financial position, the presence of impairment indicators and liquidity position. We have obtained and analyzed the audited accounts (wherever available) by independent auditors/ operators/ Joint Venture partners, which support the intention and ability of third parties to recover the amounts invested by the Holding Company. |
| **Estimation of Oil and Gas Reserves and Resources, categorization of wells, impairments & depletion etc.:**<br><br>We considered this matter to be one of most significant due to the fact that the basis of estimates and valuation of hydrocarbon reserves and resources which has a significant impact on the impairment test, depreciation, depletion, amortization and provision for decommissioning.<br><br>The estimation of Oil and Natural Gas Reserves and Resources is a significant area of judgment due to the technical uncertainty in assessing quantities and complex contractual arrangements dictating the group's share of reportable volumes. Reserves and resources are also a fundamental indicator of the future potential of the performance of the Group.<br><br>Categorization of wells as exploratory, development, producing and dry wells, allocation of cost incurred on them, depletion of oil and gas assets on the basis of Proved/ Proved Developed Hydrocarbon Reserves, provision for decommissioning, allocation of depreciation/amortization on tangible/ intangible assets and liabilities against agreed minimum work program.<br><br>Information on the estimation of Oil and Gas Reserves and Resources is disclosed in the Consolidated Ind AS Financial Statements as part of significant accounting estimates. | However, we have relied for the same on the assessment made by the Reserve Estimation Committee (REC) of the parent Company (viz. ONGC) for the estimated volumes of oil and gas reserves and resources estimated by the Joint Operators. We further relied on the estimates used by the REC to the hydrocarbon production, operating costs, capital expenditures forecasts and other performance indicators, including for depletion, impairments etc.<br><br>We have placed reliance on technical/ commercial evaluation made by the management in respect of categorization of wells as exploratory, development, producing and dry wells, allocation of cost incurred on them, depletion/ impairment of oil and gas assets (on the basis of Proved/ Proved Developed Hydrocarbon Reserves as estimated by the Reserve Estimation Committee (REC) of the parent Company ONGC), provision for decommissioning, allocation of depreciation/ amortization on Tangible/ Intangible Assets and liabilities against agreed minimum work program are technical in nature hence, we have relied for estimate and assumption of the management made for the same. |
| **Show Cause Cum Demand Notice(s) issued by Service Tax Department**<br><br>We considered this matter to be of most significance in our audit due to the materiality of the show-cause cum demand notices issued by the Service Tax department for the period from 1st April, 2006 to 30th June, 2017, amounting to ₹ 78,779.90 million on the Holding Company based on foreign currency expenditure reported in the Holding Company's financial statements. Replies submitted by the Holding Company have not been adjudicated by the department till date.<br><br>The Holding Company is of the view that the said service tax is not payable and contesting the same, hence the Holding Company has not recognized any contingent liability for this amount including interest and penalty, if any and made disclosure of the same in Notes to Accounts. | We have reviewed the Demand Cum Show Cause notices issued by the department and reply submitted by the Holding Company.<br><br>We observed that the show cause notices have not been adjudicated by the department for last several years. We have reviewed circular no. 35/9/2018 –GST dated March 05,2018 issued by Central Board of Excise and Customs (CBEC), where it is clarified that "If cash calls are merely transaction in money, then they are excluded from the definition of service provided in Section 65B(44) of The Finance Act 1994. Whether the cash call is merely a transaction in money and hence not in nature of consideration for taxable service, would depend on the terms of the Joint Venture agreement, which may vary from case to case."<br><br>We have examined the independent legal opinion and the report of independent accountant obtained by the Holding Company on this issue. Both are of the opinion that the possibility of occurrence of liability is very low/ remote, and the Holding Company has very strong case to defend.<br><br>Further we have relied on the management judgment and estimate for possible outflow in relation to such disputed demand in show cause notice. |

| Key Audit Matter | How our audit addressed the matter |
|---|---|
| **Different basis for rates considered in the assessment of Expected Credit Loss and Impairment testing**<br><br>We considered this matter to be one of most significant due to the fact that the rates considered for the basis of estimation of Expected Credit Loss and Impairment testing has a significant impact.<br><br>In the consolidated Ind AS financial statement in respect of assessment testing of Expected Credit Loss (ECL) for which rate considered is based on "weighted average cost of borrowing" however, in the case of Impairment testing of assets/projects, rate considered is based on "weighted average cost of capital". | We evaluated the approach adopted by the management in determining the rate for Expected credit loss and Weight average Cost of Capital and reasons for considering different rates and basis for ECL & Impairment.<br><br>We have relied on the explanation given to us the facts disclosed in the notes to the financial statement for the assumptions and estimation as the management has considered the risk adjusted weighted average cost of borrowings as effective interest rate for discounting the cash flows against its receivables. However, for Impairment, country specific WACC is considered as a discounting factor. The present value of cash flows has been determined by applying discount rates that have been determined using the risk adjusted country specific weighted average cost of capital. The country specific WACC is determined based upon the weight assigned to cost of equity and cost of debt of the underlying information. |

**D. Key Audit Matters of Subsidiary Company - Mangalore Refinery and Petrochemicals Limited ('MRPL") as provided by the auditors of MRPL**

| Key Audit Matter | How our audit addressed the matter |
|---|---|
| **Contingent Liabilities related to claims against the company/Disputed demands**<br><br>There are several claims and litigations pending before various forums against the company which have not been acknowledged as debt by the company and are disclosed as contingent Liabilities.<br><br>Whether a liability is recognised or disclosed as a contingent liability in the financial statements is inherently judgmental and dependent a number of significant assumptions and assessments. The eventual outcome of these legal proceedings is dependent on the outcome of future events and unexpected adverse outcomes could significantly impact the company's reported Profit and balance sheet position.<br><br>Considering the degree of management judgement in interpreting the various cases, including accounting estimates that involves high estimation uncertainty in relation to the exposure arising out the claims against the company/disputed demand, this matter has been identified as a key audit matter for the current year audit. | Our audit procedure included, but was not limited to the following:<br><br>• Obtained an understanding of the management process for :<br>**i** Controls and identification of legal actions initiated in respect of claims and disputed amount against the company<br>**ii** Assessment of accounting treatment for each such litigation identified under Ind AS 37 and<br>**iii** Measurement of amounts involved.<br><br>• Obtained an understanding of the nature of litigations pending against the company and discussed the developments during the year for key litigations with the management and respective legal department of the company<br><br>• Assessed management's conclusions through understanding precedents set in similar cases<br><br>• Evaluated the adequacy and completeness of disclosures made for their appropriateness in accordance with the applicable accounting standards. |
| **Recognition and Measurement Deferred Tax Assets**<br><br>As per IND AS 12, Deferred Tax Assets are the amount of income tax recoverable in future periods in respect of (a) deductible temporary differences (b) the carry forward of unused tax losses and (c) the carry forward of unused tax credits.<br><br>A deferred tax asset shall be recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised<br><br>Determination of probable future taxable profit is a matter of judgment based on convincing evidence. Considering the management's involvement in estimation and judgment of determining the future taxable profits which have a degree of uncertainty, this matter has been determined as a key audit matter. | Our audit procedure included, but was not limited to the following:<br><br>• Considered the company's past and current years taxable profits, taxes paid and the impact of the amalgamation of the erstwhile wholly owned subsidiary company ONGC Mangalore Petrochemicals Limited (OMPL) with the company, obtained details of carry forward losses under income tax and details of estimates of future taxable profits.<br><br>• Tested the period over which the deferred tax assets on such unused tax losses and unused tax credits including the tax losses and unused tax credits of the erstwhile wholly owned subsidiary company ONGC Mangalore Petrochemicals Limited (OMPL) which amalgamated with the company would be recovered against future taxable income.<br><br>• Tested the management's under lying assumptions and judgments in estimating the probable future taxable profits and the existence of sufficient taxable temporary difference against which the unused tax losses or unused tax credits can be utilised by the company.<br><br>• Assessed the adequacy and appropriateness of the disclosures in the Consolidated Financial Statements. |

| Key Audit Matter | How our audit addressed the matter |
|---|---|
| **Capitalisation and useful life of Property, Plant and Equipment (PPE)** | Our audit procedure included but was not limited to the following: |
| During the year the company has incurred capital expenditure on various property, Plant and Equipment including the capitalisation of work in progress based on its readiness for intended use as determined by the management. | • Assessed the nature of additions made to PPE and capitalisation of capital work in progress on a test check basis to test whether they meet the recognition criteria as per Ind-AS 16 - Property, Plant and Equipment, including its readiness for intended use as determined by the management. |
| Further, the estimated useful life have been reviewed and revised in respect of certain PPE based on expectations different from previous estimate which involves management judgement, technical assessment, consideration of historical experience, anticipated technical changes etc. | • Examined the management assessment of the assumptions considered in estimation of useful life.<br>• Examined the detailed internal evaluation including the technical assessment with respect to the changes in useful life of PPE as provided by the management. |
| Considering the assessment and estimation of the management, the above matter has been determined as a key audit matter | • Assessed the adequacy and appropriateness of the disclosures in the financial statements including the impact recognised on account of the change in the useful life. |

## 5. Other Matters

We have placed reliance on technical/commercial evaluation by the management in respect of categorization of wells as exploratory, development, producing and dry well, allocation of cost incurred on them, production profile, proved (developed and undeveloped)/ probable hydrocarbon reserves, and depletion thereof on Oil and Gas Assets, impairment, liability for decommissioning costs, evaluation and timelines for completion of projects under progress, liability for NELP and nominated blocks for under performance against agreed Minimum Work Programme.

**i.** As mentioned in Note No. 53.1.1, the Consolidated Financial Statements include the Holding Company's share in the total value of assets, liabilities, expenditure and income of 166 blocks under New Exploration Licensing Policy (NELP)/ Hydrocarbon Exploration and Licensing Policy (HELP) / Discovered Small Fields (DSFs)/ Open Acreage Licensing Policy (OALPs) and Joint Operations (JO) accounts for exploration and production out of which:

**a.** 9 NELPs/ HELPs/ JOs accounts have been certified by other Chartered Accountants. In respect of these 9 NELPs/ HELPs/ JOs, Consolidated Financial Statements include proportionate share in assets and liabilities as on March 31, 2022 amounting to ₹ 88,362.73 million and ₹ 52,020.32 million respectively and revenue and profit including other comprehensive Income for the year ended March 31, 2022 amounting to ₹ 98,583.73 million and ₹ 15,236.73 million respectively. Our opinion is based solely on the certificate of the other Chartered Accountants.

**b.** 12 NELPs / HELPs/ JOs have been certified by the management in respect of NELPs / HELPs/ JOs operated by other operators. In respect of these 12 NELPs / HELPs/ JOs, Consolidated Financial Statements include proportionate share in assets and liabilities as on March 31, 2022 amounting to ₹ 9,566.20 million and ₹ 8,602.73 million respectively and revenue and profit/(loss) including other comprehensive Income for the year ended March 31, 2022 amounting to ₹ 38.31 million and ₹ (708.40) million respectively, Our opinion is based solely on management certified accounts.

**ii.** We did not audit the financial statements of 4 (Four) subsidiaries whose financial statements reflect total assets and total net assets as at March 31, 2022, total revenues and net cash inflow/ (outflow) for the year ended on that date considered as under in the Consolidated Financial Statements based on financial statements audited by other auditors:

Director (Exploration) Rajesh Kumar Srivastava at the Hatta#3 well-site (near Jabalpur) of the Vindhyan Basin, along with the exploration team

(₹ in million)

| Name of the Subsidiary | Total Assets as at March 31, 2022 | Total Net Assets as at March 31, 2022 | Total Revenue for the year ended March 31, 2022 | Net Cash Inflow/ (Outflow) |
|---|---|---|---|---|
| ONGC Videsh Limited (OVL) # | 1,169,670.82 | 517,361.94 | 181,315.43 | 15,568.40 |
| Mangalore Refinery and Petrochemicals Limited (MRPL) # | 400,713.21 | 72,093.53 | 861,619.51 | (203.01) |
| Hindustan Petroleum Corporation Limited (HPCL) # | 1,546,281.83 | 414,042.10 | 3,765,659.10 | (8.56) |
| Petronet MHB Limited (PMHBL) | 6,282.84 | 5,795.29 | 1,281.53 | (428.96) |

# As per the consolidated financial statements.

**iii.** The consolidated financial statements also include the Group's share of net profit/loss (including Other Comprehensive Income) for the year ended March 31, 2022 as considered in the consolidated financial statements in respect of following 5 (Five) joint ventures and 1 (One) associate whose financial statements/ financial information have not been audited by us.

(₹ in million)

| Name of the Company | Group share in Net Profit for the year ended March 31, 2022 | Group share in Net Other Comprehensive Income for the year ended March 31, 2022 | Group share – Total |
|---|---|---|---|
| **Joint Ventures** | | | |
| ONGC Teri Biotech Limited | 43.12 | 0.04 | 43.16 |
| ONGC Tripura Power Company Limited * | 554.14 | 0.75 | 554.89 |
| ONGC Petro additions Limited | (3,892.03) | 8.32 | (3,883.71) |
| Mangalore SEZ Limited * | (32.33) | 0.22 | (32.11) |
| Indradhanush Gas Grid Limited | 3.90 | 0.00 | 3.90 |
| **Associate** | | | |
| Petronet LNG Limited * | 4,297.63 | (2.40) | 4,295.23 |

* As per the consolidated financial statements.

**iv** The financial statements/ financial information of subsidiaries, joint ventures and associate, referred to in para 5 (ii) and 5 (iii), have been audited by other auditors whose reports have been furnished to us by the Holding Company's Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associate and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associate is based solely on the reports of the other auditors after considering the requirement of Standard on Auditing (SA 600) on 'Using the work of Another Auditor' including materiality.

**v.** The consolidated financial statements also include the group's share of net profit (including Other Comprehensive Income) for the year ended March 31, 2022 considered as under based on financial statements of 1 (One)joint venture and 2 (Two) associates not audited by us:

(₹ in million)

| Name of the Company | Group share in Net Profit for the year ended March 31, 2022 | Group share in Net Other Comprehensive Income for the year ended March 31, 2022 | Group share – Total |
|---|---|---|---|
| **Joint Venture** | | | |
| Dahej SEZ Limited | 234.91 | - | 234.91 |
| **Associate** | | | |
| Pawan Hans Limited | (251.82) | - | (251.82) |
| Rohini Heliport Limited | - | - | - |

These financial statements/ financial information of one joint venture and two associates are unaudited and have been furnished to us by the Holding Company's Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these joint venture and associates, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid joint venture and associates, is based solely on such unaudited financial statements/ financial information. In our opinion and according to the information and explanations given to us by the Holding Company's Management, these financial statements / financial information are not material to the Group.

Our opinion on the Consolidated Financial Statements is not modified in respect of these matters.

### 6. Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report and Report on Corporate Governance but does not include the consolidated financial statements and our auditors' report thereon. The above-referred information is expected to be made available to us after the date of this audit report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

### 7. Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group, its joint ventures and associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group, its joint ventures and associates and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group, its joint ventures and associates are responsible for assessing the ability of the Group, its joint ventures and associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group, its joint ventures and associates are also responsible for overseeing the financial reporting process of the Group, its joint ventures and associates.

### 8. Auditor's Responsibilities for the Audit of Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group and its joint ventures and associates has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group, its joint ventures and associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group, its joint ventures and associates to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, its joint ventures and associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## 9. Report on Other Legal and Regulatory Requirements

**1.** As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, joint ventures and associates as noted in the other matter paragraph, we report, to the extent applicable, that:

**a.** we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

**b.** in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

**c.** the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

**d.** in our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended;

**e.** as per notification number G.S.R. 463(E) dated June 5, 2015 issued by Ministry of Corporate Affairs, section 164(2) of the Act regarding the disqualifications of Directors is not applicable to the Holding Company and its subsidiary companies, and 5 (Five) joint ventures since they are Government Companies;

Further, on the basis of the reports of the auditors of 1 (One) joint venture and 1 (One) associate incorporated in India, none of the directors of the joint venture and associate incorporated in India are disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

**f.** with respect to the adequacy of the internal financial controls with reference to financial statement of the Holding Company, its subsidiaries, joint ventures and associates incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A";

**g.** as per notification number G.S.R. 463 (E) dated June 5, 2015 issued by Ministry of Corporate Affairs, section 197 of the Act regarding remuneration to director is not applicable to the the Holding Company and its subsidiary companies, and 5 (Five) joint ventures since they are Government Companies;

Further, on the basis of the reports of the auditors of 1 (One) joint venture incorporated in India, no managerial remuneration has been paid/ provided during the year and 1 (One) associates incorporated in India, the remuneration paid by the company to its directors during the year are in accordance with the provisions of section 197 of the Act.

**h.** with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

**i.** the Group, its joint ventures and associates have disclosed the impact of pending litigations on its financial position in its Consolidated Financial Statements – Refer Note 58 to the Consolidated Financial Statements;

**ii.** according to information and explanations given to us, the Group, its joint ventures and associates have made provision for material foreseeable losses, if any, in respect of long-term contract including derivatives contracts; and

**iii.** there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group, its joint ventures and associates.

**iv. (a)** The respective managements of the Holding Company and that of its subsidiaries, associates and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associates and joint ventures respectively that, to the best of their knowledge and belief, as disclosed in Note No.52.2 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries, associates or joint ventures to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the holding Company or any of such subsidiaries associates or joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

**(b)** The respective managements of the Holding Company and that of its subsidiaries, associates and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associates and joint ventures respectively that, to the best of their knowledge and belief, as disclosed in Note No 52.2 to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiaries, associates and joint ventures from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

**(c)** Based on such audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Holding Company and performed by the other auditors in respect of subsidiaries, associate and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement;

**v.** The final dividend proposed by the Holding Company for the previous year, declared and paid during the year is in accordance with section 123 of the Act, as applicable.

The interim dividend declared and paid by the Holding Company, is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

As stated in Note No. 27.4 to the Financial Statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed/ declared is in accordance with section 123 of the Act, as applicable.

On the basis of the reports of the auditors of subsidiaries, associates and joint ventures, that are companies incorporated in India:

The final dividend paid by 1 (One) subsidiary, 1 (One) joint venture company and 1 (One) associate during the year in respect of the same declared for the previous year are in accordance with section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid by, 3 (Three) subsidiaries are in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

The Board of Directors of 1 (One) subsidiary, and 1 (One) Associate have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting of respective Companies. The amount of dividend proposed/ declared are in accordance with section 123 of the Act, as applicable.

**2.** With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued us for the Holding Company and by the auditors of the subsidiaries Joint Ventures and Associates included in the Consolidated Financial Statements of the Company, to which reporting under CARO is applicable, provided to us by the Management of the Company and based on the identification of matters of qualifications or adverse remarks in their CARO reports by the respective component auditors and provided to us, we report that the auditors of such companies have not reported any qualifications or adverse remarks in their CARO reports.

| | | |
|---|---|---|
| **For G M Kapadia & Co.**<br>Chartered Accountants<br>Firm Reg. No: 104767W | **For R Gopal & Associates**<br>Chartered Accountants<br>Firm Reg. No: 000846C | **For SARC & ASSOCIATES**<br>Chartered Accountants<br>Firm Reg. No.: 006085N |
| Sd/-<br>(Abhishek Singh)<br>Partner (M. No. 407459)<br>UDIN: 22407549AJUWVN7819 | Sd/-<br>(Sunil Kumar Agarwal)<br>Partner (M.No. 093209)<br>UDIN: 22093209AJUXKL9165 | Sd/-<br>(Sunil Kumar Gupta)<br>Partner (M.No. 084884)<br>UDIN: 22084884AJVAQL6682 |
| **For Kalani & Co.**<br>Chartered Accountants<br>Firm Reg. No.: 000722C | **For M/s R.G.N. Price & Co.**<br>Chartered Accountants<br>Firm Reg. No.: 002785S | **For S. Bhandari & Co.**<br>Chartered Accountants<br>Firm Reg. No.: 000560C |
| Sd/-<br>(Varun Bansal)<br>Partner (M.No. 402856)<br>UDIN: 22402856AJUYBW3615 | Sd/-<br>(G Surendranath Rao)<br>Partner (M.No. 022693)<br>UDIN: 22022693AJUYTS9186 | Sd/-<br>(Sudha Shetty)<br>Partner (M.No. 047684)<br>UDIN: 22047684AJUWZS7979 |

**28 May 2022**
**New Delhi**

# Annexure - A to Independent Auditors' Report on Consolidated Financial Statements

## (Referred to in paragraph 9 (1) (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

## Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

### To the Members of Oil and Natural Gas Corporation Limited

In conjunction with our audit of the consolidated financial statements of **Oil and Natural Gas Corporation Limited** (herein after referred to as "the Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiaries, Joint ventures and associates which are companies incorporated in India, as of that date.

### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiaries, joint ventures and associates which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company, its subsidiaries, joint ventures and associates which are companies incorporated in India, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiaries, joint ventures and associates, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of the reports referred to in the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to financial statements of the Holding Company, its subsidiaries, joint ventures and associates, which are companies incorporated in India.

### Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, including the possibility of collusion or improper management, override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Holding Company, its subsidiary companies, joint ventures and associates, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2022, based on the internal controls over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Other Matters**

As informed to us that, the Audit Committee of Holding company was re-constituted w.e.f November 14, 2021, and hence during the current period till such re-constitution, the mandatory functions of the Audit Committee, such as review/approval/ oversight/evaluation of the company's external financial reporting, related party transactions, Internal financial controls over financial reporting, risk management system, internal audit function, whistle blower and vigil mechanism, end utilisation of funds etc., have been directly carried out by the Board of Directors of the Holding Company.

Our aforesaid reports under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to four subsidiaries, five joint ventures and one associate which are companies incorporated in India, is based on the corresponding standalone/consolidated reports of the auditors, as applicable, of such companies incorporated in India.

Our aforesaid reports under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements does not include in respect of one joint venture and two associates, which are companies incorporated in India whose audit reports are not available. In our opinion and according to information and explanations given to us by the Management, this financial information are not material to the Group.

Our opinion is not modified in respect of these matters.

**For G M Kapadia & Co.**
Chartered Accountants
Firm Reg. No: 104767W

Sd/-
(Abhishek Singh)
Partner (M. No. 407459)
UDIN: 22407549AJUWVN7819

**For R Gopal & Associates**
Chartered Accountants
Firm Reg. No: 000846C

Sd/-
(Sunil Kumar Agarwal)
Partner (M.No. 093209)
UDIN: 22093209AJUXKL9165

**For SARC & ASSOCIATES**
Chartered Accountants
Firm Reg. No.: 006085N

Sd/-
(Sunil Kumar Gupta)
Partner (M.No. 084884)
UDIN: 22084884AJVAQL6682

**For Kalani & Co.**
Chartered Accountants
Firm Reg. No.: 000722C

Sd/-
(Varun Bansal)
Partner (M.No. 402856)
UDIN: 22402856AJUYBW3615

**For M/s R.G.N. Price & Co.**
Chartered Accountants
Firm Reg. No.: 002785S

Sd/-
(G Surendranath Rao)
Partner (M.No. 022693)
UDIN: 22022693AJUYTS9186

**For S. Bhandari & Co.**
Chartered Accountants
Firm Reg. No.: 000560C

Sd/-
(Sudha Shetty)
Partner (M.No. 047684)
UDIN: 22047684AJUWZS7979

**28 May 2022**
**New Delhi**

Director (Onshore) Anurag Sharma commissioning a segment of Geleky Pipeline Network in Assam Asset

## Consolidated Balance Sheet as at March 31, 2022

(₹ in million)

| | Particulars | Note No. | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|---|
| **I.** | **ASSETS** | | | |
| **(1)** | **Non-current assets** | | | |
| | **(a) Property, plant and equipment** | | | |
| | (i) Oil and gas assets | 6 | 1,433,523.60 | 1,392,808.53 |
| | (ii) Other property, plant and equipment | 7 | 830,262.64 | 741,258.18 |
| | (iii) Right of Use Assets | 8 | 157,826.03 | 159,063.84 |
| | **(b) Capital work-in-progress** | 9 | | |
| | (i) Oil and gas assets | | | |
| | a) Development wells in progress | | 76,128.40 | 59,007.07 |
| | b) Oil and gas facilities in progress | | 322,607.70 | 274,726.41 |
| | (ii) Others | | 316,109.40 | 295,248.55 |
| | **(c) Investment Property** | 10 | 78.69 | 78.71 |
| | **(d) Goodwill (including Goodwill on Consolidation)** | 11 | 112,056.49 | 135,385.91 |
| | **(e) Other intangible assets** | 12 | 10,274.28 | 8,868.49 |
| | **(f) Intangible assets under development** | 13 | | |
| | (i) Exploratory wells in progress | | 158,080.97 | 187,906.30 |
| | (ii) Acquisition cost | | 192,180.18 | 184,397.33 |
| | (iii) Others | | 2,085.62 | 1,802.51 |
| | **(g) Financial assets** | | | |
| | (i) Investments in: | 14 | | |
| | (a) Joint Ventures and Associates | | 369,150.98 | 358,447.91 |
| | (b) Other Investments | | 243,555.13 | 190,579.91 |
| | (ii) Trade receivables | 15 | 24,765.01 | 25,629.56 |
| | (iii) Loans | 16 | 26,437.17 | 23,440.37 |
| | (iv) Deposit under site restoration fund | 17 | 248,721.80 | 235,114.70 |
| | (v) Finance lease receivables | 18 | - | - |
| | (vi) Others | 19 | 79,926.78 | 68,346.82 |
| | **(h) Deferred tax assets (net)** | 33 | 33,279.35 | 26,936.44 |
| | **(i) Non-current tax assets (net)** | 36 | 105,190.35 | 95,668.74 |
| | **(j) Other non-current assets** | 20 | 51,659.60 | 36,859.51 |
| | **Total non-current assets** | | **4,793,900.17** | **4,501,575.79** |
| **(2)** | **Current assets** | | | |
| | **(a) Inventories** | 21 | 541,630.99 | 445,733.26 |
| | **(b) Financial assets** | | | |
| | (i) Investments | 22 | 53,715.24 | 54,175.73 |
| | (ii) Trade receivables | 15 | 191,872.83 | 160,158.34 |
| | (iii) Cash and cash equivalents | 23 | 54,497.30 | 40,193.69 |
| | (iv) Other bank balances | 24 | 13,912.09 | 31,728.93 |
| | (v) Loans | 16 | 4,928.63 | 4,785.25 |
| | (vi) Others | 19 | 52,650.54 | 65,502.24 |
| | **(c) Current Tax Assets (net)** | 36 | 1,209.94 | 1,884.36 |
| | **(d) Other current assets** | 20 | 145,537.00 | 126,886.85 |
| | **Total current assets** | | **1,059,954.56** | **931,048.65** |
| | Assets classified as held for sale | 25 | 638.48 | 163.09 |
| | **Total assets** | | **5,854,493.21** | **5,432,787.53** |
| **II.** | **EQUITY AND LIABILITIES** | | | |
| **(1)** | **Equity** | | | |
| | (a) Equity share capital | 26 | 62,901.39 | 62,901.39 |
| | (b) Other equity | 27 | 2,532,127.71 | 2,146,908.50 |
| | **Equity attributable to owners of the Company** | | **2,595,029.10** | **2,209,809.89** |
| | Non-controlling interests | 28 | 238,249.33 | 216,157.99 |
| | **Total Equity** | | **2,833,278.43** | **2,425,967.88** |

## Consolidated Balance Sheet as at March 31, 2022

(₹ in million)

| | Particulars | Note No. | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|---|
| (2) | **Liabilities** | | | |
| | **Non-current liabilities** | | | |
| | (a) Financial liabilities | | | |
| | (i) Borrowings | 29 | 880,426.76 | 791,620.63 |
| | (ii) Lease Liabilities | 30 | 92,167.21 | 96,462.02 |
| | (iii) Others | 31 | 20,027.65 | 62,866.60 |
| | (b) Provisions | 32 | 363,306.33 | 361,268.72 |
| | (c) Deferred Tax liabilities (net) | 33 | 382,623.55 | 454,004.50 |
| | (d) Other non-current liabilities | 34 | 8,420.51 | 7,931.94 |
| | **Total non-current liabilities** | | **1,746,972.01** | **1,774,154.41** |
| | **Current Liabilities** | | | |
| | (a) Financial liabilities | | | |
| | (i) Borrowings | 29 | 197,331.30 | 398,990.87 |
| | (ii) Lease Liabilities | 30 | 49,933.31 | 44,795.69 |
| | (iii) Trade payables | 35 | | |
| | - to micro and small enterprises | | 7,948.49 | 3,127.57 |
| | - to other than micro and small enterprises | | 393,762.23 | 266,122.76 |
| | (iv) Others | 31 | 434,264.07 | 371,480.13 |
| | (b) Other current liabilities | 34 | 113,948.21 | 90,378.85 |
| | (c) Provisions | 32 | 66,630.26 | 50,343.85 |
| | (d) Current Tax Liabilities (net) | 36 | 10,424.90 | 7,425.52 |
| | **Total current liabilities** | | **1,274,242.77** | **1,232,665.24** |
| | **Total liabilities** | | **3,021,214.78** | **3,006,819.65** |
| | **Total equity and liabilities** | | **5,854,493.21** | **5,432,787.53** |

Accompanying notes to the Consolidated Financial Statements – 1 to 72

**FOR AND ON BEHALF OF THE BOARD**

Sd/-
(Rajni Kant)
Company Secretary

Sd/-
(Pomila Jaspal)
Director (Finance)
(DIN: 08436633)

Sd/-
(Dr. Alka Mittal )
Chairman & Managing Director
(DIN: 07272207)

**In terms of our report of even date attached**

**For G M Kapadia & Co.**
Chartered Accountants
Firm Reg. No. 104767W

Sd/-
(Abhishek Singh)
Partner (M. No. 407549)

**For R Gopal & Associates**
Chartered Accountants
Firm Reg. No.000846C

Sd/-
(Sunil Kumar Agarwal)
Partner (M. No. 093209)

**For SARC & Associates**
Chartered Accountants
Firm Reg. No. 006085N

Sd/-
(Sunil Kumar Gupta)
Partner (M. No. 084884)

**For Kalani & Co.**
Chartered Accountants
Firm Reg. No: 000722C

Sd/-
(Varun Bansal)
Partner (M.No. 402856)

**For R.G.N. Price & Co.**
Chartered Accountants
Firm Reg. No.002785S

Sd/-
(G Surendranath Rao)
Partner (M. No. 022693)

**For S. Bhandari & Co.**
Chartered Accountants
Firm Reg. No. 000560C

Sd/-
(Sudha Shetty)
Partner (M. No. 047684)

**28 May 2022**
**New Delhi**

## Consolidated Statement of Profit and Loss for the year ended March 31, 2022

**(All amounts are in ₹ millions unless otherwise stated)**

| | Particulars | Note No. | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|---|---|
| I | Revenue from operations | 37 | 5,317,618.31 | 3,604,635.14 |
| II | Other income | 38 | 74,376.30 | 93,323.84 |
| **III** | **Total income (I+II)** | | **5,391,994.61** | **3,697,958.98** |
| **IV** | **Expenses** | | | |
| | Purchase of Stock-in-Trade | 39 | 2,248,713.44 | 1,412,013.86 |
| | Changes in inventories of finished goods, stock-in-trade and work-in progress | 40 | (23,030.69) | (100,470.85) |
| | Production, transportation, selling and distribution expenditure | 41 | 2,226,183.71 | 1,715,392.74 |
| | Exploration costs written off | | | |
| | (a) Survey costs | | 19,885.29 | 19,677.24 |
| | (b) Exploration well costs | | 39,046.13 | 51,678.17 |
| | Finance costs | 42 | 56,960.43 | 50,790.31 |
| | Depreciation, depletion, amortisation and impairment | 43 | 268,831.64 | 255,384.71 |
| | Other impairment and write offs | 44 | 8,083.80 | 11,609.62 |
| | **Total expenses (IV)** | | **4,844,673.75** | **3,416,075.80** |
| **V** | **Profit before exceptional items and tax (III-IV)** | | **547,320.86** | **281,883.18** |
| VI | Exceptional items - Income/(expenses) | 45 | (21,049.11) | 9,187.68 |
| VII | Share of profit of Associates | | 8,095.19 | 11,748.34 |
| VIII | Share of profit of Joint Ventures | | 6,544.08 | (1,554.72) |
| **IX** | **Profit before tax (V+VI+VII+VIII)** | | **540,911.02** | **301,264.48** |
| **X** | **Tax expense** | 46 | | |
| | (a) Current tax relating to: | | | |
| | - current year | | 140,172.79 | 80,815.23 |
| | - earlier years | | (6,652.55) | 9,820.30 |
| | (b) Deferred tax | | (85,549.79) | (2,973.52) |
| | **Total tax expense (X)** | | **47,970.45** | **87,662.01** |
| **XI** | **Profit for the year (IX-X)** | | **492,940.57** | **213,602.47** |
| **XII** | **Other comprehensive income** | | | |
| | **A Items that will not be reclassified to profit or loss** | | | |
| | (a) Remeasurement of the defined benefit plans | | 3,511.35 | (1,810.76) |
| | - Deferred tax | | (2,431.84) | 478.11 |
| | (b) Equity instruments through other comprehensive income | | 43,723.75 | 27,548.43 |
| | - Deferred tax | | (3,037.27) | (1,957.67) |
| | (c) Share of other comprehensive income in associates and joint ventures, to the extent not to be reclassified to profit or loss | | 26.98 | 11.37 |
| | - Deferred tax | | - | 5.45 |
| | **B Items that will be reclassified to profit or loss** | | | |
| | (a) Exchange differences in translating the financial statement of foreign operation | | 6,573.48 | (10,626.01) |
| | - Deferred tax | | (2,350.38) | 3,790.49 |
| | (b) Effective portion of gains (losses) on hedging instruments in cash flow hedges | | (1,853.13) | (10.87) |

## Consolidated Statement of Profit and Loss for the year ended March 31, 2022

**(All amounts are in ₹ millions unless otherwise stated)**

| | Particulars | Note No. | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|---|---|
| | - Deferred tax | | 466.40 | 2.73 |
| | (c) Share of other comprehensive income in associates and joint ventures, to the extent to be reclassified to profit or loss | | (656.75) | 1,215.91 |
| | **Total other comprehensive income (net of tax) (XII)** | | **43,972.59** | **18,647.18** |
| **XIII** | **Total Comprehensive Income for the year (XI+XII)** | | **536,913.16** | **232,249.65** |
| | Profit for the year attributable to: | | | |
| | - Owners of the Company | | 455,221.06 | 163,043.99 |
| | - Non-controlling interests | | 37,719.51 | 50,558.48 |
| | | | **492,940.57** | **213,602.47** |
| | Other comprehensive income for the year attributable to: | | | |
| | - Owners of the Company | | 42,968.18 | 17,894.17 |
| | - Non-controlling interests | | 1,004.41 | 753.01 |
| | | | **43,972.59** | **18,647.18** |
| | Total comprehensive income for the year attributable to: | | | |
| | - Owners of the Company | | 498,189.24 | 180,938.16 |
| | - Non-controlling interests | | 38,723.92 | 51,311.49 |
| | | | **536,913.16** | **232,249.65** |
| | Earnings per equity share: | 47 | | |
| | (a) Basic (₹) | | **36.19** | **12.96** |
| | (b) Diluted (₹) | | **36.19** | **12.96** |

Accompanying notes to the Consolidated Financial Statements – 1 to 72

**FOR AND ON BEHALF OF THE BOARD**

Sd/-
(Rajni Kant)
Company Secretary

Sd/-
(Pomila Jaspal)
Director (Finance)
(DIN: 08436633)

Sd/-
(Dr. Alka Mittal )
Chairman & Managing Director
(DIN: 07272207)

**In terms of our report of even date attached**

**For G M Kapadia & Co.**
Chartered Accountants
Firm Reg. No. 104767W

Sd/-
(Abhishek Singh)
Partner (M. No. 407549)

**For R Gopal & Associates**
Chartered Accountants
Firm Reg. No.000846C

Sd/-
(Sunil Kumar Agarwal)
Partner (M. No. 093209)

**For SARC & Associates**
Chartered Accountants
Firm Reg. No. 006085N

Sd/-
(Sunil Kumar Gupta)
Partner (M. No. 084884)

**For Kalani & Co.**
Chartered Accountants
Firm Reg. No: 000722C

Sd/-
(Varun Bansal)
Partner (M.No. 402856)

**For R.G.N. Price & Co.**
Chartered Accountants
Firm Reg. No.002785S

Sd/-
(G Surendranath Rao)
Partner (M. No. 022693)

**For S. Bhandari & Co.**
Chartered Accountants
Firm Reg. No. 000560C

Sd/-
(Sudha Shetty)
Partner (M. No. 047684)

**28 May 2022**
**New Delhi**

## Consolidated Statement of Changes in Equity

### (i) Equity share capital

(₹ in million)

| Particulars | Amount |
|---|---|
| **Balance as at April 01, 2020** | **62,901.54** |
| Changes due to prior period errors | - |
| **Restated balance as at April 01, 2020** | **62,901.54** |
| Changes during the year (Note no. 27.5) | (0.15) |
| **Balance as at April 01, 2021** | **62,901.39** |
| Changes due to prior period errors | - |
| **Restated balance as at April 01, 2021** | **62,901.39** |
| Changes during the year | - |
| **Balance as at March 31, 2022** | **62,901.39** |

An ONGC Group Gathering Station (GGS) in Upper Assam

## Consolidated Statement of Changes in Equity

### (ii) Other Equity

### For the year ended March 31, 2022

(₹ in million)

| Particulars | Reserves and surplus | | | | | | | Exchange difference on translating the financial statements of foreign operations | Cash Flow Hedge Reserve | Equity Instruments through Other mprehensive Income | Attributable to owners of the parent | Non Controlling interest (NCI) | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Capital reserve | Other Capital Reserve-Common Control | Capital Redemption Reserve | Debenture redemption reserve | General reserve | Legal reserve | Retained earnings | | | | | | |
| **Balance as at April 01, 2020** | **614.47** | **(354,420.79)** | **1,364.60** | **65,686.61** | **1,840,136.28** | **56,017.85** | **152,455.95** | **150,023.03** | **(954.78)** | **77,221.27** | **1,988,144.49** | **184,057.39** | **2,172,201.88** |
| Effect of merger of OMPL and MRPL (Note no. 62) | - | - | - | - | - | - | 2,488.17 | - | - | - | 2,488.17 | (2,658.04) | (169.87) |
| **Balance as at April 01, 2020 (restated)** | **614.47** | **(354,420.79)** | **1,364.60** | **65,686.61** | **1,840,136.28** | **56,017.85** | **154,944.12** | **150,023.03** | **(954.78)** | **77,221.27** | **1,990,632.66** | **181,399.35** | **2,172,032.01** |
| Profit for the year | - | - | - | - | - | - | 163,043.99 | - | - | - | 163,043.99 | 50,558.48 | 213,602.47 |
| Remeasurement of defined benefit plans (net of tax) | - | - | - | - | - | - | (890.37) | - | - | - | (890.37) | (442.28) | (1,332.65) |
| Other items of comprehensive income for the year (net of tax) | - | - | - | - | - | - | 1.50 | (6,907.62) | 620.60 | 25,070.06 | 18,784.54 | 1,195.29 | 19,979.83 |
| **Total comprehensive income for the year** | **-** | **-** | **-** | **-** | **-** | **-** | **162,155.12** | **(6,907.62)** | **620.60** | **25,070.06** | **180,938.16** | **51,311.49** | **232,249.65** |
| Equity accounting adjustments w.r.t JVs/ Associates | - | - | - | - | - | - | (1,808.57) | - | - | - | (1,808.57) | - | (1,808.57) |
| Adjustments due to Inter Group Company holdings | - | - | - | - | - | - | 1,572.40 | - | - | - | 1,572.40 | - | 1,572.40 |
| Payment of dividends | - | - | - | - | - | - | (22,856.56) | - | - | - | (22,856.56) | (8,068.68) | (30,925.24) |
| Transfer to Capital Redemption Reserve | - | - | 369.12 | - | (369.12) | - | - | - | - | - | - | - | - |
| Transfer from / to general reserve | - | - | - | - | 75,487.76 | - | (75,487.76) | - | - | - | - | - | - |
| Transfer from / to legal reserve | - | - | - | - | - | (27,435.68) | 27,435.68 | - | - | - | - | - | - |
| Transfer from / to DRR | - | - | - | (24,433.39) | 24,606.46 | - | (173.07) | - | - | - | - | - | - |
| Effect of buy back of shares# (Note No. 4(b)) | - | - | - | - | (1,966.46) | - | - | - | - | - | (1,966.46) | (17,896.19) | (19,862.65) |
| Change in NCI due to acquisition/Disposal | - | - | - | - | - | - | 1,427.62 | - | - | - | 1,427.62 | 8,544.46 | 9,972.08 |
| Others | 0.32 | - | - | - | - | - | (1,119.47) | - | 88.40 | - | (1,030.75) | 867.56 | (163.19) |
| **Balance as at March 31, 2021** | **614.79** | **(354,420.79)** | **1,733.72** | **41,253.22** | **1,937,894.92** | **28,582.17** | **246,089.51** | **143,115.41** | **(245.78)** | **102,291.33** | **2,146,908.50** | **216,157.99** | **2,363,066.49** |
| Profit for the year | - | - | - | - | - | - | 455,221.06 | - | - | - | 455,221.06 | 37,719.51 | 492,940.57 |
| Remeasurement of defined benefit plans (net of tax) | - | - | - | - | - | - | 488.36 | - | - | - | 488.36 | 591.15 | 1,079.51 |
| Other items of comprehensive income for the year (net of tax) | - | - | - | - | - | - | 15.53 | 4,296.12 | (1,121.87) | 39,290.04 | 42,479.82 | 413.26 | 42,893.08 |
| **Total comprehensive income for the year** | **-** | **-** | **-** | **-** | **-** | **-** | **455,724.95** | **4,296.12** | **(1,121.87)** | **39,290.04** | **498,189.24** | **38,723.92** | **536,913.16** |
| Equity accounting adjustments w.r.t JVs/ Associates | - | - | - | - | - | - | (383.78) | - | - | - | (383.78) | - | (383.78) |

| Particulars | Reserves and surplus | | | | | | | Exchange difference on translating the financial statements of foreign operations | Cash Flow Hedge Reserve | Equity Instruments through Other mprehensive Income | Attributable to owners of the parent | Non Controlling interest (NCI) | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Capital reserve | Other Capital Reserve-Common Control | Capital Redemption Reserve | Debenture redemption reserve | General reserve | Legal reserve | Retained earnings | | | | | | |
| Adjustments due to Inter Group Company holdings | - | - | - | - | - | - | 2,589.11 | - | - | - | 2,589.11 | - | 2,589.11 |
| Payment of dividends | - | - | - | - | - | - | (114,481.28) | - | - | - | (114,481.28) | (14,751.26) | (129,232.54) |
| Transfer to Capital Redemption Reserve | - | - | 183.77 | - | - | - | (183.77) | - | - | - | - | - | - |
| Transfer to general reserve | - | - | - | - | 289,517.94 | - | (289,517.94) | - | - | - | - | - | - |
| Transfer from / to legal reserve | - | - | - | - | - | 1,775.78 | (1,775.78) | - | - | - | - | - | - |
| Transfer from / to DRR | - | - | - | (12,935.09) | 12,946.68 | - | (11.59) | - | - | - | - | - | - |
| Effect of buy back of shares# (Note No. 4(b)) | - | - | - | - | - | - | (998.94) | - | - | - | (998.94) | (8,659.65) | (9,658.59) |
| Change in NCI due to acquisition/Disposal | - | - | - | - | - | - | 558.32 | - | - | - | 558.32 | 8,025.09 | 8,583.41 |
| Others | (0.18) | - | - | - | - | - | (257.95) | - | 4.67 | - | (253.46) | (1,246.76) | (1,500.22) |
| **Balance as at March 31, 2022** | **614.61** | **(354,420.79)** | **1,917.49** | **28,318.13** | **2,240,359.54** | **30,357.95** | **297,350.86** | **147,411.53** | **(1,362.98)** | **141,581.37** | **2,532,127.71** | **238,249.33** | **2,770,377.04** |

# In respect of buy back of shares by subsidiary HPCL

**FOR AND ON BEHALF OF THE BOARD**

Sd/-
(Rajni Kant)
Company Secretary

Sd/-
(Pomila Jaspal)
Director (Finance)
(DIN: 08436633)

Sd/-
(Dr. Alka Mittal )
Chairman & Managing Director
(DIN: 07272207)

**In terms of our report of even date attached**

**For G M Kapadia & Co.**
Chartered Accountants
Firm Reg. No. 104767W

Sd/-
(Abhishek Singh)
Partner (M. No. 407549)

**For R Gopal & Associates**
Chartered Accountants
Firm Reg. No.000846C

Sd/-
(Sunil Kumar Agarwal)
Partner (M. No. 093209)

**For SARC & Associates**
Chartered Accountants
Firm Reg. No. 006085N

Sd/-
(Sunil Kumar Gupta)
Partner (M. No. 084884)

**For Kalani & Co.**
Chartered Accountants
Firm Reg. No: 000722C

Sd/-
(Varun Bansal)
Partner (M.No. 402856)

**For R.G.N. Price & Co.**
Chartered Accountants
Firm Reg. No.002785S

Sd/-
(G Surendranath Rao)
Partner (M. No. 022693)

**For S. Bhandari & Co.**
Chartered Accountants
Firm Reg. No. 000560C

Sd/-
(Sudha Shetty)
Partner (M. No. 047684)

**28 May 2022**
**New Delhi**

## Consolidated Statement of Cash Flows for the year ended March 31, 2022

(₹ in million)

| | Particulars | Year Ended March 31, 2022 | | Year Ended March 31, 2021 | |
|---|---|---|---|---|---|
| A. | **CASH FLOW FROM OPERATING ACTIVITIES:** | | | | |
| | **Net Profit After Tax** | | **492,940.57** | | **213,602.47** |
| | Adjustments For: | | | | |
| | - Income Tax Expense | 47,970.45 | | 87,662.01 | |
| | - Share of profit of joint ventures and associates | (14,639.27) | | (10,193.62) | |
| | - Exceptional Items | 21,049.11 | | (9,187.68) | |
| | - Depreciation, Depletion, Amortisation & Impairment | 268,831.64 | | 255,384.71 | |
| | - Exploratory Well Costs Written off | 39,046.13 | | 51,678.17 | |
| | - Finance cost | 56,960.43 | | 50,790.31 | |
| | - Unrealized Foreign Exchange Loss/(Gain) | 3,715.70 | | (10,298.03) | |
| | - Effective Portion of Gains/(loss) in a Cash Flow Hedge | (1,386.73) | | (8.14) | |
| | - Other impairment and Write offs | 8,083.80 | | 11,609.62 | |
| | - Excess Provision written back | (7,074.18) | | (13,217.96) | |
| | - Gain on revaluation of financial liability towards CCDs | (963.82) | | (4,659.61) | |
| | - Interest Income | (21,084.92) | | (18,038.51) | |
| | - Loss / (gain) on fair valuation of financial instruments | 2,276.38 | | (839.04) | |
| | - Amortization of Financial Guarantee | (10.68) | | (12.74) | |
| | - Amortization of prepayments | 6.75 | | 6.75 | |
| | - Liabilities no longer required written back | (1,962.97) | | (1,576.87) | |
| | - Amortization of Government Grant | (226.06) | | (225.21) | |
| | - Loss/(Profit) on sale of investment | (49.44) | | - | |
| | - Loss/(Profit) on sale of non current assets | (1,317.40) | | 582.31 | |
| | - Dividend Income | (17,268.44) | | (15,405.19) | |
| | - Remeasurement of Defined benefit plans | 3,026.85 | | (1,531.98) | |
| | - Other expenditure/income | 320.67 | 385,304.00 | 492.53 | 373,011.83 |
| | **Operating Profit before Working Capital Changes** | | **878,244.57** | | **586,614.30** |
| | Adjustments for:- | | | | |
| | - Receivables | (30,669.53) | | (66,661.37) | |
| | - Loans and Advances | (4,508.66) | | 52,360.82 | |
| | - Other Assets | (15,041.88) | | (42,353.56) | |
| | - Inventories | (96,723.76) | | (116,807.69) | |
| | - Trade Payable and Other Liabilities | 183,650.86 | 36,707.03 | 134,064.59 | (39,397.21) |
| | **Cash generated from Operations** | | **914,951.60** | | **547,217.09** |
| | Income Taxes Paid (Net of tax refund) | | (134,951.22) | | (75,365.18) |
| | **Net Cash generated from Operating Activities 'A'** | | **780,000.38** | | **471,851.91** |
| B. | **CASH FLOW FROM INVESTING ACTIVITIES:** | | | | |
| | Payments for Property, plant and equipment | | (334,571.20) | | (323,190.46) |
| | Proceeds from disposal of Property, plant and equipment | | 3,668.58 | | 2,808.01 |
| | Exploratory and Development Drilling | | (110,692.21) | | (106,652.81) |
| | Redemption/(Investments) in Term deposits with maturity 3 to 12 months | | 17,859.20 | | 16,727.80 |
| | Redemption/(Investment) in Mutual funds | | (7,812.44) | | (3,061.39) |
| | Investment in Joint Ventures and Associates | | (24,466.65) | | (25,256.87) |
| | Loan to Joint Ventures/Associates | | 1,998.08 | | 1,080.28 |
| | Investments- Others | | (548.54) | | (211.54) |
| | Deposit in Site Restoration Fund | | (13,546.66) | | (12,315.90) |
| | Dividend Received from Associates and Joint Ventures | | 26,608.66 | | 27,690.41 |

## Consolidated Statement of Cash Flows for the year ended March 31, 2022

(₹ in million)

| | Particulars | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|---|
| | Dividend Received from Other Investments | 17,268.48 | 15,405.16 |
| | Interest Received | 19,461.85 | 16,058.27 |
| | **Net Cash used in Investing Activities 'B'** | **(404,772.85)** | **(390,919.04)** |
| **C.** | **CASH FLOW FROM FINANCING ACTIVITIES:** | | |
| | Change in NCI | (2,778.10) | (9,210.08) |
| | Proceeds from Non Current Borrowings | 176,880.09 | 187,797.34 |
| | Repayment of Non Current Borrowings | (138,388.34) | (135,337.71) |
| | Proceeds/(Repayment) of Current Borrowings (net) | (168,436.39) | 539.87 |
| | Dividend Paid on Equity Share | (129,238.27) | (30,962.94) |
| | Interest Paid | (39,139.13) | (30,719.68) |
| | Payment of Lease Liabilities (net of interest) | (52,070.12) | (56,880.66) |
| | Interest expense on lease liabilities | (6,620.55) | (7,620.90) |
| | **Net Cash used in Financing Activities 'C'** | **(359,790.81)** | **(82,394.76)** |
| | **Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)** | **15,436.72** | **(1,461.89)** |
| | **Cash and Cash Equivalents as at the beginning of the year** | **14,682.32** | **16,636.67** |
| | Add: Effect of exchange rate changes on the balance of cash and cash equivalents held in foreign currency | 1,324.77 | (492.46) |
| | **Cash and Cash Equivalents as at the end of year** | **31,443.81** | **14,682.32** |

**1 Details of cash and cash equivalents at the end of the year:**

(₹ in million)

| | Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| | Balances with Banks | 19,792.73 | 22,797.54 |
| | Cash on Hand | 67.86 | 53.54 |
| | Bank Deposit with original maturity up to 3 month | 34,636.71 | 17,342.61 |
| | | **54,497.30** | **40,193.69** |
| | Less :Cash Credit/Bank OD | 23,053.49 | 25,511.37 |
| | **Cash and cash equivalents at the end of the year** | **31,443.81** | **14,682.32** |

**2 Reconcilation of liabilities arising from financing activities:**

**For FY 2021-22:**

(₹ in million)

| Sl. No. | Particulars | As at March 31, 2021 | Financing cash Flows | Non-cash changes | As at March 31, 2022 |
|---|---|---|---|---|---|
| **I** | **Borrowing - Non Current*** | | | | |
| 1 | External commercial borrowing (ECB ) | 21,041.69 | (9,466.55) | 452.36 | 12,027.50 |
| 2 | Loan from Oil Industry Development Board (OIDB) | 33,772.50 | (28,930.56) | 83.06 | 4,924.99 |
| 3 | Non Convertible Debentures | 186,137.73 | 46,496.30 | 4.12 | 232,638.15 |
| 4 | Compulsorily Convertible Debentures | 9,993.00 | (10,000.00) | 7.00 | - |
| 5 | Deferred payment liabilities - VAT Loan | 418.09 | 86.33 | 5.10 | 509.52 |
| 6 | Working capital loan from banks | 39,981.96 | (0.01) | 1,543.11 | 41,525.06 |
| 7 | Foreign Currency Bonds | 268,071.36 | (73,558.11) | 5,431.31 | 199,944.56 |
| 8 | Foreign Currency Term Loan (FCTL) | 314,443.31 | 64,529.86 | 10,723.13 | 389,696.30 |
| 9 | Rupee Term Loan | 9,868.16 | 50,512.84 | 2.07 | 60,383.07 |
| 10 | Other Loans | 307.60 | (24.07) | 9.07 | 292.60 |
| 11 | Other financial liabilities (Non current) - Net Derivative Contracts | 31.41 | (1,154.28) | 521.53 | (601.34) |

| Sl. No. | Particulars | As at March 31, 2021 | Financing cash Flows | Non-cash changes | As at March 31, 2022 |
|---|---|---|---|---|---|
| | **Total** | **884,066.81** | **38,491.75** | **18,781.86** | **941,340.42** |
| **II** | **Borrowing - Current** | | | | |
| 1 | Working capital loan from banks | 39,368.10 | (39,368.10) | - | - |
| 2 | Commercial Papers | 83,827.73 | (75,836.93) | - | 7,990.80 |
| 3 | Loan repayable on demand | 44,028.20 | 652.91 | - | 44,681.11 |
| 4 | Other Loans | 14,496.24 | (3,999.33) | - | 10,496.91 |
| 5 | Foreign currency Terms Loans | 30,135.68 | (30,135.68) | - | - |
| 6 | Rupee Term Loans | 69,208.78 | (19,749.26) | 134.47 | 49,593.99 |
| | **Total** | **281,064.73** | **(168,436.39)** | **134.47** | **112,762.81** |

* includes current maturities of long term debt

**For FY 2020-21:**

**(₹ in million)**

| Sl. No. | Particulars | As at March 31, 2020 | Financing cash Flows | Non-cash changes | As at March 31, 2021 |
|---|---|---|---|---|---|
| **I** | **Borrowing - Non Current*** | | | | |
| 1 | External commercial borrowing (ECB ) | 32,844.25 | (11,135.30) | (667.26) | 21,041.69 |
| 2 | Loan from Oil Industry Development Board (OIDB) | 34,701.87 | (929.38) | - | 33,772.50 |
| 3 | Non Convertible Debentures | 100,574.51 | 85,564.33 | (1.11) | 186,137.73 |
| 4 | Compulsorily Convertible Debentures | 9,989.37 | - | 3.63 | 9,993.00 |
| 5 | Deferred payment liabilities - VAT Loan | 360.78 | 74.88 | (17.57) | 418.09 |
| 6 | Working capital loan from banks | 30,025.03 | 11,165.63 | (1,208.70) | 39,981.96 |
| 7 | Foreign Currency Bonds | 272,520.13 | - | (4,448.77) | 268,071.36 |
| 8 | Foreign Currency Term Loan (FCTL) | 357,332.52 | (32,631.65) | (10,257.56) | 314,443.31 |
| 9 | Rupee Term Loan | 6,856.72 | 3,010.92 | 0.52 | 9,868.16 |
| 10 | Other Loans | 2,762.81 | (2,659.81) | 204.60 | 307.60 |
| 11 | Other financial liabilities (Non current) - Net Derivative Contracts | 1,750.66 | - | (1,719.25) | 31.41 |
| | **Total** | **849,718.65** | **52,459.63** | **(18,111.47)** | **884,066.81** |
| **II** | **Borrowing - Current** | | | | |
| 1 | Working capital loan from banks | 30,772.30 | 8,595.79 | 0.01 | 39,368.10 |
| 2 | Commercial Papers | 34,331.35 | 49,330.07 | 166.31 | 83,827.73 |
| 3 | Loan repayable on demand | 26,622.67 | 17,357.49 | 48.04 | 44,028.20 |
| 4 | Other Loans | 13,999.42 | 496.20 | 0.62 | 14,496.24 |
| 5 | Foreign currency Terms Loans | 84,990.35 | (53,301.08) | (1,553.59) | 30,135.68 |
| 6 | Rupee Term Loans | 93,171.30 | (21,938.60) | (2,023.92) | 69,208.78 |
| | **Total** | **283,887.39** | **539.87** | **(3,362.53)** | **281,064.73** |

* includes current maturities of long term debt

**FOR AND ON BEHALF OF THE BOARD**

| | | |
|---|---|---|
| Sd/-<br>(Rajni Kant)<br>Company Secretary | Sd/-<br>(Pomila Jaspal)<br>Director (Finance)<br>(DIN: 08436633) | Sd/-<br>(Dr. Alka Mittal )<br>Chairman & Managing Director<br>(DIN: 07272207) |

**In terms of our report of even date attached**

| | | |
|---|---|---|
| **For G M Kapadia & Co.**<br>Chartered Accountants<br>Firm Reg. No. 104767W | **For R Gopal & Associates**<br>Chartered Accountants<br>Firm Reg. No.000846C | **For SARC & Associates**<br>Chartered Accountants<br>Firm Reg. No. 006085N |
| Sd/-<br>(Abhishek Singh)<br>Partner (M. No. 407549) | Sd/-<br>(Sunil Kumar Agarwal)<br>Partner (M. No. 093209) | Sd/-<br>(Sunil Kumar Gupta)<br>Partner (M. No. 084884) |
| **For Kalani & Co.**<br>Chartered Accountants<br>Firm Reg. No: 000722C | **For R.G.N. Price & Co.**<br>Chartered Accountants<br>Firm Reg. No.002785S | **For S. Bhandari & Co.**<br>Chartered Accountants<br>Firm Reg. No. 000560C |
| Sd/-<br>(Varun Bansal)<br>Partner (M.No. 402856) | Sd/-<br>(G Surendranath Rao)<br>Partner (M. No. 022693) | Sd/-<br>(Sudha Shetty)<br>Partner (M. No. 047684) |

**28 May 2022**
**New Delhi**

ONGC Hazira Plant is India's largest sour gas processing plant, which feeds the strategic HVJ pipeline

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

### 1. Corporate information

Oil and Natural Gas Corporation Limited ("ONGC" or "the Company") is a public limited company domiciled and incorporated in India having its registered office at Deendayal Urja Bhawan, 5, Nelson Mandela Marg, Vasant Kunj, New Delhi – 110070. The Company's shares are listed and traded on Bombay Stock Exchange and National Stock Exchange in India. The Consolidated Financial Statements relate to the Company, its Subsidiaries, Joint Venture Entities and Associates. The Group (comprising of the Company and its subsidiaries), Joint Venture Entities and Associates are mainly engaged in exploration, development and production of crude oil, natural gas and value added products in India and acquisition of oil and Gas acreages outside India for exploration, development and production, downstream (Refining and marketing of petroleum products), Petrochemicals, Power Generation, LNG supply, Pipeline Transportation, SEZ development and Helicopter services.

### 2. Application of new Indian Accounting Standards (Ind AS)

All the Indian Accounting Standards issued under section 133 of the Companies Act, 2013 and notified by the Ministry of Corporate Affairs (MCA) under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are approved have been considered in preparation of these Financial Statements.

#### 2.1. Standards issued but not yet effective:

The MCA has notified the Companies (Indian Accounting Standards / Ind AS) Amendment Rules, 2022 on March 23, 2022, whereby the amendments to various Indian Accounting Standards has been made applicable with effect from April 1, 2022 onwards.

The amendments made vide aforesaid notification dated March 23, 2022 has brought few additions and substitutions in Indian Accounting Standards (Ind AS) particularly in Ind AS 101- First-time Adoption of Indian Accounting Standards, Ind AS 103- Business Combinations, Ind AS 109- Financial Instruments, Ind AS 16- Property, plant and Equipment, Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets and Ind AS 41- Agriculture, the Company is evaluating the requirements of the same and its effect on the Financial Statements is not likely to be material.

### 3. Significant Group Accounting Policies

#### 3.1.Statement of compliance

The Consolidated Financial Statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), the Companies Act, 2013 and Guidance Note on Accounting for Oil and Gas Producing Activities (Ind AS) issued by the Institute of Chartered Accountants of India.

#### 3.2.Basis of preparation

The Consolidated Financial Statements have been prepared on going concern basis on the historical cost convention using accrual system of accounting except for certain assets and liabilities which are measured at fair value/amortised cost/Net present value at the end of each reporting period, as explained in the accounting policies below:

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course due to the special nature of industry, the same has been assumed to have duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Consolidated Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal million except otherwise stated.

**Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Group categorizes assets and liabilities measured at fair value into one of the three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the assets or liabilities.
- Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Group's assumptions about pricing by market participants.

#### 3.3.Principles of Consolidation

The Consolidated Financial Statements incorporate the financial statements of the Company and its subsidiaries (collectively referred as "the Group"). The Group has investments in associates and joint ventures which are accounted using equity method in these consolidated financial statements. Refer Note No. 3.7 for the accounting policy of investment in associates and joint ventures in the Consolidated Financial Statements.

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are consolidated from the date of their acquisition (except for Business Combinations under Common Control), being the date on which the Company obtains control and continue to be consolidated until the date that such control ceases.

The Consolidated financial statements are prepared using uniform accounting policies consistently for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's Standalone Financial Statements except otherwise stated. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's Significant Accounting Policies.

The Consolidated Financial Statements have been prepared by combining the financial statements of the company and its subsidiaries on a line-by-line basis by adding together the book values of like items of assets, liabilities, equity, income, expenses and cash flow after eliminating in full intra-group assets, liabilities, equity, income, expenses and cash flow relating to intra-group transactions and unrealized profits. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Such unrealized profits/losses are fully attributed to the Company.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognized in the consolidated statement of profit and loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to the consolidated statement of profit and loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or the cost on initial recognition as investment in an associate or a joint venture, when applicable.

**3.4. Business Combination**

Acquisitions of businesses (except for Business Combinations under Common Control) are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value which is calculated as the sum of the acquisition date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange of control of the acquiree. Acquisition related costs are generally recognized in consolidated statement of profit and loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value, except that:

-Deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with Ind AS 12 'Income Taxes' and Ind AS 19 'Employee Benefits' respectively;

-Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 'Non-current Assets Held for Sale and Discontinued Operations' are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed.

In case of a bargain purchase, before recognising a gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing (as described above), directly in equity as capital reserve.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve, as the case may be. Measurement period adjustments are adjustments that arise from additional information obtained by the Group during the 'measurement period' about facts and circumstances that existed at the acquisition date. Measurement period does not exceed one year from the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at fair value at subsequent reporting dates with the corresponding gain or loss being recognized in the consolidated statement of profit and loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition date fair value and the resulting gain or loss, if any, is recognized in the consolidated statement of profit and loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to the consolidated statement of profit and loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period recognising additional assets or liabilities (if any) to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

**Business Combination under Common control**

A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. The transactions between entities under common control are specifically covered by Appendix C to Ind AS 103 and are accounted for using the pooling-of-interest method as follows:

- The assets and liabilities of the combining entities are reflected at the carrying amounts.
- No adjustments are made to reflect fair values, or recognize new assets or liabilities. Adjustments are made to harmonize significant accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee. The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

**3.5. Non-controlling interests**

Non-controlling interests represent the proportion of income, other comprehensive income and net assets in subsidiaries that is not attributable to the Company's shareholders.

Non-controlling interests are initially measured at the proportionate share of the recognized amounts of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of the interest at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

**3.6. Goodwill on consolidation**

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. Goodwill arising on amalgamation of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the cash generating unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the cash generating unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in Consolidated Statement of Profit and Loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the Profit and Loss.

**3.7. Investments in Associates and Joint Ventures**

An Associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A Joint Venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results, assets and liabilities of associates or joint ventures are incorporated in the Consolidated Financial Statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105 'Non-current Assets Held for Sale and Discontinued Operations'. Under the equity method, an investment in an associate or a joint venture is initially recognized in the Consolidated Balance Sheet at cost and adjusted thereafter to recognize the Group's share of profit or loss and other comprehensive income of the associate or joint venture. Distributions received from an associate or a joint venture reduces the carrying amount of investment. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has legal or constructive obligations or made payments on behalf of the associate or joint venture.

Loans advanced to Associate & Joint Venture and that have the characteristics of financing through equity are also included in the investment of the Group's consolidated balance sheet. The Group's share of amounts recognized directly in equity by Associate & Joint Venture is recognized in the Group's consolidated statement of changes in equity.

Where the group is a sponsor in respect of Compulsory Convertible Debentures issued by joint ventures and is mandatorily required to purchase such debentures, a financial liability is recognized at fair value with a corresponding debit to deemed investment. Financial liability is subsequently measured at amortized cost. The deemed investment is added to the carrying amount of investment in joint ventures and carried at cost.

Unrealized gains on transactions between the group and its Associate & Joint Venture are eliminated to the extent of the Group's interest in Associate & Joint Venture. Unrealized losses are also eliminated to the extent of Group's interest unless the transaction provides evidence of an impairment of the asset transferred.

If an associate or a joint venture uses accounting policies other than those of the Group accounting policies for like transactions and events in similar circumstances, adjustments are made to make the associate's or joint venture's financial statements confirm to the Group's significant accounting policies before applying the equity method, unless, in case of an associate where it is impracticable do so.

An investment in an Associate or a Joint Venture is accounted for using the equity method from the date on which the investee becomes an Associate or a Joint Venture. On acquisition of the investment in an Associate or a Joint Venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognized as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognized directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then Group recognises impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 'Impairment of Assets' as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109 'Financial Instruments'. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognized in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognized in other comprehensive income by that associate or joint venture would be reclassified to the consolidated statement of profit and loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to the consolidated statement of profit and loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to the consolidated statement of profit and loss the proportion of the gain or loss that had previously been recognized in other comprehensive income relating to that reduction in ownership interest as if that gain or loss would be reclassified to the consolidated statement of profit and loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognized in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

### 3.8. Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group has Joint Operations in the nature of Production Sharing Contracts (PSC) and Revenue Sharing Contracts (RSC) with the Government of India/other countries and various body corporates for exploration, development and production activities.

The Group's share in the assets and liabilities along with attributable income and expenditure of the Joint Operations is merged on line by line basis with the similar items in the Consolidated Financial Statements and adjusted for leases, depreciation, overlift/ underlift, depletion, survey, dry wells, decommissioning provision, impairment and sidetracking in accordance with the accounting policies of the Group.

The hydrocarbon reserves in such areas are taken in proportion to the participating interest of the Group.

With respect to use of leased assets in the joint operations, the Group recognizes lease liability and corresponding right-of-use asset in accordance with the terms of related joint operating agreement/production sharing contracts.

Gain or loss on sale of interest in a joint operation, is recognized in the Consolidated Statement of Profit and Loss, except that no gain is recognized at the time of such sale if substantial uncertainty exists about the recovery of the costs applicable to the retained interest or if the Group has substantial obligation for future performance. The gain in such situation is treated as recovery of cost related to that block.

In case of joint operations outside India, the long term employee benefits are recognised in accordance with the laws of the their respective jurisdiction.

### 3.9. Non-current assets held for sale

Non-current assets or disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets or disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, Plant and Equipment (PPE) and intangible assets are not depreciated or amortized once classified as held for sale.

### 3.10. Government Grant

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Monetary Government grants, whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets and the grants are recognized and disclosed as 'deferred income' under non-current liability in the Consolidated Balance Sheet and transferred to the Consolidated Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

All Non-monetary grants received are recognized for both asset and grant at nominal value.

The benefit of a government loan at a rate below the market rate of interest is treated as a government grant, and is measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

**3.11. Property Plant and Equipment (other than Oil and Gas Assets) and Right of Use Assets**

The Group (except for ONGC Videsh Ltd where due to change in functional currency, exemption as per para D7AA of Ind AS 101 is not available) has elected to continue with the carrying value of all of its Property Plant and Equipment recognized as of April 1, 2015 (transition date) measured as per the Previous GAAP and use that carrying value as its deemed cost as of the transition date except adjustment related to decommissioning liabilities.

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost less accumulated depreciation and impairment losses, if any. Freehold land and land under perpetual lease are not depreciated. However, freehold land relating to overseas oil & gas operations are depreciated on straight line basis over the duration of the license period.

Property, Plant and Equipment (PPE) in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. The cost of an asset comprises its purchase price or its construction cost (net of applicable tax credits), any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the Management and decommissioning cost as per Note No. 3.17. It includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of PPE when completed and ready for intended use. Parts of an item of PPE having different useful lives and significant value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components. Expenditure on dry docking of rigs and vessels are accounted for as component of relevant assets.

The estimated useful lives, residual values and depreciation method are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

Depreciation on subsequent expenditure on PPE arising on account of capital improvements or other factors is provided for prospectively over the remaining useful life.

Depreciation on additions/deletions to PPE during the year is provided for on a pro-rata basis with reference to the date of additions/deletions except low value items not exceeding ₹ 5,000/- which are fully depreciated at the time of addition of Assets related to operations in India and items not exceeding US$ 100 which are fully depreciated at the time of addition of Assets related to operations outside India. In case of a subsidiary HPCL, depreciation is charged on additions / deletions on pro-rata monthly basis including the month of addition / deletion.

Right-of-use assets are depreciated on a straight-line basis over the lease term or useful life of the underlying asset, whichever is less.

An item of PPE is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the net sales/disposal proceeds and the carrying amount of the asset and is recognized in the consolidated Statement of Profit and Loss.

Depreciation of these PPE commences when the assets are ready for their intended use.

**The Group account for their depreciation on following basis:-**

**(a) Depreciation- PPE of Exploration & Production (E&P) (other than freehold land, Oil and Gas Assets and properties under construction)**

Depreciation is provided on the cost of PPE of E&P operations less their residual values, using the written down value method (except for components of dry docking capitalized) over the useful life of PPE as stated in the Schedule II to the Companies Act, 2013 or based on technical assessment by the Company. In case of PPE pertaining to overseas blocks where the license period is less than the useful life of PPE, the company writes off the PPE in the financial year in which the license is expired or the block is surrendered, if no future economic benefits from the PPE are expected. Estimated useful lives of these assets are as under:

| Description | Useful life in years |
|---|---|
| Building & Bunk Houses | 3 to 60 |
| Plant & Equipment | 2 to 40 |
| Furniture and Fixtures | 3 to 25 |
| Vehicles, Ships and Boats | 3 to 20 |
| Office Equipment | 2 to 20 |

Depreciation on refurbished/revamped PPE which are capitalized separately is provided for over the reassessed useful life which is not more than the life specified in Schedule II to the Companies Act, 2013.

Depreciation on expenditure on dry docking of rigs and vessels capitalized as component of relevant rig / vessels is charged over the dry dock period on straight line basis.

Depreciation on PPE including support equipment and facilities used for exploratory/ development drilling is initially capitalised as part of drilling cost and expensed/depleted as per Note No. 3.15. Depreciation on equipment/ assets deployed for survey activities is charged to the Consolidated Statement of Profit and Loss.

**(b) Depreciation- PPE of Refining & Marketing, Crude oil Transportation business (other than freehold land and properties under construction)**

Depreciation is provided on the cost of PPE less their residual values of asset associated with Refinery, Petrochemical, Crude oil Transportation, using Straight Line Method, over the useful life as specified in Schedule II to the Companies Act, 2013, except in case of certain components of the Plant and Equipment whose useful lives are determined based on technical evaluation. Useful lives are as follows:-

| Asset categories | Useful life in years |
|---|---|
| Buildings | 1-60 |
| Plant & Machinery | 2-42 |
| Furniture | 3-10 |
| Office equipment | 3-15 |
| Vehicles | 4-15 |
| Railway Siding | 15 |
| Roads | 5-10 |

In respect of refining & marketing business, the useful lives of following assets are based on internal technical assessment:

| Asset categories | Useful life in years |
|---|---|
| Plant and Machinery relating to Retail Outlets (other than Storage tanks and related equipment) | 15 |
| Cavern Structure | 60 |
| LPG cylinders & regulators (excluding cylinders held for sale) | 15 |
| CNG Compressors | 10 |
| CNG Cascades and SS tubing in CNG Stations | 20 |

In cases of LPG Cylinders & pressure regulators and Catalysts with nobel metal contents, with due consideration to expected realization, a higher residual value is considered.

Expenditure on overhaul and repairs on account of planned shutdown which are of significant value (5% of the value of particular assets) is capitalized as component of relevant items of PPE and is depreciated over the period till next shutdown on straight line basis. Catalyst whose life is more than one year is capitalised as property, plant and equipment and depreciated over the guaranteed useful life as specified by the supplier when the catalyst is put to use.

In respect of immovable assets constructed on leasehold land, useful life as per Schedule II or lease period of land (including renewable/likely renewable period) whichever is earlier is considered.

**3.12.Intangible Assets**

**(i) Intangible assets acquired separately**

The Group (except for ONGC Videsh Ltd where due to change in functional currency exemption as per para D7AA of Ind AS 101 is not available) has elected to continue with the carrying value of all of its intangible assets recognized as of April 1, 2015 (transition date) measured as per the Previous GAAP and use that carrying value as its deemed cost as of the transition date except adjustment related to decommissioning liabilities.

Intangible assets are carried at cost net of accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles, excluding development costs, are not capitalised and the related expenditure is reflected in Statement of Profit and Loss in the period in which the expenditure is incurred. Development costs are capitalised if technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Group has an intention and ability to complete and use or sell the asset and the costs can be measured reliably.

In cases where, the Group has constructed assets and the Group has only a preferential right to use, these assets are classified as intangible assets and are amortised (after retaining the residual value, if applicable) over their useful life or the period of the agreement, whichever is lower.

Intangible assets with finite useful lives that are acquired separately are amortized on a straight-line basis over their estimated useful life. The estimated useful life is reviewed at the end of each reporting period and the effect of any changes in estimate being accounted for prospectively and tested for impairment.

Intangible assets with indefinite useful lives such as 'right of way' are not subject to amortisation and are carried at cost less accumulated impairment losses, if any. The useful lives are reviewed at each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and recognized in the Consolidated Statement of Profit and Loss, when the asset is derecognized.

Technical know-how / license fee relating to production process and process design are recognized as Intangible Assets.

Estimated lives of intangible assets (acquired) are as follows:

- Software : 2 to 10 years
- Technical know-how/license fees : 2 to 10 years
- License and Franchise : 3 years
- Right to use-wind mills : 22 years

**(ii) Intangible assets under development - Exploratory Wells in Progress**

All exploration and evaluation costs incurred in drilling and equipping exploratory and appraisal wells, are initially capitalized as Intangible assets under development - Exploratory Wells in Progress till the time these are either transferred to Oil and Gas Assets on completion as per Note No. 3.15 or expensed as exploration and evaluation cost (including allocated depreciation) as and when determined to be dry or of no further use, as the case may be.

Cost of drilling exploratory type stratigraphic test wells are initially capitalized as Intangible assets under development - Exploratory Wells in Progress till the time these are either transferred to Oil and Gas Assets as per note no. 3.15 or expensed as exploration and evaluation cost (including allocated depreciation) as when determined to be dry or the petroleum exploration license/field/project is surrendered.

Costs of exploratory wells are not carried over unless it could be reasonably demonstrated that there are indications of sufficient quantity of reserves and sufficient progress has been made in assessing the reserves and the economic and operating viability of the project. All such carried over costs are subject to review for impairment as per the policy of the Group.

**3.13.Impairment of tangible, intangible assets (other than goodwill) and right-of-use assets**

The Group reviews the carrying amount of its tangible and intangible assets (Oil and Gas Assets, Development Wells in Progress (DWIP), Property, Plant and Equipment (including Capital Works in Progress) and Right–of use assets of a “Cash Generating Unit” (CGU) at the end of each reporting period to determine whether there is any significant indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives such as “Right of way” and intangible assets not yet available for use are tested for impairment at least annually or whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Consolidated Statement of Profit and Loss.

An assessment is made at the end of each reporting period to see if there are any indications that impairment losses recognized earlier may no longer exist or may have come down. The impairment loss is reversed, if there has been a change in the estimates used to determine the asset's recoverable amount since the previous impairment loss was recognized. If it is so, the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. After a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life. Reversals of Impairment loss are recognized in the Consolidated Statement of Profit and Loss.

Exploration and Evaluation assets are tested for Impairment when further exploration activities are not planned in near future or when sufficient data exists to indicate that although a development is likely to proceed, the carrying amount of the exploration asset is unlikely to be recovered in full from successful development or by sale. Impairment loss is reversed subsequently, to the extent that conditions for impairment are no longer present.

### 3.14.Exploration & Evaluation, Development and Production Costs

#### (i) Pre-acquisition cost

Expenditure incurred before obtaining the right(s) to explore, develop and produce oil and gas are expensed as and when incurred.

#### (ii) Acquisition cost

Acquisition costs of an Oil and Gas Asset are costs related to right to acquire mineral interest and are accounted as follows:-

**Exploration and development stage**

Acquisition cost relating to projects under exploration or development are initially accounted as Intangible Assets under development - exploratory wells in progress or Oil & Gas Assets under development - development wells in progress respectively. Such costs are capitalized by transferring to Oil and Gas Assets when a well is ready to commence commercial production. In case of abandonment / relinquishment of Intangible Assets under development - exploratory wells in progress, such costs are written off.

**Production stage**

Acquisition costs of a producing Oil and Gas Assets are capitalized as proved property acquisition cost under Oil and Gas Assets and amortized using the unit of production method over proved reserves of underlying assets.

#### (iii) Survey cost

Cost of Survey and prospecting activities conducted in the search of oil and gas are expensed as exploration cost in the year in which these are incurred.

#### (iv) Oil & Gas asset under development - Development Wells in Progress

All costs relating to Development Wells are initially capitalized as 'Development Wells in Progress' and transferred to 'Oil and Gas Assets' on "completion".

#### (v) Production costs

Production costs include pre-well head and post-well head expenses including depreciation and applicable operating costs of support equipment and facilities.

#### (vi) Impairment of Acquisition costs relating to participating rights

For the purposes of impairment testing, acquisition cost is allocated to each of the Group's CGUs (or groups of CGUs) that is expected to benefit from the synergies of the combination.

A CGU to which acquisition cost has been allocated is tested for impairment annually when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any acquisition cost allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. An impairment loss recognized for acquisition cost is not reversed in subsequent periods.

On disposal of the relevant CGU, the attributable carrying amount of acquisition cost is included in the determination of the profit or loss on disposal.

### 3.15.Oil and Gas Assets

The Group (except for ONGC Videsh Ltd where due to change in functional currency this exemption is not available as per para D7AA of Ind AS 101 ) has elected to continue with the carrying value of all of its Oil and Gas assets recognized as of April 1, 2015 (transition date) measured as per the Previous GAAP and use that carrying value as its deemed cost as of the transition date except adjustment related to decommissioning liabilities.

Oil and Gas Assets are stated at historical cost less accumulated depletion and impairment losses. These are created in respect of an area / field having proved developed oil and gas reserves, when the well in the area / field is ready to commence commercial production.

Cost of temporary occupation of land, successful exploratory wells, all development wells (including service wells), allied facilities, depreciation on support equipment used for drilling and estimated future decommissioning costs are capitalised and classified as Oil and Gas Assets

Oil and Gas Assets are depleted using the "Unit of Production Method". The rate of depletion is computed with reference to an area covered by individual lease / license / asset /field /project / amortization base by considering the proved developed reserves and related capital costs incurred including estimated future decommissioning / abandonment costs net of salvage value. Acquisition cost of Oil and Gas Assets is depleted by considering the proved reserves. These reserves are estimated annually by the Reserve Estimates Committee of the Company, which follows the International Reservoir Engineering Procedures.

### 3.16.Side tracking

In the case of an exploratory well, cost of side-tracking is treated in the same manner as the cost incurred on a new exploratory well. The cost of abandoned portion of side tracked exploratory wells is expensed as 'Exploration cost written off'.

In the case of development wells, the entire cost of abandoned portion and side tracking is capitalized.

In case of side tracking of producing wells and service wells which form part of the development schemes are treated as development wells and the cost incurred on the side tracking is capitalized.

In the case of side tracking of producing wells and service wells which do not form part of the development schemes and the side-tracking results in additional proved developed oil and gas reserves or increases the future economic benefits therefrom beyond previously assessed standard of performance, the cost incurred on side tracking is capitalised, whereas the cost of abandoned portion of the well is depleted in the normal way. Otherwise, the cost of side tracking is expensed as 'Work over Expenditure.'

**3.17.Decommissioning costs**

Decommissioning cost includes cost of restoration. Provision for decommissioning costs are recognized when the Group has a legal or constructive obligation to plug and abandon a well, dismantle and remove a facility or an item of Property, Plant and Equipment and to restore the site on which it is located. The full eventual estimated provision towards costs relating to dismantling, abandoning and restoring well sites and allied facilities are recognized in respective assets when the well is complete / facilities or Property, Plant and Equipment are installed.

The amount recognized is the present value of the estimated future expenditure determined using existing technology at current prices and escalated using appropriate inflation rate till the expected date of decommissioning and discounted up to the reporting date using the appropriate risk free discount rate.

An amount equivalent to the decommissioning provision is recognized along with the cost of exploratory well or Property, Plant and Equipment. The decommissioning cost in respect of dry well is expensed as exploratory well cost.

Any change in the present value of the estimated decommissioning provision other than the periodic unwinding of discount is adjusted to the decommissioning provision and the carrying value of the related asset. In case reversal of decommissioning provision exceeds the carrying amount of the related asset including WDV of the capitalised portion of decommissioning provision in the carrying amount of the related asset, the excess amount is recognized in the Consolidated Statement of Profit and Loss. The unwinding of discount on provision is charged in the Consolidated Statement of Profit and Loss as finance cost.

Provision for decommissioning cost in respect of assets under Joint Operations is considered as per participating interest of the Group on the basis of estimate approved by the respective operating committee. Wherever the same are not approved by the respective operating committee abandonment cost estimates of the company are considered.

**3.18.Inventories**

**(a) Raw material and Stock in Process –Refinery & Petrochemicals**

Raw material (Crude oil ) is valued at cost on First in First Out (FIFO) basis or at net realisable value, whichever is lower. Raw materials other than Crude oil are valued at weighted average cost or at net realisable value, whichever is lower . Stock-in process is valued at raw material cost plus cost of conversion or at net realisable value, whichever is lower. Raw materials are not written down below cost except in cases where their prices have declined subsequently and it is estimated that the cost of the finished goods will exceed their net realisable value

**(b) Finished Goods and semi-finished :-**

**(i) Exploration and Production Operation (E&P)**

Finished goods (other than Sulphur and carbon credits) including inventories in pipelines / tanks are valued at cost or net realisable value whichever is lower. Cost of finished goods is determined on absorption costing method. Sulphur and carbon credits are valued at net realisable value. The value of inventories includes excise duty, royalty (wherever applicable) but excludes Cess.

Crude oil in semi-finished condition at Group Gathering Stations (GGS) is valued at cost on absorption costing method or net realisable value whichever is lower.

Crude oil in unfinished condition in flow lines up to GGS / platform is not valued as the same is not measurable. Natural Gas is not valued as it is not stored.

**(ii) Refining & Petrochemicals**

Finished products other than Lubricants are valued at cost (on FIFO basis month-wise) or at net realisable value, whichever is lower Cost of finished goods (other than lubricants) is determined based on raw material cost, conversion cost and excise duty.

Finished products (lubricants) are valued at weighted average cost or at net realisable value, whichever is lower.

Stock in trade are valued on weighted average cost basis.

Empty packages are valued at weighted average cost.

Cost of semi-finished goods is determined based on raw material cost and proportionate conversion cost.

Customs duty on Raw materials/Finished goods lying in bonded warehouse are provided for at the applicable rates except where liability to pay duty is transferred to consignee.

Excise duty on finished stocks lying at manufacturing locations is provided for at the assessable value applicable at each of the locations based on applicable duty.

The net realizable value of finished goods and stock in trade are final selling prices for sales to oil marketing companies and depot prices applicable to the locations. For the purpose of stock valuation, the proportion of sales of oil marketing companies and consumer sales are determined on location wise and product wise sales of subsequent period.

**(c) Store & Spares**

Inventory of stores and spare parts is valued at weighted average cost or net realisable value, whichever is lower. Wherever, weighted average cost or net realisable value is not available, the cost made available by the operator is considered for valuation of Stores and Spares. Provisions are made for obsolete and non-moving inventories.

In case of Refinery & Petrochemicals segment, surplus items, when transferred from completed projects are valued at cost/ estimated value, pending periodic assessment/ ascertainment of condition. Stores and Spares in-transit are valued at cost.

Unserviceable and scrap items, when determined, are valued at estimated net realisable value.

**3.19. Revenue recognition**

Revenue from contracts with customers is recognized at the point in time the Company satisfies a performance obligation by transferring control of a promised product or service to a customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for the sale of products and service, net of discount, taxes or duties. The transfer of control on sale of crude oil, natural gas and value added products occurs at the point of delivery, where usually the title is passed and the customer takes physical possession, depending upon the contractual conditions. Any retrospective revision in prices is accounted for in the year of such revision.

Revenue from service is recognized in the accounting period in which the services are rendered at contractually agreed rates.

Sale of crude oil and natural gas (net of levies) produced from Intangible assets under development – Exploratory Wells in Progress / Oil and Gas assets under development – Development Wells in Progress is deducted from expenditure on such wells.

Any payment received in respect of contractual short lifted gas quantity for which an obligation exists to make-up such gas in subsequent periods is recognized as Contract Liabilities in the year of receipt. Revenue in respect of such contractual short lifted quantity of gas is recognized when such gas is actually supplied or when the customer's right to make up is expired, whichever is earlier.

Revenues from the production of crude oil and natural gas properties, in which the Group has an interest with other producers, are recognized based on actual quantity lifted over the period. Any difference as of the reporting date between the entitlement quantity minus the quantities lifted in respect of crude oil, if positive (i.e. under lift quantity) the proportionate production expenditure is treated as prepaid expenses and, if negative (i.e. over lift quantity), a liability for the best estimate of the Group's proportionate share of production expenses as per the Joint Operating Agreement (JOA) / Production Sharing Agreement (PSA) is created in respect of the quantity of crude oil to be foregone in future period towards settlement of the overlift quantity of crude oil with corresponding charge to the Statement of Profit and Loss.

Revenue is allocated between loyalty programs and other components of the sale. The amount allocated to the loyalty program is deferred, and is recognized as revenue when the Group has fulfilled its obligation to supply the products under the terms of the program or when it is no longer probable that the points under the program will be redeemed. Where the Group acts as an agent on behalf of a third party, the associated income is recognized on a net basis.

Revenue in respect of the following is recognized when collectability of the receivable is reasonably assured:

**(i)** Contractual short lifted quantity of gas with no obligation for make-up.

**(ii)** Interest on delayed realization from customers and cash calls from JV partners.

**(iii)** Liquidated damages from contractors/suppliers.

As per the Production Sharing Contracts for extracting the Oil and Gas Reserves with Government of India, out of the earnings from the exploitation of reserves after recovery of cost, a part of the revenue is paid to Government of India which is called Profit Petroleum. It is reduced from the revenue from Sale of Products as Government of India's Share in Profit Petroleum.

**Dividend and interest income**

Dividend income from investments is recognized when the shareholder's right to receive payment is established and it became probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

Interest income from financial assets is recognized, when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable on initial recognition.

### 3.20. Leases

Effective April 01, 2019, the Group adopted Ind AS 116 "Leases" using the modified prospective approach. The new standard defines a lease as a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group has exercised the option not to apply this standard to leases of intangible assets.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

**(i)** the contract involves use of an identified assets.

**(ii)** the Group obtains substantially all of the economic benefits from the use of the asset through out the period of the lease and

**(iii)** the Group has the right to direct the use of the asset.

**Group as a lessee**

At the date of commencement of the lease, the Group recognizes a right-of-use asset (ROU asset) and a corresponding lease liability for all hiring contracts / arrangements in which it is a lessee, except for lease with a term of twelve months or less (i.e. short term leases) and lease of low value assets. For these short-term and low value leases, the Group recognizes the lease payments on straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The lease liability is initially measured at present value of the future lease payments over the reasonably certain lease term. The lease payments are discounted using the interest rate implicit in the lease. if it is not readily determinable, using the incremental borrowing rate. For leases with similar characteristics, the Group, on a lease by lease basis. applies either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

The right-of-use assets are initially recognized at cost, which comprises the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the inception date of the lease along with any initial direct costs, restoration obligations and lease incentives received

Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets, however, in case the ownership of such right-of-use asset transfers to the lessee at the end of the lease term, such assets are depreciated over the useful life of the underlying asset. The Group applies Ind AS 36 to determine whether a ROU asset is impaired and accounts for any identified impairment loss as described in the accounting policy above on "Impairment of tangible. intangible assets and right-of-use assets".

In the case of unincorporated joint operations, the operator recognizes the entire lease liability, as, by signing the contract, it has primary responsibility for the liability towards the third party supplier. Therefore, if, based on the contractual provisions and any other relevant facts and circumstances, the group has primary responsibility, it recognizes in the balance sheet: (i) the entire lease liability and (ii) the entire right-of-use asset, unless there is a sublease with the joint operators. On the other hand, if the lease contract is signed by all the partners of the venture, the group recognises its share of the right-of-use asset and lease liability based on its working interest. If the group does not have primary responsibility for the lease liability, it does not recognise any right-of-use asset or lease liability related to the lease contract.

The interest cost on lease Liability (computed using effective interest method). is expensed in the Consolidated statement of profit and loss unless eligible for capitalization as per accounting policy below on “Borrowing costs”.

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract in accordance with Ind AS 116 and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components except in case of subsidiary HPCL which has elected not to separate non-lease components in a contract and account as one unified lease contract covering all underlying assets by using the practical expedient prescribed in the Standard, and the same has immaterial impact on consolidated financial statements.

Lease liability and ROU asset have been separately presented in the Consolidated Balance Sheet and lease payments have been classified as financing cash flows in the Consolidated Statement of Cash Flows.

**Group as Lessor:**

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. In all other cases, it is treated as operating lease.

### 3.21. Foreign Exchange Transactions

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The consolidated financial statements are presented in Indian Rupees (₹), which is the Company’s functional currency and the Group’s presentation currency.

Transactions in currencies other than the respective entities’ functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated using mean exchange rate prevailing on the last day of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of transaction.

Exchange differences on monetary items are recognized in the consolidated Statement of Profit and Loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

Exchange differences on monetary items are recognized in the consolidated statement of profit and loss in the period in which they arise except for exchange differences on monetary item that forms part of a Group’s net investment in a foreign operation are recognized initially in other comprehensive income and reclassified from equity to the consolidated statement of profit and loss on repayment of the monetary items.

Exchange difference arising in respect of long term foreign currency monetary items is recognized in the statement of profit and loss except for the exchange difference related to long term foreign currency monetary items recognized as at March 31, 2016, in so far as, these related to the acquisition of depreciable assets, are adjusted against the cost of such assets and depreciate the said adjustment, over the balance life of asset and in other cases amortised over the balance period of the long term foreign currency monetary assets or liabilities.

On the disposal of a foreign operation (i.e. a disposal of the Group’s entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to the consolidated statement of profit and loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognized in the consolidated statement of profit and loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to the consolidated statement of profit and loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of foreign operation and translated at rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognized in other comprehensive income.

Entities with functional currency other than presentation currency are translated to the presentation currency in Indian Rupees (₹). The Group has applied the following principles for translating its results and financial position from functional currency to presentation currency (₹):-

- Assets and liabilities (excluding equity share capital and other equity) for each balance sheet presented (i.e. including comparatives) has been translated at the closing rate at the date of that balance sheet;

- Equity share capital including equity component of compound financial instruments have been translated at exchange rates at the dates of transaction. Capital reserve has been translated at exchange rate at the dates of transaction. Other reserves have been translated using average exchange rates of the period to which it relates;

- Income and expenses for each consolidated statement of profit and loss presented have been translated at exchange rates at the dates of transaction except for certain items average rate for the period is used;

- The joint-interest billing statement given by the operators under overseas joint operations has been translated at the monthly/ quarterly average rate, considering the transactions are occurring during the period

### 3.22. Employee Benefits

Employee benefits include salaries, wages, contributory provident fund, gratuity, leave encashment towards un-availed leave, compensated absences, post-retirement medical benefits and other terminal benefits.

All short term employee benefits are recognized at their undiscounted amount in the accounting period in which they are incurred.

**Defined contribution plans**

Employee Benefit under defined contribution plans comprising contributory provident fund, Post Retirement benefit scheme, Employee Pension Scheme - 1995, composite social security scheme etc. is recognized based on the undiscounted amount of obligations of the Group to contribute to the plan. The same is paid to a fund administered through a separate trust.

**Defined benefit plans**

Defined employee benefit plans comprising of gratuity, post-retirement medical benefits and other terminal benefits, are recognized based on the present value of defined benefit obligation which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

Net interest on the net defined liability is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset and is recognized in the Statement of Profit and Loss except those included in cost of assets as permitted.

Remeasurement of defined retirement benefit plans except for leave encashment towards un-availed leave and compensated absences, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest as defined above), are recognized in other comprehensive income except those included in cost of assets as permitted in the period in which they occur and are not subsequently reclassified to profit or loss.

The Group contributes all ascertained liabilities with respect to gratuity to the respective Gratuity Fund Trust. All ascertained liabilities for un-availed leave and post retirement medical benefits are funded with Life Insurance Corporation of India (LIC) except in case of some subsidiaries. Other defined benefit schemes are unfunded.

The retirement benefit obligation recognized in the Consolidated Financial Statements represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

**Other long term employee benefits**

Other long term employee benefit comprises of leave encashment towards un-availed leave and compensated absences, these are recognized based on the present value of defined obligation which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted for either as current employee cost or included in cost of assets as permitted.

Re-measurements of leave encashment towards un-availed leave and compensated absences are recognized in the Statement of profit and loss except those included in cost of assets as permitted in the period in which they occur.

**3.23. Voluntary Retirement Scheme**

Expenditure on Voluntary Retirement Scheme (VRS) is charged to the Consolidated Statement of Profit and Loss when incurred.

**3.24. General Administrative Expenses**

General administrative expenses which are directly attributable are allocated to activities and the balance is charged to Consolidated Statement of Profit and Loss.

**3.25. Insurance claims**

Insurance claims are accounted for on the basis of claims admitted/ expected to be admitted to the extent that the amount recoverable can be measured reliably and it is virtually certain to expect ultimate collection.

**3.26. Research and Development Expenditure**

Expenditure of capital nature are capitalised and expenses of revenue nature are charged to the Consolidated Statement of Profit and Loss, as and when incurred.

**3.27. Income Taxes**

Income tax expense represents the sum of the current tax expense and deferred tax.

**(i) Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Consolidated Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period and any adjustment to tax payable in repect of previous year.

**(ii) Deferred tax**

Deferred tax is recognized using balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities in the Consolidated Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are presented separately in Consolidated Balance sheet except where there is a right of set-off within fiscal jurisdictions and an intention to settle such balances on a net basis.

Deferred tax liabilities are recognized for taxable temporary differences associated with investment in subsidiaries and associate and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such interests are recognized only to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the Consolidated Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realized.

**(iii) Current and deferred tax for the year**

Current and deferred tax expense is recognized in the Consolidated Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

**3.28. Borrowing Costs**

Borrowing costs including finance cost on lease liability specifically identified to the acquisition or construction of qualifying assets or development wells or exploratory wells is capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Consolidated Statement of Profit and Loss.

Borrowing cost also includes exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs i.e. equivalent to the extent to which the exchange loss does not exceed the difference between the cost of borrowing in functional currency (₹) when compared to the cost of borrowing in a foreign currency.

When there is an unrealised exchange loss which is treated as an adjustment to interest and subsequently there is a realised or unrealised gain in respect of the settlement or translation of the same borrowing, the gain to the extent of the loss previously recognised as an adjustment is recognised as an adjustment to interest.

**3.29. Rig Days Costs**

Rig movement costs are booked to the next location drilled/planned for drilling. Abnormal Rig days' costs are considered as un-allocable and charged to the Consolidated Statement of Profit and Loss.

**3.30. Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Contingent assets are disclosed in the Consolidated Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

Contingent liabilities are disclosed in the Consolidated Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

**3.31. Financial instruments**

Financial assets and financial liabilities are recognized when Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Consolidated Statement of Profit and Loss.

**3.32. Equity instruments**

Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

**(i) Classification as debt or equity instruments**

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**(ii) Compound financial instruments**

The component parts of compound financial instruments issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognized as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognized in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognized in equity will be transferred to retained earnings. No gain or loss is recognized in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

**3.33. Financial assets**

**(i) Cash and cash equivalents**

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

**(ii) Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost using the effective interest method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**(iii) Financial assets at fair value through other comprehensive income**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading.

**(iv) Financial assets at fair value through profit or loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition.

**(v) Impairment of financial assets**

The Group assesses at each Consolidated Balance Sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 'Financial Instruments' requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

**(vi) Derecognition of financial assets**

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in the Consolidated Statement of Profit and Loss.

**3.34. Financial liabilities**

**(i) Financial liabilities**

Financial liabilities are measured at amortised cost using the effective interest method.

**(ii) Derecognition of financial liabilities**

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in the Consolidated Statement of Profit and Loss.

When an existing financial liability is exchanged with another financial liability, from the existing lender of the debt instrument on substantially different terms, or the terms of an existing financial liability are substantially modified, such an exchange or modification is treated as the derecognition of the original financial liability and the recognition of a new financial liability. The difference in the respective carrying amount is recognised in the Consolidated Statement of Profit and Loss.

**3.35. Derivative financial instruments**

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and interest rate swaps.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 'Financial Instruments' are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at fair value through profit & Loss (FVTPL).

**Derivatives Contracts designated as hedging instruments:**

Wherever Hedge Accounting is undertaken, at the inception of a hedge relationship, the Group formally designates and documents a) the hedge relationship to which it wishes to apply hedge accounting and b) the risk management objective and strategy. In such cases, the derivative financial instruments are recognized at fair value with due assessment to effectiveness of the hedge instrument. By following Cash Flow Hedges, the effective portion of changes in the fair value is recognized in Other Comprehensive Income (OCI) and accumulated under Cash Flow Hedge Reserve within Other Equity whereas the ineffective portion, if any, is recognized immediately in the Statement of Profit and Loss and presented under Other Income or Other Expenses, as the case may be. The effective portion, previously recognized in OCI and accumulated as Cash Flow Hedge Reserve is reclassified to the Statement of Profit and Loss in the subsequent period, during which, the hedged expected future cash flows affect profit or loss and further guided to the same line item to which the underlying is accounted. Further, in case of previously recognized forecasted transaction, upon the knowledge of its non-occurrence, the effective portion of cumulative gain or loss is forthwith recognized by transferring from Cash Flow Hedge Reserve to the Statement of Profit and Loss. If the amount accumulated in Cash Flow Hedge Reserve is a loss and Corporation expects that all or a portion of that loss will not be recovered in one or more future period, the Corporation immediately reclassifies the amount that is not expected to be recovered into profit or loss as a reclassification adjustment. The hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting.

**Derivatives Contracts not designated as hedging instruments**

The derivative financial instruments are accounted at fair value through Profit or Loss and presented under Other Income or Other Expenses, as the case may be.

### 3.36. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

### 3.37. Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16 requirements for cost model. Free hold Land and Properties under construction are not depreciated.

In case of a Subsidary Petronet MHB Ltd, building component of investment property is depreciated over 30 years from the date of original construction, based on the useful life prescribed in Schedule II to the Companies Act, 2013 using the straight-line method. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

### 3.38. Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

### 3.39. Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

### 3.40. Segment Reporting

Operating segments are identified and reported taking into account the different risks and returns, the organization structure and the internal reporting systems. The geographical segments are based on assets as primary segments and business segments as secondary segments.

## 4. The consolidated financial statements represents consolidation of accounts of “Oil and Natural Gas Corporation Limited”, its subsidiaries, Joint venture entities and Associates as detailed below:

| S. No. | Name of the Company | Country of Incorporation | Proportion of ownership interest as at | | Status of Audit as on 31.03.2022 |
|---|---|---|---|---|---|
| | | | March 31, 2022 | March 31, 2021 | |
| **A** | **Subsidiaries** | | | | |
| 1 | ONGC Videsh Limited (OVL) | India | 100% | 100% | Audited |
| 1.1 | ONGC Nile Ganga B.V. | The Netherlands | Class A : 100%<br>Class B : 100%<br>Class C : 55% | Class A : 100%<br>Class B : 100%<br>Class C : 55% | Audited |
| 1.1 (i) | ONGC Campos Ltda. | Brazil | 100% | 100% | Audited |
| 1.1 (ii) | ONGC Nile Ganga (San Cristobal) B.V. | The Netherlands | 100% | 100% | Audited |
| 1.2 | ONGC Narmada Limited | Nigeria | 100% | 100% | Unaudited |
| 1.3 | ONGC Amazon Alaknanda Limited | Bermuda | 100% | 100% | Audited |
| 1.4 | Imperial Energy Limited | Cyprus | 100% | 100% | Audited |
| 1.4 (i) | Imperial Energy Tomsk Limited | Cyprus | 100% | 100% | Audited |
| 1.4 (ii) | Imperial Energy (Cyprus) Limited | Cyprus | 100% | 100% | Audited |
| 1.4 (iii) | Imperial Energy Nord Limited | Cyprus | 100% | 100% | Audited |
| 1.4 (iv) | Biancus Holdings Limited | Cyprus | 100% | 100% | Audited |
| 1.4 (v) | Redcliffe Holdings Limited | Cyprus | 100% | 100% | Audited |

| S. No. | Name of the Company | Country of Incorporation | Proportion of ownership interest as at | | Status of Audit as on 31.03.2022 |
|---|---|---|---|---|---|
| | | | March 31, 2022 | March 31, 2021 | |
| 1.4 (vi) | Imperial Frac Services (Cyprus) Limited | Cyprus | 100% | 100% | Audited |
| 1.4 (vii) | San Agio Investments Limited | Cyprus | 100% | 100% | Audited |
| 1.4 (viii) | LLC Sibinterneft | Russia | 55.90% | 55.90% | Audited |
| 1.4 (ix) | LLC Allianceneftegaz | Russia | 100% | 100% | Audited |
| 1.4 (x) | LLC Nord Imperial | Russia | 100% | 100% | Audited |
| 1.4 (xi) | LLC Rus Imperial Group | Russia | 100% | 100% | Audited |
| 1.4 (xii) | LLC Imperial Frac Services | Russia | 100% | 100% | Audited |
| 1.5 | Carabobo One AB | Sweden | 100% | 100% | Unaudited |
| 1.5 (i) | Petro Carabobo Ganga B.V. | The Netherlands | 100% | 100% | Unaudited |
| 1.6 | ONGC (BTC) Limited | Cayman Islands | 100% | 100% | Unaudited |
| 1.7 | Beas Rovuma Energy Mozambique Ltd. | Mauritius | 60% | 60% | Audited |
| 1.8 | ONGC Videsh Atlantic Inc. (OVAI) | Texas | 100% | 100% | Unaudited |
| 1.9 | ONGC Videsh Singapore Pte Ltd. | Singapore | 100% | 100% | Audited |
| 1.9 (i) | ONGC Videsh Vankorneft Pte Ltd. | Singapore | 100% | 100% | Audited |
| 1.10 | Indus East Mediterranean Exploration Ltd. (Note no.4(k)) | Israel | 100% | 100% | Unaudited |
| 1.11 | ONGC Videsh Rovuma Ltd. (OVRL India) | India | 100% | 100% | Audited |
| 2 | Mangalore Refinery and Petrochemicals Ltd. (MRPL) (Note no.4(a)&(d)) | India | 80.94% | 80.72% | Audited |
| 2.1 | ONGC Mangalore Petrochemicals Ltd. (OMPL) (Note No. 4(d)) | India | NA | 99.99996% | NA |
| 3 | Hindustan Petroleum Corporation Ltd (HPCL) (Note No. 4(b)) | India | 54.90% | 53.64% | Audited |
| 3.1 | Prize Petroleum Company Ltd (Note No. 4(f)) | India | 100% | 100% | Audited |
| 3.1.1 | Prize Petroleum International PTE Ltd. | India | 100% | 100% | Audited |
| 3.2 | HPCL Bio Fuels Ltd. | India | 100% | 100% | Audited |
| 3.3 | HPCL Middle East FZCO (Note No. 4(g)) | Dubai | 100% | 100% | Audited |
| 3.4 | HPCL LNG Ltd. (HPLNG) (Note No. 4(j)) | India | 100% | 100% | Audited |
| 4 | Petronet MHB Ltd (PMHBL)(Note No. 4(c)) | India | 77.44% | 76.81% | Audited |
| **B** | **Joint Ventures** | | | | |
| 1 | Mangalore SEZ Ltd (MSEZ)(Note No. 4(e)) | India | 26.78% | 26.77% | Audited |
| 2 | ONGC Petro additions Ltd. (OPaL) | India | 49.36% | 49.36% | Audited |
| 3 | ONGC Tripura Power Company Ltd. (OTPC) | India | 50.00% | 50.00% | Audited |
| 4 | ONGC Teri Biotech Ltd. (OTBL) | India | 49.98% | 49.98% | Audited |
| 5 | Dahej SEZ Limited (DSEZ) | India | 50.00% | 50.00% | Unaudited |
| 6 | Indradhanush Gas Grid Ltd (IGGL) | India | 20.00% | 20.00% | Audited |
| 7 | ONGC Mittal Energy Limited (OMEL) (through OVL) | Cyprus | 49.98% | 49.98% | Unaudited |
| 8 | SUDD Petroleum Operating Company(through OVL) | Mauritius | 24.13% | 24.13% | Unaudited |
| 9 | Mansarovar Energy Colombia Ltd. (through OVL) | Colombia | 50.00% | 50.00% | Audited |
| 10 | Himalaya Energy Syria BV(through OVL) | Netherlands | 50.00% | 50.00% | Audited |
| 11 | Shell MRPL Aviation Fuels & Services Limited (SMASL) (through MRPL) | India | 50.00% | 50.00% | Audited |
| 12 | North East Transmission Company Ltd. (NETC) (through OTPC) | India | 13.00% | 13.00% | Audited |
| 13 | Mangalore STP Limited (through MSEZ) (Note No. 4(e)) | India | 18.75% | 18.74% | Audited |
| 14 | MSEZ Power Ltd (through MSEZ) (Note No. 4(e)) | India | 26.78% | 26.77% | Audited |

| S. No. | Name of the Company | Country of Incorporation | Proportion of ownership interest as at | | Status of Audit as on 31.03.2022 |
|---|---|---|---|---|---|
| | | | March 31, 2022 | March 31, 2021 | |
| 15 | Adani Petronet Dahej Port Pvt Ltd (APPPL) (through PLL) | India | 3.25% | 3.25% | Audited |
| 16 | India LNG Transport Co Pvt. Ltd(through PLL) | India | 3.25% | 3.25% | Audited |
| 17 | HPCL Rajasthan refinery Ltd. (through HPCL) | India | 74.00% | 74.00% | Audited |
| 18 | HPCL Mittal Energy Ltd. (through HPCL) (Note No. 4(f)) | India | 48.99% | 48.99% | Audited |
| 19 | HPCL Mittal Pipelines Ltd. (through HPCL) (Note No. 4(f)) | India | 48.99% | 48.99% | Audited |
| 20 | Hindustan Colas Pvt. Ltd. (through HPCL) (Note No. 4(h)) | India | 50.00% | 50.00% | Audited |
| 21 | Dust-A-Side Hincol Limited (Note No. 4(h)) | India | 25.00% | 25.00% | Audited |
| 22 | South Asia LPG Co. Private Ltd. (through HPCL) | India | 50.00% | 50.00% | Audited |
| 23 | Bhagyanagar Gas Ltd. (through HPCL) (Note No. 4(i)) | India | 48.73% | 48.73% | Audited |
| 24 | Godavari Gas Pvt Ltd. (through HPCL) | India | 26.00% | 26.00% | Unaudited |
| 25 | Petronet India Ltd. (through HPCL) | India | 16.00% | 16.00% | Audited |
| 26 | Aavantika Gas Ltd. (through HPCL) | India | 49.99% | 49.99% | Audited |
| 27 | Ratnagiri Refinery & Petrochemical Ltd. (through HPCL) | India | 25.00% | 25.00% | Audited |
| 28 | Mumbai Aviation Fuel Farm Facility Pvt Ltd. (through HPCL) | India | 25.00% | 25.00% | Audited |
| 29 | HPOIL Gas Pvt Ltd (through HPCL) | India | 50.00% | 50.00% | Audited |
| 30 | IHB Pvt Ltd (through HPCL) | India | 25.00% | 25.00% | Audited |
| **C** | **Associates** | | | | |
| 1 | Pawan Hans Ltd. (PHL) | India | 49.00% | 49.00% | Unaudited |
| 2 | Petronet LNG Limited (PLL) | India | 12.50% | 12.50% | Audited |
| 3 | Rohini Heliport Limited | India | 49.00% | 49.00% | Unaudited |
| 4 | JSC Vankorneft (through OVL) | Russia | 26.00% | 26.00% | Audited |
| 5 | Tamba BV (through OVL) | Netherland | 27.00% | 27.00% | Audited |
| 6 | South East Asia Gas Pipeline Company Limited (through OVL) | Hong Kong | 8.35% | 8.35% | Audited |
| 7 | Petrolera Indovenezolana SA (through OVL) | Venezuela | 40.00% | 40.00% | Audited |
| 8 | Petro Carabobo SA (through OVL) | Venezuela | 11.00% | 11.00% | Unaudited |
| 9 | Carabobo Ingenieria Y Construcciones, S.A (through OVL) | Venezuela | 37.93% | 37.93% | Unaudited |
| 10 | Falcon Oil & Gas B.V. (through OVL) | Netherlands | 40.00% | 40.00% | Audited |
| 11 | Moz LNG I Holding Company Ltd (through OVL) | Abu Dhabi | 16.00% | 16.00% | Audited |
| 12 | Bharat Energy Office, LLC (through OVL) | Russia | 20.00% | - | Unaudited |
| 13 | GSPL India Gasnet Ltd.(through HPCL) | India | 11.00% | 11.00% | Unaudited |
| 14 | GSPL India Transco Ltd. (through HPCL) | India | 11.00% | 11.00% | Unaudited |

**a)** Represents effective Group ownership interest in MRPL along with subsidiary HPCL.(refer Note No.(b) below for change in effective group ownership interest during the year)

**b)** The shares buy-back program of Company's Subsidiary Hindustan Petroleum Corporation Limited (HPCL) which commenced on November 17, 2020 was concluded on May 14, 2021. During the entire buy-back period, a total 105,274,280 shares, representing 6.91% of paid up Share Capital (prior to commencement of buy-back) having a face value of ₹ 1,052,742,800 have been bought back and extinguished by HPCL. Consequently Company's shareholding in the subsidiary HPCL has increased from 53.64% as on March 31, 2021 to 54.90 % as on May 14, 2021 which remains the same as on March 31,2022. (As on March 31, 2021, equity shares numbering 71,801,491, having a face value of ₹ 718,014,910 were bought back. Of which, in line with SEBI Regulations, 67,977,038 shares had been extinguished till March 31, 2021 and the rest were extinguished on April 20, 2021).

**c)** Represents effective Group ownership interest in Petronet MHB Limited along with subsidiary HPCL.(refer Note No.(b) above for change in effective group ownership interest during the year)

**d)** Pursuant to the scheme of Amalgamation ('the Scheme') approved by the Ministry of Corporate Affairs (MCA) vide its order No.

24/3/2021-CL-III dated April 14, 2022, OMPL (ONGC Mangalore Petrochemicals Limited) has been amalgamated with MRPL (Mangalore Refinery and Petrochemicals Limited) with effect from April 1, 2021 ('the appointed date').

**e)** The effective group holding in Joint Venture Mangalore SEZ has increased from 26.77% to 26.78% in the current year due to increase in shareholding in MRPL (refer Note No.(a) above). Similarly, the shareholding in MSEZ Power Ltd has increased from 26.77% to 26.78% and Mangalore STP has increased from 18.74% to 18.75% in the current year.

**f)** Prize Petroleum Company Limited has wholly owned subsidiary namely Prize Petroleum International PTE Limited. HPCL – Mittal Energy Limited has a 100% subsidiary namely HPCL – Mittal Pipelines Limited.

**g)** HPCL Middle East FZCO, a 100% Subsidiary of HPCL was incorporated as a Free Zone Company under Dubai Airport Free Zone for Trading in Lubricants & Grease, Petrochemicals and Refined Oil Products in Middle East and Africa.

**h)** Hindustan Colas Private Limited(HINCOL) having one joint venture namely Dust-A-Side Hincol Limited.

**i)** As of 31$^{st}$ March 2014, Bhagyanagar Gas Limited (BGL) had a paid up equity capital of ₹ 0.05 million, in which HPCL and GAIL were holding 24.99% each and the balance 50.02% of shares were held by Kakinada Seaports Ltd (KSPL) on warehousing basis. In addition, HPCL and GAIL had paid ₹ 224.90 million each as Advance against Equity / Share application money (totaling to ₹ 449.80 million). On 20th August 2014, BGL allotted 22,487,500 shares on preferential basis to each of HPCL and GAIL towards the money paid earlier. Accordingly, HPCL's shareholding in BGL had increased to 48.73%. KSPL challenged this in the Company Law Board (CLB), Chennai Bench which dismissed it on 14th September 2014. Against this, KSPL moved the High Court, Telangana, which did not stay the dismissal order of CLB. Pending adjudication of the appeal by KSPL before the High Court, in the preparation of Consolidated Financial Statements (CFS) of HPCL, the shareholding was considered at 24.99% till 31st March 2020. However, taking all the facts into consideration, including receipt of dividend on the entire stake of 48.73% during financial year 2020-21 and the Articles of Associations of BGL, the shareholding is being considered as at 48.73%, in the preparation of CFS of HPCL, effective financial year 2020-21. Had BGL continued to be consolidated at 24.99%, share of consolidated net profit from BGL for the financial year 2020-21 would have been lower by ₹230.10 million.

**j)** HPCL LNG Limited (HPLNG), [formerly known as HPCL Shapoorji Energy Private Limited (HSEPL)], was incorporated in October 2013 as a joint venture company of HPCL and SP Ports Private Limited to construct and operate a Liquefied Natural Gas (LNG) regasification terminal at greenfield port of Chhara, Gir Somnath District, Gujarat. On March 30,2021, HPCL had acquired the entire shares owned by SP Ports Private Limited and upon such acquisition, HPLNG became a wholly owned subsidiary of HPCL. In compliance with IndAS-103 "Business Combinations", in the year 2020-21, a goodwill of ₹ 3,049.20 million was recognized and pursuant to fair valuation of existing held equity interest, a gain of ₹ 1,589.90 million was also recognized.

**k)** During the year the management of OVL has taken decision to wind up subsidiary Indus East Mediterranean Exploration Ltd., whose management certfied financials for the year ended March 31, 2022 have been incorporated in the Group consolidated financial statements.

**Note:** Ujjwala Plus Foundation, a joint venture of Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Ltd (HPCL) with fund contribution in the ratio 50%: 25%: 25%, respectively was incorporated on 21st July, 2017 as a not-for-profit Private Company Limited by Guarantee (without Share Capital) under Section 8 of the Companies Act 2013. Ujjwala Plus Foundation has not been considered for consolidation being a not-for-profit company.

## 5. Critical Accounting Judgments, Assumptions and Key Sources of Estimation Uncertainty

Inherent in the application of many of the accounting policies used in preparing the Consolidated Ind AS Financial Statements is the need for Management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual outcomes could differ from the estimates and assumptions used.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

Key source of judgments, assumptions and estimation uncertainty in the preparation of the Consolidated Ind AS Financial Statements which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of functional currency, Oil and Gas reserves, impairment, useful lives of Property, Plant and Equipment, depletion of oil and gas assets, decommissioning provision, employee benefit obligations, provisions, provision for income tax, measurement of deferred tax assets and contingent assets & liabilities.

### 5.1. Critical judgments in applying accounting policies

The following are the critical judgements, apart from those involving estimations (refer Note No. 5.2), that the Management have made in the process of applying the Group's accounting policies and that have the significant effect on the amounts recognized in the Consolidated Ind AS Financial Statements.

#### (a) Determination of functional currency

Currency of the primary economic environment in which the Group's entities operates ("the functional currency") is Indian Rupee (₹) in which the entities primarily generates and expends cash. However, primary economic environment in which OVL group (ONGC Videsh Ltd and its subsidiaries) is US Dollar which is the currency in which it primarily generates and expends cash and accordingly the functional currency of OVL group has been assessed as US Dollar.

#### (b) Classification of investment

Judgement is required in assessing the level of control obtained in a transaction to acquire an interest in another entity; depending upon the facts and circumstances in each case, the Company may obtain control, joint control or significant influence over the entity or arrangement. Transactions which give the Company control of a business are business combinations. If the Company obtains joint control of an arrangement, judgement is also required to assess whether the arrangement is a joint operation or a joint venture. If the Company has neither control nor joint control, it may be in a position to exercise significant influence over the entity, which is then classified as an associate.

#### (i) In ONGC Petro additions Limited as joint venture (OPaL)

The Company has 49.36% equity interest in OPaL. The Company has subscribed for 3,451.24 million (previous year 3,451.24 million) share warrants as at March 31, 2022 entitling the Company to exchange each warrant with an equity share of face value of ₹ 10 each against which ₹ 9.75 has been paid.

Further the Company has entered into an arrangement for backstopping support towards repayment of principal and coupon of Compulsory Convertible Debentures (CCDs) amounting to ₹ 77,780.00 million (previous year ₹ 77,780.00 million) issued by ONGC Petro additions Limited in three tranches. The outstanding interest accrued as at March 31, 2022 is ₹ 1,699.28 million (Previous year ₹ 1,926.75 million).

The Company has evaluated the interest in OPaL to be in the nature of joint venture as the shareholder agreement between OPaL and the Joint Venture partners, Gas Authority of India Limited (GAIL) and the company provides for sharing of control on the decisions relating to specified activities of OPaL by both the Joint Venture partners.

**(ii) In associates despite participating share being less than 20%**

Considering the power to participate in the financial and operating policy decisions of the investees exercised by the Group in accordance with the applicable agreements and /or otherwise, the following entities are considered associates of the Group despite the participating interest / shareholding percentage / right percentage being less than 20%:

- South East Asia Gas Pipeline (shareholding of the Group 8.347%)
- Petro Carabobo S.A., Venezuela (shareholding of the Group 11%)

The Company has 12.50% equity interest in PLL. It was classified as Joint Venture in Previous GAAP, however, in terms of Para 7 of Ind AS 111 "Joint Arrangements", unanimous consent of all promoters is not required in relevant activities in PLL and therefore PLL is not classified as Joint Venture. The Company has significant influence on PLL by way of having right to appoint a director in PLL and participate in its business decisions, therefore the same has been classified as an Associate of the Company.

**(c) In Joint venture despite participating share more than 50%**

In case of HPCL Rajasthan Refinery Ltd. (HRRL) wherein subsidiary company HPCL held majority voting rights (74% stake), other JV partner has substantive participative rights through its right to affirmative vote items. Accordingly, being a company with joint control, HRRL have been considered as Joint Venture company for the purpose of consolidation of financial statement under Ind AS. However, for the purpose of Companies Act 2013, HRRL has been classified as subsidiary as defined under section 2 therein.

**(d) Determining whether an arrangement contain leases and classification of leases**

The Group enters into hiring/service arrangements for various assets/services. The Group evaluates whether a contract contains a lease or not, in accordance with the principles of Ind AS 116. This requires significant judgements including but not limited to, whether asset is implicitly identified, substantive substitution rights available with the supplier, decision making rights with respect to how the underlying asset will be used, economic substance of the arrangement, etc.

**Determining lease term (including extension and termination options)**

The Group considers the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. Assessment of extension/termination options is made on lease by lease basis, on the basis of relevant facts and circumstances. The lease term is reassessed if an option is actually exercised. In case of contracts. where the Group has the option to hire and de-hire the underlying asset in some circumstances (such as operational requirements), the lease term is considered to be initial contract period.

**Identifying lease payments for computation of lease liability**

To identify fixed (including in-substance fixed) lease payments. the Group consider the non-operating day rate/standby as minimum fixed lease payments for the purpose of computation of lease liability and corresponding right of use asset.

**Low value leases**

Ind AS 116 requires assessment of whether an underlying asset is of low value. if lessee opts for the option of not to apply the recognition and measurement requirements of Ind AS 116 to leases where the underlying asset is of low value. For the purpose of determining low value, the Group has considered nature of assets and concept of materiality as defined in Ind AS 1 and the conceptual framework of Ind AS which involve significant judgement.

**(e) Evaluation of indicators for impairment of Oil and Gas Assets**

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline in asset's value, significant changes in the technological, market, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the asset etc.) which could result in significant change in recoverable amount of the Oil and Gas Assets.

**(f) Oil & Gas Accounting**

The determination of whether potentially economic oil and natural gas reserves have been discovered by an exploration well is usually made within one year of well completion, but can take longer, depending on the complexity of the geological structure. Exploration wells that discover potentially economic quantities of oil and natural gas and are in areas where major capital expenditure (e.g. an offshore platform or a pipeline) would be required before production could begin, and where the economic viability of that major capital expenditure depends on the successful completion of further exploration work in the area, remain capitalized on the consolidated balance sheet as long as additional exploration or appraisal work is under way or firmly planned.

It is not unusual to have exploration wells and exploratory-type stratigraphic test wells remaining suspended on the consolidated balance sheet for several years while additional appraisal drilling and seismic work on the potential oil and natural gas field is performed or while the optimum development plans and timing are established. All such carried costs are subject to regular technical, commercial and management review on at least an annual basis to confirm the continued intent to develop, or otherwise extract value from, the discovery. Where this is no longer the case, the costs are immediately expensed.

**(g) Deferred tax liability / deferred tax asset in respect of undistributed profits/losses of subsidiaries, branches, investments in associates and joint ventures**

The management exercises judgement in accounting for deferred tax liability / deferred tax asset in respect of Group's investments in respect of undistributed profits/losses of subsidiaries, branches, investments in associates and joint ventures. In the judgement of the management, in respect of undistributed profits/losses of subsidiaries, branches, investments in joint ventures, the management is able to control the timing of the reversal of the temporary differences and the temporary differences will not be reversed in the foreseeable future.

Accordingly, the Group does not recognise a deferred tax liability for all taxable temporary differences associated with investments in subsidiaries, branches and interests in joint ventures.

**5.2. Assumptions and key sources of estimation uncertainty**

Information about estimates and assumptions that have the significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may differ from these estimates.

**(a) Estimation of provision for decommissioning**

The Group estimates provision for decommissioning as per the principles of Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' for the future decommissioning of Oil & Gas assets at the end of their economic lives. Most of these decommissioning activities would be in the future, the exact requirements that may have to be met when the removal events occur involve uncertainty. Technologies and costs for decommissioning are constantly changing. The timing and amounts of future cash flows are subject to significant uncertainty.

The timing and amount of future expenditures are reviewed annually or when there is a material change, together with rate of inflation for escalation of current cost estimates and the interest rate used in discounting the cash flows. The economic life of the Oil & Gas assets is estimated on the basis of long term production profile of the relevant Oil & Gas asset and the management expects that the Mining Lease(s) expired will be extended before the end of the economic life of the related assets.

**(b) Determining discount rate for computation of lease liability**

For computation of lease liability. Ind AS 116 requires lessee to use their incremental borrowing rate as discount rate if the rate implicit in the lease contract cannot be readily determined.

For leases denominated in Group functional currency, the group considers the incremental borrowing rate to be risk free rate of government bond as adjusted with applicable credit risk spread and other lease specific adjustments like relevant lease term. For leases denominated in foreign currency, the Group considers the incremental borrowing rate as risk free rate based on US treasury bills as adjusted with applicable credit risk spread and other lease specific adjustments like relevant lease term and currency of the obligation.

**(c) Determination of cash generating unit (CGU)**

The Group is engaged mainly in the business of oil and gas exploration and production in Onshore and Offshore. In case of onshore assets, the fields are using common production/ transportation facilities and are sufficiently economically interdependent to constitute a single cash generating unit (CGU). Accordingly, impairment test of all onshore fields in India is performed in aggregate of all those fields at the Asset Level. In case of Offshore Assets, a field is generally considered as CGU except for fields which are developed as a Cluster or group of Clusters, for which common facilities are used, in which case the impairment testing is performed in aggregate for all the fields included in the cluster or group of Clusters.

**(d) Impairment of assets**

Determination as to whether, and by how much, a CGU is impaired involves Management estimates on uncertain matters such as future prices, the effects of inflation on operating expenses, discount rates, production profiles for crude oil, natural gas and value added products. For Oil & Gas assets, the expected future cash flows are estimated using Management's best estimate of future crude oil and natural gas prices, production and reserves volumes.

The present values of cash flows are determined by applying pre tax-discount rates for crude oil and value added products revenue, which are measured in US$. Future cash inflows from sale of crude oil and value added products are estimated using Management's best estimate of future crude oil and natural gas prices and its co-relations with benchmark crudes and other petroleum products.

Future cash flows from sale of natural gas are also computed based on the expected future prices on the basis of the notification issued by the Government of India and discounted applying the rate applicable to the cash flows measured in US$ in view of the new pricing guidelines issued by GoI.

Further, in respect of subsidiary company ONGC Videsh Ltd, the present values of cash flows are determined by applying pre-tax discount rates that reflects current market assessments of time value of money and the risks specific to the liability in respect of each of the CGUs. Future cash inflows from sale of crude oil are computed using the future prices, on the basis of market-based forward prices of the Dated Brent crude oil as per assessment by Bloomberg or Brent crude oil forward/forecast prices by independent reputed third parties and its co-relations with benchmark crudes and other petroleum products. Future cash flows from sale of natural gas are also computed based on the expected future prices on the basis of the prices determined in accordance with the respective agreements and / or market forecast. In assessing the production profile the Company assesses its reserves through the full period, considering all contractually possible extensions, over which they are economically producible without restricting them to the term of license.

The discount rate used is based upon the cost of capital from an established model.

The Value in use of the producing/developing CGUs is determined under a multi-stage approach, wherein future cash flows are initially estimated based on Proved Developed Reserves. Under circumstances where the further development of the fields in the CGUs is under progress and where the carrying value of the CGUs is not likely to be recovered through exploitation of proved developed reserves alone, the Proved and probable reserves (2P) of the CGUs are also taken for the purpose of estimating future cash flows. In such cases, full estimate of the expected cost of evaluation/development is also considered while determining the value in use. In assessing the production profile the group assesses its reserves through the full period, considering all contractually possible extensions, over which they are economically producible without restricting them to the term of license.

The discount rates applied in the assessment of impairment calculation are re-assessed each year.

**(e) Estimation of uncertainties relating to the special operations being carried out by Russia in Ukraine:**

The Group has considered the possible effects that may result from the special operations, carried out by Russia in Ukraine, various sanctions have been imposed on Russia by several countries. These economic sanctions have a cascading effect on the economies globally.

The Group has assessed the impact of these sanctions on its operations/assets in Russia. Subsidiary OVL has 3 assets in Russia, namely Sakhalin-1 (Joint arrangement – 20% Stake), Vankorneft (Associate – 26% Stake) and Imperial Energy (Wholly owned subsidiary).

**a.** Sakhalin-1 project is operated by ENL, a subsidiary of Exxon Mobil. With the current geo-political situation, further to the announcement by Exxon Mobil (Operator-ENL) to discontinue operations in the Sakhalin-1 project, the consortium is heading towards a transition of operatorship which is in progress. The temporary unavailability of International Group of Protection & Indemnity (IG P&I) insurance for crude oil tankers hired by the project for delivery of its crude oil to international buyers has created a logistic constraint for evacuation of its production from May 22 thereby resulting in reduced output from the project. The situation is likely to improve with the efforts of the consortium to actively resolve the insurance issues.

**b.** JSC Vankorneft being an equity-accounted entity is entitled to dividend which was due till March 2022 has been received. Production from the field continues as per the Business Plan 2022.

**c.** Imperial Energy's operations are continuing as per the Business Plan except for the value of crude oil sales being affected due to prevailing discount.

The Group has considered the above aspect in assessing the impairment of its CGUs in Russia under the consolidated financial statements.

**(f) Estimation of reserves**

Management estimates reserves in relation to all the Oil and Gas Assets based on the policies and procedures determined by the Reserves Estimation Committee of the Company (REC). The estimates so determined are used for the computation of depletion and impairment testing.

The year-end reserves of the Group are estimated by the REC which follows international reservoir engineering procedures consistently. For reporting its petroleum resources, group follows universally accepted Petroleum Resources Management System-PRMS (2018)) sponsored by Society of Petroleum Engineers (SPE), World Petroleum Council (WPC), American Association of Petroleum Geologists(AAPG), Society of Petroleum Evaluation Engineers (SPEE), Society of Exploration Geophysicists (SEG), Society of Petrophysicists and Well Log Analysts (SPWLA) and European Association of Geoscientists and Engineers (EAGE).

PRMS(2018) defines Proved Reserves under Reserves category as those quantities of petroleum that, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable from a given date forward from known reservoirs and under defined economic conditions, operating methods, and government regulations. Further it defines Developed Reserves as expected quantities to be recovered from existing wells and facilities and Undeveloped Reserves as the Quantities expected to be recovered through future significant investments.

Volumetric estimation is the main procedure in estimation which uses reservoir rock and fluid properties to calculate hydrocarbons in-place and then estimate that portion which will be recovered from it. As the field gets matured and reasonably good production history is available, then performance methods such as material balance, simulation, decline curve analysis are applied to get more accurate assessments.

The annual revision of estimates is based on the yearly exploratory and development activities and results thereof. New in-place Volume and Estimated Ultimatate Recovery(EUR) are estimated for new field discoveries or new pool discoveries in already discovered fields. Also, delineation/appraisal activities lead to revision in estimates due to new sub-surface data. Similarly, review /reinterpretation exercise is also carried out for old fields due to necessity of revision in petro-physical parameters, updating of static and dynamic models and performance analysis leading to change in reserves. Intervention of new technology, change in classifications and contractual provisions also necessitate revision in estimation of Reserves.

As per Standards Pertaining to the Estimating and Auditing of Oil and Gas Reserves Information (revised June 2019), approved by the SPE Board on June 25, 2019

"The reliability of Reserves information is considerably affected by several factors. Initially, it should be noted that Reserves information is imprecise as a result of the inherent uncertainties in, and the limited nature of, the accumulation and interpretation of data upon which the estimating and auditing of Reserves information is predicated. Moreover, the methods and data used in estimating Reserves information are often necessarily indirect or analogical in character rather than direct or deductive..."

… "the estimation of Reserves and other Reserves information is an imprecise science because of the many unknown geological and reservoir factors that can only be estimated through sampling techniques. Reserves are therefore only estimates, and they cannot be audited for the purpose of verifying exactness…"

The Group uses the services of third party agencies for due diligence and it gets the reserves of its assets audited periodically by third party internationally reputed consultants who adopt latest industry practices for their evaluation.

**(g) Defined benefit obligation (DBO)**

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

**(h) Litigations**

From time to time, the Group is subject to legal proceedings and the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the liability to make a reasonable estimate of the amount of potential loss. Provision for litigations are reviewed at the end of each accounting period and revisions made for the changes in facts and circumstances.

## 6.Oil and Gas assets

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Gross Cost** | | |
| Opening Balance (Note No. 6.1 and 6.2) | 2,547,323.55 | 2,446,314.96 |
| Transfer from Intangible assets under development- Exploratory wells in progress | 20,629.81 | 10,589.63 |
| Transfer from Development Wells-in-Progress | 76,686.50 | 79,844.87 |
| Increase/(Decrease) in decommissioning cost estimates | 25,485.76 | 8,373.31 |
| Additions during the year | 63,997.02 | 50,299.94 |
| Deletion/Retirement during the year | (405.86) | (26,462.60) |
| Reclassification/Other Adjustments | 282.26 | 112.18 |
| Foreign currency translation adjustment (Note No. 6.5) | 27,409.10 | (21,748.74) |
| **Total** | **2,761,408.14** | **2,547,323.55** |
| **Less: Accumulated Depletion & Impairment** | | |
| **Accumulated Depletion** | | |
| Opening Balance | 1,086,792.35 | 966,160.90 |
| Depletion for the year (Note No. 43) | 166,967.33 | 159,506.74 |
| Deletion / retirement during the year | (8.10) | (26,368.01) |
| Other Adjustments | (1.77) | 46.55 |
| Foreign currency translation adjustment (Note No. 6.5) | 18,394.48 | (12,553.83) |
| **Total** | **1,272,144.29** | **1,086,792.35** |
| **Accumulated Impairment** | | |
| Opening Balance | 67,722.67 | 79,712.68 |
| Impairment provided during the year | 12,274.99 | 22,417.55 |
| Write back of Impairment | (24,880.40) | (33,827.89) |
| Foreign currency translation adjustment (Note No. 6.5) | 622.99 | (579.67) |
| **Total** | **55,740.25** | **67,722.67** |
| **Carrying amount of Oil and Gas Assets** | **1,433,523.60** | **1,392,808.53** |

**6.1.** Except for the subsidiary OVL, the Group has elected to continue with the carrying value of its Oil and Gas Assets recognized as of April 1, 2015 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101 except for decommissioning and restoration provision included in the cost of Oil and Gas Assets which have been adjusted in terms of para D21 of Ind AS 101 'First –time Adoption of Indian Accounting Standards'.

**6.2.** During the year 2016-17, Tapti A series facilities which were part of the assets of PMT Joint Operation (JO) and surrendered by the JO to the Government of India (GoI) as per the terms of JO agreement were transferred by GoI to the Company free of cost as its nominee and recorded as a non-monetary grant. During the year 2019-20, the Company opted to recognize the non-monetary government grant at nominal value and recorded the said facilities at nominal value, in line with amendment in Ind AS 20 'Accounting for Government Grants and Disclosure of Government Assistance' vide Companies (Indian Accounting Standards) Second Amendment Rules, 2018 (the 'Rules'). These assets were decapitalised / retired to the extent of the Company's share in the Joint Operation.

Ministry of Petroleum and Natural Gas, Government of India (GoI) vide letter dated May 31, 2019 assigned the Panna-Mukta fields w.e.f. December 22, 2019 on nomination basis to the Company on expiry of present PSC without any cost to ensure continuity of operation. Being a non-monetary grant, the Company has recorded these assets and grant at a nominal value.

Subsequent to assignment of Panna-Mukta field to the Company GoI has directed JV partners of the PMT (Panna Mukta & Tapti) field to transfer the existing SRF fund maintained for decommissioning obligation for Tapti Part A facility and Panna Mukta fields to the Company along with full financial and physical liability of site restoration and decommissioning of Panna Mukta fields and Tapti Part A facilities. Accordingly, in the year 2019-20 the Company received SRF fund of $ 33.81 million (₹ 2,402.18 million) for Tapti Part-A facilities and $ 598.24 million (₹ 42,506.87 million) for Panna Mukta fields from JV partners (including the Company share of 40% in the fields) and acquired the corresponding decommissioning obligation with the conditions that Company will maintain separate dedicated SRF accounts under Site Restoration Fund scheme, 1999 and extent guidelines of SRF, the Company will not utilise the fund of dedicated SRF fund of Panna- Mukta Fields and Tapti Part-A facilities for any other purpose, other than one defined under SRF scheme/guidelines. Company shall periodically carry out the re-estimation of cost of decommissioning of Panna- Mukta Fields and Tapti Part-A facilities as per existing Company policy and contribute to SRF account as per Company policy in nomination fields. In case, final actual cost of decommissioning of facilities of Panna-Mukta fields at the time of physical decommissioning is higher than approved decommissioning cost plus the accumulated amount, Company will contribute the additional amount required for decommissioning. However, in case the actual cost at the time of decommissioning is less than the accumulated amount, the balance amount will be transferred to the Government of India. The Company is mandated to pay Rupee one per annum as rental charges to Government of India for use of Tapti A facilities till its abandonment.

**6.3.** Union Cabinet, Government of India in its meeting held on February 19, 2019, on reforms in Exploration and Licensing Policy for enhancing domestic exploration and production of oil and gas, directed to bid out identified marginal nomination fields operated by National Oil Companies. In pursuance to decision of Union Cabinet, the Company offered 64 such marginal fields which are clustered geographically in 17 contract areas for bidding under the supervision of Directorate General of Hydrocarbons. The Company issued notice of award (NOA) for 49 marginal fields covering 13 contract areas through the bidding process and signed contacts for production enhancement for 21 marginal fields and NOA of 28 fields were cancelled due to non-submission of performance bank guarantee by the successful bidders.

Out of 21 fields for which contracts have been signed, the company has handed over 19 fields to the contractors upto March 31, 2022 and handing over of 2 fields is in progress. For bid out of balance 43 marginal nomination fields in 11 Contract Areas the company had issued notice inviting tenders for 2nd Bid round and the technical bids received for the same are under evaluation. The impact of the same on the financial statements for the year ended March 31, 2022 is immaterial.

**6.4.**Cyclone Tauktae hit Arabian Sea off the coast of Mumbai in the early hours of May 17, 2021 where the company's major production installations and drilling rigs are situated/operating. The cyclone has caused some damages to offshore facilities/platforms like twisting/breakages in instrument air line systems, staircases from lower deck to spider deck, interconnecting bridges, boat landing facilities, fire water and produced water pipelines, tearing and flying off of Insulation on equipment/vessels/rigs, helideck net and peripheral safety nets, crane booms/operator cabins/crane rope, disorientation of process piping, solar panels, disengagement of various fire proof doors and frames etc.

The occurrence of incident was intimated to the Insurance Company under Offshore insurance Package policy and the surveyors/ Loss adjustors have been appointed by the insurance Company for the incident. Physical survey of facilities could not take place immediately after Cyclone Tauktae due to travel restrictions on account of Covid-19. After relaxing of the travel restrictions, the physical survey of the damages to facilities have commenced in April 2022. The estimation of loss/damage due to cyclone is currently under assessment and the impact of the same on the carrying value of oil and gas assets is not material.

**6.5.**The subsidiary company OVL has determined its functional currency as US$. Above foreign exchange difference represents differences on account of translation of the consolidated financial statements of the ONGC Videsh Limited from US$ to Group's presentation currency "₹". Refer Note No. 3.21 and 5.1 (a).

**6.6.** The Group has participating interest in Block XXIV, Syria. The operations of the project have been suspended since April 29, 2012 resulting from the conflict situation in the country. Consequently, the Group had fully impaired its share of Oil and Gas assets with an accumulated impairment as at March 31, 2022 of ₹ 80.52 million (previous year ₹ 78.12 million).

## 7. Other Property, Plant and Equipment

**(₹ in million)**

| **Carrying amount of:(Note No. 7.1)** | **As at March 31, 2022** | **As at March 31, 2021** |
|---|---|---|
| Freehold Land | 23,120.50 | 20,736.47 |
| Building & bunk Houses (Note No. 7.2.1) | 99,224.03 | 90,746.39 |
| Roads and Culverts | 17,686.65 | 16,422.65 |
| Plant & equipment (Note No. 7.2.2, 7.3.1 & 7.3.4) | 652,102.96 | 577,672.05 |
| Railway Siding & Rolling Stock | 5,379.15 | 5,065.45 |
| Furniture & fixtures | 3,699.42 | 3,863.09 |
| Office equipments | 23,531.90 | 22,472.49 |
| Vehicles, Ships & Boats | 5,518.03 | 4,279.59 |
| **Total** | **830,262.64** | **741,258.18** |

ONGC subsidiary MRPL: 15 MMTPA state-of-the-art refinery at single location

| Cost or deemed cost | Freehold Land | Buildings & Bunk Houses | Roads and Culverts | Plant & Equipments | Railway Siding & Rolling Stock | Furniture & Fixtures | Office Equipments | Vehicles, Ships & Boats | Total |
|---|---|---|---|---|---|---|---|---|---|
| **Balance at April 1, 2020** | **19,383.07** | **110,776.88** | **33,269.92** | **843,121.09** | **6,328.25** | **16,710.18** | **51,564.34** | **14,481.99** | **1,095,635.72** |
| Additions | 1,273.16 | 8,128.53 | 3,606.64 | 45,791.97 | 480.16 | 994.23 | 6,880.80 | 1,265.06 | 68,420.55 |
| Disposals/adjustments (Note No. 7.3.2) | 81.30 | (82.38) | (36.40) | (11,993.64) | - | (630.18) | (950.84) | (1,549.13) | (15,161.27) |
| Effect of exchange difference (Note No. 7.4.1) | (0.07) | (371.11) | - | (1,220.23) | - | (25.47) | (222.57) | (40.61) | (1,880.06) |
| **Balance at March 31, 2021** | **20,737.46** | **118,451.92** | **36,840.16** | **875,699.19** | **6,808.41** | **17,048.76** | **57,271.73** | **14,157.31** | **1,147,014.94** |
| Additions | 2,507.75 | 13,075.41 | 4,969.37 | 126,363.81 | 815.20 | 1,166.12 | 8,349.52 | 2,813.83 | 160,061.01 |
| Disposals/adjustments (Note No. 7.3.2) | (38.61) | (203.19) | (2.10) | (7,250.97) | (0.30) | (823.01) | (1,885.02) | (1,277.80) | (11,481.00) |
| Effect of exchange difference (Note No.7.4.1) | 0.01 | 404.80 | - | 1,344.58 | - | 15.71 | 257.40 | (2.31) | 2,020.19 |
| **Balance at March 31, 2022** | **23,206.61** | **131,728.94** | **41,807.43** | **996,156.61** | **7,623.31** | **17,407.58** | **63,993.63** | **15,691.03** | **1,297,615.14** |

| Accumulated depreciation and impairment | Freehold Land | Buildings & Bunk Houses | Roads and Culverts | Plant & Equipments | Railway Siding & Rolling Stock | Furniture & Fixtures | Office Equipments | Vehicles, Ships & Boats | Total |
|---|---|---|---|---|---|---|---|---|---|
| **Balance at April 1, 2020** | **-** | **23,517.06** | **16,710.63** | **261,978.96** | **1,305.75** | **12,415.97** | **29,084.54** | **9,348.83** | **354,361.74** |
| Depreciation expense | 1.01 | 4,392.90 | 3,734.38 | 47,530.25 | 437.21 | 1,260.32 | 6,697.68 | 2,096.09 | 66,149.85 |
| Impairment loss recognised in profit or loss | - | 13.59 | - | 48.30 | - | 1.74 | 118.15 | 0.28 | 182.06 |
| Eliminated on disposal/ adjustments of assets | - | (24.26) | (27.50) | (9,979.94) | - | (465.23) | (884.71) | (1,536.18) | (12,917.82) |
| Impairment loss recognized back during the year | - | - | - | (419.15) | - | (5.34) | (12.05) | (3.76) | (440.30) |
| Effect of exchange difference (Note No. 7.4.1) | (0.02) | (193.76) | - | (1,131.28) | - | (21.79) | (204.37) | (27.54) | (1,578.76) |
| **Balance at March 31, 2021** | **0.99** | **27,705.53** | **20,417.51** | **298,027.14** | **1,742.96** | **13,185.67** | **34,799.24** | **9,877.72** | **405,756.76** |
| Depreciation expense | 0.13 | 4,607.10 | 3,717.67 | 49,788.03 | 501.20 | 1,146.58 | 7,297.57 | 1,580.31 | 68,638.59 |
| Impairment loss recognised in profit or loss | 84.96 | 3.44 | - | 9.89 | - | 0.65 | 2.70 | - | 101.64 |
| Eliminated on disposal/ adjustments of assets | - | (35.96) | (14.40) | (5,025.24) | - | (636.96) | (1,783.13) | (1,271.62) | (8,767.31) |
| Impairment loss recognized back during the year | - | (0.04) | - | (11.50) | - | - | (92.20) | - | (103.74) |
| Effect of exchange difference (Note No. 7.4.1) | 0.03 | 224.84 | - | 1,265.33 | - | 12.22 | 237.55 | (13.41) | 1,726.56 |
| **Balance at March 31, 2022** | **86.11** | **32,504.91** | **24,120.78** | **344,053.65** | **2,244.16** | **13,708.16** | **40,461.73** | **10,173.00** | **467,352.50** |

**7.1.** Except for subsidiary OVL , the Group has elected to continue with the carrying value of its other Property Plant and Equipment (PPE) recognized as of April 1, 2015 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101 except for decommissioning provisions included in the cost of other PPE which has been adjusted in terms of para D21 of Ind AS 101 'First –time Adoption of Indian Accounting Standards'. The deemed cost is further reduced for the unamortised transaction cost on borrowings as at April 1, 2015, which were earlier capitalised with PPE.

**7.2. In respect of the Company,**

**7.2.1.** Building includes cost of undivided interest in land.

**7.2.2.** During the year 2016-17, Tapti A facilities which were part of the assets of PMT Joint Operation (JO) and surrendered by the JO to the Government of India (GoI) as per the terms of JO agreement were transferred by GoI to the Company free of cost as its nominee. During the year 2019-20, the Company opted to recognize the non-monetary government grant at nominal value and recorded the said facilities at nominal value, in line with amendment in Ind AS 20 'Accounting for Government Grants and Disclosure of Government Assistance' vide Companies (Indian Accounting Standards) Second Amendment Rules, 2018 (the 'Rules'). These assets were decapitalised / retired to the extent of the Company's share in the Joint Operation.

Ministry of Petroleum and Natural Gas, Government of India vide letter dated May 31, 2019 has assigned the Panna-Mukta fields w.e.f. December 22, 2019 on nomination basis to the Company on expiry of present PSC without any cost to ensure continuity of operation. Being a non-monetary grant, the Company has recorded these assets and grant at a nominal value (refer Note No. 6.2).

**7.2.3.** Cyclone Tauktae hit Arabian Sea off the coast of Mumbai in the early hours of May 17, 2021 where the company's major production installations and drilling rigs are situated/operating. The cyclone has caused some damages to offshore facilities/platforms like twisting/breakages in instrument air line systems, staircases from lower deck to spider deck, interconnecting bridges, boat landing facilities, fire water and produced water pipelines, tearing and flying off of Insulation on equipment/vessels/rigs, helideck net and peripheral safety nets, crane booms/operator cabins/crane rope, disorientation of process piping, solar panels, disengagement of various fire proof doors and frames etc.

The occurrence of incident was intimated to the Insurance Company under Offshore insurance Package policy and the surveyors/ Loss adjustors have been appointed by the insurance Company for the incident. Physical survey of facilities could not take place immediately after Cyclone Tauktae due to travel restrictions on account of Covid-19. After relaxing of the travel restrictions, the physical survey of the damages to facilities have commenced in April 2022. The estimation of loss/damage due to cyclone is currently under assessment and the impact of the same on the carrying value of property plant & equipment is not material.

**7.3. In respect of subsidiary MRPL,**

**7.3.1.** Secured External Commercial Borrowings are secured by first pari passu charge over immovable Property, Plant & Equipment and first ranking pari passu charge over movable Property, Plant & equipment (including but not limited to Plant and Machinery, Spares, Tools, Furniture, Fixture, Vehicles and all other Movable Property, Plant & Equipment) both present and future. Loan from OIDB is secured by way of first ranking pari passu charge by way of hypothecation / mortgage only on Property, Plant & Equipment / projects financed out of loan proceeds of OIDB. Working capital borrowings from consortium banks are secured by way of first ranking pari passu charge by way of hypothecation of Company's stocks of Raw Material, Finished Goods, Stock-in-Process, Stores, Spares, Components, Trade receivables, outstanding Money Receivables, Claims, Bills, Contract, Engagements, Securities both present and future and further secured by second ranking pari passu charge over companies movable and immovable property (all Property, Plant & Equipment) both present and future.

**7.3.2.** Additions/(adjustments) to Plant and Equipment includes ₹ 58.61 million [Year ended March 31, 2021 ₹ (173.96) million] in relation to foreign exchange differences capitalised as per para D13AA of Ind AS 101

**7.3.3.** As per the requirement of Ind AS 16 (Property, Plant and Equipment), the residual value and the useful life of an asset shall be reviewed at least at each financial year-end. During the current financial year, the estimated useful lives of Property, Plant and Equipment have been reviewed and revised wherever expectations differ from previous estimate, which is different from the useful life as indicated in Part C of Schedule II of Companies Act, 2013. The impact on account of above change is decrease in depreciation by ₹ 1,141.81 million during current financial year. Overall future impact on the Property, Plant and Equipment existing as on 31.03.2022 is not disclosed considering impracticability in assessing the effect of same.

**7.3.4.** The Company was eligible for certain economic benefits such as exemptions from entry tax, custom duty etc. on import/ local purchase of capital goods in earlier years. The Company had accounted benefits received for custom duty and entry tax on purchase of Property, Plant and Equipment as Government grants. The Company had adjusted the cost of Property, Plant and Equipment as at April 1, 2017 and credited deferred Government grant amounting to ₹ 3,618.21 million. The deferred Government grant is amortised over the remaining useful life of the Property, Plant and Equipment amounting to ₹ 159.02 million for the year ended March 31, 2022 (Year ended March 31, 2021 ₹ 159.02 million).

**7.3.5.** Few assets under the property, plant and equipment which are constructed on lease hold lands and whose useful life is more than the leasehold period are depreciated based on their useful lives considering the likely renewal of the lease period.

**7.4. In respect of subsidiary OVL,**

**7.4.1.** Subsidiary company ONGC Videsh Limited has determined its functional currency as US$. Adjustments includes net effect of exchange differences of ₹ 293.63 million (as at March 31, 2021: ₹ (301.30) million) on account of translation of the financial statements of the ONGC Videsh Limited from US$ to Group's presentation currency "₹". Refer Note No. 3.21 and 5.1 (a).

**7.4.2.** The Group carries on its business in respect of exploration, development and production of hydrocarbons under agreements with host governments directly or in consortium with other partners (Consortium). Many such agreements, governing the Group's activities, provide that the title to the property, plant and equipment and other ancillary installations shall pass on to the host Government or its nominated entities either upon acquisition/first use of such assets by the respective Operator(s) or upon 100% recovery of such costs through allocation of "Cost Oil" and "Cost Gas" or upon relinquishment of the relevant contract areas or termination of the relevant agreement. However, even where the title transfers, the Consortium and/or operator will continue to have custody of all such assets and are entitled to use, (without incurring any additional charge) all such assets for production related operations throughout the term of the agreement. The Consortium continues to be responsible for the maintenance of such assets and bears the loss resulting from accidental loss and damage. The Group continues to recognise and present such assets in the financial statements till the expiry of the term of the agreement.

**7.4.3.** ONGC Videsh Atlantic Inc. (OVAI) uses straight line method to charge depreciation on its Property, Plant and Equipment. The total depreciation charge of OVAI for the year ended March 31, 2022 ₹ 0.71 million (previous year ₹ 1.43 million) does not have material impact on financial statements.

**7.4.4.** The functional currency of the company is US Dollar. Hence, all items of Property, Plant & Equipment acquired by the company are recognised at historical cost at the rate on the date of acquisition of such assets, including assets acquired originally in Indian Rupees located in India. For the purpose of preparing these financial statements, the US Dollar values of these assets is translated from US Dollar to INR (presentation currency) at the reporting date exchange rate.

**7.4.5.** Assets classified as other Property, plant & equipment are items of Property, plant and equipment other than those assets that are directly related to oil and gas producing activities. The assets stated above include the company's share of assets in joint operations. Depreciation is provided on the cost of other PPE less their residual values, over the useful life of PPE as stated in the Schedule II to the Companies Act, 2013 or based on technical assessment by the Company.

**7.4.6.** Freehold land relates entirely to the OVL Group's share in overseas unincorporated Joint Ventures (oil and gas operations.)

**7.5. In respect of subsidiary PMHBL,**

**7.5.1.** The Company is still in the process of getting registered its acquisition of Land at six locations, acquired through KIADB for Sectionalized Valve Stations. Until registration of the 'lease cum sale agreement', amount paid towards acquisition is shown as 'Capital advance' under Note No. 20 - Other Non-Current Assets.

**7.5.2.** In respect of land allotted by KIADB amounting to ₹ 2.96 million, lease cum sale agreement entered into and the absolute sale deed has not been executed.

**7.6. In respect of subsidiary HPCL,**

**7.6.1.** Includes assets costing ₹ 0.07 million (31.03.2021 :₹ 0.07 million) of erstwhile Kosan Gas Company that have not been handed over to the Corporation. Though Kosan Gas Company was to give up their claim, in view of the tenancy right sought by third party, the matter is under litigation.

**7.6.2.** Includes ₹ 10,493.00 million (31.03.2021: ₹ 8,060.90 million ) towards Land, Building, Plant & Equipment, Furniture & Fixtures, Transport equipments, Office Equipments, Pipelines, Railway Sidings, etc. representing Corporation's Share of Assets, jointly owned with other Companies.

**7.6.3.** Includes ₹ 322.50 million (31.03.2021 : ₹ 323.50 million) towards Roads & Culverts, Transformers & Transmission lines, Railway Sidings & Rolling Stock for which though ownership does not vest with the Corporation, operational control over such assets is exercised. These assets are amortized as per useful life specified in Schedule II of Companies Act, 2013.

**7.6.4. A)** Includes following assets which are used for distribution of PDS Kerosene under Jana Kalyan Pariyojana against which financial assistance is being provided by OIDB.

**(₹ in million)**

| Description | Original Cost | |
|---|---|---|
| | As at March 31, 2022 | As at March 31, 2021 |
| Roads & culverts | 1.20 | 1.30 |
| Buildings | 15.80 | 15.80 |
| Plant & Equipment | 20.30 | 20.70 |
| **Total** | **37.30** | **37.80** |

**B)** Includes assets held under PAHAL (DBTL) scheme against which financial assistance is being provided by MOP&NG:

**(₹ in million)**

| Description | Original Cost | |
|---|---|---|
| | As at March 31, 2022 | As at March 31, 2021 |
| Computer Software | 74.90 | 74.90 |
| Computers/ End use devices | 56.50 | 56.50 |
| Office Equipment | 0.10 | 0.10 |
| Automation, Servers & Networks | 15.50 | 15.50 |
| **Total** | **147.00** | **147.00** |

**7.6.5.** Assets held for sale consists of items such as Plant and equipment, office equipment, transport equipment, buildings, furnitures and fixtures and roads and culverts which have been identified for disposal due to replacement/ obsolescence of assets which happens in the normal course of business. These assets are expected to be disposed off within the next twelve months. On account of classification of these assets as ' Asset held for sale', a loss of ₹ 922.00 million during the year (2020-21: ₹ 139.20 million) has been recognised in the statement of profit and loss.

**7.6.6.** Includes adjustment to Cost of Assets pursuant to exchange differences arising on long term foreign currency monetary items of Nil during 2021-22 {2020-21: ₹ (702.10) million}, which, in accordance with Para 7AA of Ind AS 21 read with Para D13AA of Ind AS 101 and Foreign Exchange Translations pursuant to consolidation of subsidiaries, are capitalized and depreciated over the balance useful life of the assets.

**7.6.7.** The Company has considered pipeline assets laid within the boundary limit of its premises as integral part of Tanks / Other Plant and Machinery and have been depreciating such assets based on the useful life of associated Plant & Equipment, in line with the Schedule II of the Companies Act, 2013.

**7.6.8.** Includes assets of ₹ 10.00 million (31.03.2021: ₹ 10.30 million) forming part of Plant & Equipment, Buildings & Roads & Culverts, wherein though Infrastructure Facilities were provided at Railway Premises, no sales transactions were entered into during current financial year.

**7.6.9.** The process of capitalization in respect of Property, Plant and Equipment including accounting of Capital Work-in-Progress is under continuous review and updation, wherever required, is being carried out on a regular basis.

**7.6.10.** In respect of HPCL LNG Limited, all the property, plant and equipment has been offered as a security for Long term loan (raised by the Company during the year) at the balance sheet date, representing a net block of ₹ 998.10 million as on 31.03.2022.

## 8. Right of Use (ROU) Assets

(₹ in million)

| Carrying amount of: | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Land | 56,811.75 | 50,891.98 |
| Building & bunk Houses | 1,055.45 | 1,017.97 |
| Plant & equipments | 76,038.11 | 78,278.56 |
| Vehicles, Ships & Boats | 23,920.72 | 28,875.33 |
| **Total** | **157,826.03** | **159,063.84** |

(₹ in million)

| Cost | Land | Building & Bunk Houses | Plant & Equipments* | Vehicles, Ships & Boats | Total |
|---|---|---|---|---|---|
| **Balance at April 01, 2020 (Note No. 8.1)** | **48,599.46** | **931.48** | **130,356.29** | **24,882.57** | **204,769.80** |
| Additions | 6,439.18 | 715.50 | 47,174.37 | 22,699.57 | 77,028.62 |
| Adjustments on completion/termination of lease | (185.86) | (74.30) | (12,664.41) | (3.94) | (12,928.51) |
| Effect of exchange difference (Note No. 8.5.1) | (91.10) | - | (1,857.56) | - | (1,948.66) |
| **Balance at March 31, 2021** | **54,761.68** | **1,572.68** | **163,008.69** | **47,578.20** | **266,921.25** |
| Additions | 10,041.38 | 472.68 | 33,555.70 | 10,707.41 | 54,777.17 |
| Adjustments on completion/termination of lease | (2,290.19) | (62.10) | (26,707.18) | (4,624.90) | (33,684.37) |
| Effect of exchange difference (Note No. 8.5.1) | 103.46 | - | 3,418.03 | - | 3,521.49 |
| **Balance at March 31, 2022** | **62,616.33** | **1,983.26** | **173,275.24** | **53,660.71** | **291,535.54** |

(₹ in million)

| Accumulated depreciation and impairment | Land | Building & Bunk Houses | Plant & Equipments* | Vehicles, Ships & Boats | Total |
|---|---|---|---|---|---|
| **Balance at April 01, 2020** | **1,812.92** | **279.93** | **48,224.10** | **7,335.22** | **57,652.17** |
| Depreciation expense | 2,107.98 | 349.08 | 43,219.02 | 11,371.59 | 57,047.67 |
| Adjustments on completion/termination of lease | (51.20) | (74.30) | (5,252.60) | (3.94) | (5,382.04) |
| Effect of exchange difference (Note No. 8.5.1) | - | - | (1,460.39) | - | (1,460.39) |
| **Balance at March 31, 2021** | **3,869.70** | **554.71** | **84,730.13** | **18,702.87** | **107,857.41** |
| Depreciation expense | 2,409.98 | 411.10 | 36,285.33 | 14,528.56 | 53,634.97 |
| Adjustments on completion/termination of lease | (475.10) | (38.00) | (26,783.95) | (3,491.44) | (30,788.49) |
| Effect of exchange difference (Note No. 8.5.1) | - | - | 3,005.62 | - | 3,005.62 |
| **Balance at March 31, 2022** | **5,804.58** | **927.81** | **97,237.13** | **29,739.99** | **133,709.51** |

*ROU Plant & Equipment include right of way for pipelines ₹ 2,430.64 million as at March 31, 2021, and ₹ 2,442.63 million as at March 31, 2022. Similarly, Accumulated deprecition and impairment includes ₹ 199.34 million as at March 31, 2021, and ₹ 307.07 million as at March 31, 2022.

**8.1.** Effective April 1, 2019, the Group has adopted Ind AS 116 “Leases”, applied to all lease contracts existing on April 1, 2019 using modified retrospective transition method.

**8.2.** The Group has initiated the process of conversion of it’s leasehold land at Vasant Kunj, Delhi to freehold land.(refer Note No.20.4)

**8.3. In respect of subsidiary MRPL,**

**8.3.1.** ROU Land includes leasehold lands where the ownership will be transferred to the Company at the end of the lease period. These leasehold lands are not depreciated.

**8.3.2.** Right-of-Use Assets includes land amounting to ₹ 485.67 million (As at March 31, 2021 ₹ 1,247.51 million), which is in possession of the Company towards which formal lease deeds are yet to be executed

**8.3.3.** An amount of ₹ 32.35 million (As at March 31, 2021 ₹ 37.57 million) for depreciation charged to Right-of-Use Asset has been capitalized as component of cost of Capital Work-in-Progress (CWIP).

**8.4. In respect of subsidiary HPCL,**

**8.4.1.** ROU land includes Right of Use Assets having Gross value ₹ 924.30 million (31.03.2021: ₹ 193.80 million) for land acquired on lease-cum-sale basis from Karnataka Industrial Area Development Board (KIADB), that has not been amortized over the period of lease in view of freehold title that would vest upon fulfilment of certain terms and conditions, as per allotment letter.

**8.4.2.** In the nature of business carried out by the Company, there are certain leasehold immovable properties, which are under its continuous possession, control and use over the period, the lease agreement of which have expired. Pending renewal of such leases, these have not been recognized as Right of Use Assets.

**8.5. In respect of subsidiary OVL,**

**8.5.1.** Group's subsidiary ONGC Videsh Limited has determined its functional currency as US$. Above foreign exchange difference represents differences on account of translation of the consolidated financial statements of the ONGC Videsh Limited from US$ to Group's presentation currency "₹". Refer Note No. 3.21 and 5.1 (a).

**8.5.2.** With respect to land located at Vasant Kunj, New Delhi under a lease agreement, the lease term is till perpetuity. Interest rate applied to lease liability under leases is 8.38% per annum.

**8.5.3.** Under the lease agreement, the company is required to pay annual lease rental of ₹ 31.65 million till perpetuity. The Company has recognised a right of use asset (land) based on perpetual lease term. No depreciation is being charged on such right of use asset as the lease term extends till perpetuity.

The lease obligations represents the perpetuity value of annualized lease payment, which is ₹ 377.69 million and will remain same till perpetuity. The undiscounted value of the contractual maturity of lease liability for a perpetual lease is not determinable. However, the present value of such liability has been recognised by the company. The finance charge will be ₹ 31.65 million on annual basis till perpetuity.

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

**8.5.4.** The original term of the FPSO lease contract of BC-10, Brazil (an un-incorporated joint operation of the company) was 15 years with priced extension options for more years according to the production lifetime. The lease arrangement was re-evaluated in accordance with Repetro-Sped regulations in Brazil. The new term of the FPSO lease is 8 years (up to 2028) with 5 additional extension options of one year each. After revaluation, the implicit interest rate for the FPSO lease is 14.24%

**8.5.5.** BC-10, Brazil (an un-incorporated joint operation of the company) has a concession to exploit, develop and produce at the BC-10 block. In order to be able to perform its development/ production activities, Shell, the operator, requires certain equipments, more specifically, a Floating Production, Storage and Offloading Vessels (FPSO). BC-10, Brazil had long-term lease agreement with Tamba BV. Netherlands (a joint venture company of the company), wherein the later is providing these equipments to the former. Tamba BV (related party) leased these assets from a third party called Brazilian Deepwater and re-leased these finance leases to BC-10, Brazil.

From December, 2020 onwards Tamba no longer acts as an intermediary for the lease and sublease of the FPSO. From this date onwards the opeartor directly leases the asset from third party Brazilian Deepwater, to comply with Repetro-Sped new regulations in Brazil

In respect of the above FPSO lease, foreign exchange gain/loss arising on account of revaluation of non-current lease liability is capitalized to Oil and gas assets and depleted using unit of production method. The details of Oil and gas assets remaining to be amortised in respect of the long-term finance lease agreement is as below:

**Exchange differences arising on reporting of long-term foreign currency monetary items relating to depreciable assets:**

**(₹ in million)**

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| **Amount remaining to be amortised at the beginning of the year** | **1,815.55** | **2,342.66** |
| Add: Exchange loss/(gain) arising during the year | (687.06) | 384.35 |
| Less: Depletion charged to the statement of profit and loss for the year | 321.72 | 1,049.19 |
| Add: Effect of exchange differences | (353.88) | 137.73 |
| **Amount remaining to be amortised at the end of the year** | **1,096.33** | **1,815.55** |

## 9. Capital Work in Progress

**(₹ in million)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **A) Oil and Gas Assets (Note No. 9.1)** | | |
| **(i) Development Wells in progress (Note No. 13.1)** | | |
| Opening Balance | 60,911.93 | 59,769.92 |
| Expenditure during the year | 74,522.63 | 64,410.29 |
| Depreciation during the year | 19,597.38 | 16,602.41 |
| Transfer to Oil and Gas Assets | (76,686.50) | (79,844.87) |
| Foreign currency translation adjustment (Note No. 9.10) | 67.31 | (25.82) |
| Other Adjustment | 157.51 | - |
| **Total** | **78,570.26** | **60,911.93** |
| **Less: Accumulated Impairment** | | |
| Opening balance | 1,904.86 | 3,870.52 |
| Provided for the year | 1,223.01 | 844.48 |
| Write back during the year | (689.77) | (2,806.83) |
| Foreign currency translation adjustment (Note No. 9.10) | 3.76 | (3.31) |

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Total** | **2,441.86** | **1,904.86** |
| **Carrying amount of Development wells in progress** | **76,128.40** | **59,007.07** |
| **(ii) Oil and Gas facilities in progress** | | |
| Oil and gas facilities | 329,985.16 | 280,179.13 |
| Acquisition Costs | 1,799.79 | 1,957.30 |
| **Total** | **331,784.95** | **282,136.43** |
| **Less: Accumulated Impairment** | | |
| Opening Balance | 7,410.02 | 6,927.10 |
| Provided for the year | 989.01 | 1,548.10 |
| Write back during the year | (40.50) | (1,618.14) |
| Foreign currency translation adjustment (Note No. 9.10) | - | (0.69) |
| Reclassification | 818.72 | 553.65 |
| **Total** | **9,177.25** | **7,410.02** |
| **Carrying amount of Oil and Gas facilities in progress** | **322,607.70** | **274,726.41** |
| **B) Other Capital Works-in-Progress** | | |
| Buildings | 1,463.45 | 2,102.34 |
| Plant and equipment | 312,138.87 | 291,660.53 |
| Software | 27.49 | 63.86 |
| Capital stores (including in transit) (Note No. 6.2 and 7.2.2) | 2,658.64 | 2,532.23 |
| Less: Impairment for Non-Moving Items | (8.06) | (45.56) |
| **Total** | **316,280.39** | **296,313.40** |
| **Less: Accumulated Impairment** | | |
| Opening Balance | 1,064.85 | 1,610.37 |
| Provided for the year | 2.80 | 10.43 |
| Written back during the year | (78.30) | (0.15) |
| Reclassification | (818.72) | (555.80) |
| Other adjustments | 0.36 | - |
| **Total** | **170.99** | **1,064.85** |
| **Carrying amount of capital work in progress** | **316,109.40** | **295,248.55** |

**9.1.** The Group (Except for OVL) has elected to continue with the carrying value of its Capital Works-in-Progress recognized as of April 1, 2015 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101 except for decommissioning and restoration provision included in the cost of Capital Works-in-Progress which have been adjusted in terms of para D21 of Ind AS 101 'First –time Adoption of Indian Accounting Standards'.

**9.2.** In respect of subsidiary MRPL, additions to CWIP includes borrowing costs amounting to ₹ 508.80 million (for the year ended March 31, 2021 ₹ 483.10 million) and allocated/will be allocated to different class of assets. The rate used to determine the amount of borrowing costs eligible for capitalization was 6.20% (For the year ended March 31, 2021 was 7.14%) which is the effective interest rate on borrowings.

**9.3.** In respect of subsidiary MRPL, loan availed against OIDB, which is secured by way of first ranking pari passu charge by way of hypothecation / mortgage only on Property, Plant & Equipment / projects financed out of loan proceeds of OIDB (refer Note No. 29.6) and Foreign Currency Term Loan (FCNR) (B) Capex loan availed from State Bank of India which is unsecured (refer Note No. 29.13).

**9.4.** In respect of subsidiary MRPL, an amount of ₹ 76.93 million (As at March 31, 2021 ₹ 89.44 million) towards Finance cost on lease liability has been capitalized as a component of cost of Capital Work-in-Progress (CWIP).

**9.5.** In respect of subsidiary MRPL, an amount of ₹ 32.35 million (As at March 31, 2021 ₹ 37.57 million) towards depreciation charged to Right-of-Use Asset has been capitalized as a component of cost of Capital Work-in-Progress (CWIP).

**9.6.** In respect of subsidiary MRPL, till previous Financial Year, the company had opted not to avail the GST input tax credit on the capital goods and the same was being capitalized along with the cost of the Assets. During the current financial year, the Company has started availing the input tax credit on the eligible GST input tax credit on the capital goods as permitted by GST Act and the applicable Rules, resulting in an amount of ₹ 231.80 million as at March 31, 2021 being reclassified from Capital Work-in-Progress (CWIP) to GST Input tax credit [refer note 15].

**9.7.** In respect of subsidiary OVL, the company has 60% participating interest in Block XXIV, Syria. In view of deteriorating law and order situation in Syria, operations of the project are temporarily suspended since April 29, 2012. Consequently, the Group had fully impaired its share of Capital work-in-progress with an accumulated impairment as at March 31, 2022 of ₹ 126.01 million (previous year ₹ 122.25 million).

**9.8.** No borrowing cost has been capitalised under the Oil and Gas facilities in progress during the year ended March 31, 2022 . During previous year borrowing costs amounting to ₹ 107.60 million was capitalized in respect of Area 1 Mozambique. Capitalisation of borrowing costs has been suspended during the year with effect from April 2021 due to declaration of Force Majeure in Block Area 1, Mozambique project.

**9.9.** In respect of subsidiary OVL, impairment provision reversed amounting to ₹ nil (for the year ended March 31, 2021 ₹ 41.73 million) pertains to facility asset in Block 5A, South Sudan written off during the previous year.

**9.10.** Group's subsidiary ONGC Videsh Limited has determined its functional currency as US$. Above foreign exchange difference represents differences on account of translation of the consolidated financial statements of the ONGC Videsh Limited from US$ to Group's presentation currency "₹". Refer Note No. 3.21 and 5.1 (a).

**9.11. Ageing for capital work-in-progress as at March 31, 2022 is as follows:**

(₹ in million)

| Particulars | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 205,806.93 | 136,546.79 | 142,931.55 | 114,047.37 | 599,332.64 |
| Projects temporarily suspended | 18,154.65 | 43,015.65 | 22,326.24 | 43,814.49 | 127,311.03 |
| **Gross Total** | **223,961.58** | **179,562.44** | **165,257.79** | **157,861.86** | **726,643.67** |
| Less: Accumulated Impairement | | | | | 11,798.17 |
| **Total** | | | | | **714,845.50** |

**The completion schedule for CWIPs whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2022 is as follows:**

**In respect of the Company ***

(₹ in million)

| Capital work in progress | To be Completed in | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| **Projects in progress:** | | | | | |
| Well platform development projects | 4,389.95 | - | - | - | 4,389.95 |
| CBM-Bokaro field development project | 3,284.77 | - | - | - | 3,284.77 |
| Pipeline replacement project-VI | 2,869.43 | - | - | - | 2,869.43 |
| Continuous Combined Power Plants project at Hazira | 1,864.96 | - | - | - | 1,864.96 |
| Gas Turbine Power Plants project at Uran | - | 1,440.13 | - | - | 1,440.13 |
| Upgradation of Fire Protection System-Ankleshwar | 898.26 | - | - | - | 898.26 |
| Effluent Treatment Plant project at Uran | - | 884.06 | - | - | 884.06 |
| Upgradation of Fire Protection System-Ahmedabad | 598.61 | - | - | - | 598.61 |
| Lean Gas compressor development project | 537.39 | - | - | - | 537.39 |
| Assam asset renewal project | - | - | 480.70 | - | 480.70 |
| Development of Trishna EPS facility | 418.42 | - | - | - | 418.42 |
| Other Oil and Gas facilities in progress | 3,870.09 | 17.86 | 602.20 | - | 4,490.15 |
| Other CWIP-Buildings | 383.62 | 7.23 | - | - | 390.85 |
| Other CWIP-Plant and equipment | 2,348.13 | 104.05 | 1.20 | - | 2,453.38 |
| Development wells in progress at Joint Venture Southern Region | 2,499.19 | 5,577.74 | - | 1,151.05 | 9,227.98 |
| Development wells in progress at Western Offshore asset | 6,642.64 | - | - | - | 6,642.64 |
| Development wells in progress at Assam asset | 3,888.12 | 246.80 | - | - | 4,134.92 |
| Development wells in progress at Joint Venture Kolkata | 3,433.64 | - | - | - | 3,433.64 |
| Development wells in progress at Rajahmundry asset | 1,406.75 | - | - | - | 1,406.75 |
| Development wells in progress at Ahmedabad asset | 1,266.84 | - | - | - | 1,266.84 |

| **Capital work in progress** | **To be Completed in** | | | | **Total** |
|---|---|---|---|---|---|
| | **Less than 1 year** | **1 - 2 years** | **2 - 3 years** | **More than 3 years** | |
| Development wells in progress-Others | 953.75 | 434.54 | 1,292.44 | 0.50 | 2,681.23 |
| **Projects temporarily suspended:** | | | | | |
| Sagar Pragati conversion project | - | - | - | 4,144.36 | 4,144.36 |
| Sagar Laxmi conversion project | - | - | - | 2,136.84 | 2,136.84 |
| Process Gas Compressor project at B-127 platform | - | - | - | 928.48 | 928.48 |
| Development project of field B-22 | - | - | - | 762.21 | 762.21 |
| Other Oil and Gas facilities in progress | 38.14 | - | 29.35 | - | 67.49 |
| Other CWIP-Buildings | - | - | 1.28 | - | 1.28 |
| Other CWIP-Plant and equipment | - | - | - | 253.12 | 253.12 |
| Development wells in progress at HPHT asset | - | - | 2,586.81 | - | 2,586.81 |
| Development wells in progress-Others | 45.60 | - | 124.75 | - | 170.35 |
| **Total** | **41,638.30** | **8,712.41** | **5,118.73** | **9,376.56** | **64,846.00** |

**In respect of subsidiary MRPL**

**(₹ in million)**

| **Particulars** | **To be completed in** | | | | **Total** |
|---|---|---|---|---|---|
| | **Less than 1 year** | **1-2 years** | **2-3 years** | **More than 3 years** | |
| **Projects in progress** | | | | | |
| Gas detectors in the Refinery complex | 362.58 | - | - | - | 362.58 |
| Oil Marketing Terminal at Devangonthi | - | 116.73 | - | - | 116.73 |
| Wet gas scrubber system in PFCC | - | 122.98 | - | - | 122.98 |
| CCR1 Revamp | - | 180.82 | - | - | 180.82 |
| Control system Windows upgradation | - | 143.55 | - | - | 143.55 |
| Other Projects | 305.55 | 94.53 | 31.57 | 99.76 | 531.41 |
| **Projects temporarily suspended** | | | | | |
| Nox Reduction System | - | - | - | 16.73 | 16.73 |
| **Total** | **668.13** | **658.61** | **31.57** | **116.49** | **1,474.80** |

**In respect of subsidiary HPCL**

**(₹ in million)**

| **Particulars** | **To be completed in** | | | | **Total** |
|---|---|---|---|---|---|
| | **Less than 1 year** | **1-2 years** | **2-3 years** | **More than 3 years** | |
| **Projects in progress** | | | | | |
| Visakh Refinery Modernization project | 181,075.30 | - | - | - | 181,075.30 |
| Vijayawada Dharmapuri Pipeline | 24,008.50 | - | - | - | 24,008.50 |
| 2G Biorefinery at Bathinda | 3,275.90 | - | - | - | 3,275.90 |
| CB-220 KV Grid supply facility | 2,526.80 | - | - | - | 2,526.80 |
| New LPG Plant at Patalaganga | 1,735.30 | - | - | - | 1,735.30 |
| Sulphur forming unit in Sulphur Recovery Unit | 1,340.40 | - | - | - | 1,340.40 |
| New LPG Plant at Barhi | 1,267.60 | - | - | - | 1,267.60 |
| Sea water reverse osmosis-II with low level pump house facilities | 1,109.90 | - | - | - | 1,109.90 |
| Vacuum Pressure Swing Adsorption in Sulphur Recovery Unit | 1,033.30 | - | - | - | 1,033.30 |

| Particulars | To be completed in | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Two Crude tanks | 946.20 | - | - | - | 946.20 |
| Phase II Facilities of R&D | 873.20 | - | - | - | 873.20 |
| Office Premises at Delhi | 872.70 | - | - | - | 872.70 |
| Mumbai Refinery Expansion Project | 381.90 | - | - | - | 381.90 |
| Other Projects | 8,613.10 | 114.30 | 5.00 | - | 8,732.40 |
| **Projects temporarily suspended** | | | | | |
| Aggregate of various projects | 93.00 | - | - | - | 93.00 |
| **Total** | **229,153.10** | **114.30** | **5.00** | **-** | **229,272.40** |

**Ageing for capital work-in-progress as at March 31, 2021 is as follows:**

**(₹ in million)**

| Particulars | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 223,853.21 | 221,833.05 | 96,603.73 | 79,959.87 | 622,249.86 |
| Projects temporarily suspended | 3,633.97 | 2,779.37 | 1,365.83 | 9,378.30 | 17,157.47 |
| **Gross Total** | **227,487.18** | **224,612.42** | **97,969.56** | **89,338.17** | **639,407.33** |
| Less: Accumulated Impairement | | | | | 10,425.30 |
| **Total** | | | | | **628,982.03** |

**The completion schedule for CWIPs whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2021 is as follows:**

**In respect of the Company***

**(₹ in million)**

| Capital work in progress | To be Completed in | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| **Projects in progress:** | | | | | |
| Well platform development projects | 6,411.69 | - | - | - | 6,411.69 |
| CBM-Bokaro field development project | 3,098.39 | - | - | - | 3,098.39 |
| Pipeline replacement project-VI | 2,824.71 | - | - | - | 2,824.71 |
| Sulphur Recovery Unit revamping project at Hazira | 1,878.97 | - | - | - | 1,878.97 |
| Continuous Combined Power Plants project at Hazira | 1,674.35 | - | - | - | 1,674.35 |
| Gas Turbine Power Plants project at Uran | 1,256.66 | - | - | - | 1,256.66 |
| LPG production plant project at Uran | 854.14 | - | - | - | 854.14 |
| Upgradation of Fire Protection System-Ankleshwar | - | 840.43 | - | - | 840.43 |
| Pipeline replacement project-V | 671.67 | - | - | - | 671.67 |
| Firewater Network project at Nhava | 650.06 | - | - | - | 650.06 |
| Enhanced Reactive Thermal Oxidiser project | 509.78 | - | - | - | 509.78 |
| Assam asset renewal project | - | - | - | 480.70 | 480.70 |
| Lean Gas compressor development project | 433.70 | - | - | - | 433.70 |
| Development of Trishna EPS facility | 429.61 | - | - | - | 429.61 |
| Other Oil and Gas facilities in progress | 3,116.84 | 818.99 | - | - | 3,935.83 |
| Other CWIP-Buildings | 227.98 | 18.82 | - | 1.28 | 248.08 |
| Other CWIP-Plant and equipment | 2,408.54 | 108.03 | - | 10.07 | 2,526.64 |
| Development wells in progress at Western Offshore | 4,045.79 | 3,919.45 | - | - | 7,965.24 |
| Development wells in progress at Joint Venture Kolkata | - | 2,455.30 | - | - | 2,455.30 |
| Development wells in progress at Joint Venture Southern Region | - | - | - | 1,149.87 | 1,149.87 |
| Development wells in progress at Agartala asset | 521.03 | - | 255.42 | - | 776.45 |
| Development wells in progress at Ahmedabad asset | 723.25 | - | - | - | 723.25 |
| Development wells in progress-Others | 798.74 | - | 179.13 | 0.50 | 978.37 |

| Capital work in progress | To be Completed in | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| **Projects temporarily suspended:** | | | | | |
| Sagar Pragati conversion project | - | - | - | 4,144.36 | 4,144.36 |
| Sagar Laxmi conversion project | - | - | - | 2,136.84 | 2,136.84 |
| Process Gas Compressor project at B-127 platform | - | - | - | 928.48 | 928.48 |
| Development project of field B-22 | - | - | - | 762.21 | 762.21 |
| Other Oil and Gas facilities in progress | 25.67 | 16.13 | - | 29.35 | 71.15 |
| Other CWIP-Buildings | 2.11 | - | - | - | 2.11 |
| Other CWIP-Plant and equipment | 31.04 | 54.96 | - | 56.62 | 142.62 |
| Development wells in Progress at HPHT asset | 3,003.10 | - | 2,525.38 | - | 5,528.48 |
| Development wells in progress-Others | - | 48.52 | - | - | 48.52 |
| **Total** | **35,597.82** | **8,280.63** | **2,959.93** | **9,700.28** | **56,538.66** |

*In respect of the company, the identification of temporarily suspended projects and the projects with cost overrun/time overrun with the estimated period of completion is done on the basis of estimates made by technical executives of the Company involved in the implementation of the projects.

**In respect of Subsidiary OVL,**

**a)** WIP in producing blocks pertains to activities carried out for sustaining the existing production levels and contribute to accelerated and improved oil & gas recovery. Accordingly, WIP in producing blocks is not covered under the definition of "Project" as per management assessment and is therefore, not assessed for time/cost overrun. In case of WIP arising out of any new field development (exploratory effort) within an already producing block, the same is considered as a "Project" and WIP arising out of such activity is is assesed for time/cost overrun.

**b)** Assessment of cost/time overrun for projects in progress is done at the overall project level and the activity wise physical progress is not considered for the purpose of the disclosure requirement under Sch-III. In case the total cost/timeline of a project has exceeded the original approved cost/timeline approved by the Board of Directors, the same is treated as cost/time overrun.

**In respect of subsidiary MRPL**

**(₹ in million)**

| Particulars | To be Completed in | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| **Projects in progress** | | | | | |
| Gas detectors in the Refinery complex | - | 344.88 | - | - | 344.88 |
| DHDT Pipe Rack restoration job | 192.81 | - | - | - | 192.81 |
| Control system Windows upgradation | - | - | 135.69 | - | 135.69 |
| PP Road | 225.46 | - | - | - | 225.46 |
| BS VI Project | 16,229.73 | - | - | - | 16,229.73 |
| Desalination Plant | 4,438.57 | - | - | - | 4,438.57 |
| Re-Laying of 5 Kms of Raw Water Pipeline | 299.15 | - | - | - | 299.15 |
| Additional Accommodation for CISF | 105.09 | - | - | - | 105.09 |
| Revamp of CCR1 | - | - | 100.74 | - | 100.74 |
| Other Projects | 490.73 | 43.02 | 150.06 | 101.86 | 785.67 |
| **Projects temporarily suspended** | | | | | |
| Nox Reduction System | - | - | - | 16.63 | 16.63 |
| **Total** | **21,981.54** | **387.90** | **386.49** | **118.49** | **22,874.42** |

**In respect of subsidiary HPCL**

**(₹ in million)**

| Particulars | To be Completed in | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| **Projects in progress** | | | | | |
| Visakh Refinery Modernization project | 116,053.30 | 19,480.90 | - | - | 135,534.20 |
| Mumbai Refinery Expansion Project | 43,415.20 | - | - | - | 43,415.20 |
| Vijayawada Dharmapuri Pipeline | - | 19,402.00 | - | - | 19,402.00 |
| CB-220 KV Grid supply facility | 1,991.70 | - | - | - | 1,991.70 |
| Phase II Facilities of R&D | 1,824.10 | - | - | - | 1,824.10 |

| Particulars | To be Completed in | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| Sea water reverse osmosis-II with low level pump house facilities | 923.80 | - | - | - | 923.80 |
| New LPG Plant at Gonda, U.P | 871.70 | - | - | - | 871.70 |
| Depot at Hissar | 810.70 | - | - | - | 810.70 |
| New LPG Plant at Patalaganga | 751.20 | - | - | - | 751.20 |
| New LPG Plant at Barhi | 569.70 | - | - | - | 569.70 |
| Office Premises at Delhi | 395.60 | - | - | - | 395.60 |
| HP Green R&D Centre Infra Augmentation | 343.00 | - | - | - | 343.00 |
| Other Projects | 8,881.70 | 1,443.90 | - | - | 10,325.60 |
| **Projects temporarily suspended** | | | | | |
| Aggregate of various projects | 146.40 | 100.70 | - | - | 247.10 |
| **Total** | **176,978.10** | **40,427.50** | **-** | **-** | **217,405.60** |

## 10 Investment Property

(₹ in million)

| Carrying amount of : | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Freehold Land | 78.48 | 78.48 |
| Building | 0.21 | 0.23 |
| **Total** | **78.69** | **78.71** |

| Gross Carrying Amount | Amount (₹) |
|---|---|
| **Balance as at April 1, 2020** | **78.78** |
| Additions during the year | - |
| Disposals/ Adjustment/ Transfer | - |
| **Balance as at March 31, 2021** | **78.78** |
| Additions during the year | - |
| Disposals/ Adjustment/ Transfer | - |
| **Balance as at March 31, 2022** | **78.78** |

| Accumulated Depreciation and Impairment | Amount (₹) |
|---|---|
| **Balance as at April 1, 2020** | 0.06 |
| Add: Depreciation Expense | 0.01 |
| Less: Eliminated on Disposal/ Adjustment/ Transfer | - |
| **Balance as at March 31, 2021** | **0.07** |
| Add: Depreciation Expense | 0.02 |
| Less: Eliminated on Disposal/ Adjustment/ Transfer | - |
| **Balance as at March 31, 2022** | **0.09** |

### 10.1 In respect of subsidiary, MRPL,

**10.1.1** Freehold land includes land measuring 102.31 acres held for capital appreciation.

**10.1.2** There is no contractual obligation to purchase, construct or develop investment property.

**10.1.3** The best evidence of fair value is current prices in an active market for similar properties.

**10.1.4** The group has considered the fair value of the freehold land amounting to ₹ 409.24 million as at March 31, 2022 (as at March 31, 2021 ₹ 409.24 million) based on the valuation carried out by independent valuer report dated October 30, 2020.

### 10.2 In respect of subsidiary, PMHBL,

**10.2.1** Assets pledged as security:- Nil (previous year : Nil)

**10.2.2** There was no income earned or expenditure incurred on the above Investment Property other than depreciation mentioned above. The fair value of the Property as per Valuation report dated 04-04-2019 issued by Mr. Feroz N Raaj, Government Approved Valuer is ₹ 2.21 million.

## 11 Goodwill (including Goodwill on Consolidation)

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Cost or deemed cost** | | |
| Opening balance (Note No. 11.1) | 234,393.24 | 237,363.20 |
| Addition during the year (Note No. 4(j)) | - | 3,049.22 |
| Effect of exchange differences (Note No. 11.4) | 6,835.85 | (6,019.18) |
| **Total** | **241,229.09** | **234,393.24** |
| **Less: Accumulated amortisation** | | |
| Opening balance | 99,007.33 | 95,164.71 |
| Addition during the year | 26,686.44 | 6,418.51 |
| Effect of exchange differences (Note No. 11.4) | 3,478.83 | (2,575.89) |
| **Total** | **129,172.60** | **99,007.33** |
| **Carrying amount of goodwill** | **112,056.49** | **135,385.91** |

**11.1** In respect of subsidiary MRPL, Goodwill includes ₹ 4.04 million towards excess consideration paid over net assets acquired for acquisition of Nitrogen plant.

**11.2** In respect of subsidiary MRPL, Goodwill has been recognised in the books of the Company on account of amalgamation of erstwhile subsidiary company ONGC Mangalore Petrochemicals Limited (OMPL).

**11.3** Allocation of goodwill on consolidation to cash generating units is carried out in accordance with the accounting policy mentioned at Note No. 3.6.

**11.4** Group's subsidiary ONGC Videsh Limited has determined its functional currency as US$. Above foreign exchange difference represents differences on account of translation of the financial statements of the ONGC Videsh Limited from US$ to Group's presentation currency "₹". Refer Note No. 3.21 and 5.1 (a).

## 12 Other intangible assets

(₹ in million)

| Particulars | Software | Right of Way | Technical / Process Licenses | Wind Energy Equipments | License and Franchise | Total |
|---|---|---|---|---|---|---|
| **Balance at April 01, 2020 (Note No. 12.1)** | **6,488.72** | **3,555.51** | **673.77** | **1,885.55** | **49.53** | **12,653.08** |
| Additions during the year | 1,129.89 | 1,230.66 | - | 2.88 | - | 2,363.43 |
| Disposal/adjustments | (38.24) | - | - | - | - | (38.24) |
| Foreign currency translation adjustment (Note No. 12.2) | (40.66) | - | - | - | - | (40.66) |
| **Balance at March 31, 2021** | **7,539.71** | **4,786.17** | **673.77** | **1,888.43** | **49.53** | **14,937.61** |
| Additions during the year | 635.11 | 1,364.10 | 656.50 | 92.30 | 6.43 | 2,754.44 |
| Disposal/adjustments | (13.44) | - | - | (47.90) | - | (61.34) |
| Foreign currency translation adjustment (Note No. 12.2) | 46.90 | - | - | - | - | 46.90 |
| **Balance at March 31, 2022** | **8,208.28** | **6,150.27** | **1,330.27** | **1,932.83** | **55.96** | **17,677.61** |
| **Less: Accumulated amortisation and impairment** | | | | | | |
| **Accumulated amortisation** | | | | | | |
| **Balance at April 01, 2020** | **4,039.64** | **0.50** | **440.80** | **514.09** | **12.68** | **5,007.71** |
| Provision for the year | 956.45 | 2.80 | 50.50 | 104.20 | 16.53 | 1,130.48 |
| Disposal/adjustments | (37.69) | - | - | - | - | (37.69) |
| Foreign currency translation adjustment (Note No. 12.2) | (35.14) | - | - | - | - | (35.14) |
| **Balance at March 31, 2021** | **4,923.26** | **3.30** | **491.30** | **618.29** | **29.21** | **6,065.36** |
| Provision for the year | 1,028.75 | 28.40 | 135.70 | 104.30 | 18.67 | 1,315.82 |
| Disposal/adjustments | (8.90) | (0.10) | - | (16.50) | - | (25.50) |
| Foreign currency translation adjustment (Note No. 12.2) | 43.89 | - | - | - | - | 43.89 |
| **Balance at March 31, 2022** | **5,987.00** | **31.60** | **627.00** | **706.09** | **47.88** | **7,399.57** |
| **Accumulated Impairment** | | | | | | |
| **Balance at April 01, 2020** | **3.96** | **-** | **-** | **-** | **-** | **3.96** |
| Provision for the year | 1.58 | - | - | - | - | 1.58 |
| Disposal/adjustments | (1.78) | - | - | - | - | (1.78) |
| **Balance at March 31, 2021** | **3.76** | **-** | **-** | **-** | **-** | **3.76** |
| Provision for the year | - | - | - | - | - | - |
| Disposal/adjustments | - | - | - | - | - | - |
| **Balance at March 31, 2022** | **3.76** | **-** | **-** | **-** | **-** | **3.76** |
| **Carrying amount at March 31, 2021** | **2,612.69** | **4,782.87** | **182.47** | **1,270.14** | **20.32** | **8,868.49** |
| **Carrying amount at March 31, 2022** | **2,217.52** | **6,118.67** | **703.27** | **1,226.74** | **8.08** | **10,274.28** |

**12.1** Except for OVL, the Group has elected to continue with the carrying value of its other intangible assets, recognized as of April 1, 2015 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101 'First –time Adoption of Indian Accounting Standards'.

**12.2** Group's subsidiary OVL has determined its functional currency as US$. Above foreign exchange difference represents differences on account of translation of the consolidated financial statements of the ONGC Videsh Limited from US$ to Group's presentation currency "₹". Refer Note No. 3.21 and 5.1 (a).

**12.3** Group's subsidiary PMHBL holds a Right of Way for laying Pipeline between Mangalore and Bangalore via Hassan. The cost of acquiring the right has been capitalised as Intangible Assets. The right is an indefinite (perpetual) right with no stipulation over the period of validity. Hence, the same is not amortised.

**12.4** In respect of subsidiary HPCL, Includes ₹ 795.10 million (as at March 31, 2021: ₹ 771.40 million) towards Right of Way representing Company's Share of Assets, jointly owned with other Companies.

## 13 Intangible assets under development

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **(i) Exploratory wells in progress (Note No. 13.1)** | | |
| **Cost or deemed cost** | | |
| Opening balance | 229,326.25 | 231,818.85 |
| Expenditure during the year | 40,646.07 | 43,113.40 |
| Sale proceeds of Oil and Gas (net of levies) | (52.17) | (44.71) |
| Depreciation during the year (Note No. 43) | 10,665.91 | 17,779.48 |
| **Total (A)** | **280,586.06** | **292,667.02** |
| **Less:** | | |
| Transfer to Oil and Gas Assets | 20,643.41 | 10,589.63 |
| Wells written off during the year | 38,964.14 | 50,677.01 |
| Other Adjsutments | 2,304.39 | - |
| Effect of exchange differences (Note No. 13.3.5) | (1,827.07) | 2,074.13 |
| **Total (B)** | **60,084.87** | **63,340.77** |
| **Sub-total (A-B)** | **220,501.19** | **229,326.25** |
| **Less: Accumulated Impairment** | | |
| Opening Balance | 41,419.95 | 37,797.37 |
| Provided during the year (Note No. 13.2) | 20,830.40 | 10,144.90 |
| Write back during the year | - | (6,372.75) |
| Effect of exchange differences (Note No. 13.3.5) | 169.87 | (149.57) |
| **Total** | **62,420.22** | **41,419.95** |
| **Carrying amount of Exploratory wells in progress** | **158,080.97** | **187,906.30** |
| **(ii) Acquisition Cost** | | |
| **Cost or deemed cost** | | |
| Opening balance | 211,029.51 | 213,036.73 |
| Addition during the year | - | 3,296.95 |
| Effect of exchange differences (Note No. 13.3.5) | 6,084.56 | (5,304.17) |
| **Total** | **217,114.07** | **211,029.51** |
| **Less : Accumulated Impairment** | | |
| Opening balance | 26,632.18 | 28,058.09 |
| Provided during the year (Note No. 43) | - | (693.40) |
| Write back during the year | (2,477.00) | - |
| Effect of exchange differences (Note No. 13.3.5) | 778.71 | (732.51) |
| **Total** | **24,933.89** | **26,632.18** |
| **Carrying amount of Acquisition Cost** | **192,180.18** | **184,397.33** |
| **(iii) Other intangible assets under development (Note No. 13.4)** | | |
| Opening balance | 1,802.51 | 967.58 |
| Expenditure during the year | 939.70 | 834.93 |
| Capitalised during the year | (656.59) | - |
| **Total** | **2,085.62** | **1,802.51** |
| **Carrying amount of Intangible assets under development** | **352,346.77** | **374,106.14** |

**13.1** During the year 2004-05, the Company had acquired, 90% Participating Interest in Exploration Block KG-DWN-98/2 from Cairn Energy India Limited for a lump sum consideration of ₹ 3,711.22 million which, together with subsequent exploratory drilling costs of wells had been capitalized under exploratory wells in progress. During 2012-13, the Company had acquired the remaining 10% participating interest in the block from Cairn Energy India Limited on actual past cost basis for a consideration of ₹ 2,124.44 million. Initial in-place reserves were established in this block and adhering to original PSC time lines, a declaration of commerciality (DOC) with a conceptual cluster development plan was submitted on December 21, 2009 for Southern Discovery Area and on July 15, 2010 for Northern Discovery Area. Thereafter, in the revised DOC submitted in December, 2013, Cluster-wise development of the Block had been envisaged by division of entire development area into three clusters.

The DOC in respect of Cluster II had been reviewed by the Management Committee (MC) of the block on September 25, 2014. Field Development Plan (FDP) for Cluster-II was submitted on September 8, 2015 which included cost of all exploratory wells drilled in the Contract Area and the same had been approved by the Company Board on March 28, 2016 and by MC on March 31, 2016. Investment decision has been approved by the Company. Contracts for Subsea umbilical risers, flow lines, Subsea production system, Central processing platform – living quarter utility platform and Onshore Terminal have been awarded during 2018-19. Sixteen (16) Oil wells, Seven (7) Gas wells and Six (6) Water injector wells were drilled upto March 31, 2021. Towards early monetization, it was planned to produce Gas from U-field utilizing Vashishta and S1 Project facilities. One Gas well-U3B was completed in the month of March 2020 and test production commenced on March 5, 2020. In line with the Accounting Policy of the Company, Oil and Gas assets were created for the well U3B on establishment of proved developed reserves during the year 2019-20. Commercial production from the well commenced on May 25, 2020.

Similarly Well U1B was completed an put to production from August 26, 2021. The cost of development wells in progress, Capital work in progress and Oil & gas assets as at March 31, 2022 is ₹ 37,488.80 million (Previous year ₹ 27,326.51 million), ₹ 110,903.50 million (Previous year ₹ 75,468.01 million) and ₹ 24,995.63 million (Previous year ₹ 10,615.47 million) respectively under Cluster II.

FDP in respect of Cluster-I was approved for development of Gas discoveries in E1 and integrated development of Oil discoveries in F1 field along with nominated field GS-29 by the Management Committee in FY 2019-20. E1 is now proposed to be developed along with integrated development of Oil discoveries in F1 field along with nominated field GS-29. Drilling of an Appraisal cum Development Well GS29_8_A was completed on April 30, 2021 under F1. The cost of development wells in progress as at March 31, 2022 is ₹ 885.56 million.

In respect of Cluster III, Directorate General of Hydrocarbon (DGH) vide letter dated December 24, 2019 has extended the timeline for submission of FDP by 25 months which was further extended upto August 2022 vide letter dated November 16, 2020. In line with the approval of Management Committee, two appraisal well was drilled upto 2021-22. Hiring of consultancy service for Pre-FEED studies is in advance stage as on March 31, 2022.

In view of the definite plan for development of all the clusters, the cost of exploratory wells in the block i.e. ₹ 46,483.78 million (Previous year ₹ 53,323.75 million) has been carried over.

**13.2** During the year certain fields of the Company falling under Contract Areas have been identified by Directorate General of Hydrocarbon, Ministry of Petroleum & Natural Gas, and Government of India for bidding under Discovered Small Field Round III, in terms of the said bid documents the value of such fields has been considered as Nil. The Company will need to hand over these fields to the successful bidders on conclusion of Bid Round. Pending finalization of mechanism of recovery of carrying cost of the fields, an impairment provision of ₹ 12,549.06 million (₹ 84.96 million towards land and ₹ 12,464.10 million towards carrying cost of exploratory wells in these fields) has been made during the year.

**13.3 In respect of subsidiary OVL,**

**13.3.1** The company has 60% Participating Interest in Block XXIV, Syria. In view of deteriorating law and order situation in Syria, operations of the project are temporarily suspended since April 29, 2012. In view of the same provision had been made in respect of exploratory wells in progress. The impairment as at March 31, 2022 is ₹ 3,111.06 million (as at March 31, 2021: ₹ 3,018.24 million) in respect of the project.

**13.3.2** Block Farzad-B, Iran, was a successful exploration project with discovery of gas by the company. The exploration phase of the Exploration Service Contract expired on 24th June, 2009. Pending finalisation of the Development Service Contract (DSC), cost of exploratory wells amounting to ₹ 2,582.52 million (previous year ₹ 2,505.48 million) has been provided for in the accounts. National Iranian Oil Company(NIOC) has signed a Development Services Contract (DSC) in respect of Farzad -B gas field development with a local Iranian company. The Company along with other Indian Consortium (IC) partners have been engaged in negotiations/ discussions with NIOC for appropriate participation in the DSC

**13.3.3** Acquisition cost relates to the cost for acquiring property or mineral rights of proved or unproved oil and gas properties which are currently under Exploration / Development stage; such cost will be transferred to Oil and gas assets on commencement of commercial production from the project or written off in case of relinquishment of exploration project.

**13.3.4** No borrowing costs have been capitalised during the year ended March 31, 2022 in Exploratory wells in progress and in Acquistion Cost. During previous year borrowing costs amounting to ₹ 254.95 million and ₹ 3,266.17 million were capitalized in Exploratory wells in Progress and Acquisition Costs respectively in respect of Area 1, Mozambique project. Capitalisation of borrowing cost has been suspended with effect from April 2021 due to declaration of Force Majeure in the project.

**13.3.5** Company has determined its functional currency as US$. Above foreign exchange difference represents differences on account of translation of the financial statements of the ONGC Videsh Limited from US$ to Group's presentation currency "₹". Refer Note No. 3.21 and 5.1 (a).

**13.4** In respect of subsidiary HPCL, other intangible assets under development are related to Technical/Process Licenses, Software, etc.

**13.5 Ageing for intangible assets under development as at March 31, 2022 is as follows:**

(₹ in million)

| Particulars | Amount in IAUD for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| Projects in progress | 30,137.97 | 21,548.93 | 20,695.54 | 102,682.90 | 175,065.34 |
| Projects temporarily suspended | 36.65 | 5,121.89 | 5,043.22 | 254,433.78 | 264,635.54 |
| **Grand Total** | **30,174.62** | **26,670.82** | **25,738.76** | **357,116.68** | **439,700.88** |
| Less: Accumulated Impairement | | | | | 87,354.11 |
| **Total** | | | | | **352,346.77** |

**The completion schedule for intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2022 is as follows:**

**In respect of the Company***

(₹ in million)

| Intangible assets under development | To be completed in | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| **Projects in progress:** | | | | | |
| **Exploratory Wells at** | | | | | |
| - Mumbai offshore | 7,974.50 | - | - | 28,522.88 | 36,497.38 |
| - Block KG-DWN-98/02 | - | 9,253.33 | 3,696.34 | - | 12,949.68 |
| - Rajamundry Asset | 4,138.83 | - | 6,802.29 | - | 10,941.11 |
| - Agartala Asset | 18.79 | 4,542.47 | - | - | 4,561.27 |
| - Assam Asset | 2,980.90 | - | - | - | 2,980.90 |
| - Jointly operated blocks Mumbai offshore | - | - | - | 1,312.22 | 1,312.22 |
| - Others | 2,963.67 | 402.18 | 65.75 | - | 3,431.59 |
| **Projects temporarily suspended:** | | | | | |
| **Exploratory Wells at** | | | | | |
| - Agartala Asset | 807.65 | - | - | - | 807.65 |
| - Others | - | 26.62 | - | - | 26.62 |
| **Total** | **18,884.34** | **14,224.60** | **10,564.38** | **29,835.10** | **73,508.42** |

**In respect of subsidiary HPCL**

(₹ in million)

| Particulars | To be completed in | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| **Projects in progress** | | | | | |
| Process licenses for Visakh Refinery Modernization Project | 867.70 | - | - | - | 867.70 |
| **Total** | **867.70** | **-** | **-** | **-** | **867.70** |

**In respect of subsidiary OVL**

(₹ in million)

| Particulars | To be completed in | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| **Projects in progress** | | | | | |
| Bangladesh Block SS-04 | 68.79 | - | - | - | 68.79 |
| Bangladesh Block SS-09 | 97.49 | - | - | - | 97.49 |
| Myanmar B-2 | 76.72 | - | - | - | 76.72 |
| Myanmar EP-3 | 26.78 | - | - | - | 26.78 |
| Vietnam Block 128 | - | 151.50 | - | - | 151.50 |
| Sudan (Block 5A) | - | - | - | 405.04 | 405.04 |
| Block SSJN-7 | 5.41 | - | - | - | 5.41 |
| **Projects temporarily suspended** | | | | | |
| Syria Onshore block N24 | - | - | - | 3,111.06 | 3,111.06 |
| Libya Contract Area 43 Block 1, 2 | - | - | - | 757.50 | 757.50 |
| Iran Farzad-B | - | - | - | 2,582.52 | 2,582.52 |
| **Grand Total** | **275.19** | **151.50** | **-** | **6,856.12** | **7,282.81** |
| Less : Provision | | | | | (6,602.58) |
| **Total** | | | | | **680.23** |

**Ageing for intangible assets under development as at March 31, 2021 is as follows:**

(₹ in million)

| Particulars | Amount in IAUD for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| Projects in progress | 34,746.01 | 28,531.55 | 27,657.87 | 325,683.42 | 416,618.85 |
| Projects temporarily suspended | 112.52 | 1,196.81 | 506.28 | 23,723.81 | 25,539.42 |
| **Grand Total** | **34,858.53** | **29,728.36** | **28,164.15** | **349,407.23** | **442,158.27** |
| Less: Accumulated Impairement | | | | | 68,052.13 |
| **Total** | | | | | **374,106.14** |

**The completion schedule for intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2021 is as follows:**

**In respect of the Company***

(₹ in million)

| Intangible assets under development | To be completed in | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| **Projects in progress:** | | | | | |
| **Exploratory Wells at** | | | | | |
| - Mumbai offshore | 15,651.42 | 12.82 | - | 22,083.35 | 37,747.59 |
| - Rajamundry Asset | 13,448.88 | 2,656.34 | 6,800.93 | 59.19 | 22,965.34 |
| - Block KG-DWN-98/02 | 10,122.69 | - | 4,843.30 | - | 14,965.99 |
| - Agartala Asset | 1,805.56 | - | 2,141.64 | - | 3,947.20 |
| - Jointly operated blocks Mumbai offshore | 1,580.83 | - | - | 1,312.22 | 2,893.06 |
| - Assam Asset | 817.19 | 1,088.31 | - | - | 1,905.50 |
| - Others | 1,848.60 | 163.23 | 109.78 | 22.60 | 2,144.21 |

| Intangible assets under development | To be completed in | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| **Projects temporarily suspended:** | | | | | |
| **Exploratory Wells at** | | | | | |
| - Jointly operated blocks Mumbai offshore | 807.65 | - | - | - | 807.65 |
| - Others | 182.50 | - | - | - | 182.50 |
| **Total** | **46,265.32** | **3,920.70** | **13,895.65** | **23,477.37** | **87,559.04** |

* The identification of temporarily suspended projects and the projects with cost overrun/time overrun with the estimated period of completion is done on the basis of estimates made by technical executives of the Company involved in the implementation of the projects.

**In respect of subsidiary HPCL**

**(₹ in million)**

| Particulars | To be completed in | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| **Projects in progress** | | | | | |
| Process licenses for Visakh Refinery Modernization Project | 181.80 | 270.40 | - | - | 452.20 |
| Process licenses Mumbai Refinery Expansion Project | 506.00 | - | - | - | 506.00 |
| **Total** | **687.80** | **270.40** | **-** | **-** | **958.20** |

**In respect of subsidiary OVL**

**(₹ in million)**

| Particulars | To be completed in | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | |
| **Projects in progress** | | | | | |
| Bangladesh Block SS-04 | - | 124.57 | - | - | 124.57 |
| Bangladesh Block SS-09 | - | 72.85 | - | - | 72.85 |
| Myanmar B-2 | - | 6.13 | - | - | 6.13 |
| Myanmar EP-3 | - | 21.97 | - | - | 21.97 |
| Vietnam Block 128 | - | - | 146.98 | - | 146.98 |
| **Projects temporarily suspended** | | | | | |
| Sudan (Block 5A) | - | - | - | 392.95 | 392.95 |
| Syria Onshore block N24 | - | - | - | 3,018.24 | 3,018.24 |
| Libya Contract Area 43 Block 1, 2 | - | - | - | 734.90 | 734.90 |
| Iran Farzad-B | - | - | - | 2,505.47 | 2,505.47 |
| **Grand Total** | **-** | **225.52** | **146.98** | **6,651.56** | **7,024.06** |
| Less : Provision | | | | | (6,405.59) |
| **Total** | | | | | **618.47** |

## 14 Investments

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **14.1 Investment in Joint Ventures and Associates (Equity Instruments)** | | |
| (i) Associates | 177,831.41 | 191,033.54 |
| (ii) Joint Ventures | 191,319.57 | 167,414.37 |
| **Sub-Total** | **369,150.98** | **358,447.91** |
| **14.2 Other Investments** | | |
| (i) Investment in Other Equity Instruments (Note No.14.2.(i)) | 199,823.13 | 155,655.44 |
| (ii) Investment in securities (Note No.14.2.(ii)) | 43,553.96 | 34,552.41 |
| (iii) Investment in Compulsorily Convertible Preference Shares (Note No.14.2.(iii)) | 178.04 | 372.06 |
| **Sub-Total** | **243,555.13** | **190,579.91** |
| **Total investments** | **612,706.11** | **549,027.82** |

### 14.1 Investment in Joint Ventures and Associates

(₹ in million)

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | No. (in million) | Amount | No. (in million) | Amount |
| **Investment in Equity instruments** | | | | |
| **(i) Associates (Note No. 14.1.9)** | | | | |
| (a) Pawan Hans Limited | | | | |
| (Unquoted– Fully paid up) | 0.27 | 4,581.61 | 0.27 | 4,833.43 |
| (Face Value ₹ 10,000 per share) (Note No. 14.1.3) | | | | |
| (b) Petronet LNG Limited | | | | |
| (Quoted– Fully paid up) | 187.50 | 17,085.11 | 187.50 | 14,758.63 |
| (Face Value ₹ 10 per share) | | | | |
| (c) Rohini Heliport Limited | | | | |
| (Unquoted– Fully paid up)*** | - | - | - | - |
| (Face Value ₹ 10 per share) | | | | |
| (d) Petro Carabobo S.A | | | | |
| (Unquoted– Fully paid up) | 1.13 | 3,399.63 | 1.13 | 4,281.84 |
| (Face Value Bolivar 10 per share) | | | | |
| (e) Carabobo Ingenieria Y Construcciones, S.A | | | | |
| (Unquoted– Fully paid up) *** | - | 0.32 | - | 0.31 |
| (Face Value Boliver 1 per share) | | | | |
| (f) Petrolera Indovenezolana SA | | | | |
| (Unquoted– Fully paid up) | 0.04 | 27,937.79 | 0.04 | 29,872.15 |
| (Face Value Boliver 10 per share) | | | | |
| (g) South East Asia Gas Pipeline Ltd | | | | |
| (Unquoted– Fully paid up) | 0.02 | 5,496.43 | 0.02 | 4,758.04 |
| (Face Value $ 1 per share) | | | | |
| (h) Tamba BV | | | | |
| (Unquoted– Fully paid up) *** | - | 4,745.77 | - | 8,181.63 |
| (Face Value Euro 10 per share) | | | | |

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | No. (in million) | Amount | No. (in million) | Amount |
| (i) JSC Vankorneft, Russia | | | | |
| (Unquoted– Fully paid up) | 3.09 | 89,707.92 | 3.09 | 104,915.26 |
| (Face Value Rouble 1 per share) | | | | |
| (j) Moz LNG1 Holding Company Limited | | | | |
| (Unquoted– Fully paid up) | 44.45 | 3,318.54 | 39.50 | 2,935.12 |
| (Face Value $ 1 per share) | | | | |
| (k)Falcon Oil & Gas BV | | | | |
| (Unquoted– Fully paid up) *** | - | 20,549.86 | - | 19,822.55 |
| (Face Value $ 1 per share) | | | | |
| (l) Bharat Energy Office, LLC | | | | |
| (Unquoted– Fully paid up) *** | - | 6.89 | - | - |
| (Face Value Rouble 1,000,000 per share) | | | | |
| (m)GSPL India Transco Ltd | | | | |
| (Unquoted – Fully paid up) | 66.77 | 385.86 | 64.02 | 529.42 |
| (Face Value ₹ 10 per share) | | | | |
| (n) GSPL India Gasnet Ltd | | | | |
| (Unquoted – Fully paid up) | 208.12 | 2,116.78 | 175.12 | 1,706.00 |
| (Face Value ₹ 10 per share) | | | | |
| **Less: Aggregate amount of impairment** | | (1,501.10) | | (5,560.84) |
| **Total Investments in Associates** | | **177,831.41** | | **191,033.54** |

**(₹ in million)**

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | No. (in million) | Amount | No. (in million) | Amount |
| **(ii) Joint Ventures (Refer Note 14.1.10)** | | | | |
| (a) Mangalore SEZ Limited | | | | |
| (Unquoted – Fully paid up) | 13.48 | - | 13.48 | 32.11 |
| (Face Value ₹ 10 per share) | | | | |
| (b) ONGC Petro Additions Limited | | | | |
| (Unquoted – Fully paid up) | 997.98 | 59,409.02 | 997.98 | 63,665.75 |
| (Face Value ₹ 10 per share) (Note No.14.1.5 & 14.1.6) | | | | |
| (c) ONGC Teri Biotech Limited | | | | |
| (Unquoted– Fully paid up) | 12.50 | 399.42 | 12.50 | 356.26 |
| (Face Value ₹ 10 per share)(Note No. 14.1.2) | | | | |
| (d) ONGC Tripura Power Company Limited | | | | |
| (Unquoted – Fully paid up) | 560.00 | 7,225.21 | 560.00 | 7,062.32 |
| (Face Value ₹ 10 per share) | | | | |
| (e) Dahej SEZ Limited | | | | |
| (Unquoted– Fully paid up) | 23.02 | 1,321.70 | 23.02 | 1,094.75 |
| (Face Value ₹ 10 per share) | | | | |
| (f) Indradhanush Gas Grid Limited | | | | |
| (Unquoted– Fully paid up) | 85.00 | 1,653.10 | 61.00 | 579.20 |
| (Face Value ₹ 10 per share) (Note No. 14.1.4) | | | | |
| (g) Shell MRPL Aviation Fuels and Services Limited | | | | |
| (Unquoted–Fully paid up) | 15.00 | 280.07 | 15.00 | 249.86 |

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | No. (in million) | Amount | No. (in million) | Amount |
| (Face Value ₹ 10 per share) | | | | |
| (h) ONGC Mittal Energy Limited | | | | |
| (Unquoted– Fully paid up) | 24.99 | 1,892.99 | 24.99 | 1,836.52 |
| (Face Value $ 1 per share) | | | | |
| (i) Mansarovar Energy Colombia Limited | | | | |
| (Unquoted– Fully paid up) | 0.01 | 10,247.29 | 0.01 | 13,063.43 |
| (Face Value $ 1 per share) | | | | |
| (j) Himalaya Energy Syria BV | | | | |
| (Unquoted– Fully paid up) | 0.05 | 194.24 | 0.05 | 216.40 |
| (Face Value Euro 1 per share) | | | | |
| (k) HPCL-Mittal Energy Limited | | | | |
| (Unquoted– Fully paid up) | 3,939.56 | 54,800.00 | 3,939.56 | 51,294.21 |
| (Face Value ₹ 10 per share) | | | | |
| (l) Hindustan Colas Pvt. Ltd. | | | | |
| (Unquoted– Fully paid up) | 4.73 | 2,201.46 | 4.73 | 2,124.99 |
| (Face Value ₹ 10 per share) | | | | |
| (m) HPCL Rajasthan Refinery Ltd. | | | | |
| (Unquoted– Fully paid up) | 4,266.14 | 41,785.96 | 1,798.24 | 17,272.51 |
| (Face Value ₹ 10 per share) (Note No.14.1.8.1) | | | | |
| (n) Petronet India Ltd. | | | | |
| (Unquoted– Fully paid up) | 16.00 | 4.40 | 16.00 | 4.29 |
| (Face Value ₹ 0.10 per share) ( Note No. 14.1.8.2) | | | | |
| (o) South Asia LPG Co. Pvt. Ltd. | | | | |
| (Unquoted– Fully paid up) | 50.00 | 907.41 | 50.00 | 1,103.37 |
| (Face Value ₹ 10 per share) | | | | |
| (p) Bhagyanagar Gas Ltd. | | | | |
| (Unquoted– Fully paid up) | 43.65 | 1,962.25 | 43.65 | 1,746.17 |
| (Face Value ₹ 10 per share) | | | | |
| (q) Aavantika Gas Ltd. | | | | |
| (Unquoted– Fully paid up) | 29.56 | 1,657.54 | 29.56 | 1,371.25 |
| (Face Value ₹ 10 per share) | | | | |
| (r) HPCL Shapoorji Energy Pvt. Ltd. | | | | |
| (Unquoted– Fully paid up) | - | - | - | - |
| (Face Value ₹ 10 per share) | | | | |
| (s) Mumbai Aviation Fuel Farm Facility Pvt. Ltd. | | | | |
| (Unquoted– Fully paid up) | 52.92 | 944.67 | 48.29 | 874.43 |
| (Face Value ₹ 10 per share) | | | | |
| (t) Ratnagiri Refinery & Petrochemical Limited. | | | | |
| (Unquoted– Fully paid up) | 50.00 | 297.07 | 50.00 | 319.14 |
| (Face Value ₹ 10 per share) | | | | |
| (u) Godavari Gas Pvt. Ltd. | | | | |
| (Unquoted– Fully paid up) | 23.13 | 206.83 | 16.07 | 137.01 |
| (Face Value ₹ 10 per share) | | | | |
| (v) HPOIL Gas Pvt. Ltd. | | | | |
| (Unquoted– Fully paid up) | 72.50 | 682.32 | 72.50 | 699.38 |
| (Face Value ₹ 10 per share) | | | | |
| (w)IHB Ltd. | | | | |
| (Unquoted– Fully paid up) | 514.50 | 5,139.61 | 414.50 | 4,147.54 |

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | No. (in million) | Amount | No. (in million) | Amount |
| (Face Value ₹ 10 per share) | | | | |
| (x) Sudd Petroleum Operating Company*** | | | | |
| (Unquoted– Fully paid up) | - | - | - | - |
| (Face Value $ 1 per share) | | | | |
| Less: Aggregate amount of impairment | | (1,892.99) | | (1,836.52) |
| **Total Investment in Joint ventures** | | **191,319.57** | | **167,414.37** |
| **Total Investment in Joint Ventures and Associates** | | **369,150.98** | | **358,447.91** |

*** Number of shares

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| | No. of share | No. of share |
| Rohini Heliport Limited | 4,899 | 4,899 |
| Tamba B.V. | 1,620 | 1,620 |
| Carabobo Ingeniería y Construcciones, S.A. | 275 | 275 |
| Falcon Oil & Gas BV | 40 | 40 |
| Bharat Energy Office, LLC | 1 | - |
| Sudd Petroleum Operating Company | 241.25 | 241.25 |

**14.1.1** The Company is restrained from diluting the investment in the respective companies till the sponsored loans are fully repaid as per the covenants in the respective loan agreements of the companies.

**14.1.2** During the previous year, the Company had received 12,470,010 nos. equity shares from ONGC Teri Biotech Limited as bonus shares.

**14.1.3** During the year 2018-19, the Company has exercised option to exit Pawan Hans Limited by offloading entire 49% stake holdings of the Company as a preferred option, along with the strategic sale proposal being pursued by the Government of India. As at March 31, 2022, the proposed strategic sale transaction is yet to be consummated. In view of the uncertainty in the completion of the transaction, the investment in Pawan Hans Limited has not been classified as Non-current Asset Held for Sale and accordingly the Company continues to classify Pawan Hans Limited as an Associate Company and carry the investment at Cost.

**14.1.4** During the year, the Company has subscribed additional 24,000,000 nos. equity share of Indradhanush Gas Grid Limited (IGGL), a Joint Venture Company having face value of ₹10 per share at par value. Further, during the year, the Company has paid share application money amounting to ₹ 830 million to subscribe additional 83,000,000 nos. equity share having face value of ₹10 per share at par value, which is in the process of allotment is pending as at March 31, 2022.

**14.1.5** During the previous year, the Company had subscribed to additional 893,240,000 nos. Share Warrants of ONGC Petro additions Limited @ ₹ 9.75 per share warrant, entitling the Company to exchange each warrant with a Equity Share of Face Value of ₹ 10 after a balance payment of ₹ 0.25 for each share warrant within thirty six months of subscription of the Share warrants issued.

The position of share warrants subscribed by the Company in share warrants issued by OPaL is as under:

| Share warrants issued on | No of warrants subscribed | Value of share warrants (₹ in million) | Subscribed amount paid by the Company (₹ in million) | Execution / Conversion date of Warrants |
|---|---|---|---|---|
| August 25, 2015 | 1,922,000,000 | 19,220.00 | 18,739.50 | February 24, 2023 |
| December 13, 2018 | 636,000,000 | 6,360.00 | 6,201.00 | June 12, 2023 |
| April 07, 2020 | 893,240,000 | 8,932.40 | 8,709.09 | April 06, 2023 |

**14.1.6** The Company entered into an arrangement for backstopping support towards repayment of principal and coupon of Compulsory Convertible Debentures (CCDs) amounting to ₹ 77,780.00 million (Previous year ₹ 77,780.00 million) issued by the Joint Venture ONGC Petro additions Limited (OPaL) in three tranches. The Company is continuing the same back stopping support. The outstanding interest accrued as at March 31, 2022 is ₹ 1,699.28 million (Previous year ₹ 1,926.75 million). The second tranche of CCDs amounting to ₹ 16,710 million has been further extended for a period of 18 months and are due for maturity in May 2023, while the first and third tranche of CCD amounting to ₹ 56,150 million and ₹ 4,920 million will be due for maturity in July, 2022 and September,2022 respectively.

Based on opinion of Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India,, the Company has recognized a financial liability at fair value for backstopping support towards repayment of principal and a financial guarantee obligation towards coupon amount with a corresponding recognition of Deemed Investment in OPaL.

The Deemed Investment amount of ₹ 62,381.25 million (As at March 31, 2021 ₹ 62,378.55 million) includes, ₹ 62,308.05 million (As at March 31, 2021 ₹ 62,308.05 million) towards the fair value of Financial Liability against these CCDs and ₹ 73.30 million (As at March 31, 2021 ₹ 70.50 million) towards the fair value of guarantee fee on financial guarantee given without any consideration for OPaL.

**14.1.7 Movement of Impairment in value of equity accounted joint venture**

(₹ in million)

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Balance at beginning of the year | 7,397.36 | 6,223.91 |
| Recognised during the year | - | 1,351.62 |
| Reversal during the year | (4,163.03) | - |
| Effect of exchange differences (Note No. 14.1.7.1) | 159.76 | (178.17) |
| **Balance at end of the year** | **3,394.09** | **7,397.36** |

**14.1.7.1** Group's subsidiary ONGC Videsh Limited has determined its functional currency as US$. Above foreign exchange difference represents differences on account of translation of the consolidated financial statements of the ONGC Videsh Limited from US$ to Group's presentation currency "₹". Refer Note No. 3.21 and 5.1 (a).

**14.1.8 In respect of Subsidiary HPCL,**

**14.1.8.1** As per the guidelines issued by Department of Public Enterprises (DPE) in August 2005, the Board of Directors of Navratna Public Sector Enterprises (PSEs) can invest in joint ventures and wholly owned subsidiaries subject to an overall ceiling of 30% of the net worth of the PSE. The Corporation has requested Ministry of Petroleum & Natural Gas (MOP&NG) to confirm its understanding that for calculating this ceiling limit, the amount of investments specifically approved by Government of India (i.e. investment in HPCL Mittal Energy Limited (HMEL) and HPCL Rajasthan Refinery Limited (HRRL) ) are to be excluded. The Corporation has calculated the limit of 30% investment in joint ventures and wholly owned subsidiaries, by excluding these investments. As per financial position as on March 31, 2022, the investments in joint ventures and wholly owned subsidiaries are well within the said 30% limit.

**14.1.8.2** Petronet India Limited is in the process of Voluntary winding up w.e.f. August 30, 2018.

**14.1.9 Details of Associates**

| Name of associate | Principal activity | Place of incorporation and principal place of business | Proportion of ownership interest/ voting rights held by the Company | |
|---|---|---|---|---|
| | | | As at March 31, 2022 | As at March 31, 2021 |
| (i) Pawan Hans Limited | Helicopter services | India | 49.00% | 49.00% |
| (ii) Petronet LNG Limited | Liquefied Natural Gas supply | India | 12.50% | 12.50% |
| (iii) Rohini Heliport Limited | Helicopter services | India | 49.00% | 49.00% |
| (iv) Caraboto Ingenieria Y construcciones, S.A(through OVL) | Service provider | Venezuela | 37.93% | 37.93% |
| (v)Petrolera Indovenezolana S.A. (through OVL) | Exploration and Production of hydrocarbons | Venezuela | 40.00% | 40.00% |
| (vi)South- East Asia Gas Pipeline Company Limited(through OVL) | Exploration and Production of hydrocarbons | Incorporated in Hong Kong, having operations in Myanmar | 8.35% | 8.35% |
| (vii)Tamba BV(through OVL) | Equipment Lease | Incorporated in Netherland for BC-10 Project, Brazil | 27.00% | 27.00% |
| (viii)Petro Carabobo S.A. (through OVL) | Exploration and Production of hydrocarbons | Venezuela | 11.00% | 11.00% |
| (ix)JSC Vankorneft (through OVL) | Exploration and Production of hydrocarbons | Russia | 26.00% | 26.00% |
| (x)Moz LNG I Holding Company Ltd. (through OVL) | Holding company for entities undertaking Marketing and shipping of liquified natural gas | Abu Dhabi | 16.00% | 16.00% |

| Name of associate | Principal activity | Place of incorporation and principal place of business | Proportion of ownership interest/ voting rights held by the Company | |
|---|---|---|---|---|
| | | | As at March 31, 2022 | As at March 31, 2021 |
| (xi)GSPL India Transco Ltd (through HPCL) | Design, construct, develop operate and maintain natural gas pipeline | India | 11.00% | 11.00% |
| (xii)GSPL India Gasnet Ltd. (through HPCL) | Design, construct, develop operate and maintain natural gas pipeline | India | 11.00% | 11.00% |
| (xiii)Falcon Oil & Gas BV(through OVL) | Exploration and Production of hydrocarbons | Incorporated in Netherlands, having operations in Abu Dhabi | 40.00% | 40.00% |
| (xiv)Bharat Energy Office, LLC (through OVL) | Liasing with Russian Oil and gas industry | Russia | 20.00% | - |

**14.1.10 Details and financial information of Joint Ventures**

| Name of Joint Ventures | Principal activity | Place of incorporation and principal place of business | Proportion of ownership interest/ voting rights held by the Company | |
|---|---|---|---|---|
| | | | As at March 31, 2022 | As at March 31, 2021 |
| (i) Mangalore SEZ Limited | Special Economic Zone | India | 26.78% | 26.77% |
| (ii) Sudd Petroleum Operating Company(through OVL) | Exploration and Production of hydrocarbons | Incorporated in Mauritius having operations in South Sudan | 24.13% | 24.13% |
| (iii) ONGC Petro Additions Limited | Petrochemicals | India | 49.36% | 49.36% |
| (iv) ONGC Teri Biotech Limited | Bioremediation | India | 49.98% | 49.98% |
| (v) ONGC Tripura Power Company Limited | Power Generation | India | 50.00% | 50.00% |
| (vi) Dahej SEZ Limited | Special Economic Zone | India | 50.00% | 50.00% |
| (vii) Indradhanush Gas Grid Limited (Note No. 14.1.4) | Pipeline | India | 20.00% | 20.00% |
| (viii) Shell MRPL Aviation Fuels and Services Limited (through MRPL) | Trading of aviation fuels | India | 50.00% | 50.00% |
| (ix) ONGC Mittal Energy Limited (through OVL) | Exploration and Production of hydrocarbons | Incorporated in Cyprus having operations in Syria and Nigeria | 49.98% | 49.98% |
| (x) Mansarovar Energy Colombia Limited (through OVL) | Exploration and Production of hydrocarbons | Colombia | 50% | 50% |
| (xi) Himalaya Energy Syria BV (through OVL) | Exploration and Production of hydrocarbons | Incorporated in The Netherlands, having operations in Syria | 50% | 50% |
| (xii)HPCL Rajasthan refinery Ltd. (through HPCL) | To set up a 9 MMTPA capacity Greenfield refinery cum petrochemical complex in the State of Rajasthan. | India | 74.00% | 74.00% |

| Name of Joint Ventures | Principal activity | Place of incorporation and principal place of business | Proportion of ownership interest/ voting rights held by the Company | |
|---|---|---|---|---|
| | | | As at March 31, 2022 | As at March 31, 2021 |
| (xiii) HPCL Mittal Energy Ltd. (through HPCL) | Refining of crude oil and manufacturing of petroleum products. | India | 48.99% | 48.99% |
| (xiv) Hindustan Colas Pvt. Ltd. (through HPCL) | Manufacture and marketing of Bitumen Emulsions & Modified Bitumen. | India | 50.00% | 50.00% |
| (xv) South Asia LPG Co. Private Ltd. (through HPCL) | Storage of LPG in underground cavern and associated receiving and dispatch facilities at Visakhapatnam. | India | 50.00% | 50.00% |
| (xvi) Bhagyanagar Gas Ltd. (through HPCL) | City Gas Distribution network in Hyderabad, Vijayawada and Kakinada in the state of Andhra Pradesh/ Telangana. | India | 48.73% | 48.73% |
| (xvii)Godavari Gas Pvt Ltd. (through HPCL) | City Gas Distribution network in East Godavari and West Godavari Districts of Andhra Pradesh. | India | 26.00% | 26.00% |
| (xviii)Petronet India Ltd. (through HPCL) (refer to note 14.1.10) | To act as nodal agency for developing identified and prioritized petroleum product pipelines in the country. The company has commenced voluntary winding up on 30.08.2018. | India | 16.00% | 16.00% |
| (xix) Aavantika Gas Ltd. (through HPCL) | City Gas Distribution network in Indore, Ujjain and Gwalior in the state of Madhya Pradesh. | India | 49.99% | 49.99% |
| (xx) Ratnagiri Refinery & Petrochemical Ltd. (through HPCL) | To set up a refinery and petrochemical complex of 60 MMTPA (approximately) along the west coast of India in the State of Maharashtra. | India | 25.00% | 25.00% |
| (xxi) Mumbai Aviation Fuel Farm Facility Pvt Ltd. (through HPCL) | To design, develop, construct and operate the aviation fuel facility at Chhatrapati Shivaji International Airport, Mumbai | India | 25.00% | 25.00% |

| Name of Joint Ventures | Principal activity | Place of incorporation and principal place of business | Proportion of ownership interest/ voting rights held by the Company | |
|---|---|---|---|---|
| | | | As at March 31, 2022 | As at March 31, 2021 |
| (xxii)HPOIL Gas Pvt Ltd (through HPCL) | City Gas Distribution network in Ambala and Kurukshetra in the state of Haryana and Kolhapur in the state of Maharashtra. | India | 50.00% | 50.00% |
| (xxiii)IHB Ltd (through HPCL) | To set up cross country Kandla-Gorakhpur LPG Pipeline. | India | 25.00% | 25.00% |

**14.1.11 Summarized financial information of Group's Joint Ventures:**

Summarized financial information in respect of each of the Group's joint venture is set out below. The summarized financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with Ind ASs adjusted by the Group for equity accounting purpose.

(₹ in million)

| Particulars | MSEZ | | OPaL | | IGGL | |
|---|---|---|---|---|---|---|
| | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| Non-current assets | 13,952.54 | 14,441.74 | 277,495.91 | 285,242.72 | 18,719.13 | 3,105.24 |
| Current assets | 1,503.04 | 1,850.92 | 25,358.19 | 21,939.71 | 2,583.59 | 3,334.20 |
| Non-current liabilities | 14,654.54 | 15,173.84 | 146,792.16 | 162,451.32 | 11,962.90 | 1,927.49 |
| Current liabilities | 879.60 | 998.87 | 110,224.74 | 94,050.16 | 3,564.32 | 1,615.93 |
| **The above amounts of assets and liabilities includes the following:** | | | | | | |
| Cash and cash equivalents | 29.26 | 25.23 | 8.06 | 149.45 | 1,887.64 | 2,906.26 |
| Current financials liabilities (Excluding trade payables and provisions) | 367.43 | 477.44 | 97,928.01 | 85,323.34 | 439.59 | 1,492.97 |
| Non-current financials liabilities (Excluding trade payables and provisions) | 5,512.19 | 5,808.20 | 146,792.16 | 162,451.32 | 1.92 | 5.85 |

(₹ in million)

| Particulars | MSEZ | | OPaL | | IGGL | |
|---|---|---|---|---|---|---|
| | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| Revenue | 1,924.46 | 1,651.24 | 160,475.13 | 114,859.85 | - | - |
| Profit or (loss) from continuing operations | (199.34) | (320.50) | (5,346.55) | (7,977.76) | 19.48 | 20.35 |
| Post-tax profit (loss) from discontinued operations | - | - | - | - | - | - |
| Other comprehensive income | 0.82 | 0.86 | 16.85 | 12.13 | - | - |
| Total comprehensive income | (198.52) | (319.64) | (5,329.70) | (7,965.63) | 19.48 | 20.35 |
| **The above profit (loss) for the year include the following:** | | | | | | |
| Depreciation and amortisation | 360.47 | 361.27 | 13,702.77 | 12,951.10 | - | - |
| Interest income | 12.33 | 15.20 | 30.47 | 30.52 | 15.66 | 31.21 |
| Interest expense | 399.89 | 449.15 | 18,554.01 | 16,551.68 | - | - |
| Income tax expense or income | 127.06 | 107.19 | (1,302.02) | (321.13) | 5.02 | 7.84 |

**Reconciliation of the above summarized financial information to the carrying amount of the interest in JVs recognized in the consolidated financial statements:**

(₹ in million)

| Particulars | MSEZ | | OPaL | | IGGL | |
|---|---|---|---|---|---|---|
| | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| Net assets of the joint venture | (78.56) | 119.95 | 45,837.20 | 50,680.95 | 5,775.50 | 2,896.02 |
| Equity Portion of Compulsorily convertible debentures | - | - | (80,571.69) | (79,397.63) | - | - |
| Net assets of the joint venture attributable to group | (78.56) | 119.95 | (34,734.49) | (28,716.68) | 5,775.50 | 2,896.02 |
| Proportion of the Group's ownership interest in JVs (%) | 26.78% | 26.77% | 49.36% | 49.36% | 20.00% | 20.00% |
| Proportion of the Group's ownership interest in JVs (INR) | (21.04) | 32.11 | (17,144.18) | (14,173.92) | 1,155.10 | 579.20 |
| Add: Additional subscription of share warrant | - | - | 17,040.89 | 17,040.89 | - | - |
| Add: Additional Share application money pending allotment | - | - | - | - | 498 | - |
| Add: Deemed Investment | - | - | 62,345.17 | 62,378.55 | - | - |
| Add: Adjustment for restriction of loss | 21.04 | - | - | - | - | - |
| Less: Unrealised profit | - | - | (2,832.86) | (1,579.77) | - | - |
| **Group's share in net assets of the joint venture** | **-** | **32.11** | **59,409.02** | **63,665.75** | **1,653.10** | **579.20** |
| **Carrying amount of the Group's interest in JVs** | **-** | **32.11** | **59,409.02** | **63,665.75** | **1,653.10** | **579.20** |

(₹ in million)

| Particulars | DSL | | OTPC | | OTBL | |
|---|---|---|---|---|---|---|
| | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| Non-current assets | 11,215.94 | 11,049.69 | 25,820.05 | 27,149.01 | 17.44 | 16.74 |
| current assets | 1,292.76 | 1,084.27 | 6,812.50 | 7,115.11 | 854.69 | 768.53 |
| Non-current liabilities | 9,111.89 | 9,454.54 | 13,627.12 | 15,552.11 | 2.14 | 1.93 |
| Current liabilities | 753.41 | 489.93 | 4,555.02 | 4,587.38 | 70.84 | 70.54 |
| **The above amounts of assets and liabilities includes the following:** | | | | | | |
| Cash and cash equivalents | 11.81 | 1.87 | 886.29 | 591.86 | 0.29 | 0.31 |
| Current financials liabilities (Excluding trade payables and provisions) | 19.02 | 25.57 | 4,071.87 | 4,264.26 | - | - |
| Non-current financials liabilities (Excluding trade payables and provisions) | 3,087.60 | 3,032.36 | 12,407.76 | 14,527.67 | - | - |

(₹ in million)

| Particulars | DSL | | OTPC | | OTBL | |
|---|---|---|---|---|---|---|
| | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| Revenue | 670.77 | 623.77 | 12,632.20 | 16,455.72 | 188.16 | 270.16 |
| Profit or (loss) from continuing operations | 469.82 | 359.04 | 1,108.29 | 2,241.47 | 86.27 | 88.19 |
| Post-tax profit (loss) from discontinued operations | - | - | - | - | - | - |
| Other comprehensive income | - | - | 1.49 | 1.12 | 0.08 | (0.02) |
| Total comprehensive income | 469.82 | 359.04 | 1,109.78 | 2,242.59 | 86.35 | 88.17 |
| **The above profit (loss) for the year include the following:** | | | | | | |
| Depreciation and amortisation | 92.54 | 133.71 | 2,078.88 | 1,964.90 | 0.38 | 0.40 |
| Interest income | 59.54 | 65.50 | 170.22 | 263.74 | 39.00 | 37.75 |
| Interest expense | 55.53 | 50.62 | 1,107.70 | 1,421.84 | - | - |
| Income tax expense or income | 16.84 | 14.90 | 414.97 | 441.3 | 29.58 | 30.11 |

**Reconciliation of the above summarised financial information to the carrying amount of the interest in JVs recognized in the consolidated financial statements:**

(₹ in million)

| Particulars | DSL | | OTPC | | OTBL | |
|---|---|---|---|---|---|---|
| | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| Net assets of the joint venture | 2,643.40 | 2,189.49 | 14,450.41 | 14,124.63 | 799.15 | 712.80 |
| Proportion of the Group's ownership interest in JVs (%) | 50.00% | 50.00% | 50.00% | 50.00% | 49.98% | 49.98% |
| Proportion of the Group's ownership interest in JVs (INR) | 1,321.70 | 1,094.75 | 7,225.21 | 7,062.32 | 399.42 | 356.26 |
| **Group's share in net assets of the joint venture** | **1,321.70** | **1,094.75** | **7,225.21** | **7,062.32** | **399.42** | **356.26** |
| **Carrying amount of the Group's interest in JVs** | **1,321.70** | **1,094.75** | **7,225.21** | **7,062.32** | **399.42** | **356.26** |

**14.1.12 Summarized financial information of Group's associates:**

Summarized financial information in respect of each of the Group's associates is set out below. The summarized financial information below represents amounts shown in the associates' financial statements prepared in accordance with Ind ASs adjusted by the Group for equity accounting purpose.

(₹ in million)

| Particulars | PLL | | PHL | | RHL | |
|---|---|---|---|---|---|---|
| | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| Non-current assets | 126,464.50 | 109,281.50 | 7,676.27 | 8,190.18 | - | - |
| current assets | 87,153.20 | 81,618.90 | 5,070.94 | 5,070.94 | 0.16 | 0.24 |
| Non-current liabilities | 49,569.40 | 52,087.00 | 1,285.15 | 1,285.15 | - | - |
| Current liabilities | 27,367.40 | 20,744.40 | 2,111.83 | 2,111.83 | 0.48 | 0.32 |

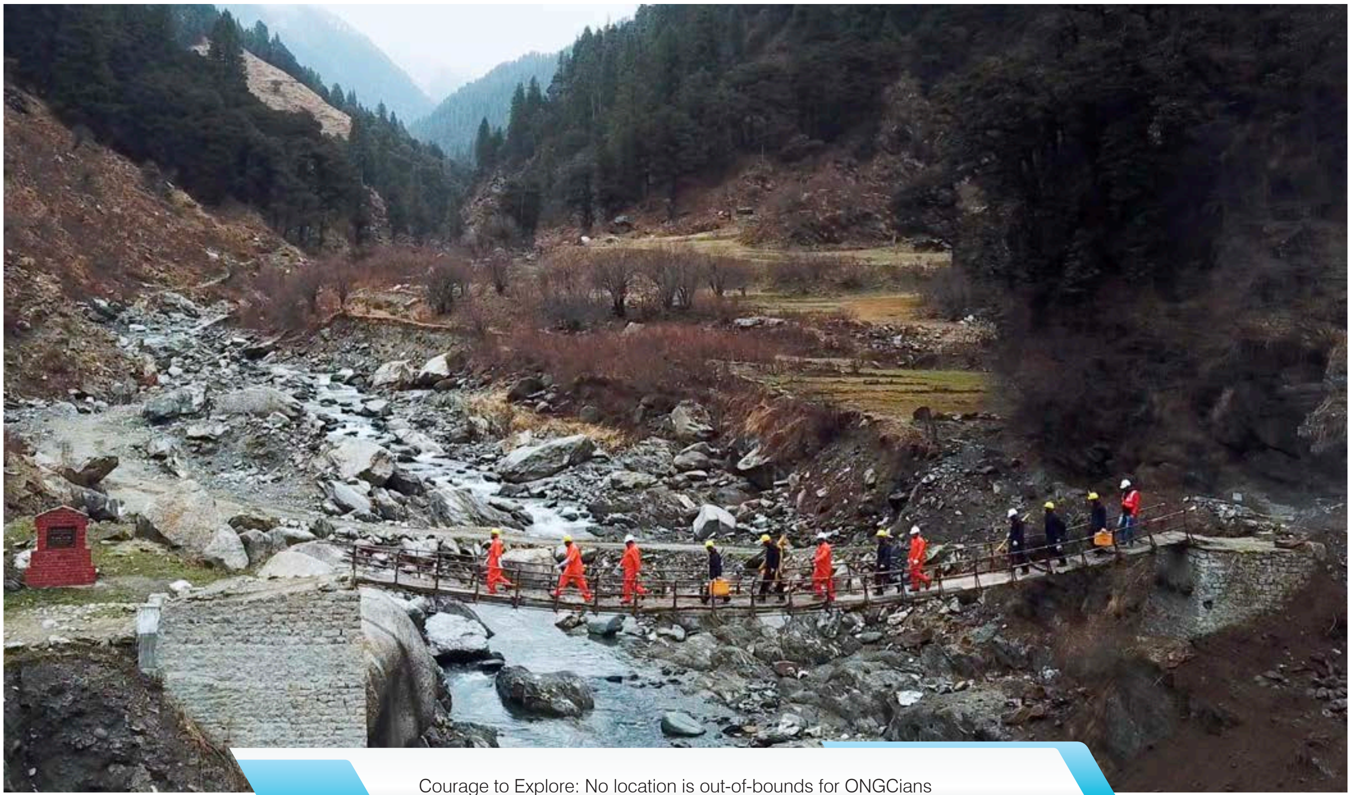
(₹ in million)

| Particulars | PLL | | PHL | | RHL | |
|---|---|---|---|---|---|---|
| | Year Ended March 31, 2022 | Year Ended March 31, 2021 | Year Ended March 31, 2022 | Year Ended March 31, 2021 | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
| Revenue | 431,685.70 | 260,229.00 | 3,885.47 | 3,736.34 | - | - |
| Profit or (loss) from continuing operations | 34,381.10 | 29,392.30 | (513.91) | (57.03) | (0.13) | (0.09) |
| Post-tax profit (loss) from discontinued operations | - | - | - | (48.36) | - | - |
| Other comprehensive income | (19.20) | (32.50) | - | (40.05) | - | - |
| Total comprehensive income | 34,361.90 | 29,359.80 | (513.91) | (145.44) | (0.13) | (0.09) |

**Reconciliation of the above summarised financial information to the carrying amount of the interest in associates recognized in the consolidated financial statements:**

(₹ in million)

| Particulars | PLL | | PHL | | RHL | |
|---|---|---|---|---|---|---|
| | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| Net assets of the associates | 136,680.90 | 118,069.00 | 9,350.23 | 9,864.14 | (0.32) | (0.08) |
| Proportion of the Group's ownership interest in associates (%) | 12.50% | 12.50% | 49.00% | 49.00% | 49.00% | 49.00% |
| Proportion of the Group's ownership interest in associates (INR) | 17,085.11 | 14,758.63 | 4,581.61 | 4,833.43 | (0.16) | (0.04) |
| Add: Adjustment for restriction of loss | - | - | - | - | 0.16 | 0.04 |
| **Group's share in net assets of the associates** | **17,085.11** | **14,758.63** | **4,581.61** | **4,833.43** | **-** | **-** |
| **Carrying amount of the Group's interest in associates** | **17,085.11** | **14,758.63** | **4,581.61** | **4,833.43** | **-** | **-** |



Courage to Explore: No location is out-of-bounds for ONGCians

**14.1.13 Details of financial position of subsidiary company, MRPL's Joint ventures:**

(₹ in million)

| Particulars (As at March 31, 2022) | Current Assets | Non-Current Assets | Current Liabilities | Non-Current Liabilities | Total Revenue | Profit or Loss from continuing operations | Profit or Loss from discontinued operations | Other Comprehensive Income | Total Comprehensive Income |
|---|---|---|---|---|---|---|---|---|---|
| Shell MRPL Aviation Fuels and Services Limited | 3,283.92 | 82.81 | 2,766.95 | 2.50 | 6,731.90 | 179.22 | - | 0.86 | 180.08 |
| **Total** | **3,283.92** | **82.81** | **2,766.95** | **2.50** | **6,731.90** | **179.22** | **-** | **0.86** | **180.08** |

| Particulars (As at March 31, 2021) | Current Assets | Non-Current Assets | Current Liabilities | Non-Current Liabilities | Total Revenue | Profit or Loss from continuing operations | Profit or Loss from discontinued operations | Other Comprehensive Income | Total Comprehensive Income |
|---|---|---|---|---|---|---|---|---|---|
| Shell MRPL Aviation Fuels and Services Limited | 1,984.11 | 91.79 | 1,563.43 | 5.87 | 2,604.95 | 8.00 | | 0.03 | 8.03 |
| **Total** | **1,984.11** | **91.79** | **1,563.43** | **5.87** | **2,604.95** | **8.00** | **-** | **0.03** | **8.03** |

**Additional Financial information related to Joint venture are as under:**

(₹ in million)

| Particulars (As at March 31, 2022) | Cash and Cash Equivalents | Current Financial Liabilities | Non-Current Financial Liabilities | Depreciation and Amortisation | Interest Income | Interest Expense | Income Tax Expense or Income |
|---|---|---|---|---|---|---|---|
| Shell MRPL Aviation Fuels and Services Limited | 355.97 | 2,646.09 | 2.50 | 14.86 | 37.81 | 2.62 | 60.90 |
| **Total** | **355.97** | **2,646.09** | **2.50** | **14.86** | **37.81** | **2.62** | **60.90** |

| Particulars (As at March 31, 2021) | Cash and Cash Equivalents | Current Financial Liabilities | Non-Current Financial Liabilities | Depreciation and Amortisation | Interest Income | Interest Expense | Income Tax Expense or Income |
|---|---|---|---|---|---|---|---|
| Shell MRPL Aviation Fuels and Services Limited | 87.95 | 1,444.32 | 5.59 | 15.02 | 76.18 | 27.00 | 4.48 |
| **Total** | **87.95** | **1,444.32** | **5.59** | **15.02** | **76.18** | **27.00** | **4.48** |

**Summarised financial information of Company's Joint Venture**

(₹ in million)

| Particulars | Shell MRPL Aviation Fuels and Services Limited | |
|---|---|---|
| | As at March 31, 2022 | As at March 31, 2021 |
| Net assets of the Joint Venture | 596.68 | 506.60 |
| Proportion of the Company's ownership interest in JV (%) | 50% | 50% |
| Proportion of the Company's ownership interest in JV (INR) | 298.34 | 253.30 |
| Less : Unrealized Profit and other adjustment | 18.27 | 3.44 |
| Carrying amount of the Company's interest in JV after adjustment | 280.07 | 249.86 |

**14.1.14 Details of financial position of subsidiary company OVL's Joint ventures and associates:**

**(i) Mansarovar Energy Colombia Limited** (₹ in million)

| Mansarovar Energy Colombia Limited | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Non - Current Assets | 14,348.70 | 17,932.91 |
| Current Assets | 8,186.02 | 9,739.32 |
| Non - Current Liabilities | 8,263.36 | 7,518.72 |
| Current Liabilities | 3,816.45 | 3,924.35 |
| **The above amounts of assets and liabilities includes the following:** | | |
| Cash and cash equivalents | 6,315.07 | 4,811.16 |
| Current financials liabilities (excluding trade payables and provisions) | 2,088.19 | 1,816.22 |
| Non-current financials liabilities (excluding trade payables and provisions) | 3,136.64 | 3,791.46 |

| Mansarovar Energy Colombia Limited | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| Revenue | 14,502.74 | 11,869.90 |
| Profit or loss from continuing operations | 1,454.53 | (5,867.36) |
| Other comprehensive income for the year | - | - |
| Total comprehensive income for the year | 1,454.53 | (5,867.36) |
| Dividends received from the joint venture during the year | - | - |
| **The above profit/(loss) for the year include the following:** | | |
| Depreciation and amortisation | 3,755.11 | 8,109.13 |
| Interest income | 488.71 | 511.74 |
| Interest expense | 447.15 | 4.21 |
| Income tax expense (income) | 1,416.67 | (2,693.01) |

**(ii) JSC Vankorneft** (₹ in million)

| JSC Vankorneft | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Non - Current Assets | 162,077.95 | 189,161.91 |
| Current Assets | 123,706.77 | 99,666.94 |
| Non - Current Liabilities | 26,672.58 | 35,886.37 |
| Current Liabilities | 71,814.33 | 39,430.59 |
| **The above amounts of assets and liabilities includes the following:** | | |
| Cash and cash equivalents | 0.32 | 0.43 |
| Current financials liabilities (excluding trade payables and provisions) | 39,425.72 | 18,981.12 |
| Non-current financials liabilities (excluding trade payables and provisions) | 13,870.90 | 17,298.90 |

| JSC Vankorneft | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| Revenue | 389,590.61 | 237,396.64 |
| Profit or loss from continuing operations | 36,948.74 | 42,872.62 |
| Other comprehensive income for the year | - | - |
| Total comprehensive income for the year | 36,948.74 | 42,872.62 |
| Dividends received from the joint venture during the year | 12,982.68 | 15,927.75 |
| **The above profit/(loss) for the year include the following:** | | |
| Depreciation and amortisation | 33,667.95 | 15,418.96 |
| Interest income | 1,657.14 | 1,337.18 |
| Interest expense | - | - |
| Income tax expense (income) | 39,129.02 | 12,409.55 |

**(iii) Petrolera Indovenezolana SA***

(₹ in million)

| Petrolera Indovenezolana SA | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Non - Current Assets | 27,962.28 | 29,648.75 |
| Current Assets | 269,942.33 | 258,987.36 |
| Non - Current Liabilities | 2,044.30 | 3,341.93 |
| Current Liabilities | 211,242.25 | 203,610.96 |
| **The above amounts of assets and liabilities includes the following:** | | |
| Cash and cash equivalents | 25.06 | 24.31 |
| Current financials liabilities (excluding trade payables and provisions) | - | - |
| Non-current financials liabilities (excluding trade payables and provisions) | 1,295.98 | 1,257.32 |

| Petrolera Indovenezolana SA | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| Revenue | 4,328.86 | 1,462.68 |
| Profit or loss from continuing operations | 422.89 | 330.67 |
| Other comprehensive income for the year | - | - |
| Total comprehensive income for the year | 422.89 | 330.67 |
| Dividends received from the joint venture during the year | - | - |
| **The above profit/(loss) for the year include the following:** | | |
| Depreciation and amortisation | 947.20 | 714.16 |
| Interest income | - | - |
| Interest expense | - | - |
| Income tax expense (income) | 1,167.18 | 836.28 |

*In respect of investment in associate Petrolera Indovenezolana SA, which is a joint venture of subsidiary ONGBV and Petroleos de Venezuela, SA (PdVSA), the National Oil Company of Venezuela wherein PdVSA is the operator. In view of the non-availability of the information from operator in respect of services provided to JV, asset retirement obligation and reconciliation of tax paid of PdVSA on behalf of JV, expenditure and liabilities (including asset retirement obligations and tax obligations) have been recorded in the financials of JV on the basis of best management estimates. Accordingly, the share of profit from PIVSA and investment of the Group therein may be impacted to that extent upon receiving the information from the operator. The management is of view that the impact of final invoicing by PdVSA and likelihood for any further expenses or liability devolving on the Company, shall not be material.

**(iv) South East Asia Gas Pipeline Ltd**

(₹ in million)

| South East Asia Gas Pipeline Ltd | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Non - Current Assets | 63,927.78 | 68,872.10 |
| Current Assets | 9,828.37 | 9,139.69 |
| Non - Current Liabilities | 13,947.39 | 34,447.94 |
| Current Liabilities | 16,808.87 | 5,325.88 |
| **The above amounts of assets and liabilities includes the following:** | | |
| Cash and cash equivalents | 6,750.33 | 4,994.39 |
| Current financials liabilities (excluding trade payables and provisions) | 16,808.87 | 5,325.88 |
| Non-current financials liabilities (excluding trade payables and provisions) | - | 21,345.38 |

| South East Asia Gas Pipeline Ltd | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| Revenue | 27,475.96 | 29,082.77 |
| Profit or loss from continuing operations | 12,851.78 | 9,165.19 |
| Other comprehensive income for the year | - | - |
| Total comprehensive income for the year | 12,851.78 | 9,165.19 |
| Dividends received from the joint venture during the year | - | 7,842.64 |
| **The above profit/(loss) for the year include the following:** | | |
| Depreciation and amortisation | 9,333.76 | 9,269.35 |
| Interest income | 5.21 | 31.74 |
| Interest expense | 1,677.85 | 2,965.91 |
| Income tax expense (income) | 2,786.58 | 4,180.45 |

**(v) Falcon Oil & Gas BV** (₹ in million)

| Falcon Oil & Gas BV | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Non - Current Assets | 60,236.93 | 55,871.11 |
| Current Assets | 21,202.06 | 15,922.94 |
| Non - Current Liabilities | 18,282.66 | 14,119.84 |
| Current Liabilities | 11,781.68 | 8,117.82 |
| **The above amounts of assets and liabilities includes the following:** | | |
| Cash and cash equivalents | 11,780.10 | 8,722.80 |
| Current financials liabilities (excluding trade payables and provisions) | 10,802.95 | 7,107.58 |
| Non-current financials liabilities (excluding trade payables and provisions) | - | - |

| Falcon Oil & Gas BV | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| Revenue | 75,621.51 | 33,987.71 |
| Profit or loss from continuing operations | 4,043.91 | 1,594.16 |
| Other comprehensive income for the year | - | - |
| Total comprehensive income for the year | 4,043.91 | 1,594.16 |
| Dividends received from the joint venture during the year | 3,749.63 | 5,879.20 |
| **The above profit/(loss) for the year include the following:** | | |
| Depreciation and amortisation | 3,244.51 | 2,563.60 |
| Interest income | 4.24 | 19.91 |
| Interest expense | - | - |
| Income tax expense (income) | 44,711.85 | 17,135.96 |

**(vi) Petro Carabobo S.A** (₹ in million)

| Petro Carabobo S.A | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Non - Current Assets | 6,060.28 | 6,374.84 |
| Current Assets | 10,098.95 | 8,666.46 |
| Non - Current Liabilities | 2,918.35 | 3,135.14 |
| Current Liabilities | 8,100.96 | 5,935.94 |
| **The above amounts of assets and liabilities includes the following:** | | |
| Cash and cash equivalents | 111.25 | 107.93 |
| Current financials liabilities (excluding trade payables and provisions) | - | - |
| Non-current financials liabilities (excluding trade payables and provisions) | - | - |

| Petro Carabobo S.A | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| Revenue | 1,689.83 | 277.69 |
| Profit or loss from continuing operations | (997.66) | (49.73) |
| Other comprehensive income for the year | - | - |
| Total comprehensive income for the year | (997.66) | (49.73) |
| Dividends received from the joint venture during the year | - | - |
| **The above profit/(loss) for the year include the following:** | | |
| Depreciation and amortisation | 503.14 | 152.76 |
| Interest income | - | - |
| Interest expense | - | - |
| Income tax expense (income) | 1,385.58 | (85.95) |

**14.1.15 Details of financial position of subsidiary company HPCL's Joint ventures:**

**(₹ in million)**

| Particulars | HMEL | |
|---|---|---|
| | **31.03.2022** | **31.03.2021** |
| **Assets:** | | |
| **Non-Current Assets** | 462,482.80 | 447,521.80 |
| **Current Assets** | | |
| Cash and Cash equivalents | 15,812.00 | 9,021.00 |
| Other Current Assets (excluding cash and cash equivalents) | 148,190.10 | 81,686.90 |
| **Total (A)** | **626,484.90** | **538,229.70** |
| **Liabilities:** | | |
| **Non-Current Liabilities** | | |
| Non-Current Financial Liabilities (excluding Trade / Other Payables and Provisions) | 329,762.00 | 321,506.00 |
| Other Non-Current Liabilities | 44,166.10 | 35,589.80 |
| **Current Liabilities** | | |
| Current Financial Liabilities (excluding Trade / Other Payables and Provisions) | 36,398.40 | 20,490.00 |
| Other Current Liabilities | 104,304.50 | 55,946.00 |
| **Total (B)** | **514,631.00** | **433,531.80** |
| **Net Assets included in Financial Statement of Joint Venture / Associate** | **111,853.90** | **104,697.90** |
| Ownership Interest | 48.99% | 48.99% |
| **Carrying amount of Interest in Joint Venture/Associate** | **54,800.00** | **51,294.20** |
| Quoted Market Value of Shares | N.A. | N.A. |

**(₹ in million)**

| **Other Information:** | **2021-22** | **2020-21** |
|---|---|---|
| Revenue | 895,512.10 | 517,304.80 |
| Interest Income | 419.10 | 515.50 |
| Interest Expenses | 9,993.00 | 9,182.60 |
| Depreciation | 10,800.30 | 10,271.70 |
| Income tax expenses | 28,311.90 | (612.70) |
| Profit / Loss for the year | 14,582.40 | 3,182.90 |
| Other Comprehensive Income (Net of Tax) | (1,303.00) | 2,538.30 |
| Total Comprehensive Income for the year | 13,279.40 | 5,721.20 |

**Details of all individually immaterial equity accounted investees of subsidiary company HPCL:**

**(₹ in million)**

| Particulars | Other immaterial Joint Ventures | | Other immaterial Associates | |
|---|---|---|---|---|
| | **2021-22** | **2020-21** | **2021-22** | **2020-21** |
| Carrying amount of Investment in equity accounted investees | 59,040.60 | 33,188.80 | 2,502.70 | 2,235.40 |
| Group's Share of Profit or Loss from Continuing Operations | 2,092.90 | 1,428.30 | (90.50) | (53.80) |
| Group's share in other comprehensive income | 1.40 | 0.10 | 0.20 | 0.40 |
| Group's share in Total Comprehensive Income | 2,094.30 | 1,428.40 | (90.30) | (53.40) |

**14.2 Other Investments**

**(i) Investment in other Equity Instruments**

(₹ in million)

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | No. (in million) | Amount | No. (in million) | Amount |
| **A. Financial assets measured at FVTOCI** | | | | |
| (a) Indian Oil Corporation Limited (Quoted – Fully paid up) (Face Value ₹ 10 per share) | 1,337.22 | 159,061.75 | 1,337.22 | 122,823.22 |
| (b) GAIL (India) Limited (Quoted – Fully paid up) (Face Value ₹ 10 per share) | 217.81 | 33,902.27 | 217.81 | 29,513.38 |
| (c) Oil India Limited (Quoted – Fully paid up) (Face Value ₹ 10 per share) | 26.75 | 6,377.33 | 26.75 | 3,280.95 |
| (d) Scooters India Limited (Quoted – Fully paid up) (Face Value ₹ 10 per share) | 0.01 | 0.31 | 0.01 | 0.36 |
| (e) Indian Gas Exchange Limited (Unquoted – Fully paid up) (Face Value ₹ 10 per share) (Note No. 14.2.2) | 3.69 | 36.94 | 3.69 | 36.94 |
| **B. Financial assets measured at FVTPL** | | | | |
| (a) Oil Spill Response Limited (Unquoted – Fully paid up) (Face Value ₹ 10 per share) (Note No. 14.2.1) | - | 0.01 | - | 0.01 |
| (b) Planys Technologies Private Limited (Unquoted– Fully paid up) (Face Value ₹ 10 per share) (Note No. 14.2.3) | - | - | - | 0.27 |
| (c) String Bio Private Limited (Unquoted– Fully paid up) (Face Value ₹ 10 per share) (Note No. 14.2.3) | - | - | 0.00 | 0.00 |
| (d) ONGC Start up Fund (Unquoted – Fully paid up) (Face Value ₹ 10 per unit) (Note No. 14.2.3) | 44.42 | 444.21 | - | - |
| (e) Woodlands Multispeciality Hospital Limited (Unquoted – Fully paid up) (Face Value ₹ 10 per share) | - | 0.02 | - | 0.02 |
| (f) Mangalam Retail Services Limited (Unquoted– Fully paid up) (Face Value ₹ 10 per share) | 0.02 | 0.28 | 0.02 | 0.28 |
| (g) Shushrusha Citizen Co-operative Hospital Limited (Unquoted – Fully paid up) (Face Value ₹ 100 per share) | - | 0.01 | - | 0.01 |
| **Total Investment in other equity instruments** | | **199,823.13** | | **155,655.44** |

**14.2.1** 100 nos. Equity Shares of Oil Spill Response Limited valued at GBP one each at the time of issuance. Total value in ₹ at the time of issuance of shares was ₹ 6,885/-, further 200 nos. equity shares have also been allotted to the Company without any consideration thereby the Company holds total 300 nos. equity shares.

**14.2.2** During the Previous year 2020-21, the Company had subscribed 3,693,750 nos. equity shares of Indian Gas Exchange Limited (IGX) having face value of ₹ 10 per share at par value for an aggregate consideration of ₹ 36.94 million. The investment being a strategic investment, the same is designated as fair valued through other comprehensive income (FVTOCI).

**14.2.3** During the year, investments in Equity Share along with Compulsory Convertible Preference Shares were sold to ONGC Startup Fund Trust (registered with SEBI as an Alternative Investment Fund category I) for the total consideration of ₹ 235.76 million. During the year the company has subscribed 44,420,792 no's units of ONGC Startup Fund Trust (registered with SEBI as an Alternative Investment Fund category I) for the total consideration of ₹ 444.21 million

**ii) Investment in securities**

**(₹ in million)**

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | No. (in million) | Amount | No. (in million) | Amount |
| **A. Financial assets carried at amortized cost** | | | | |
| **(a) Investment in Government securities** | | | | |
| -8.40% Oil Co. GOI Special Bonds 2025 | | | | |
| (Unquoted – Fully paid up) | 0.20 | 1,975.08 | 0.20 | 1,975.08 |
| **B. Financial assets measured at FVTPL** | | | | |
| **(a) Investment in mutual funds** | | | | |
| - For site restoration fund | | 41,578.88 | | 32,577.33 |
| **Total Investment in Securities** | | **43,553.96** | | **34,552.41** |
| Aggregate carrying value of unquoted investments | | 43,553.96 | | 34,552.41 |
| Aggregate amount of impairment in value of investments | | - | | - |

**14.2.4** In respect of subsidiary OVL, the investments for site restoration in respect of Sakhalin-1, Russia are invested by J P Morgan Chase Bank N.A., the Foreign Party Administrator (FPA) in accordance with the portfolio investment guidelines provided under the Sakhalin-1 Decommissioning funding agreement entered into between the FPA and the foreign parties to the Consortium in accordance with the related production sharing agreement (PSA). The proceeds from the investment will be utilized for decommissioning liability to the Russian State as per the PSA.

**(iii) Investment in Compulsory Convertible Preference Share**

**(₹ in million)**

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | No. (in million) | Amount | No. (in million) | Amount |
| **A. Financial assets measured at FVTPL** | | | | |
| (a) Planys Technologies Private Limited | | | | |
| (Unquoted– Fully paid up) | - | - | - | 42.07 |
| (Face Value ₹ 1500 per share) (Note No. 14.2.5) | | | | |
| (b) String Bio Private Limited | | | | |
| (Unquoted – Fully paid up) | - | - | 0.16 | 45.00 |
| (Face Value ₹10 per share) (Note No.14.2.5) | | | | |
| (c) Chakr Innovation Pvt. Ltd. | | | | |
| (Unquoted – Fully paid up) | - | - | - | 30.96 |
| (Face Value ₹100 per share) (Note No.14.2.5) | | | | |
| (d) Logicladder Technologies Pvt. Ltd. | | | | |
| (Unquoted – Fully paid up) | - | - | 0.02 | 59.24 |
| (Face Value ₹100 per share) (Note No.14.2.5) | | | | |
| (e) Sagar Defence Engineering Pvt. Ltd. | | | | |
| (Unquoted – Fully paid up) | - | - | 0.01 | 56.63 |
| (Face Value ₹10 per share) (Note No.14.2.5) | | | | |
| (f) Investments in other Start - Ups (Note No. 14.2.6) | - | 178.04 | - | 138.16 |
| **Total Investment in Preference Share** | | **178.04** | | **372.06** |
| Aggregate carrying value of unquoted investments | | 178.04 | | 372.06 |
| Aggregate market value of unquoted investments | | - | | - |

**14.2.5** During the year, investments in Equity Share along with Compulsory Convertible Preference Shares were sold to ONGC Startup Fund Trust (registered with SEBI as an Alternative Investment Fund category I) for the total consideration of ₹ 235.76 million.

**14.2.6** In respect of subsidiary HPCL, since these start-up (21 start ups)are in the stage of their development and are mostly in traction and refinement stages, the carrying value of these start-ups is considered as a reasonable approximiation of their fair value.

**14.2.7 Disclosure on carrying value and market value of investment**

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Aggregate carrying value of quoted investments | 216,426.77 | 170,376.54 |
| Aggregate carrying value of unquoted investments | 396,279.34 | 378,651.28 |
| Aggregate market value of quoted investments | 235,669.79 | 197,739.80 |
| Aggregate amount of impairment in value of investments | (3,394.09) | (7,397.36) |

## 15 Trade receivables

(₹ in million)

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Non Current | Current | Non Current | Current |
| (a) Considered good - Secured (Note No. 15.9) | - | 10,909.37 | - | 3,379.69 |
| (b) Considered good - Unsecured (Note No. 15.3) | - | 181,312.65 | - | 150,288.71 |
| (c) Having significant increase in credit risk | 24,765.01 | - | 25,629.56 | 8,097.74 |
| (d) Credit Impaired | 4,656.54 | 4,933.80 | 3,519.22 | 4,348.64 |
| Less: Impairment for doubtful receivables (Note No. 15.10) | 4,656.54 | 5,282.99 | 3,519.22 | 5,956.44 |
| **Total** | **24,765.01** | **191,872.83** | **25,629.56** | **160,158.34** |

**15.1 Ageing schedule of Trade receivables:**

**As at March 31, 2022** (₹ in million)

| Particulars | Unbilled | Not due | Outstanding for following periods from due date of payment | | | | | Total |
|---|---|---|---|---|---|---|---|---|
| | | | less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| **Undisputed -** | | | | | | | | |
| Considered Good | 48.43 | 156,974.02 | 27,408.89 | 219.39 | 296.89 | 406.00 | 63.59 | 185,417.21 |
| Significant increase in credit risk | - | - | - | - | - | - | - | - |
| Credit impaired | - | - | 7.42 | 9.96 | 1.96 | 12.39 | 815.98 | 847.71 |
| **Disputed -** | | | | | | | | |
| Considered Good | - | 1.25 | 138.94 | 516.45 | 1,038.38 | 1,371.51 | 3,740.41 | 6,806.94 |
| Significant increase in credit risk | - | - | - | - | - | 7.45 | 24,778.40 | 24,785.85 |
| Credit impaired | 27.04 | 117.19 | 205.66 | 3.53 | 63.51 | 38.78 | 8,263.95 | 8,719.66 |
| **Total** | **75.47** | **157,092.46** | **27,760.91** | **749.33** | **1,400.74** | **1,836.13** | **37,662.33** | **226,577.37** |
| Less: Impairement for doubtful receivables | | | | | | | | 9,939.53 |
| **Total** | | | | | | | | **216,637.84** |

**As at March 31, 2021** (₹ in million)

| Particulars | Unbilled | Not due | Outstanding for following periods from due date of payment | | | | | Total |
|---|---|---|---|---|---|---|---|---|
| | | | less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| **Undisputed -** | | | | | | | | |
| Considered Good | 152.73 | 104,040.78 | 41,393.80 | 631.87 | 105.56 | 61.73 | 19.49 | 146,405.96 |
| Significant increase in credit risk | - | 1,664.29 | 1,019.49 | 2,487.80 | 2,769.10 | 157.06 | - | 8,097.74 |
| Credit impaired | - | - | 23.12 | 1.67 | 36.38 | 8.14 | 1,230.09 | 1,299.40 |
| **Disputed -** | | | | | | | | |
| Considered Good | - | 143.67 | 564.17 | 509.47 | 1,728.66 | 593.72 | 3,783.96 | 7,323.65 |
| Significant increase in credit risk | - | - | - | - | - | - | 25,480.83 | 25,480.83 |
| Credit impaired | - | - | - | 0.39 | 9.97 | 1.63 | 6,643.99 | 6,655.98 |
| **Grand Total** | **152.73** | **105,848.74** | **43,000.58** | **3,631.20** | **4,649.67** | **822.28** | **37,158.36** | **195,263.56** |
| Less: Impairement for doubtful receivables | | | | | | | | 9,475.66 |
| **Total** | | | | | | | | **185,787.90** |

**15.2** Generally, the Company enters into crude oil and gas sales arrangement with its customers. The normal credit period on sales of crude, gas and value added products is 7 - 30 days. No interest is charged during this credit period. Thereafter, interest on delayed payments is charged at SBI Base rate plus 4% - 6% per annum compounded each quarter on the outstanding balance.

Out of the gross trade receivables as at March 31, 2022, an amount of ₹ 101,672.40 million (as at March 31, 2021 ₹ 64,894.62 million) is due from Oil and Gas Marketing companies, the Company's largest customers. There are no other customers who represent more than 5% of total balance of trade receivables.

Accordingly, the Company assesses impairment loss on dues from Oil Marketing Companies on facts and circumstances relevant to each transaction.

The Company has concentration of credit risk due to the fact that the Company has significant receivables from Oil and Gas Marketing Companies (refer Note No. 51.3.3 and 52.4). However, these companies are reputed and creditworthy public sector undertakings (PSUs).

**15.3** Includes an amount of ₹ 3,764.43 million (Previous year ₹ 3,755.22 million) due towards Pipeline Transportation Charges for the period from November 20, 2008 to March 31, 2022 from GAIL India Limited (GAIL) on account of revised pipeline transportation tariff charges.

In terms of Gas Sales Agreement (GSA) signed between GAIL and the Company, GAIL is to pay transportation charges in addition to the price of gas in case of Uran Trombay Natural Gas Pipe Line (UTNGPL) and were being paid by GAIL. Subsequent to the replacement of pipeline in 2008, the revised pipeline transportation tariff in respect of UTNGPL as approved by Petroleum and Natural Gas Regulatory Board (PNGRB) is being invoiced to GAIL with effect from November 20, 2008.

Maharashtra Gas Limited (MGL), one of the customers of GAIL, had filed a complaint with PNGRB on February 12, 2015 regarding applicability of tariff on supply of gas to GAIL. After hearing all parties, PNGRB vide order dated October 15, 2015 dismissed the complaint and gave a verdict in favour of the Company. Pursuant to appeal by MGL to the Appellate Tribunal for Electricity (APTEL), the case was remanded back to PNGRB. Once again, PNGRB vide order dated March 18, 2020 had dismissed the complaint, authorized the pipeline as a Common Carrier Pipeline and directed both GAIL and MGL to pay the transportation tariff fixed by PNGRB from time to time for UTNGPL. MGL again filed an appeal with APTEL on April 04, 2020 against the order of PNGRB. APTEL vide order dated July 16, 2021 remanded the matter to PNGRB for fresh adjudication and passing final order within 3 months from the date of appointment of Member (Legal). Matter is presently pending with APTEL.

MGL has been paying the applicable tariff since July 2021.

Rashtriya Chemicals and Fertilisers Ltd (RCF), another customer of GAIL, was paying revised tariff since February 2016 and the tariff from November 20, 2008 till January 31, 2016 was under dispute. The matter was referred to Committee of Secretaries under Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD) that met on June 17, 2021 and concluded that RCF would pay the transportation charges with effect from the date of order (i.e. December 30, 2013) of revised tariff rates of PNGRB. The Company has requested clarification from the MoP&NG regarding the impact of AMRCD order on its receivable from GAIL. However, in view of the conclusion of AMRCD, a provision of ₹ 446.43 million has been created against dues from GAIL on account of Pipeline Transportation Charges in respect of RCF for the period prior to December 30, 2013.

The Company has been raising invoices on GAIL towards Pipeline Transportation Charges during the period from November 2008 to March 2022 amounting to ₹ 7,371.26 million, out of this an amount of ₹ 3,606.83 million has since been received.

In view of the above, the balance receivable (excluding provision) of ₹ 3,318.00 million as at March 31, 2022 ( Previous year ₹ 3,755.22 million) is considered good.

**15.4** In respect of subsidiary OVL, the company generally enters into crude oil sales contracts with reputed Oil Marketing Companies (OMCs) / International Oil Companies (IOCs) / National Oil Companies (NOCs) on the basis of tendering for each of its cargo's. However, the Company has also entered into some long-term sales arrangement with Oil Marketing Companies (OMCs)/

International Oil Companies (IOCs) / National Oil Companies (NOCs) for crude oil sales and supply of natural gas.

The Company generally sells its products on an average credit period of around 30 days. In respect of gas sales in some of the projects, the Company receives payments in advance in accordance with the respective sales contract. In respect of a long term gas sales contract with one of the national oil companies, a credit period of 40 days is allowed. Interest is not charged on trade receivables for the applicable credit period from the date of invoice. For delayed period of payments, interest is charged as per respective arrangements, which is generally determined as one month LIBOR + 2% per annum over the applicable Bank Rate on the outstanding balance.

The Company assesses impairment loss on trade receivables on the basis of facts and circumstances relevant to each customer. Usually, Company collects all its receivables within the contractually allowed credit periods.

The Company has concentration of credit risk due to the fact that the Company has significant receivables from Oil Marketing Companies and International Oil Companies (IOCs). However these are reputed National Oil Companies (NOCs) and the company does not expect any material loss on account of delay or non payment of dues.

**15.5** In respect of subsidiary OVL, the trade receivables breakup between customers having outstanding more than 5% and other customers is-

**( ₹ in million)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Customers with outstanding balance of more than 5% of Trade receivables | 44,312.09 | 49,577.29 |
| Other customers | 1,606.80 | 1,580.91 |
| **Total** | **51,158.20** | **51,158.20** |

**15.6** In respect of subsidiary OVL, the company has assessed its trade receivables for expected credit loss (ECL) including dues from Govt of Sudan (GoS). These trade receivables have become overdue and therefore effectively incorporate a significant financing component. The Company is using the general model for lifetime ECL, under which recoverability of such receivables is estimated and expected cash flows are discounted by applying risk adjusted weighted average cost of borrowing.

Accordingly, trade receivables in respect of Sudan amounting to ₹ 29,164.39 million (previous year ₹ 29,006.06) million have been assessed for lifetime expected credit loss and an impairment loss of ₹ 933.46 million has been charged in the statement of profit and loss. The total outstanding provision against these receivables stands at ₹ 4,399.38 million (previous year ₹ 3,347.79 million).

**15.7** In respect of subsidiary HPCL, impairment of doubtful receivables Includes loss allowance of ₹ 1,373.70 million (31.03.2021 : ₹ 3,036.20 million) on trade recievables of ₹ 1,373.70 million (31.03.2021 : ₹ 9,691.30 million) for which the credit risk has been assessed on an individual basis.

**15.8** In respect of subsidiary MRPL, the Company generally enters into long-term sales arrangement with Oil Marketing Companies for domestic sales and short term arrangement with others. Besides, the export of products are undertaken through term contracts, spot international tenders, short term tender arrangements, B2B arrangements and supplies to SEZ customers. The average credit period on sales ranges from 7 to 45 days (Year ended March 31, 2021 ranges from 7 to 45 days). Interest is not charged on trade receivables for the applicable credit period from the date of invoice. For delayed period of payments, interest is charged as per respective arrangements, which is upto 2 % per annum (Year ended March 31, 2021 upto 2% per annum) over the applicable bank rate on the outstanding balance. Usually, the Company collects all receivables from its customers within the applicable credit period. The Company assesses impairment on trade receivables from all the customers on facts and circumstances relevant to each transaction.

**15.9** Secured Trade Receivables above includes ₹ 8,719.23 million (as at March 31, 2021 of ₹ 1,788.23 million) backed by bank guarantees and letter of credit received from customers in case of MRPL.

**15.10** Movement of Impairment for doubtful receivables

**(₹ in million)**

| Particulars | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| Balance at beginning of the year | 9,475.66 | 12,762.29 |
| Addition in expected credit loss allowance | 1,843.51 | 1,411.36 |
| Write back during the year | (1,510.87) | (4,529.72) |
| Reclassification/Other Adjustments | 131.23 | (168.27) |
| **Balance at end of the year** | **9,939.53** | **9,475.66** |

**15.10.1** Group's subsidiary OVL has determined its functional currency as US$. Adjustments includes net effect of exchange differences of 131.24 million for the year ended March 31, 2022 (previous year ₹ (168.27) million) on account of translation of the consolidated financial statements of the ONGC Videsh Limited from US$ to Group's presentation currency "₹". Refer Note No. 3.21 and 5.1 (a).

## 16 Loans

(₹ in million)

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Non Current | Current | Non Current | Current |
| **(Unsecured, Considered Good unless otherwise Stated)** | | | | |
| **A. Loans to Related Parties** | | | | |
| - Considered Good | 1,295.99 | 734.60 | 1,970.00 | 1,069.02 |
| - Credit Impaired | 67.04 | - | 65.04 | - |
| Less: Impairment for doubtful loans | 67.04 | - | 65.04 | - |
| **Total** | **1,295.99** | **734.60** | **1,970.00** | **1,069.02** |
| **B. Loans to Public Sector Undertakings** | | | | |
| - Credit Impaired | 170.50 | - | 170.50 | - |
| Less: Impairment for doubtful loans | 170.50 | - | 170.50 | - |
| **Total** | **-** | **-** | **-** | **-** |
| **C. Loans to Employees (Note No.16.1)** | | | | |
| - Secured and Considered Good | 19,458.08 | 3,090.44 | 16,427.39 | 2,965.18 |
| - Unsecured and Considered Good | 227.93 | 35.15 | 256.35 | 15.27 |
| - Credit Impaired | - | 8.55 | - | 9.94 |
| Less: Impairment for doubtful loans | - | 8.55 | - | 9.94 |
| **Total** | **19,686.01** | **3,125.59** | **16,683.74** | **2,980.45** |
| **D. Loans to Others (Note No. 16.2)** | | | | |
| - Secured and Considered Good | 4.21 | 0.50 | 4.58 | 0.31 |
| - Unsecured and Considered Good | 6,114.10 | 1,173.64 | 7,768.59 | 1,168.89 |
| - Having significant increase in credit risk | 180.46 | 28.77 | 1,613.69 | 153.77 |
| - Credit Impaired | 180.18 | 148.72 | 906.86 | 206.42 |
| Less: Impairment for doubtful loans | 1,023.78 | 283.19 | 5,507.09 | 793.61 |
| **Total** | **5,455.17** | **1,068.44** | **4,786.63** | **735.78** |
| **Total Loans** | **26,437.17** | **4,928.63** | **23,440.37** | **4,785.25** |

**16.1** Loans to employees include an amount of ₹ 8.04 million (as at March 31, 2021 ₹ 11.11 million) outstanding from Key Managerial Personnel.

**16.2** In respect of subsidiary HPCL, Non current loan to others includes Loan to Pradhan Mantri Ujjwala Yojana (PMUY) customers amounting to ₹ 5,624.20 million (as at March 31, 2021: ₹ 9,630.50 million) before impairment and provision towards the same amounting to ₹ 1,023.80 million (as at March 31, 2021: ₹ 5,507.09 million). Similarly, Current loan to others includes Loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers of ₹ 896.50 million (as at March 31, 2021: ₹ 1,178.00 million) before impairment and provision towards the same amounting to ₹ 163.20 million (as at March 31, 2021: ₹ 673.60 million).

**16.3** In respect of Subsidiary HPCL, the Pradhan Mantri Ujjwala Yojana (PMUY) was launched in 2016 to provide LPG connections to women from below-poverty-line (BPL) households. The beneficiary is given an option to avail loan from the respective OMCs to meet the cost of the stove and first fill. This loan is to be recovered from the subsidy payable to the consumer on purchase of the refill cylinders. The loan has been provided to 17.60 million PMUY consumers for an amount aggregating to ₹ 29,623.30 million (31.03.2021: ₹ 29,630.10 million), and of this, ₹ 17,053.20 million (31.03.2021: ₹ 18,822.50 million) is outstanding at period end. The Loan is classified as 'subsequently measured at amortized cost' in the financial statements. Considering the decline in the average subsidy of LPG during the year at ₹ 29/- (2020-21: ₹ 42/-) per cylinder and the consequential increase in loan tenure, the carrying value of loan outstanding as at Balance Sheet date is re-measured based on revised estimates of future cash flows. Such re-measurement loss resulted in further reduction in gross carrying amount of outstanding loan, net of interest unwinding, by ₹ 2,518.50 million (2020-21: ₹ 2,731.10 million) during the year. Considering the cumulative re-measurement loss, net of interest unwinding, amounting to ₹ 5,249.60 million (31.03.2021: ₹ 2,731.10 million) and accounting of Deferred Expense amounting to ₹ 5,282.90 million (net balance after amortisation as of 31.03.2022 is ₹ 3,871.60 million), the outstanding loan at period end is carried in the books at ₹ 6,520.70 million (31.3.2021: ₹ 10,808.50 million). Further, considering the consumption pattern of refills, level of subsidies and consequential impact on repayment of the loan, by following the principles of prudence and conservatism, net of reversal, if any, a cumulative provision of ₹ 1,187.00 million (31.03.2021: ₹ 6,180.70 million) is estimated and recognized in books. The reversal of provision during the year amounted to ₹ 4,993.70 million (2020-21: a provision of ₹ 3,906.70 million) that arose primarily due to inactive consumer turning active, pursuant to focused initiatives taken in this regard. The expected credit loss estimate is reasonable.

**16.4** In respect of subsidiary MRPL, the company has policy of providing financial assistance to Schedule Caste / Schedule Tribe category dealers for Retail Outlets under the Corpus Fund Scheme (CFS). Under this scheme upon written request seeking working capital loan / assistance by dealer, the company provides working capital loan for a full cycle of operation (equivalent to seven days sales volume) of the dealer. This working capital loan as well as the interest at the specified rate thereon will be recovered in hundred equal monthly instalments from the thirteenth month of commissioning of the dealer operated Retail Outlet.

**16.5** In respect of OVL Loans and accrued interest pertaining to employees include an amount of ₹ 2.34 million (previous year ₹ 0.38 million) outstanding from key managerial personnel

**16.6 Movement of Impairment**

**(₹ in million)**

| **Particulars** | **Year Ended March 31, 2022** | **Year Ended March 31, 2021** |
|---|---|---|
| Balance at beginning of the year | 6,546.18 | 2,656.11 |
| Recognized during the year | 0.18 | 3,907.65 |
| Reversed during the year | (4,995.30) | (0.70) |
| Reclassification/Other Adjustments | 2.00 | (16.88) |
| **Balance at end of the year** | **1,553.06** | **6,546.18** |

## 17 Deposits under Site Restoration Fund

**(₹ in million)**

| **Particulars** | **As at March 31, 2022** | **As at March 31, 2021** |
|---|---|---|
| Deposit under site restoration fund scheme | 248,721.80 | 235,114.70 |
| **Total** | **248,721.80** | **235,114.70** |

**17.1** The above amount has been deposited with banks under section 33ABA of the Income Tax Act, 1961 and can be withdrawn only for the purposes specified in the Scheme i.e. towards removal of equipments and installations in a manner agreed with Central Government pursuant to an abandonment plan. This amount is considered as restricted cash and hence not considered as 'Cash and cash equivalents'.

**17.2** Includes ₹ 2,650.56 million (Previous year ₹ 2,522.07 million) towards Tapti A Facilities and ₹ 47,765.55 million (Previous year ₹ 45,405.22 million) towards Panna Mukta Fields (refer Note No. 6.2, 7.2.2 and 32.5).

**17.3** In respect of subsidiary OVL, the above deposit under site restoration fund is in respect of Block 06.1, Vietnam. These funds have been deposited in an earmarked bank account maintained for this purpose. Such deposit is measured at amortised cost. For details of site restoration fund measured at fair value pertaining to Block Sakhalin 1, Russia, refer Note No. 14.2.4

## 18 Finance lease receivables

**(₹ in million)**

| **Particulars** | **As at March 31, 2022** | **As at March 31, 2021** |
|---|---|---|
| **Finance lease receivables (Note No.18.2)** | | |
| Unsecured, Considered Doubtful | 5,661.89 | 5,492.97 |
| Less: Impairment for uncollectible lease payments (Note No. 18.1) | 5,661.89 | 5,492.97 |
| | - | - |

**18.1 Movement of Impairment for doubtful finance lease receivables**

**(₹ in million)**

| **Particulars** | **Year Ended March 31, 2022** | **Year Ended March 31, 2021** |
|---|---|---|
| **Balance at beginning of the year** | **5,492.97** | **5,641.71** |
| Recognized during the year | - | - |
| Effect of exchange differences (Note No. 18.1.1) | 168.92 | (148.74) |
| **Balance at end of the year** | **5,661.89** | **5,492.97** |

**18.1.1** Group's subsidiary OVL has determined its functional currency as US$. Above foreign exchange difference represents differences on account of translation of the consolidated financial statements of the ONGC Videsh Limited from US$ to Group's presentation currency (₹). Refer Note No. 3.21 and 5.1 (a).

**18.2** The subsidiary company OVL had completed the 12"X741 Kms multi-product pipeline from Khartoum refinery to Port Sudan for the Ministry of Energy and Mining of the Government of Sudan (GOS) on Build, Own, Lease and Transfer (BOLT) basis and handed over the same for operation to GOS during the financial year 2005-06. The project was completed and the lease amount was payable by GOS in 18 installmentsout of which 7 installments are unpaid. The unpaid lease receivables have been fully impaired.

## 19 Financial assets - Others

(₹ in million)

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Non Current | Current | Non Current | Current |
| **(Unsecured, Considered Good unless otherwise Stated)** | | | | |
| **A. Derivative asset (Note No. 19.4.1)** | **-** | **-** | **31.41** | **33.76** |
| **B. Interest accrued on loans to employees** | | | | |
| Secured considered good | 337.71 | 3.55 | 275.52 | 3.45 |
| | **337.71** | **3.55** | **275.52** | **3.45** |
| **C. Interest Accrued on deposits and loans** | | | | |
| - Considered Good | - | 1,328.53 | - | 1,670.85 |
| - Credit Impaired | 22.87 | - | 22.87 | - |
| Less: Impairment for doubtful interest accrued | 22.87 | - | 22.87 | - |
| | **-** | **1,328.53** | **-** | **1,670.85** |
| **D. Interest Accrued on carried interest** | | | | |
| - Considered Good | 4,442.12 | - | - | - |
| - Credit Impaired | - | - | - | - |
| Less: Impairment for doubtful interest accrued | - | - | - | - |
| | **4,442.12** | **-** | **-** | **-** |
| **E. Cash Call Receivable from JO Partners** | | | | |
| - Considered Good | - | 3,250.35 | - | 4,433.96 |
| - Credit Impaired | 8,259.92 | - | 6,345.47 | - |
| Less: Impairment for doubtful cash call receivables | 8,259.92 | - | 6,345.47 | - |
| | **-** | **3,250.35** | **-** | **4,433.96** |
| **F. Advance Recoverable in cash** | | | | |
| - Considered Good (Note No. 19.1) | 5,438.98 | 29,132.88 | 6,162.27 | 33,427.10 |
| - Credit Impaired (Note No.19.2 & 19.3) | 671.76 | 15,535.23 | 470.02 | 14,832.80 |
| Less: Impairment for doubtful advances | 671.76 | 15,535.23 | 470.02 | 14,832.80 |
| | **5,438.98** | **29,132.88** | **6,162.27** | **33,427.10** |
| **G. Deposit with Banks** | **133.23** | **-** | **1,328.11** | **-** |
| **H. Receivable from Operators** | | | | |
| - Considered Good | - | 2,184.47 | - | 2,021.05 |
| - Credit Impaired | - | 92.21 | - | 89.4 |
| Less: Impairment for doubtful receivables | - | 92.21 | - | 89.4 |
| | **-** | **2,184.47** | **-** | **2,021.05** |
| **I. Carried Interest** | | | | |
| - Considered Good | 34,128.53 | - | 26,985.77 | - |
| - Credit Impaired | - | - | - | - |
| Less: Impairment for doubtful claims / advances | - | - | - | - |
| | **34,128.53** | **-** | **26,985.77** | **-** |
| **J. Receivables from Govt of India towards Pradhan Mantri Ujjwala Yojana (PMUY) and Direct Benefit Transfer of LPG (DBTL)** | **-** | **1,038.39** | **-** | **2,868.20** |
| **K. Balance with Life Insurance Corporation of India** | **-** | **9,138.55** | **-** | **9,750.43** |
| **L. Deposits** | | | | |
| - Considered Good | 3,629.77 | 1,885.94 | 3,053.59 | 1,478.03 |
| - Credit Impaired | 267.52 | 0.71 | 14.41 | 0.71 |
| Less: Impairment for doubtful deposits | 267.52 | 0.71 | 14.41 | 0.71 |

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Non Current | Current | Non Current | Current |
| | **3,629.77** | **1,885.94** | **3,053.59** | **1,478.03** |
| **M. Others** | | | | |
| - Considered Good | 33,340.87 | 7,605.52 | 31,902.25 | 12,792.29 |
| - Credit Impaired | - | 0.1 | - | 0.1 |
| Less: Impairment for doubtful claims / advances | 1,524.43 | 2,917.74 | 1,392.10 | 2,976.98 |
| | **31,816.44** | **4,687.88** | **30,510.15** | **9,815.41** |
| **Total Other financial assets** | **79,926.78** | **52,650.54** | **68,346.82** | **65,502.24** |

**19.1** During the year 2010-11, the Oil Marketing Companies, nominees of the Government of India (GoI) recovered US$ 80.18 million (Share of the Company US$ 32.07 million (equivalent to ₹ 2,429.30 million)) as per directives of GoI in respect of Joint Operation - Panna Mukta and Tapti Production Sharing Contracts (PSCs). Pending finality by Arbitration Tribunal, the company's share of US$ 32.07 million equivalent to ₹ 2,429.30 million (March 31, 2021: ₹ 2,356.82 million) has been disclosed under the head 'Advance Recoverable in Cash' (refer Note No. 58.1.4).

**19.2** In Ravva Joint Operation, the demand towards additional profit petroleum raised by Government of India (GoI), due to differences in interpretation of the provisions of the Production Sharing Contract (PSC) in respect of computation of Post Tax Rate of Return (PTRR), based on the decision of the Malaysian High Court setting aside an earlier arbitral tribunal award in favor of operator, was disputed by the operator Vedanta Limited (erstwhile Cairn India Limited). The Company is not a party to the dispute but has agreed to abide by the decision applicable to the operator. The Company is carrying an amount of US$ 167.84 million (equivalent to ₹ 12,714.224 million) after adjustments for interest and exchange rate fluctuations which has been recovered by GoI, this includes interest amounting to US$ 54.88 million (equivalent to ₹ 4,157.16 million). The Company has made impairment provision towards this recovery made by the GoI.

In subsequent legal proceedings, the Appellate Authority of the Honorable Malaysian High Court of Kuala Lumpur had set aside the decision of the Malaysian High Court and the earlier decision of arbitral tribunal in favour of operator was restored, against which the GoI has preferred an appeal before the Federal Court of Malaysia. The Federal Court of Malaysia, vide its order dated October 11, 2011, has dismissed the said appeal of the GoI.

The Company has taken up the matter regarding refund of the recoveries made in view of the favorable judgment of the Federal Court of Malaysia with Ministry of Petroleum and Natural Gas (MoP&NG), GoI. However, according to a communication dated January 13, 2012, MoP&NG expressed the view that the Company's proposal would be examined when the issue of carry in Ravva PSC is decided in its entirety by the Government along with other partners.

In view of the perceived uncertainties in obtaining the refund at this stage, the impairment made in the books as above has been retained and netted off against the amount recoverable as above in the Financial Statements for the year ending March 31, 2022. (Figures in ₹ are restated).

**19.3** The Ravva PSC stipulates Base Development Cost of Ravva JV to be at US$ 188.98 million with a cap of 5% increase. Accordingly the development cost stated in the PSC is US$ 198.43 million. However, actual cost incurred by JV is more than amount stipulated in the PSC. Director General of Hydrocarbons did not approve the increase in base development cost for cost recovery and demanded additional profit petroleum vide letter dated August 8, 2006 from the contractor / JV for an amount of US$ 166 million as short paid on account of cost recovery of Development cost in excess of Base Development Cost.

In August 2008 three JV partners excluding the company had invoked arbitration against Government of India (GoI) on the issue. The contention of claim as operator was that it should be allowed 100% Cost recovery of the Base Development cost. The issue was argued at various levels including court of Appeals and Malaysian Federal Court. The decision of court was in favour of JV partners. After Federal court of Malaysia decision, the case was filed with Delhi High court for enforcement of award in India. Delhi High Court vide order dated February 19, 2020 allowed enforcement of the Arbitration Award including declaratory relief. GoI had filed an SLP in Honorable Supreme Court of India against the said order and the judgment dated September 16, 2020 was in favour JV partner.

Ministry of Petroleum and Natural Gas (MoPNG), GoI vide letter dated October 10, 2018 issued a recovery notice to Oil Marketing companies (OMCs) for US$ 52 million plus applicable interest towards short payment of Government share of Profit Petroleum on account of dispute of Cost recovery of Base Development cost from the payments made to the Company towards the sales proceeds of Crude Oil and Natural Gas. During the year OMCs deducted and deposited the sales proceeds of Crude Oil and Natural Gas to MoPNG and the entire amount of US$ 83 million (US$ 52 million along with interest of US$31 million) (equivalent to ₹ 6,099.67 million) has been recovered.

In view of the Supreme Court Judgment for enforcement of arbitration award in India, an amount of US$ 83 million (US $ 52 million along with interest of US$31 million) has been adjusted from profit petroleum payable to GoI during the year 2020-21 and 2021-22.

**19.4 In case of subsidiary OVL,**

**19.4.1** ONGC Videsh has entered into options contracts covering Euro 52.5 million ( previous year Euro 52.5 million) out of the principal amount of 2.75% Euro 525 million Bonds at the start of the financial year have been wound up during the FY 21-22. The marked to market (MTM) position of option contracts as on 31.03.2021 was ₹ 33.76 million.

**19.4.2** In respect of subsidiary ONGC Videsh Rovuma Ltd., Other Current Financial Assets include receivable from operator and considered as secured and good ₹ 600.30 million (previous year payable ₹ 1,491.50 million). Confirmation in respect of the same has not been received from the operator.

**19.4.3** Carry Interest and Interest accrued thereon relates to the Mozambique Operations, recoverable from the National Oil Company of Mozambique relating to Area-1 offshore Mozambique based upon clause 9.13(e) of EPCC and clause 4 of funding agreement. The said item is tested for impairment under Ind AS 36, considering the repayment is directly linked with the positive cash flows from the project on commercial production.

**19.5 In case of subsidiary HPCL**

**19.5.1** The company implements various Government of India schemes such as PMUY, Direct Benefit Transfer scheme wherein the amount is either received in advance or reimbursed subsequently. As of March 31, 2022, reimbursements amounting to ₹ 1,521.20 million (March 31, 2021: ₹ 2,159.20 million) are pending for a period beyond 6 months. Being dues from Government, no provision has been considered necessary.

**19.5.2** Other Receivables includes an amount of ₹ 915.80 million (2020-21: ₹ 915.80 million) towards balance claim pending for settlement from the Government of India in respect of free LPG Cylinders issued to beneficiaries under Pradhan Mantri Garib Kalyan Yojana on which a provision of ₹ 915.80 million (2020-21 : ₹ 915.80 million) is carried in the books.

**19.5.3** Deposits with banks are earmarked with various authorities.

**19.6 In case of subsidiary MRPL**

**19.6.1** As per the Government of India's scheme for Promotion of flagging of merchant ships in India by providing subsidy support to Indian Shipping companies in global tenders floated by Ministries / Departments / Central Public Sector Enterprises (CPSEs), the eligible Indian shipping company shall be paid the subsidy amount along with the charter hire amount as per the contract term by the Company and the Company will be then reimbursed by Government under the scheme.

**19.6.2** Deposits with banks are earmarked in favour of Commercial Taxes Authority.

**19.7 Movement of Impairment** **(₹ in million)**

| Particulars | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| **Balance at beginning of the year** | **26,144.76** | **30,076.06** |
| Recognized during the year | 3,060.22 | 2,904.57 |
| Write back during the year | (64.73) | (6,923.21) |
| Other adjustments | 152.14 | 87.34 |
| **Balance at end of the year** | **29,292.39** | **26,144.76** |

**19.7.1** Group's subsidiary OVL has determined its functional currency as US$. Adjustments includes net effect of exchange differences as at March 31, 2022 of ₹ 152.14 million (as at March 31, 2021 ₹ 72.93 million) on account of translation of the consolidated financial statements of the ONGC Videsh Limited from US$ to Group's presentation currency (₹). Refer Note No. 3.21 and 5.1 (a).

## 20 Other assets

**(₹ in million)**

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Non Current | Current | Non Current | Current |
| **A. Capital advances (Note No. 20.4)** | | | | |
| - Considered Good | 21,203.28 | - | 12,740.34 | - |
| - Credit Impaired | 341.99 | - | 341.99 | - |
| Less: Impairment | 341.99 | - | 341.99 | - |
| | **21,203.28** | **-** | **12,740.34** | **-** |
| **B. Other receivables** | | | | |
| - Considered Good | 56.5 | - | 61.95 | - |
| - Credit Impaired | 385.89 | - | 408.42 | - |
| Less: Impairment | 385.89 | - | 408.42 | - |
| | **56.5** | **-** | **61.95** | - |
| **C. Deposits (Note No. 20.6 & 20.8)** | | | | |
| With Customs/Port Trusts etc. | 8,159.31 | 4,043.81 | 6,386.95 | 3,018.98 |
| With others | | | | |
| - Considered Good | 14,700.62 | 98,880.35 | 10,916.76 | 89,360.02 |
| - Credit Impaired | 1,972.43 | 723.67 | 1,625.38 | 682.21 |
| Less: Impairment | 2,195.43 | 723.67 | 1,848.38 | 682.21 |
| | **22,636.93** | **102,924.16** | **17,080.71** | **92,379.00** |
| **D. Advance recoverable** | | | | |
| - Considered Good | 1,632.51 | 35,866.08 | 901.79 | 26,942.95 |
| - Credit Impaired | 642.72 | 980.51 | 642.72 | 961.54 |
| Less: Impairment | 642.72 | 980.51 | 642.72 | 961.54 |
| | **1,632.51** | **35,866.08** | **901.79** | **26,942.95** |
| **E. Carried interest (Note No. 20.1 & 20.3)** | | | | |
| - Considered Good | - | - | - | - |
| - Credit Impaired | 316.26 | - | 225.36 | - |
| Less: Impairment | 316.26 | - | 225.36 | - |

ONGC

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Non Current | Current | Non Current | Current |
| | - | - | - | - |
| **F. Prepaid Expenses** | | | | |
| Prepayments - Mobilisation Charges | - | 3.80 | - | - |
| Prepayments - Leasehold Land | 182.71 | 50.68 | 186.12 | 205.46 |
| Prepaid expenses for underlift quantity | - | 617.94 | - | 165.13 |
| Other prepaid expenses | 3,849.71 | 3,510.60 | 5,155.46 | 3,561.87 |
| | **4,032.42** | **4,183.02** | **5,341.58** | **3,932.46** |
| **G.Other Assets** | | | | |
| - Considered Good | 3,640.26 | 2,563.74 | 2,434.14 | 3,632.44 |
| - Credit Impaired | - | - | - | 41.39 |
| Less: Impairment | 1,542.30 | - | 1,701.00 | 41.39 |
| | **2,097.96** | **2,563.74** | **733.14** | **3,632.44** |
| **Total Other assets** | **51,659.60** | **145,537.00** | **36,859.51** | **126,886.85** |

**20.1** In respect of subsidiary OVL, the Company has participating interest (PI) in Block 5A South Sudan*, SS-04 Bangladesh, SS-09 Bangladesh, EP-3 Myanmar and B-2 Myanmar. As per the carry agreements in respect of these blocks the carried interest during the period will be recovered on commencement of commercial production from the project. The same is shown above as unsecured, considered doubtful. The group also has participating interest (PI) in Blocks 5A South Sudan, SS-04 Bangladesh, SS-09 Bangladesh, EP-3 Myanmar and B-2 Myanmar. As per the carry agreements in respect of these exploratory blocks the carried interest during the exploratory period will be refunded in the event of commercial production from the project. The same is shown above as unsecured, considered doubtful.

*Block 5A is a producing block where there was a stoppage of production due to force majeure like condition. Oil production activities in Block 5A, South Sudan which were under shutdown since December 2013 due to security related issues have commenced w.e.f 30th May, 2021.

**20.2** In respect of subsidiary OVL, total impairment recognised against the amount of carried interest in respect of Block 5A South Sudan as at March 31, 2022 is ₹ 82.03 million (previous year ₹ 79.58 million). Impairment for ₹ 234.23 million (previous year ₹ 145.78 million) has been recognised in respect of SS-04 Bangladesh, SS-09 Bangladesh, EP-3 Myanmar and B-2 Myanmar being under exploration period, as there is no certainty of commercial discovery.

**20.3** In respect of subsidiary OVL, in respect of interest on carry finance arrangement for Block Area 1, Mozambique, the subsidiary companies Beas Rovuma Energy Mozambique Ltd. (BREML) and ONGC Videsh Rovuma Ltd. (OVRL) had been presenting, in their respective financial statements, as a contingent asset considering the probability of recoverability of such interest. During the year, these subsidiaries have revisited the existing accounting treatment of such contingent assets based upon clause 9.13(e) of EPCC and clause 4 of funding agreement, and decided to recognize the interest as income instead of contingent assets and accordingly restated the statement of profit and loss for the period and similarly recognized carried interest relating to the period prior to April 1, 2020 by restating the balance of Retained Earnings as at that date. Considering the materiality threshold at the OVL Group level, in the consolidated financial statements, the impact of the same have been considered in the current year's statement of profit and loss and accordingly , the previous periods financials of the Group have not been restated.

**20.4** In respect of subsidiary OVL, capital advance includes ₹ 214.66 (previous year ₹ 208.25) million paid as conversion fees to Delhi Development Authority (DDA) for conversion of leasehold land to freehold land.

**20.5** In respect of subsidiary OVL, other current assets include ₹ 617.94 million (as at 31st March 2021: ₹ 165.13 million), which represents the impact of underlifted oil quantity by the company during the year and the same would be settled in kind in future.

**20.6** In respect of subsidiary MRPL, Deposits Includes ₹ 2,125.25 million relating to an appeal in the matter of classification of Reformate import pending before Hon'ble CESTAT and other amount paid under protest.

**20.7** In respect of subsidiary PMHBL, upon Payment of Allottment Consideration the Company has been given possession of land at 6 different locations. The Company is yet to enter into lease cum sale Agreement with KIADB for these lands. Hence the amount is not yet capitalised as freehold land.

**20.8** In respect of subsidiary HPCL, deposits with Customs includes an amount of ₹ 582.60 million (31.03.2021: ₹ 582.60 million) net of provision of ₹ 223.00 million (31.03.2021: ₹ 223.00 million) carried as receivable towards Customs Duty refund claims, filed relating to the periods 1992-97 to 2020-21. As per the assessment made by the management, though partially provided to account for aflux of time, the refund is legally tenable, management is continuing to pursue the matter with Authorities for early settlement of these claims.

**20.9 Movement of Impairment**

**(₹ in million)**

| Particulars | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| **Balance at beginning of the year** | 6,853.01 | 4,898.90 |
| Recognized during the year | 465.89 | 2,389.63 |
| Write back during the year | (198.41) | (374.41) |
| Other adjustments | 8.28 | (61.11) |
| **Balance at end of the year** | **7,128.77** | **6,853.01** |

**20.9.1** Group's subsidiary ONGC Videsh Limited has determined its functional currency as US$. Adjustments includes net effect of exchange differences as at March 31, 2022 of ₹ 8.28 million (as at March 31, 2021 ₹ (6.04) million) on account of translation of the consolidated financial statements of the ONGC Videsh Limited from US$ to Group's presentation currency "₹". Refer Note No.3.21 and 5.1 (a).

## 21 Inventories

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Raw Materials (Including Condensate)** | | |
| -on hand | 67,518.56 | 45,913.99 |
| -in Transit | 77,647.64 | 20,058.80 |
| | **145,166.20** | **65,972.79** |
| **Finished Goods (Including Carbon Credits) (Note No. 21.1 and 21.2)** | 145,444.04 | 124,304.31 |
| Less : Impairment for Stock Loss | 5.91 | 5.91 |
| | **145,438.13** | **124,298.40** |
| **Traded Goods** | **131,055.65** | **141,737.06** |
| **Stores and Spares** | | |
| -on hand | 95,688.16 | 100,184.49 |
| -in transit | 1,386.67 | 2,779.66 |
| Less: Impairment for non-moving items | 11,965.81 | 11,619.36 |
| | **85,109.02** | **91,344.79** |
| **Semi Finished Goods** | 34,470.45 | 21,974.01 |
| **Unservicable Items** | 391.54 | 406.21 |
| **Total** | **541,630.99** | **445,733.26** |

**21.1** In respect of the company, finished goods includes an amount of ₹ 5.59 million (as at March 31, 2021 ₹ 5.69 million) in respect of 3,30,484 nos. (Previous year 3,30,484 nos.) Carbon Credits (CER) which are valued at net realisable value. There are no CERs under certification. During the year ₹ 386.62 million (₹ 249.51 million for 2020-21) and ₹ 335.45 million (₹ 391.83 million for 2020-21) have been expensed towards Operating & maintenance cost and depreciation respectively for emission reduction equipment.

**21.2** In respect of the company, Inventory amounting to ₹ 217.04 million (as at March 31, 2021 ₹ 268.55 million) has been valued at net realisable value of ₹ 168.45 million (as at March 31, 2021 ₹ 99.51 million). Consequently, an amount of ₹ 48.59 million (as at March 31, 2021 ₹ 169.04 million) has been recognised as an expense in the Consolidated Statement of Profit and Loss under note 40.

**21.3** In respect of subsidiary MRPL, the cost of inventories (cost of sales) recognised as an expense during the year is ₹ 7,16,584.34 million (Year ended March 31, 2021 ₹ 3,52,105.37 million). The cost of inventories recognized as an expense includes ₹ 222.82 million ( Year ended March 31, 2021 ₹ 300.56 million) in respect of write down of inventories to net realisable value. There has been no reversal of such write down in current year and previous year.

**21.4** In respect of subsidiary HPCL, The write-down net of reversals, if any, of Inventories to net realisable value during the financial year amounted to ₹ 18,919.20 million (31.03.2021 : ₹ 1,222.40 million). The write downs and reversal are included in cost of materials consumed, changes in Inventories of finished goods, stock-in-trade and work in progress.

**21.5** In respect of subsidiary HPCL, as on 31.03.2022, the Group has an inventory of Non-Solar Renewable Energy Certificates numbering 16,830 Units (31.03.2021: 35,041), available for Sale after earmarking a requisite quantity already for captive consumption. The revenue from Certificates is recognized as and when the same are sold. Traded in Indian Energy Exchange Ltd., the revenue from RECs is recognized as and when the same are sold. At period end, these RECs are traded in a price band of ₹1,000/- to ₹ 3,000/- per REC. Pursuant to order of Appellate Tribunal for Electricity (APTEL) , trading of RECs has restarted during the year and the validity of RECs has been extended till December 2023.

**21.6** In respect of subsidiary HPCL, inventories are hypothecated in favour of banks on pari passu basis as a security for availment of Cash Credit facility.

**21.7** In respect of subsidiary OVL, in case of joint operators where the property in crude oil produced does not pass on upto a specific delivery point, the stock of crude oil till such delivery point is not recognized by the Company.

**21.8** In respect of subsidiary OVL, stores and spares includes ₹ 13,083.36 million (previous year 12,333.47 million ) which represents the company's share in overseas joint operations.

## 22 Investments – Current

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Financial assets carried at fair value through profit or loss** | | |
| (a) Investments in GOI Bonds (Note No. 22.1) | 53,715.24 | 54,175.73 |
| **Total** | **53,715.24** | **54,175.73** |

**22.1** In respect of Subsidiary HPCL, 7.59%, 7.72%, 8.33%, 8.15% G-Sec Bonds having face value aggregating to ₹ 14,760 million (31.03.2021: ₹ 14,760 million) have been pledged with Clearing Corporation of India Limited against Triparty Repo Dealing System Loan.

### 22.2 Disclosure towards Cost / Market Value

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| (a) Aggregate amount of Quoted Investments (Market Value) | 53,715.24 | 54,175.73 |
| (b) Aggregate amount of Quoted Investments (Cost) | 52,672.57 | 52,672.57 |
| (c) Aggregate amount of Unquoted Investments (Cost) | - | - |

### 23 Cash and Cash Equivalents

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Balances with Banks | 19,792.73 | 22,797.54 |
| Cash on Hand | 67.86 | 53.54 |
| Bank Deposit with original maturity up to 3 month | 34,636.71 | 17,342.61 |
| **Total Cash and cash equivalents** | **54,497.30** | **40,193.69** |

**23.1** In respect of subsidiary OVL, Cash on hand represents cash balances held by overseas branches in respective local currencies and includes ₹ 1.67 million held by imprest holders (previous year ₹ 1.49 million).

**23.2** In respect of subsidiary OVL, the deposits maintained by the Company with banks comprise of short term deposits, which can be withdrawn by the Company at any point without prior notice or penalty on the principal.

**23.3** In respect of subsidiary OVL, balances with bank includes amount held by overseas branches in Libya which is restricted for use as at 31 March 2022 ₹ 0.74 Million (previous year ₹ 0.72 million).

**23.4** In respect of subsidiary OVL, cash and cash equivalents include ₹ 5,898.76 million (previous year ₹ 3,447.72 million) which represents the Group's share of cash and bank balances in overseas joint opeartions accounted for based on the books of the respective operators located outside India.

**23.5** In respect of subsidiary OVL, balance with bank includes remittances in transit which amounts transferred from the banks of ONGC Videsh and not received by branch's/subsidiary's bank account as at year end. These amounts were received by the branch/subsidiary subsequent to the year end.

### 24 Other Bank Balances

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Other bank deposits for original maturity more than 3 months upto 12 months | 11,367.34 | 28,632.75 |
| Unclaimed dividend account (Note No. 24.1) | 786.56 | 875.92 |
| Deposits in escrow account (Note No. 24.2) | 1,556.86 | 1,515.26 |
| Other restricted bank balances | 201.33 | 705.00 |
| **Total Other bank balances** | **13,912.09** | **31,728.93** |

**24.1** Amount deposited in unclaimed dividend account is earmarked for payment of dividend and cannot be used for any other purpose. No amount is due for deposit in Investor Education and Protection Fund.

**24.2** Matter of Dispute on Delivery Point of Panna-Mukta gas between Government of India (GoI) and BG Exploration and Production India Limited (BGEPIL) along with Reliance Industries Limited (RIL) and the Company (PMT JO Partners) arose due to differing interpretation of relevant PSC clauses. According to the PMT JO Partners, Delivery Point for Panna-Mukta gas is at Offshore, however, Ministry of Petroleum and Natural Gas (MoP&NG), GoI and GAIL (India) Limited (GAIL) maintained that the delivery point is onshore at Hazira. The gas produced from Panna-Mukta fields was transported through Company's pipelines. Owing to the delivery point dispute neither the seller (PMT JO) nor the buyer of gas (GAIL) was paying any compensation to the Company for usage of its pipeline for gas transportation

Hon'ble Gujarat High Court decided that the Panna Mukta oil fields from where the movement of goods is occasioned fall within the customs frontiers of India. Consequently, the sale of goods cannot be said to have taken place in the course of import of goods into the territory of India. Accordingly the Hon'ble Gujarat High Court has determined that the Delivery Point for Panna-Mukta gas is at Offshore. The State Government of Gujarat has filed a petition with the Hon'ble Supreme Court of India against the decision of Hon'ble Gujarat High Court. Since the said matter of determination of delivery point is pending with the Hon'ble Supreme Court of India, an amount of US $51.90 million (Previous year US $ 51.37 million) equivalent to ₹ 3,871.25 million (Previous year ₹ 3,752.80 million) for the PMT JV including Company's Share US $ 21.18 million (Previous year US$ 20.74 million) equivalent to ₹ 1,556.87 million (Previous year ₹ 1,515.26 million) is maintained in the escrow account by the PMT JO Partners.

### 25 Assets classified as held for sale

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Project Surplus and other assets (Note No. 7.6.5 & 25.1) | 638.48 | 163.09 |
| **Total Assets held for sale** | **638.48** | **163.09** |

**25.1** In respect of subsidiary PMHBL, the Company intends to dispose of surplus materials used for the pipeline laying project, it no longer utilizes in the next 12 months. These materials are located at various plants and were purchased for use during construction of pipeline. Efforts are underway to dispose of the project surplus materials to Oil Companies. The Management of the Company expects that, the fair value (less cost to sell) is higher than the carrying amount.

## 26 Equity Share Capital

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Equity Share Capital | 62,901.39 | 62,901.39 |
| | **62,901.39** | **62,901.39** |
| **Authorised:** | | |
| 30,000,000,000 Equity Shares of ₹ 5 each | **150,000.00** | **150,000.00** |
| (as at March 31, 2021: 30,000,000,000 Equity Shares of ₹ 5 each) | | |
| **Issued and Subscribed:** | | |
| 12,580,279,206 Equity Shares of ₹ 5 each | **62,901.39** | **62,901.39** |
| (as at March 31, 2021: 12,580,279,206 Equity Shares of ₹ 5 each) | | |
| **Fully paid equity shares:** | | |
| 12,580,279,206 Equity Shares of ₹ 5 each | 62,901.39 | 62,901.39 |
| (as at March 31, 2021: 12,580,279,206 Equity Shares of ₹ 5 each) | | |
| **Total** | **62,901.39** | **62,901.39** |

**26.1 Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period:**

(₹ in million)

| Particulars | Number of shares in million | Amount |
|---|---|---|
| **Balance as at April 01, 2020** | **12,580.28** | **62,901.39** |
| Changes during the year | - | - |
| **Balance as at March 31, 2021** | **12,580.28** | **62,901.39** |
| Changes during the year | - | - |
| **Outstanding as at March 31, 2022** | **12,580.28** | **62,901.39** |

**26.2 Terms / rights attached to equity shares**

The Company has only one class of equity shares having a par value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**26.3** The Company had allotted 4,277,745,060 number of fully paid Bonus shares on December 18, 2016 in the ratio of one equity share of ₹ 5 each fully paid up for every two existing equity shares of ₹ 5 each fully paid up.

**26.4** The Board of Directors of the Company, at the 312th meeting held on December 20, 2018 approved the proposal for buy-back of equity shares of the Company upto 252,955,974 fully paid-up equity shares at the price of ₹ 159/- per equity share payable in cash for an aggregate consideration not exceeding ₹ 40,220 million. The buy-back offer worked out to 2.50% of the net-worth of the Company as on March 31, 2017 and 2.34% as on March 31, 2018. The Company has completed the buy-back of 252,955,974 fully paid-up equity shares on February 22, 2019.

Upon completion of the buy-back in 2018-19, the number of paid-up equity share capital of the Company stands reduced from 12,833,235,180 (₹ 64,166.17 million) to 12,580,279,206 (₹ 62,901.39 million).

**26.5 Details of shareholders holding more than 5% shares in the Company are as under:**

| Name of equity share holders | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | No. in million | % holding | No. in million | % holding |
| President of India | 7,410.90 | 58.91 | 7,599.61 | 60.41 |
| Life Insurance Corporation of India | 1,223.51 | 9.73 | 1,367.36 | 10.87 |
| Indian Oil Corporation Limited | 986.89 | 7.84 | 986.89 | 7.84 |

**26.6 Details of shareholding of promoters in equity shares of the Company**

| Name of promoters | As at March 31, 2022 | | | As at March 31, 2021 | | |
|---|---|---|---|---|---|---|
| | No. in million | % holding | % change during the year | No. in million | % holding | % change during the year |
| President of India | 7,410.90 | 58.91 | (1.50) | 7,599.61 | 60.41 | - |

During the year President of India acting through and represented by Ministry of Petroleum and Natural Gas, Government of India has offloaded 188,704,188 equity shares of the company representing 1.50 % of the total equity share capital of the company through offer for sale.

## 27 Other Equity excluding non-controlling interest

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Capital Redemption Reserve | 1,917.49 | 1,733.72 |
| Other Capital Reserve - Common Control | (354,420.79) | (354,420.79) |
| Capital reserves | 614.61 | 614.79 |
| Legal Reserve | 30,357.95 | 28,582.17 |
| Debenture Redemption Reserve | 28,318.13 | 41,253.22 |
| Exchange difference on translating the financial statements of foreign operations | 147,411.53 | 143,115.41 |
| Retained Earnings | 297,350.86 | 246,089.51 |
| General Reserve | 2,240,359.54 | 1,937,894.92 |
| Reserve for equity instruments through other comprehensive income | 141,581.37 | 102,291.33 |
| Cash Flow Hedge Reserve | (1,362.98) | (245.78) |
| **Total Other equity** | **2,532,127.71** | **2,146,908.50** |

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **A. Capital Redemption Reserves (Note No.27.8)** | | |
| Balance at beginning of year | 1,733.72 | 1,364.60 |
| Transfer from General reserve# (Note No.4(b)) | 183.77 | 369.12 |
| **Balance at end of year** | **1,917.49** | **1,733.72** |
| **B. Capital reserves (Note No. 27.1 & 27.9)** | | |
| Balance at beginning of year | 614.79 | 614.47 |
| Transfer during the year | (0.18) | 0.17 |
| Cancellation of forfeited shares (Note No. 27.5) | - | 0.15 |
| **Balance at end of year** | **614.61** | **614.79** |
| **C. Legal Reserve** | | |
| Balance at beginning of year | 28,582.17 | 56,017.85 |
| Transfer from retained earnings | 1,775.78 | - |
| Transfer to retained earnings | - | (27,435.68) |
| **Balance at end of year** | **30,357.95** | **28,582.17** |
| **D. Debenture Redemption Reserve (Note No. 27.10)** | | |
| Balance at beginning of year | 41,253.22 | 65,686.61 |
| Transfer from retained earnings | 11.59 | 173.07 |
| Transfer to general reserve | (12,946.68) | (24,606.46) |
| **Balance at end of year** | **28,318.13** | **41,253.22** |
| **E. Exchange difference on translating the financial statements of foreign operations (Note No. 27.11)** | | |
| Balance at beginning of year | 143,115.41 | 150,023.03 |
| Adjustment during the year | 4,296.12 | (6,907.62) |
| **Balance at end of year** | **147,411.53** | **143,115.41** |
| **F. Retained Earnings** | | |
| Balance at beginning of year | 246,089.51 | 154,944.12 |
| **Add:** | | |
| Profit after tax for the year | 455,221.06 | 163,043.99 |
| Other comprehensive income net of income tax | 503.89 | (888.87) |
| Adjustment to Non Controlling Interest (Note No.27.7) | 558.32 | 1,427.62 |
| Transfer from Legal Reserve | - | 27,435.68 |

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Equity accounting adjustments w.r.t JVs/Associates | (383.78) | (1,808.57) |
| **Less:** | | |
| Adjustments due to inter group holding of Investment | (2,589.11) | (1,572.40) |
| Other Adjustments | 257.95 | 1,119.47 |
| Payments of dividends (Note No. 27.4) | 114,481.28 | 22,856.56 |
| Effect of buy back of shares# (Note No.4(b)) | 998.94 | - |
| Transfer to CRR# (Note No.4(b)) | 183.77 | - |
| Transfer to General reserve | 289,517.94 | 75,487.76 |
| Transfer to Legal reserve | 1,775.78 | - |
| Transfer to DRR | 11.59 | 173.07 |
| **Balance at end of year** | **297,350.86** | **246,089.51** |
| **G. General Reserve (Note No. 27.3)** | | |
| Balance at beginning of year | 1,937,894.92 | 1,840,136.28 |
| Add: Transfer from retained earnings | 289,517.94 | 75,487.76 |
| Add: Transfer from DRR | 12,946.68 | 24,606.46 |
| Less: Effect of buy back of shares# (Note No.4(b)) | - | 1,966.46 |
| Less: Transfer to CRR# (Note No.4(b)) | - | 369.12 |
| **Balance at end of year** | **2,240,359.54** | **1,937,894.92** |
| **H. Reserve for equity instruments through other comprehensive income (Note No. 27.2)** | | |
| Balance at beginning of year | 102,291.33 | 77,221.27 |
| Fair value gain/(loss) on investments in equity instruments | 42,327.31 | 27,027.73 |
| Income tax on fair value gain/(loss) on investments in equity instruments | (3,037.27) | (1,957.67) |
| **Balance at end of year** | **141,581.37** | **102,291.33** |
| **I. Other Capital Reserve- Common Control (Note No. 27.6)*** | | |
| Balance at beginning of year | (354,420.79) | (354,420.79) |
| Changes during the year | - | - |
| **Balance at end of year** | **(354,420.79)** | **(354,420.79)** |
| **J. Cash Flow Hedge Reserve (Note No. 27.12 & 27.13)** | | |
| Balance at beginning of year | (245.78) | (954.78) |
| Effective Portion of Gains/(loss) in a Cash Flow Hedge | (1,121.87) | 620.60 |
| Reclassification to Profit and loss | 4.67 | 88.40 |
| **Balance at end of year** | **(1,362.98)** | **(245.78)** |
| **Total Other equity** | **2,532,127.71** | **2,146,908.50** |

* on account of subsidiaries under common control. #in respect of buy back of shares by subsidiary HPCL.

**27.1** In respect of the Company, includes ₹ 159.59 million (previous year ₹ 159.44 million) as assessed value of assets received as gift.

**27.2** The Company has elected to recognize changes in the fair value of certain investments in equity securities in other comprehensive income. This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income. The company transfers amounts from this reserve to retained earnings when the relevant equity securities are disposed off.

**27.3** General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes, as the same is created by transfer from one component of equity to another.

**27.4** The amount that can be distributed by the Company as dividends to its equity shareholders is determined considering the requirements of the Companies Act, 2013 and the dividend distribution policy of the Company.

On February 11, 2022 and November 12, 2021, the Company had declared an interim dividend of ₹1.75 per share (35%) and ₹5.50 per share (110%) respectively which has since been paid.

In respect of the year ended March 31, 2022, the Board of Directors has proposed a final dividend of ₹ 3.25 per share (65%) be paid on fully paid-up equity shares. This final dividend shall be subject to approval by shareholders at the ensuing Annual General Meeting and has not been included as a liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is ₹ 40,885.91 million.

**27.5** During the previous year 2020-21, 18,972 equity shares of ₹ 10 each (equivalent to 37,944 equity shares of ₹ 5 each) which were forfeited in the year 2006-07 were cancelled w.e.f. November 13, 2020 and accordingly the partly paidup amount of ₹ 0.15 million against these shares have been transferred to the Capital Reserve.

**27.6** Represents common control reserve on account of HPCL acquisition in the year 2017-18 and further acquition of shares of PMHBL during the year being an entity under common control.

**27.7** Represents adjustments to Non Controlling Interest on account of changes in effective group holding due to buy back of shares by subsidiary HPCL. (refer Note No.4(b))

**27.8** In respect of subsidiary, MRPL, the company created Capital Redemption Reserve on Redemption of Preference Share Capital of ₹ 91.86 Million in the financial years 2011-12 and 2012-13.

**27.9** In respect of subsidiary OVL, capital reserve is recognized by the Company in respect of gains on the sale of a part of the participating interest in respect of Block 06.1, Vietnam where the consideration received for partial farm out in unproved property was not higher than the total cost.

**27.10** In respect of subsidiary OVL, Debenture redemption reserve is created by the company out of the Retained earnings for the purpose of redemption of Debentures / Bonds when they are due for redemption. This reserve remains invested in the business activities of the company. The Debentures Redemption Reserve position for above is as under:-

**(₹ in million)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Unsecured 4.625% 10 year US$ Bonds - US$ 750 million | 12,299.86 | 12,299.86 |
| Unsecured 3.75% 10 year US$ Bonds - US$ 500 million | 12,153.02 | 12,153.02 |
| Unsecured 2.75% 7 year EUR Bonds - EUR 525 million | - | 12,946.68 |
| **Total** | **24,452.88** | **37,399.56** |

**27.11** Group's subsidiary ONGC Videsh Limited has determined its functional currency as US$. Exchange differences in translating the financial statements from functional currency USD ($) to presentation currency INR (₹) is recognised as an item of Other Comprehensive Income that will be reclassified to profit or loss. Refer Note No. 3.21 and 5.1 (a).

**27.12** In respect of subsidiary HPCL, Cash flow Hedge Reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated hedging instruments entered into for cash flow hedges. The cumulative gain or loss on such changes are recognised through Other Comprehensive Income (OCI) and accumulated under this reserve. Such gains or losses will be reclassified to statement of profit and loss in the period in which the hedged item occurs/affects statement of profit and loss or on termination, if any.

**27.13** In respect of subsidiary MRPL, the cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges by Joint Venture, Shell MRPL Aviation Fuels and Services Limited. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.

## 28 Non-controlling interests

**(₹ in million)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Balance at beginning of year** | **216,157.99** | **181,399.35** |
| Share of profit for the year | 37,719.51 | 50,558.48 |
| Share of OCI | 1,004.41 | 753.01 |
| Dividend Paid to NCI | (14,751.26) | (8,068.68) |
| Effect of buy back of shares# (Note No.4(b)) | (8,659.65) | (17,896.19) |
| Change in NCI due to acquisition/Disposal | 8,025.09 | 8,544.46 |
| Others (Note No. 28.3) | (1,246.76) | 867.56 |
| **Balance at end of year** | **238,249.33** | **216,157.99** |

#in respect of buy back of shares by subsidiary HPCL

**28.1** Details of non-wholly owned subsidiaries of the Group that have material non-controlling interest:

**( ₹ in million )**

| Name of subsidiary | Place of incorporation and principal place of business | Proportion of ownership interests and voting rights held by non-controlling interests | | Profit (Loss) allocated to non-controlling interests | | Accumulated non-controlling interests | |
|---|---|---|---|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| HPCL | India | 45.10% | 46.36% | 32,896.82 | 51,990.10 | 182,183.46 | 174,280.66 |
| MRPL | India | 19.06% | 19.28% | 5,639.47 | (1,507.45) | 13,992.52 | 8,438.46 |
| PMHBL | India | 22.56% | 23.19% | 135.97 | 126.68 | 1,307.16 | 1,407.48 |
| Beas Rovuma Energy Mozambique Limited | Incorporated in Republic of Mauritius, operations in Mozambique | 40.00% | 40.00% | (952.75) | (53.54) | 39,703.67 | 30,995.69 |
| Individually immaterial subsidiaries with non-controlling interests | | | | | | 1,062.51 | 1,035.70 |
| **Total** | | | | | | **238,249.33** | **216,157.99** |

**28.2** Summarised financial information in respect of each of the Group's subsidiaries that have material non-controlling interest is set out below. The summarized financial information below represents amounts before intragroup eliminations.

**(₹ in million)**

| **1. HPCL** | **As at March 31, 2022** | **As at March 31, 2021** |
|---|---|---|
| Non-current assets | 1,048,783.27 | 899,887.82 |
| Current assets | 497,498.56 | 441,850.60 |
| Non-current liabilities | 417,844.17 | 336,785.48 |
| Current liabilities | 714,395.77 | 624,144.29 |
| Equity attributable to owners of the Company | 231,858.42 | 206,527.99 |
| Non-controlling interests | 182,183.46 | 174,280.66 |

| **Particulars** | **Year Ended March 31, 2022** | **Year Ended March 31, 2021** |
|---|---|---|
| Revenue | 3,765,659.09 | 2,732,216.88 |
| Expenses | 3,688,803.71 | 2,591,633.27 |
| Profit (loss) for the year | **72,941.95** | **106,628.94** |
| Profit (loss) attributable to owners of the Company | 40,045.13 | 54,638.84 |
| Profit (loss) attributable to the non-controlling interests | 32,896.82 | 51,990.10 |
| Profit (loss) for the year | **72,941.95** | **106,628.94** |
| Other comprehensive income attributable to owners of the Company | 1,215.30 | 785.40 |
| Other comprehensive income attributable to the non-controlling interests | 998.36 | 748.92 |
| Other comprehensive income for the year | 2,213.66 | 1,534.32 |
| Total comprehensive income attributable to owners of the Company | 41,260.43 | 55,424.24 |
| Total comprehensive income attributable to the non-controlling interests | 33,895.18 | 52,739.02 |
| Total comprehensive income for the year | 75,155.61 | 108,163.26 |
| Dividends paid to non-controlling interests | 14,553.24 | 7,263.71 |
| Net cash inflow (outflow) from operating activities | 158,184.18 | 178,296.92 |
| Net cash inflow (outflow) from investing activities | (137,530.36) | (122,790.12) |
| Net cash inflow (outflow) from financing activities | (20,662.38) | (47,091.93) |
| Net cash inflow (outflow) | (8.56) | 8,414.87 |

(₹ in million)

| 2. MRPL | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Non-current assets | 246,403.21 | 244,762.94 |
| Current assets | 154,310.00 | 102,531.26 |
| Non-current liabilities | 149,047.97 | 163,873.83 |
| Current liabilities | 179,571.71 | 140,939.38 |
| Equity attributable to owners of the Company | 58,101.01 | 34,042.53 |
| Non-controlling interests | 13,992.52 | 8,438.46 |

| Particulars | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| Revenue | 861,619.51 | 510,098.24 |
| Expenses | 834,281.17 | 519,286.95 |
| Profit (loss) for the year | **29,582.52** | **(7,649.67)** |
| Profit (loss) attributable to owners of the Company | 23,943.05 | (6,142.22) |
| Profit (loss) attributable to the non-controlling interests | 5,639.47 | (1,507.45) |
| Profit (loss) for the year | **29,582.52** | **(7,649.67)** |
| Other comprehensive income attributable to owners of the Company | 25.83 | 16.77 |
| Other comprehensive income attributable to the non-controlling interests | 6.08 | 4.11 |
| Other comprehensive income for the year | 31.91 | 20.88 |
| Total comprehensive income attributable to owners of the Company | 23,968.88 | (6,125.45) |
| Total comprehensive income attributable to the non-controlling interests | 5,645.55 | (1,503.34) |
| Total comprehensive income for the year | 29,614.43 | (7,628.79) |
| Dividends paid to non-controlling interests | - | - |
| Net cash inflow (outflow) from operating activities | 47,228.44 | (28,182.04) |
| Net cash inflow (outflow) from investing activities | (6,245.77) | (21,013.72) |
| Net cash inflow (outflow) from financing activities | (41,185.68) | 49,436.01 |
| Net cash inflow (outflow) | (203.01) | 240.25 |

(₹ in million)

| 3. PMHBL | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Non-current assets | 1,663.24 | 2,950.04 |
| Current assets | 4,619.60 | 3,813.32 |
| Non-current liabilities | 335.64 | 334.47 |
| Current liabilities | 151.90 | 358.36 |
| Equity attributable to owners of the Company | 4,488.14 | 4,663.05 |
| Non-controlling interests | 1,307.16 | 1,407.48 |

| Particulars | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| Revenue | 1,281.53 | 1,112.80 |
| Expenses | 467.53 | 408.99 |
| Profit (loss) for the year | **602.83** | **518.12** |
| Profit (loss) attributable to owners of the Company | 466.86 | 391.44 |
| Profit (loss) attributable to the non-controlling interests | 135.97 | 126.68 |
| Profit (loss) for the year | **602.83** | **518.12** |
| Other comprehensive income attributable to owners of the Company | (0.10) | (0.09) |
| Other comprehensive income attributable to the non-controlling interests | (0.03) | (0.03) |

| Particulars | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| Other comprehensive income for the year | (0.13) | (0.12) |
| Total comprehensive income attributable to owners of the Company | 466.76 | 391.35 |
| Total comprehensive income attributable to the non-controlling interests | 135.94 | 126.65 |
| Total comprehensive income for the year | 602.70 | 518.00 |
| Dividends paid to non-controlling interests | 198.02 | 804.97 |
| Net cash inflow (outflow) from operating activities | 1,495.18 | 2,352.56 |
| Net cash inflow (outflow) from investing activities | 179.47 | 341.29 |
| Net cash inflow (outflow) from financing activities | (896.77) | (3,310.51) |
| Net cash inflow (outflow) | 777.88 | (616.66) |

**(₹ in million)**

| 4. Beas Rovuma Energy Mozambique Limited | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Non-current assets | 96,051.06 | 79,422.17 |
| Current assets | 4,479.46 | 2,704.10 |
| Non-current liabilities | - | - |
| Current liabilities | 1,271.34 | 4,637.05 |
| Equity attributable to owners of the Company | 59,555.51 | 46,493.53 |
| Non-controlling interests | 39,703.67 | 30,995.69 |

| Particulars | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| Revenue | 2,246.34 | 8.93 |
| Expenses | 4,628.22 | 142.76 |
| Profit (loss) for the year | **(2,381.88)** | **(133.83)** |
| Profit (loss) attributable to owners of the Company | (1,429.13) | (80.30) |
| Profit (loss) attributable to the non-controlling interests | (952.75) | (53.53) |
| Profit (loss) for the year | **(2,381.88)** | **(133.83)** |
| Other comprehensive income attributable to owners of the Company | - | - |
| Other comprehensive income attributable to the non-controlling interests | - | - |
| Other comprehensive income for the year | - | - |
| Total comprehensive income attributable to owners of the Company | (1,429.13) | (80.30) |
| Total comprehensive income attributable to the non-controlling interests | (952.75) | (53.53) |
| Total comprehensive income for the year | (2,381.88) | (133.83) |
| Dividends paid to non-controlling interests | - | - |

**28.3** Others include exchange difference on account of translation of the consolidated financial statements of subsidiary OVL prepared in OVL's functional currency "United State Dollars" (US$) to presentation currency "₹". Refer Note No. 3.21 and 5.1 (a).

## 29 Borrowings

**(₹ in million)**

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Non Current | Current | Non Current | Current |
| **Secured** | | | | |
| (i) Term Loans | | | | |
| **From Banks** | | | | |
| External Commercial Borrowings (ECB) (Note No.29.3) | 3,892.05 | - | 11,577.78 | - |
| Foreign Currency borrowing (FCTL) (Note No.29.4) | 24,244.11 | - | 26,300.00 | - |

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Non Current | Current | Non Current | Current |
| Rupee Term Loans | 2,919.85 | - | - | - |
| **From Others** | | | | |
| Oil Industry Development Board (OIDB) (Note No.29.5 & 29.23) | 3,189.37 | - | 25,175.00 | - |
| Deferred payment liabilities : VAT Loan (Note No. 29.9) | 461.93 | - | 418.09 | - |
| Triparty Repo Dealing System Loan (Note No. 22.1) | - | 10,496.91 | - | 14,496.24 |
| (ii) Cash Credit from Bank | - | 23,053.49 | - | 25,510.27 |
| (iii) Loan Repayable on demand (Note No. 29.7) | - | 5,181.94 | - | - |
| (iv) Current Maturities of Long Term Borrowings | - | 12,897.89 | - | 18,061.41 |
| **Unsecured** | | | | |
| (i) Term Loans | | | | |
| **From Banks** | | | | |
| Foreign currency Term Loans (Note No.29.1.1, 29.1.2, 29.2.2, 29.11, 29.13 & 29.24) | 351,057.64 | - | 288,143.31 | 30,135.68 |
| Rupee Term Loans (Note No. 29.12 & 29.25) | 50,213.22 | 49,593.99 | 9,868.16 | 69,208.78 |
| **From Related Party** | 292.60 | - | 307.60 | - |
| (ii) Working Capital Loan from Banks (Note No.29.1.3, 29.14, 29.15 & 29.16) | 41,525.06 | - | 39,981.96 | 39,368.10 |
| (iii) Foreign currency bonds (Note No.29.1.4, 29.2.1, 29.20) | 199,944.55 | - | 193,718.00 | - |
| (iv) Non Convertible Debentures (Note 29.1.6, 29.8, 29.21) | 202,638.79 | - | 186,137.73 | - |
| (v) Compulsorily Convertible Debentures (Note No 29.6) | - | - | 9,993.00 | - |
| (vi) Deferred payment liabilities (Note No. 29.10) | 47.59 | - | - | - |
| (vii) Commercial Paper (Net of Discount) (Note No 29.1.5, 29.17) | - | 7,990.80 | - | 83,827.73 |
| (viii) Loan Repayable on demand (Note No. 29.18) | - | 39,499.17 | - | 44,028.20 |
| (ix) Bank Overdraft | - | - | - | 1.10 |
| (x) Current Maturities of Long Term Borrowings | - | 48,617.11 | - | 74,353.36 |
| **Total borrowings** | **880,426.76** | **197,331.30** | **791,620.63** | **398,990.87** |

**29.1 In respect of the Company:**

**29.1.1 The outstanding Foreign Currency Term Loans of US$ 410.06 million as on March 31, 2021 was fully repaid during the year.**

**29.1.2 The details of Foreign Currency Term Loans (FCTL) / Foreign Currency Non-Resident (Bank) Loans (FCNR-B) outstanding:**

**As at March 31, 2022**

| Sl. no. | US$ in million | ₹ in million | Terms of Repayment | Interest Rate p.a. (Payable monthly) |
|---|---|---|---|---|
| -NIL- | | | | |

**As at March 31, 2021**

| Sl. no. | US$ in million | ₹ in million | Terms of Repayment | Interest Rate p.a. (Payable monthly) |
|---|---|---|---|---|
| 1. | 410.06 | 30,135.68 | Upto December 9, 2021 | 1 Month LIBOR + 0.71 % |

**29.1.3 Details of Working Capital Loans outstanding:**

**As at March 31, 2022**

| Sl. no. | ₹ in million | Interest Rate p.a. (payable monthly) |
|---|---|---|
| -NIL- | | |

**As at March 31, 2021**

| Sl. no. | ₹ in million | Interest Rate p.a. (payable monthly) |
|---|---|---|
| 1. | 39,368.10 | 4.00% |

**29.1.4 Details of Foreign Currency Bonds outstanding:**

**As at March 31, 2022**

| Sl. no. | Date of Issue | Date of repayment | US$ in million (at face value) | ₹ in million | Interest Rate p.a. (payable half yearly) |
|---|---|---|---|---|---|
| 1. | December 05, 2019 | December 05, 2029 | 300.00 | 22,725.00 | 3.375 % |

**As at March 31, 2021**

| Sl. no. | Date of Issue | Date of repayment | US$ in million (at face value) | ₹ in million | Interest Rate p.a. (payable half yearly) |
|---|---|---|---|---|---|
| 1. | December 05, 2019 | December 05, 2029 | 300.00 | 22,047.00 | 3.375 % |

**29.1.5 Details of Commercial Papers outstanding:**

**As at March 31, 2022**

| Sl. no. | Date of Issue | Date of repayment | ₹ in million (at face value) | Coupon Rate |
|---|---|---|---|---|
| -NIL- | | | | |

**As at March 31, 2021**

| Sl. no. | Date of Issue | Date of repayment | ₹ in million (at face value) | Coupon Rate |
|---|---|---|---|---|
| 1. | February 17, 2021 | May 11, 2021 | 10,000.00 | 3.42% |
| 2. | March 01, 2021 | April 26, 2021 | 7,500.00 | 3.18% |
| | | **Total** | **17,500.00** | |

**29.1.6** Details of Non-Convertible Debentures outstanding as at March 31, 2022:

**As at March 31, 2022**

| Sl. no. | Particulars | Date of Issue | Date of repayment | ₹ in million (at face value) | Interest Rate p.a. |
|---|---|---|---|---|---|
| 1 | 6.40% ONGC 2031 Series II | August 11, 2020 | April 11, 2031 | 10,000.00 | 6.40 % |
| 2 | 5.25% ONGC 2025 Series I | July 31, 2020 | April 11, 2025 | 5,000.00 | 5.25 % |
| 3 | 4.50% ONGC 2024 Series IV | January 11, 2021 | February 09, 2024 | 15,000.00 | 4.50 % |
| 4 | 4.64% ONGC 2023 Series III | October 21, 2020 | November 21, 2023 | 11,400.00 | 4.64 % |
| | **Total** | | | **41,400.00** | |

**As at March 31, 2021**

| Sl. no. | Particulars | Date of Issue | Date of repayment | ₹ in million (at face value) | Interest Rate p.a. |
|---|---|---|---|---|---|
| 1 | 6.40% ONGC 2031 Series II | August 11, 2020 | April 11, 2031 | 10,000.00 | 6.40 % |
| 2 | 5.25% ONGC 2025 Series I | July 31, 2020 | April 11, 2025 | 5,000.00 | 5.25 % |
| 3 | 4.50% ONGC 2024 Series IV | January 11, 2021 | February 09, 2024 | 15,000.00 | 4.50 % |
| 4 | 4.64% ONGC 2023 Series III | October 21, 2020 | November 21, 2023 | 11,400.00 | 4.64 % |
| | **Total** | | | **41,400.00** | |

**29.2 In respect of the subsidiary OVL:**

**29.2.1** Details of Bonds (other than ₹ Currency)

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| (i) US$ 750 million unsecured non-convertible Reg S Bonds | 56,366.11 | 54,684.42 |
| (ii) US$ 500 million unsecured non-convertible Reg S Bonds | 37,835.96 | 36,707.13 |
| (iii) US$ 600 million unsecured non-convertible Reg S Bonds | 45,358.14 | 43,986.25 |
| (iv) US$ 400 million unsecured non-convertible Reg S Bonds | - | 29,384.99 |
| (v) EUR 525 million unsecured Euro Bonds | - | 44,968.37 |
| **Total** | **139,560.21** | **209,731.16** |

The terms of above bonds are mentioned below:

| Particulars | Listed in | Issue price | Denomination | Date of loan issued | Due date of maturities | Coupon |
|---|---|---|---|---|---|---|
| (i) US$ 600 million unsecured non-convertible Reg S Bonds | Singapore Exchange (SGX) | 99.810% | US$ 200,000 and integral multiples of US$ 1,000 in excess thereof. | 27-Jul-16 | 27-Jul-26 | 3.750%, payable semi-annually in arrears |
| (ii) US$ 750 million unsecured non-convertible Reg S Bonds | Singapore Exchange (SGX) | 99.454% | US$ 200,000 and integral multiples of US$ 1,000 in excess thereof. | 15-Jul-14 | 15-Jul-24 | 4.625%, payable semi-annually in arrears |
| (iii) US$ 500 million unsecured non-convertible Reg S Bonds | Singapore Exchange (SGX) | 99.950% | US$ 200,000 and integral multiples of US$ 1,000 in excess thereof. | 07-May-13 | 07-May-23 | 3.75%, payable semi-annually in arrears |
| (iv) EUR 525 million unsecured Euro Bonds | Frankfurt Stock Exchange | 99.623% | Euro 100,000 and multiples of Euro 1,000 thereafter. | 15-July-14 | 15-July-21 | 3.75%, payable annually in arrears |

There is no periodical put/ call option. The bonds are repayable in full (bullet repayment) on maturity date.

**29.2.2** In respect of subsidiary OVL, Term loan from banks

The term of term loan are given below:

| Particulars | As at March 31, 2022 | As at March 31, 2021 | Date of Issue | Term of Repayment | Coupon |
|---|---|---|---|---|---|
| US$ 1,000 million Term loans(Refer note 29.3.1 & 29.3.3) | 74,916.75 | 72,681.61 | March 30, 2020 | Bullet repayment on March 30, 2025 | Libor + 0.95% payable quarterly/ half yearly |
| US$ 500 million Term loans(Refer note 29.3.2) | 37,609.88 | 36,487.79 | July 12, 2019 | Bullet repayment on July 12, 2024 | Libor + 1% payable quarterly/half yearly |
| JPY 38 billion Term loans (Refer note 29.3.5) | 10,665.91 | 25,076.86 | April 26, 2017 | In 3 equal instalments falling due at the end of Years 5, 6 and 7 from the drawdown date. | Libor + 0.47% payable quarterly |

| Particulars | As at March 31, 2022 | As at March 31, 2021 | Date of Issue | Term of Repayment | Coupon |
|---|---|---|---|---|---|
| US$ 700 million Long Term loans(Refer note 29.3.3 & 29.3.4) | - | 50,928.57 | November 27, 2020 | Bullet repayment on November 27, 2025 | Libor + 1.45% payable quarterly/ half yearly |
| US$ 500 million long term loan(Refer note 29.3.3 & 29.3.4) | 37,496.25 | - | July 12, 2021 | Bullet repayment on July 12, 2026 | Libor + 0.97% payable quarterly/ half yearly |
| US$ 600 million Term loans(Refer note 29.3.5) | 45,109.13 | - | Oct 27, 2021 | Bullet repayment on October 27, 2026. | Libor + 0.85% payable quarterly/ half yearly |
| US$ 100 million Long Term loans(Refer note 29.3.3 & 29.3.4) | 7,499.25 | - | Jan 27, 2022 | Bullet repayment on January 27, 2027 | 3M TERM SOFR + 0.90% payable quarterly |
| | **213,297.16** | **185,174.83** | | | |

**29.2.2.1** The Term loan was obtained from a syndicate of commercial banks to part refinance the US$ 750 Million Bonds matured in July 2019.

**29.2.2.2** The Term loan was obtained from a syndicate of commercial banks to part refinance the US$ 1,775 Million Term Loan in March 2020.

**29.2.2.3** The Term loan was obtained from a syndicate of commercial banks to part repayment of the balance amount of US$ 775 Million of the US$ 1,775 Million Term Loan facility on 27.11.2020.

**29.2.2.4** The Term loan was obtained in July 2021 from a syndicate of commercial banks for part repayment of EUR 525 Mn Bond matured in July 2021.

**29.2.2.5** The Term loan was obtained in October 2021 from a syndicate of commercial banks to part refinance the USD 700 Million Term Loan drawn in Nov 2020.

**29.2.2.6** The Term loan was obtained in January 2022 to part refinance the balance amount of USD 100 Million out of USD 700 Million Term Loan drawn in Nov 2020.

**29.2.2.7** ONGC Videsh has a step down wholly owned subsidiary ONGC Videsh Vankorneft Pte Ltd ("OVVL"). OVVL raised two separate syndicated bridge loans to meet the acquisition cost of 26% shares of JSC Vankorneft (15% in May 2016 and 11% in October 2016). Subsequently, the acquisition bridge loans were part refinanced by two syndicated term loan facilities, availed on April 26, 2017 (i) USD 500 million facility (availed to the extent of USD 491.74 million) and (ii) JPY 38 billion. The outstanding amounts of USD 196.7 million as on 31.03.2020 pertaining to the USD 500 Mn facility have been fully prepaid during FY 2020-21.

**29.2.2.8** All USD term loans are for acquisition of participating interest in respect of Area 1 Mozambique project.

**29.2.2.9** The Term loans are guaranteed for repayment of principal and payment of interest by Oil and Natural Gas Corporation Limited, the parent company. There is no periodical put/ call option. The Term loans are repayable in full (bullet repayment) on maturity date.

**29.3 External Commercial Borrowing (ECB)**

**29.3.1** In respect of subsidiary MRPL, ECB-1 taken by the company amounting to ₹ 11,356.37 million (As at March 31, 2021 ₹ 18,241.90 million) are USD denominated loans and carries variable rate of interest which is six month Libor plus spread (Interest rate as at March 31, 2022 is 1.32 % and interest rate as at March 31, 2021 was 1.24%).

The above is secured by first pari passu charge over immovable Property, Plant & Equipment and first ranking pari passu charge over movable Property, Plant & Equipment (including but not limited to Plant and Machinery, Spares, Tools, Furniture, Fixture, Vehicles and all other Movable Property, Plant & Equipment) both present and future.

**29.3.2** In respect of subsidiary MRPL, ECB-2 taken by the erstwhile subsidiary company ONGC Mangalore Petrochemicals Limited (OMPL) amounting to ₹ 671.13 million (As at March 31, 2021 ₹ 2,799.78 million) are USD denominated Loans and carries variable rate of interest, which is six month libor plus spread (Interest Rate as at March 31, 2022 is 3.89% and Interest rate as at March 31, 2021 was 2.60%).

The above mentioned ECB-2 is secured by first pari passu charge over all immovable and movable properties both present and future and second charge on all current assets of the erstwhile subsidiary company OMPL.

**29.3.3** ₹ 8,135.45 million (As at March 31, 2021 of ₹ 9,463.91 million) is repayable within one year i.e. Current Maturities of long term debt has been shown as Current Borrowing.

**29.3.4** Repayment schedule of ECB loan is as follows:

(₹ in million)

| Year of repayment | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| 2021-22 | - | 9,466.51 |
| 2022-23 | 8,135.45 | 7,847.54 |
| 2023-24 | 3,905.31 | 3,767.09 |
| **Total** | **12,040.76** | **21,081.14** |

**29.4 Foreign Currency Borrowings (FCTL)**

**29.4.1** Foreign Currency Borrowings taken by the erstwhile subsidiary company ONGC Mangalore Petrochemicals Limited (OMPL) are USD denominated Loans (USD 360 million) and carries variable rate of interest, which is six month Libor based plus spread (Interest Rate as at March 31, 2022 is 2.93% and Interest rate as at March 31, 2021 was 2.64%). This borrowing is is secured by first pari passu charge on Fixed Assets of the Company both present and future.

**29.4.2** ₹ 3,026.81 million (As at March 31, 2021 of Nil) is repayable within one year i.e. Current Maturities of long term debt has been shown as Current Borrowing.

**29.4.3** Repayment schedule of FCTL is as follows:

(₹ in million)

| Year of repayment | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| 2022-23 | 3,031.90 | 2,924.60 |
| 2023-24 | 5,123.91 | 4,942.57 |
| 2024-25 | 5,457.42 | 5,264.28 |
| 2025-26 | 5,457.42 | 5,264.28 |
| 2026-27 | 6,215.40 | 5,995.43 |
| 2027-28 | 2,001.05 | 1,930.24 |
| **Total** | **27,287.10** | **26,321.40** |

**29.5 In respect of subsidiary MRPL, details of loan from Oil Industry Development Board (OIDB)**

**29.5.1** Loan from OIDB taken by the Company carries fixed rate of interest (Interest rate as at March 31, 2022 and March 31, 2021 is in range of 6.01% to 7.98% ).These are secured by way of first ranking pari passu charge by way of hypothecation / mortgage only on property, plant & equipment / projects financed out of loan proceeds of OIDB.

**29.5.2** ₹ 1,485.62 million (As at March 31, 2021 of ₹ 1,347.50 million) is repayable within one year i.e. Current Maturities of long term debt has been shown as Current Borrowings.

**29.5.3** Repayment schedule of OIDB loan is as follows:

( ₹ in million)

| Year of repayment | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| 2021-22 | - | 1,347.50 |
| 2022-23 | 1,485.62 | 1,485.62 |
| 2023-24 | 1,485.62 | 1,485.62 |
| 2024-25 | 815.63 | 815.63 |
| 2025-26 | 138.13 | 138.13 |
| **Total** | **3,925.00** | **5,272.50** |

**29.6 Unsecured Compulsorily convertible debentures (CCD's)**

**29.6.1** The erstwhile Subsidiary Company OMPL had allotted 1,000 Compulsorily Convertible Debentures (CCDs) of ₹10 million each on March 5, 2020 through private placement. Company has issued CCDs in 3 different series. Series I Debentures consists of ₹ 2,500 million with Coupon Rate of 8.35% p.a., Series II Debentures consists of ₹ 2,500 million with Coupon Rate of 8.50% p.a. and Series III Debentures consists of ₹ 5,000 million with Coupon Rate of 8.75% p.a. Interest for all the three series of debentures to be served on quarterly basis.

**29.6.2** Coupon Rate of Series I Debenture was subject to annual reset with interest rate linked to 364 days Treasury bill. The interest rate has been reset on March 5, 2022 from 6.91% to 7.82% p.a.. Coupon rate for series II and series III CCDs are fixed over the tenure of debentures.

**29.6.3** Under Transaction Document of CCDs, the erstwhile Subsidiary Company OMPL had obligation to timely service the interest to investors. Further, CCDs were backed by undertaking from Sponsor Companies i.e. ONGC and MRPL to ensure payment of Coupon amount on debentures in case erstwhile Subsidiary Company OMPL fails to do so.

**29.6.4** Tenor of CCDs was 36 months from Deemed Date of Allotment, with mandatory Put / Call Option at the end of the 35th month. The Sponsors ( in the ratio of ONGC - 49% and MRPL - 51%) to mandatorily acquire all the CCDs from the investors at the end of 35th month from the date of allotment.

**29.6.5** The subsidiary MRPL was nominated by ONGC to buyout CCDs of ₹ 4,900 million for which backstop support was given by ONGC. Considering the amalgamation process, CCDs issued by erstwhile Subsidiary Company OMPL were acquired by the company on March 30, 2022 by exercising Accelerated Buyout Option. As per scheme of amalgamation filed with Ministry of Corporate Affairs (MCA) upon amalgamation becoming effective CCDs stand extinguished and cancelled in entirety without any consideration and without any further act or deed [refer Note No. 62].

**29.7** In respect of subsidiary MRPL, working capital borrowings pertaining to the company amounting to ₹ 181.94 million (As at March 31, 2021 ₹ Nil) from consortium banks are secured by way of first ranking pari passu charge by way of hypothecation of Company's stocks of Raw Material, Finished Goods, Stock-in-Process, Stores, Spares, Components, Trade receivables, outstanding Money Receivables, Claims, Bills, Contract, Engagements, Securities both present and future and further secured by second ranking pari passu charge over companies movable and immovable property (all Property, Plant & Equipment) both present and future.

Short Term Rupee loan pertaining to erstwhile subsidiary company OMPL amounting to ₹ 5,000.00 million (As at March 31, 2021 ₹ Nil) is sanctioned by earmarking existing Overdraft Limit of a Bank which is secured by way of first pari passu charge on inventories, receivables and other current assets and second pari passu charge on the fixed assets of the erstwhile subsidiary company OMPL.

**29.8 In respect of subsidiary MRPL, details of "Non Convertible Debentures"**

Unsecured Redeemable Non-Convertible Fixed Rate Debentures (Privately Placed):

| Sl. No. | ISIN | Face Value Per Debenture (₹) | Date of Allotment | As at 31-03-2022 | Coupon Rate | Maturity | |
|---|---|---|---|---|---|---|---|
| | | | | | | Amount | Date |
| 1 | INE103A08027 | 10,00,000 | 13-Jan-20 | 4,999.50 | 6.64% | 5,000.00 | 14-Apr-23 |
| 2 | INE103A08019 | 10,00,000 | 13-Jan-20 | 9,997.64 | 7.40% | 10,000.00 | 12-Apr-30 |
| 3 | INE103A08035 | 10,00,000 | 29-Jan-20 | 10,592.83 | 7.75% | 10,600.00 | 29-Jan-30 |
| 4 | INE103A08043 | 10,00,000 | 29-Dec-20 | 12,165.24 | 6.18% | 12,170.00 | 29-Dec-25 |
| 5 | INE103A08050 | 10,00,000 | 29-Dec-21 | 11,996.74 | 7.48% | 12,000.00 | 14-Apr-32 |
| | **Total** | | | **49,751.95** | | **49,770.00** | |

**29.9 In respect of subsidiary MRPL, details of Interest Free Loan from Govt. of Karnataka - VAT Loan**

**29.9.1** This Loan represents amounts payable on account of "Interest free loan" received from Government of Karnataka. This interest free loan against VAT will be repayable from March 31, 2028. VAT Loan are secured by bank guarantees given by the company.

**29.9.2** The benefit of a Government loan at a below-market rate of interest is treated as a government grant (Ind AS 20). The Interest free loan is recognized and measured in accordance with Ind AS 109, Financial Instruments. The benefit of the Interest free loan is measured as the difference between the initial carrying value of the loan determined in accordance with Ind AS 109, and the proceeds received. The benefit is accounted for in accordance with this Standard.

**29.9.3** Repayment schedule of Interest Free Loan from Govt. of Karnataka- VAT loan is as follows:

**(₹ in million)**

| Year of repayment | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| 2027-28 | 132.61 | 132.61 |
| 2028-29 | 155.16 | 155.16 |
| 2029-30 | 197.76 | 197.76 |
| 2030-31 | 208.53 | 208.53 |
| 2031-32 | 322.83 | 322.83 |
| 2032-33 | 74.88 | 74.88 |
| **Total** | **1.091.77** | **1.091.77** |

**29.10 Deferred Payment Liabilities - From Government of Karnataka:**

**29.10.1** Deferred payment liability against tax payable under Central Sales Tax (CST) represents amount payable on account of "Interest free loan" received from Govt. of Karnataka. This sum of the deferred CST loan against Central Sales Tax (CST) shall be repayable in five equal annual instalments without interest after the closure of deferment period.

**29.10.2** The benefit of a Government loan at a below-market rate of interest is treated as a government grant (Ind AS 20). The Interest free loan is recognised and measured in accordance with Ind AS 109, Financial Instruments. The benefit of the Interest free loan is measured as the difference between the initial carrying value of the loan determined in accordance with Ind AS 109, and the proceeds received. The benefit is accounted for in accordance with this Standard.

Repayment schedule of Deferred Payment Liabilities - From Government of Karnataka is as follows:

**(₹ in million)**

| Year of repayment | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| 2025-26 | 17.27 | - |
| 2026-27 | 17.27 | - |
| 2027-28 | 17.27 | - |
| 2028-29 | 17.27 | - |
| 2029-30 | 17.27 | - |
| **Total** | **86.35** | **-** |

**29.11 Foreign Currency Borrowing (FCTL)**

**29.11.1** Foreign Currency Borrowings taken by the erstwhile subsidiary company OMPL is USD denominated Loan and carries variable rate of interest, which is six month Libor based plus spread (Interest Rate as at March 31, 2022 is 2.23% and Interest rate as at March 31, 2021 was 2.25%).

**29.11.2** Repayment schedule of Foreign Currency Term Loan (FCTL) is as follows:

**(₹ in million)**

| Year of repayment | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| 2022-23 | 11,369.63 | 10,967.25 |
| **Total** | **11,369.63** | **10,967.25** |

**29.12 In respect of subsidiary MRPL, Rupee Term Loan from bank**

**29.12.1** The term loan taken by the Company amounting to ₹ 2,343.00 million (As at March 31, 2021 ₹ Nil ) carries variable rate of interest which was linked to RBI Repo Rate plus spread (Interest rate as at March 31, 2022 is 5.75%).

The Term Loan taken by the erstwhile subsidiary company OMPL amounting to ₹ 9,870.22 million (As at March 31, 2021 ₹ 9,868.16 million) carries variable rate of interest which was linked to G-Sec linked lending rate (Interest rate as at March 31, 2022 is 6.35% and Interest rate as at March 31,2021 was 6.25%).

**29.12.2** Repayment schedule of Term Loan is as follows:

**(₹ in million)**

| **Year of repayment** | **As at March 31, 2022** | **As at March 31, 2021** |
|---|---|---|
| 2023-24 | 3,703.18 | 3,703.18 |
| 2024-25 | 4,937.57 | 4,937.57 |
| 2025-26 | 1,234.39 | 1,234.39 |
| 2026-27 | 2,343.00 | - |
| **Total** | **12,218.14** | **9,875.14** |

**29.13 In respect of subsidiary MRPL, Foreign Currency Term Loan (FCNR):**

**29.13.1** FCNR (B) Capex Loan taken by the company carries variable rate of interest which is six months Libor plus spread (Interest rate as at March 31, 2022 is 2.29% and interest rate as at March 31, 2021 was 1.70%).

**29.13.2** Repayment schedule of Foreign Currency Term Loan (FCNR) is as follows:

**(₹ in million)**

| **Year of repayment** | **As at March 31, 2022** | **As at March 31, 2021** |
|---|---|---|
| 2023-24 | 6,442.79 | 6,214.78 |
| 2024-25 | 1,136.96 | - |
| **Total** | **7,579.75** | **6,214.78** |

**29.14 In respect of subsidiary MRPL, Working capital Term Loan from Banks - ECB:**

**29.14.1** External Commercial Borrowing taken by the Company are USD denominated loans and carries variable rate of interest which is six month USD Libor plus spread (Interest rate as at March 31, 2022 is 2.56 % and as at March 31, 2021 was 1.54%).

**29.14.2** Repayment schedule of Working Capital loan ECB is as follows:

**(₹ in million)**

| **Year of repayment** | **As at March 31, 2022** | **As at March 31, 2021** |
|---|---|---|
| 2023-24 | 75.80 | 73.12 |
| 2024-25 | 30,243.20 | 29,172.88 |
| 2025-26 | 11,369.63 | 10,967.25 |
| **Total** | **41,688.63** | **40,213.25** |

**29.15** In respect of subsidiary MRPL, Foreign Currency Term Loan was taken by the company are USD denominated loans, repayable within one year from the date of each disbursement and carries variable rate of interest which is three month USD Libor plus spread.

**29.16** In respect of subsidiary MRPL, Unsecured Bill discounting facility against Non LC bill drawn on erstwhile Subsidiary Company "ONGC Mangalore Petrochemicals Limited" (OMPL) (Interest rate as at March 31, 2022 is 4.20% and March 31, 2021 was 4.50% ).

**29.17** In respect of subsidiary MRPL, the Commercial paper issued is unsecured fixed rate short term debt instrument (₹ Nil million as at March 31, 2022 ( previous year ₹ 26,500 million as at March 31, 2021)

**29.18** Unsecured short term working capital loan from bank amounting to ₹21,136.40 million (As at March 31, 2021 ₹ 15,405.00 million) (Interest rate as at March 31, 2022 is in range of 3.88% to 4.00% and March 31, 2021 was in range of 4.10% to 4.25% ). Unsecured Short Term Rupee loan from Banks pertaining to erstwhile subsidiary company OMPL amounting to ₹ 17,213.47 million (As at March 31, 2021 ₹ 16,158.32 million) (Interest rate as at March 31, 2022 is in the range of 4.10% to 4.20% and interest rate as at March 31,2021 was in the range of 4.25% to 4.50%).

**29.19** In respect of subsidiary MRPL, the repayment schedules disclosed above are based on contractual cash outflows and hence will not reconcile to carrying amounts of such borrowings which are accounted at amortised cost.

**In respect of Subsidiary HPCL,**

**29.20 Foreign currency Bonds**

| **Particulars of Bonds** | **Date of Issue** | **Date of Repayment** |
|---|---|---|
| US$ 500 million bonds (₹ 37,813.00 million as at March 31, 2022 & ₹ 36,461.75 million as at 31st March 31, 2021); Interest Rate: 4% p.a. payable at Half Yearly | 12th July 2017 | 12th July 2027 |

**29.21 Non Convertible Debentures**

| **Particulars of Debentures** | **Coupon Rate of Interest** | **Date of Redemption** |
|---|---|---|
| 6.63% Non-Convertible Debentures (₹ 19,497.90 million as at March 31, 2022 & ₹ nil as at 31st March 31, 2021) | 6.63% p.a. payble Annually | April 11th 2031 |
| 6.09% Non-Convertible Debentures(₹ 14,998.40 million as at March 31, 2022 & ₹ nil as at 31st March 31, 2021) | 6.09% p.a. payble Annually | Feb 26th 2027 |
| 7.03% Non-Convertible Debentures (₹ 13,997.80 million as at March 31, 2022 & ₹ 13,997.61 million as at 31st March 31, 2021) | 7.03% p.a. payable Annually | April 12th 2030 |
| 5.36% Non-Convertible Debentures (₹ 11,999.40 million as at March 31, 2022 & ₹ 11,999.22 million as at 31st March 31, 2021) | 5.36% p.a. payable Annually | April 11th 2025 |
| 7.00% Non-Convertible Debentures (₹ 19,998.60 million as at March 31, 2022 & ₹ 19,998.60 million as at 31st March 31, 2021) | 7.00% p.a. payable Annually | August 14th 2024 |

| Particulars of Debentures | Coupon Rate of Interest | Date of Redemption |
|---|---|---|
| 8.00% Non-Convertible Debentures (₹ 4,998.60 million as at March 31, 2022 & ₹ 4,998.06 million as at 31st March 31, 2021) | 8.00% p.a. payable Annually | April 25th 2024 |
| 4.79% Non-Convertible Debentures (₹ 19,999.30 million as at March 31, 2022 & ₹ 19,998.94 million as at 31st March 31, 2021) | 4.79% p.a. payable Annually | October 23rd 2023 |
| 6.38% Non-Convertible Debentures (₹ 5,999.10 million as at March 31, 2022 & ₹ 5,998.27 million as at 31st March 31, 2021) | 6.38% p.a. payable Annually | April 12th 2023 |
| 6.80% Non-Convertible Debentures (₹ 29,999.40 million as at March 31, 2022 & ₹ 29,998.51 million as at 31st March 31 ,2021) | 6.80% p.a. payable Annually | December 15th 2022 |

Of the above Non-Convertible debentures ₹ 29,999.40 million (31.03.2021: ₹ Nil) is repayable within one year and the same has been included in 'Current Maturities of Long Term Borrowings'

**29.22** The Term loan facility is secured by the first charge over:

**(i)** all the immovable assets (Including freehold/ leasehold land);

**(ii)** all movable assets, moveable plant and machinery, machinery spares, tools and accessories both present and future of the company (including existing plants and all of its present/future assets);

**(iii)** the intangible assets of the Company (all rights, titles and interests in, to and under all assets (present/future) of the Project);

**(iv)** the material project document, clearances and all the right, title, interest, benefits, claims and demands whatsoever of the borrowing in the insurance contracts / policies / insurance proceeds, licenses, performance bonds, guarantees in, to, and under all assets of the company or procured by any of its contractors favoring the Company;

**(v)** the present & future cash flows/revenues/receivables of the Company;

**(vi)** all the bank accounts of the Company including but not limted to the Trust & Retention Account, its sub accounts and each of other account required to be created by the Company;

The applicable Interest rate for the long term loan shall be floating linked to the prevailing SBI 1-year MCLR with spread of 0.05%, present effective rate is 7.05% p.a.

The Loan is to be repaid in stepped up 38 installments over a period of 13 years including morotorium period of 2 years. The repayment schedule for Long Term loans shall be started from 01.04.2025 till 30.09.2034.

**29.23 Term Loans from Oil Industry Development Board (Secured)**

| Repayable during | Amount in ₹ million | | Range of Interest Rate | |
|---|---|---|---|---|
| | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| 2021-22 | - | 7,250.00 | - | 6.53% -8.28% |
| 2022-23 | 250.00 | 7,500.00 | 5.68% | 5.68% -8.28% |
| 2023-24 | 250.00 | 7,500.00 | 5.68% | 5.68% -8.28% |
| 2024-25 | 250.00 | 6,000.00 | 5.68% | 5.68% -7.96% |
| 2025-26 | 250.00 | 250.00 | 5.68% | 5.68% -5.68% |
| **Total** | **1,000.00** | **28,500.00** | | |

Of the total loan outstanding as on March 31, 2021, loan aggregating to ₹ 21,500.00 million have been refinanced through unsecured term loan from HDFC Bank during the current financial year. The loan outstanding as on reporting date has been secured with first charge on the facilities of Vishakh Refinery Modernisation Project for a value of ₹ 181,943.00 million (31.03.2021: ₹ 135,986.40 million), Mumbai Refinery Expansion Project for a value of Nil (31.03.2021: ₹ 38,392.30 million). Of the loan amount ₹ 250.00 million (31.03.2021: ₹ 7,250.00 million) is repayable within one year and the same has been included in 'Current Maturities of Long Term Borrowings' .

**29.24 Syndicated Loans from Foreign Banks (repayable in foreign currency) With respect to Loan taken by Hindustan Petroleum Corporation Ltd.:**

The Company has availed Syndicated Loans from foreign Banks at fixed rate and/or 3 months floating LIBOR/Term SOFR plus spread (spread range: 90 to 139 basis point p.a.). These loans are taken for the period up to 5 years. Of the loan amount Nil (31.03.2021: Nil) is repayable within one year.

| Repayable during | Amount in USD($) million | | Amount in ₹ million | |
|---|---|---|---|---|
| | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| 2023-24 | 500.00 | 500.00 | 37,898.80 | 36,557.50 |
| 2024-25 | 300.00 | 300.00 | 22,739.30 | 21,934.50 |
| 2025-26 | 300.00 | 300.00 | 22,739.30 | 21,934.50 |
| 2026-27 | 450.00 | - | 34,108.90 | - |
| 2027-28 | 100.00 | - | 7,579.80 | - |
| **Total** | **1,650.00** | **1,100.00** | **125,066.10** | **80,426.50** |

**With respect to Loan taken by Prize Petroleum International PTE Ltd.:**

The secured bank loan bears interest at 1.2% + 6-month LIBOR per annum (2020-21 : 1.2% + 6-month LIBOR per annum), which was in the range of 1.38% to 1.45% p.a. during the year 2021-22 (2020-21 : 1.45% to 3.13% p.a.).The bank loan is repayable on the 7th anniversary of the utilization date on 28th October 2023. Shares of the Group in PPIPL have been pledged in favour of the lender.

**29.25 Other Loans**

| Repayable during | Amount in ₹ million | | Range of Interest Rate | |
|---|---|---|---|---|
| | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| 2022-23 | 7,250.00 | - | Linked to 1 Month T-Bill Rate | - |
| 2023-24 | 7,250.00 | - | | |
| 2024-25 | 5,750.00 | - | Linked to 3 Month T-Bill Rate | - |
| 2025-26 | 25,000.00 | - | | |
| **Total** | **45,250.00** | **-** | | |

Of the loan amount ₹ 7,250 million (31.03.2021: Nil) is repayable within one year and the same has been included in 'Current Maturities of Long Term Borrowings'

## 30 Lease Liabilities

**(₹ in million)**

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Non Current | Current | Non Current | Current |
| Lease Liabilities (Note No. 48) | 92,167.21 | 49,933.31 | 96,462.02 | 44,795.69 |
| **Total** | **92,167.21** | **49,933.31** | **96,462.02** | **44,795.69** |

**30.1 Movement of Lease Liabilities**

**(₹ in million)**

| Particulars | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| **Balance at beginning of the year** | 141,257.71 | 131,700.83 |
| Recognized during the year | 50,570.69 | 75,683.20 |
| Unwinding of discount on lease liabilities | 6,568.72 | 7,585.44 |
| Payment during the year | (58,690.67) | (64,501.56) |
| Write back during the year | (388.28) | (5,479.80) |
| Revaluation of lease liabilities | 1,746.13 | (3,577.27) |
| Effect of remeasurement / other adjustment | 1,036.22 | (153.13) |
| **Balance at end of the year** | **142,100.52** | **141,257.71** |

## 31 Other financial liabilities

(₹ in million)

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Non Current | Current | Non Current | Current |
| Interest Accrued on borrowings | 922.83 | 9,091.19 | 839.42 | 8,288.98 |
| Unclaimed Dividend (Note No. 31.3) | - | 304.38 | - | 310.11 |
| Derivative liabilities measured at FVTPL (Note No. 31.5) | 207.39 | 1,853.13 | - | 916.69 |
| Liability for Capital Goods (Note No. 31.4) | 64.03 | 63,041.58 | 64.03 | 57,062.65 |
| Deposits from Suppliers and Contractors (Note No. 31.7) | 321.36 | 175,906.17 | 641.77 | 166,354.92 |
| Liability for Employees | - | 20,331.42 | - | 14,564.48 |
| Liability for Post Retirement Benefit Scheme | - | 998.21 | - | 248.95 |
| Cash Call Payable to JV Partners | - | 33,440.63 | - | 34,797.65 |
| Liquidated Damages deducted from Parties | - | 26,995.30 | - | 27,817.39 |
| Retention Money | 1.67 | 15.22 | 1.68 | 17.64 |
| Financial guarantee obligation (Note No. 31.1) | 0.24 | 4.11 | 2.26 | 9.97 |
| Liability for Unspent Corporate Social Responsibility | - | 264.34 | - | 216.77 |
| Liability for Compulsory Convertible Debentures (Note No. 31.2) | 15,978.53 | 60,423.29 | 58,115.57 | 16,203.56 |
| Bills Payable | - | - | - | 3,258.96 |
| Bonus payable for extension of Production sharing agreement (Note No. 31.6) | 1,999.11 | 1,032.55 | 2,875.30 | 1,004.36 |
| Other Liabilities | 532.49 | 40,562.55 | 326.57 | 40,407.05 |
| **Total other financial liabilities** | **20,027.65** | **434,264.07** | **62,866.60** | **371,480.13** |

**31.1** This represents the fair value of fee towards financial guarantee issued on behalf of joint venture OPaL, recognised as financial guarantee obligation with corresponding debit to deemed investment.

**31.2** This represents the fair value of financial liability for Compulsory Convertible debentures issued by joint venture OPaL.

**31.3** No amount is due for deposit in Investor Education and Protection Fund.

**31.4** In respect of subsidiary MRPL, liability for capital goods includes ₹ 203.67 million (As at March 31, 2021 ₹ 242.28 million) relating to amounts withheld from vendors pursuant to price reduction clause which will be settled on finalisation of proceedings with such vendors. When the withheld amounts are ultimately finalised, the related adjustment is made to the property, plant and equipment prospectively.

**31.5** In respect of subsidiary OVLThe forward contracts position at the end of previous year entered in respect of EUR 525 Mn Bond due for maturing in July 2021 have been settled in July 2021. There is no Derivative liability as on 31st March 2022 (previous year ₹ 905.32 million). ONGC Videsh Vankorneft Pte Ltd, a step-down subsidiary, has entered into derivative contracts covering JPY 4.665 billion as forwards contracts (₹ 2,889.75 million) (in previous period options contracts covering JPY 5.7 billion (₹ 3,766.96 million) out of the principal outstanding amount of JPY 17.3346 billion JPY Facility (₹ 10,737.05 million) for which the next tranche of Principal payment is to be made in April 2023. In July 2021, company prepaid JPY20.7 billion . There is MTM loss position of ₹ 207.38 million (US$2.7 million) as on 31.03.2022 (MTM gain position of ₹ 31.41 million as on 31.03.2021) for these derivative contracts.

**31.6** In our subsidiary OVL, in respect of ACG, Azerbaijan project, participating interest (PI) is revised to 2.31% from 2.7213% as per amended restated ACG Porduction Sharing Agreement (PSA), Amended Joint Operating Agreemnet (JOA), and other related agreements / Head of Agreements (HOA) etc. with effective date of January 1, 2017 for extension of the validity of ACG PSA upto December 2049 as jointly agreed by all partners with SOCAR, the National Oil Company of Azerbaijan. Necessary adjustments to the group's share of assets, liabilities, revenues and expenses have been made during the year ended March 31, 2018 for the revision in the PI and liability is recognised in respect of amount payable to SOCAR on account of extension of PSA validity.

**31.7** In respect of Subsidiary HPCL, it includes deposit received towards Rajiv Gandhi Gramin LPG Vitrak Yojana ₹ 2,418.90 million (as at March 31, 2021 ₹ 2,418.90 million) and Prime Minister Ujjawala Yojana of ₹ 33,623.30 million (31.03.2021: ₹ 30,156.90 million).These deposits have been either made by Government of India or created out of CSR fund.

## 32 Provisions

(₹ in million)

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Non Current | Current | Non Current | Current |
| **Provision for Employee benefits (Note No. 49)** | | | | |
| For Post Retirement Medical & Terminal Benefits | 1,362.04 | 24,100.21 | 51,196.59 | 3,499.34 |
| Unavailed Leave and compensated absenses | 1,397.63 | 14,081.46 | 1,159.18 | 14,999.57 |
| Gratuity for Regular Employees | 165.40 | 4.03 | 147.62 | 978.55 |
| Gratuity for Contingent Employees | 67.74 | 13.39 | 66.79 | 20.94 |
| Others | 449.70 | 3,191.31 | 316.77 | 8,021.60 |
| **Provision for Others** | | | | |
| Provision for decommissioning (Note No.32.4) | 323,071.94 | 4,086.57 | 275,139.08 | 3,908.91 |
| Other Provisions (Note No. 32.1, 32.2 & 32.5) | 36,791.88 | 21,153.29 | 33,242.69 | 18,914.94 |
| **Total provisions** | **363,306.33** | **66,630.26** | **361,268.72** | **50,343.85** |

**32.1** In respect of subsidiary MRPL, other provisions include provision for excise duty on closing stock. The company estimates provision based on substantial degree of estimation for excise duty payable on clearance of goods lying in stock as on March 31, 2022 of ₹4,463.09 million (As at March 31, 2021 ₹ 5,441.60 million). This provision is expected to be settled when the goods are removed from the factory premises.

**32.2** In respect of subsidiary OVL, other provision includes provision for minimum work program commitment as on March 31, 2022 of ₹ 3,030.00 million which is in respect of Area 43 (as at March 31, 2021 of ₹ 1,837.25 million) created in respect of Area 43, Libya and Block 128, Vietnam.

### 32.3 Movement of Provision for Others

(₹ in million)

| Particulars | Provision for decommissioning | | Other Provisions | |
|---|---|---|---|---|
| | Year Ended March 31, 2022 | Year Ended March 31, 2021 | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
| **Balance at beginning of the year** | **279,047.99** | **254,337.26** | **52,157.63** | **42,855.55** |
| Recognized during the year | 5,739.69 | 6,438.06 | 12,105.23 | 13,808.65 |
| Amount used during the year | (234.79) | (444.49) | (5,654.48) | (3,076.88) |
| Unwinding of discount | 17,049.73 | 15,383.82 | - | - |
| Write back during the year | - | (100.85) | (770.85) | (1,358.23) |
| Effect of remeasurement / reclassification | 23,989.57 | 4,865.07 | - | - |
| Effect of exchange difference (Note No.32.3.1) | 1,566.32 | (1,430.88) | 107.64 | (71.46) |
| **Balance at end of the year** | **327,158.51** | **279,047.99** | **57,945.17** | **52,157.63** |

**32.3.1** In respect of subsidiary company OVL, represents exchange difference on account of translation of the financial statements from functional currency to presentation currency. Refer Note No. 3.21 and 5.1(a).

**32.4** The Group estimates provision for decommissioning as per the principles of Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' for the future decommissioning of Oil and Gas assets, wells in progress, etc. at the end of their economic lives. Most of these decommissioning activities would be in the future for which the exact requirements that may have to be met when the removal events occur are uncertain. Technologies and costs for decommissioning are constantly changing. The timing and amounts of future cash flows are subject to significant uncertainty. The economic life of the Oil and Gas assets is estimated on the basis of long term production profile of the relevant Oil and Gas asset. The timing and amount of future expenditures are reviewed annually, together with rate of inflation for escalation of current cost estimates and the interest rate used in discounting the cash flows.

**32.5** In respect of company, other provisions Includes ₹ 35,284.92 million (Previous year ₹ 32,500.41 million) accounted as provision for contingency to the extent of excess of accumulated balance in the SRF fund after estimating the decommissioning provision of Panna-Mukta fields and Tapti Part A facilities as per the Company's accounting policy (refer Note No. 6.2, 7.2.2 & 17.2).

## 33 Deferred Tax Liabilities (net)

The following is the analysis of deferred tax assets / (liabilities) presented in the Balance Sheet:

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Deferred tax assets | 146,980.93 | 139,946.40 |
| Deferred tax liabilities | 496,325.13 | 567,014.46 |
| Net Deferred tax assets / (liabilities) | **(349,344.20)** | **(427,068.06)** |

(₹ in million)

| Particulars for 2021-22 | Opening balance | Recognised in Profit and Loss Account | Recognised in other comprehensive income | Effect of exchange difference | Closing balance |
|---|---|---|---|---|---|
| **Deferred tax (liabilities)/assets in relation to:** | | | | | |
| **Deferred Tax Assets** | | | | | |
| Unclaimed Exploratory Wells written off | 31,689.58 | (7,903.95) | - | - | 23,785.63 |
| Expenses Disallowed Under Income Tax | 27,851.45 | 11,727.04 | - | (67.18) | 39,511.31 |
| Financial Assets at amortised cost using EIR | 2,098.47 | (226.95) | - | - | 1,871.52 |
| Intangible assets | 657.54 | (351.32) | - | - | 306.22 |
| Financial Assets at FVTPL | 168.88 | - | - | - | 168.88 |
| Financial Assets at FVTOCI | 83.03 | - | - | - | 83.03 |
| Defined benefit obligation | 4,378.87 | 16.91 | (1,995.99) | - | 2,399.79 |
| Current Investments | (338.45) | 76.12 | - | - | (262.33) |
| MAT credit entitlement | 17,256.41 | 4,772.89 | - | - | 22,029.30 |
| Carry Forward tax losses/ Depreciation | 48,807.40 | 979.90 | - | (45.89) | 49,741.41 |
| Right of Use Assets net of Lease Liability | 23.30 | 13.03 | - | - | 36.33 |
| Others | 7,269.92 | (2,882.76) | 463.53 | 2,459.15 | 7,309.84 |
| **Total Assets** | **139,946.40** | **6,220.91** | **(1,532.46)** | **2,346.08** | **146,980.93** |
| **Deferred Tax Liabilities** | | | | | |
| Property, plant and equipment | 470,176.72 | (53,712.06) | - | 2,683.91 | 419,148.57 |
| Exploratory wells in progress | 46,392.01 | (19,087.76) | - | - | 27,304.25 |
| Development wells in progress | 16,848.62 | (883.59) | - | - | 15,965.03 |
| Intangible assets | 9.70 | (6.00) | - | - | 3.70 |
| Financial liabilities at amortised cost using EIR | 22.18 | (13.33) | - | - | 8.85 |
| Fair value gain on Investment in equity shares at FVTOCI | 5,974.00 | - | 3,037.27 | - | 9,011.27 |
| Foreign taxes | 13,840.98 | (1,654.43) | - | 413.55 | 12,600.10 |
| Exchange differences on translating the financial statements of foreign operations (Note No. 33.7) | 9,487.76 | - | 2,350.38 | - | 11,838.14 |
| Tax adjustment of unrealised profit | 1,269.42 | (728.89) | - | - | 540.53 |
| Dividend distribution tax on undistributed profit (associates) | 3,508.59 | (3,509.78) | - | - | (1.19) |
| Undistributed earnings | 0.03 | - | - | - | 0.03 |
| Others | (515.55) | 421.40 | - | - | (94.15) |
| **Total Liabilities** | **567,014.46** | **(79,174.44)** | **5,387.65** | **3,097.46** | **496,325.13** |
| **Net Deferred Tax Liabilities** | **427,068.06** | **(85,395.35)** | **6,920.11** | **751.38** | **349,344.20** |

(₹ in million)

| Particulars for 2021-22 | Opening balance | Recognised in Profit and Loss Account | Recognised in other comprehensive income | Effect of exchange difference | Closing balance |
|---|---|---|---|---|---|
| **Deferred tax (liabilities)/assets in relation to:** | | | | | |
| **Deferred Tax Assets** | | | | | |
| Unclaimed Exploratory Wells written off | 30,750.95 | 938.63 | - | - | 31,689.58 |
| Expenses Disallowed Under Income Tax | 19,840.47 | 8,078.16 | - | (67.18) | 27,851.45 |
| Financial Assets at amortised cost using EIR | 1,707.00 | 391.47 | - | - | 2,098.47 |
| Intangible assets | 1,256.61 | (599.07) | - | - | 657.54 |
| Financial Assets at FVTPL | 169.12 | (0.24) | - | - | 168.88 |
| Financial Assets at FVTOCI | 83.03 | - | - | - | 83.03 |
| Defined benefit obligation | 4,095.69 | 115.40 | 167.78 | - | 4,378.87 |
| Current Investments | (155.45) | (183.00) | - | - | (338.45) |
| MAT credit entitlement | 17,879.09 | (612.48) | - | (10.20) | 17,256.41 |
| Carry Forward tax losses/ Depreciation | 49,555.10 | (712.01) | - | (35.69) | 48,807.40 |
| Right of Use Assets net of Lease Liability | 29.38 | (6.08) | - | - | 23.30 |
| Others | 5,560.81 | 3,276.01 | (57.80) | (1,509.10) | 7,269.92 |
| **Total Assets** | **130,771.80** | **10,686.79** | **109.98** | **(1,622.17)** | **139,946.40** |
| **Deferred Tax Liabilities** | | | | | |
| Property, plant and equipment | 464,545.79 | 8,519.85 | - | (2,888.92) | 470,176.72 |
| Exploratory wells in progress | 44,675.16 | 1,716.85 | - | - | 46,392.01 |
| Development wells in progress | 15,820.11 | 1,028.51 | - | - | 16,848.62 |
| Intangible assets | 14.03 | (4.33) | - | - | 9.70 |
| Financial liabilities at amortised cost using EIR | 3.83 | 18.35 | - | - | 22.18 |
| Fair value gain on Investment in equity shares at FVTOCI | 4,016.34 | - | 1,957.66 | - | 5,974.00 |
| Foreign taxes | 15,042.82 | (553.57) | - | (648.27) | 13,840.98 |
| Exchange differences on translating the financial statements of foreign operations (Note No. 33.7) | 13,278.25 | - | (3,790.49) | - | 9,487.76 |
| Tax adjustment of unrealised profit | 1,919.49 | (650.07) | - | - | 1,269.42 |
| Dividend distribution tax on undistributed profit (associates) | 3,245.62 | 268.42 | (5.45) | - | 3,508.59 |
| Undistributed earnings | 39.17 | (39.14) | - | - | 0.03 |
| Others | 1,916.38 | (2,431.93) | - | - | (515.55) |
| **Total Liabilities** | **564,516.99** | **7,872.94** | **(1,838.28)** | **(3,537.19)** | **567,014.46** |
| **Net Deferred Tax Liabilities** | **433,745.19** | **(2,813.85)** | **(1,948.26)** | **(1,915.02)** | **427,068.06** |

**33.1** The above includes net deferred tax asset of ₹ 33,279.35 million (as at March, 2021 ₹ 26,936.44 million) and net deferred tax liability of ₹ 382,623.55 million (as at March 31, 2021 ₹ 454,004.50 million) in respect of various components/entities consolidated as below:

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Net Deferred Tax Liability ONGC (including Group tax adjustments) | 195,977.95 | 276,992.37 |
| Net Deferred Tax Liability OVL | 76,190.12 | 74,879.74 |
| Net Deferred Tax Liability Imperial energy | 798.40 | - |
| Net Deferred Tax Liability OVSL | - | 159.18 |
| Net Deferred Tax Liability OVRL | 49,930.78 | 47,211.39 |
| Net Deferred Tax Liability HPCL | 59,577.14 | 54,622.11 |
| Net Deferred Tax Liability PMHBL | 149.16 | 139.71 |
| **Consolidated Net Deferred Tax Liability** | **382,623.55** | **454,004.50** |

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Net Deferred Tax Asset ONGBV | 12,267.52 | 13,150.90 |
| Net Deferred Tax Asset OVAI | 3.53 | 10.10 |
| Net Deferred Tax Asset OVSL | 7.48 | - |
| Net Deferred Tax Asset MRPL | 21,000.82 | 13,775.44 |
| **Consolidated Net Deferred Tax Asset** | **33,279.35** | **26,936.44** |

**33.2** Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry forward of unabsorbed depreciation and unused tax losses can be utilized.

**33.3** The group has not recognized deferred tax liabilities with respect to unremitted retained earnings and associated foreign currency translation reserves with respect to its subsidiaries and joint ventures where the group is in position to control the timings of the distribution of the profits and it is probable that the subsidiaries and joint ventures will not distribute profit in the foreseeable future. Also, the group does not recognise deferred tax liabilities on unremitted retained earnings of its subsidiaries, joint ventures and associates, wherever it believes that it would avail the tax credit as per the provisions of Income Tax Act, 1961. Taxable temporary differences associated with respect to unremitted earnings and associated foreign currency reserve is ₹ 629,176.69 million (as at March 31, 2021 ₹ 550,099.90 million). Distribution of the same is expected to attract tax in the range of nil to 25.168% depending on the tax rate applicable as of March 31, 2022 in the jurisdiction in which the respective group entity operates.

**33.4** The group has recognized deferred tax assets with respect to consolidation adjustments of subsidiary, joint venture and associate. Deductible temporary differences associated with respect to consolidation adjustments of subsidiary, joint venture and associate has resulted in creation of deferred tax assets (net) to the extent of ₹ 3,613.29 million (as at March 31, 2021 deferred tax assets (net) ₹ 2,373.66 million).

**33.5** In respect of subsidiary MRPL, pursuant to the Scheme of Amalgamation of erstwhile the step down subsidiary company OMPL ('Amalgamating Company') into and with the Company ('Amalgamated Company') effective from the appointed date i.e. April 1, 2021, the financial statements of the Company for the year ended March 31, 2022 has been prepared giving effect to the amalgamation as per the requirements of the applicable Indian Accounting Standards. Pursuant to the amalgamation, the unused tax losses and unused tax credits of the amalgamating company becomes unused tax losses and unused tax credits of the amalgamated company (i.e. the Company) for the financial year 2021-22 and the Company is entitled to carry forward such unused tax losses and unused tax credits in accordance with the provisions of the Income Tax Act, 1961. Hence, the Company has reassessed and recognised the Deferred Tax Assets on such unused tax losses and unused tax credits based on the probability of earning sufficient taxable profits in the future years as projected by the management for the amalgamated entity in line with Ind AS 12 - Income Taxes. This has resulted in increase in the Deferred Tax Assets by ₹ 14,554.27 million for the year ended March 31, 2022 (₹ Nil for the year ended March 31, 2021).

**33.6 In respect of subsidiary OVL**

**33.6.1** Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the unused tax losses or tax credits can be utilised. This involves an assessment of when those assets are likely to reverse, and a judgement as to whether or not there will be sufficient taxable profits available to offset the assets. This requires assumptions regarding future profitability, which is inherently uncertain.

The details of expiry of the un-utilized tax credits/tax losses as on 31.03.2022 on which deferred taxes assets haven't been recognised are given in the table below:

| Particulars | Amount | | | | Total |
|---|---|---|---|---|---|
| | Period of expiry-0 to 1 year | Period of expiry-1 to 5 years | Period of expiry-above 5 years | No Expiry | |
| Un-utilized MAT credit generated through payment of taxes paid in overseas jurisdictions | - | - | 23,145.33 | - | **23,145.33** |
| Un-utilized Long term capital losses | - | 168.78 | - | - | **168.78** |
| Impairment of Investment in unlisted shares/deemed equity | - | - | - | 1,83,314.65 | **1,83,314.65** |

**33.6.2** The Company has un-utilized MAT credit generated through payment of taxes paid in overseas jurisdictions and subsequent claim of eligible Foreign Tax Credit, that are available for offset against future taxable profit. Deferred income tax assets have not been recognized on the unutilized MAT credit u/s 115JAA of the Income-tax Act 1961 on account of uncertainty surrounding the utilization of such Tax credit.

**33.6.3** The Company has net Long Term Capital Loss available for set off in future years on which deferred income tax assets have not been recognized considering the probability of utilization of such losses against future gains.

**33.6.4** The Company has not recognized deferred income tax assets on the impairment of investments in unlisted shares and deemed equity considering the probability of its utilization against future gains.

**33.7** Represents exchange difference on account of translation of the consolidated financial statements prepared in subsidiary, OVL's, functional currency (US$) to presentation currency (₹). Refer Note No. 3.21 and 5.1 (a).

## 34 Other liabilities

(₹ in million)

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Non Current | Current | Non Current | Current |
| Liability for Statutory Payments | - | 85,175.22 | - | 71,351.33 |
| Advance from Customers (Note No. 34.7) | - | 19,529.18 | - | 12,680.62 |
| Contract Liability-Advance MGO (Note No. 34.2, 34.3, 34.4 & 34.5) | 196.14 | 82.88 | 256.74 | 273.78 |
| Deferred government grant (Note No. 34.1) | 3,490.09 | 222.41 | 3,696.61 | 214.23 |
| Other Liabilities (Note No. 34.6) | 4,734.28 | 8,938.52 | 3,978.59 | 5,858.89 |
| **Total** | **8,420.51** | **113,948.21** | **7,931.94** | **90,378.85** |

**34.1** During the year 2016-17, assets, facilities and inventory which were a part of the Tapti A series of PMT Joint Operation (JO) and surrendered by the JO to the Government of India as per the terms and conditions of the JO Agreement and these assets, facilities and inventory were transferred by Government of India to the Company free of cost as its nominee. In line with amendment in Ind AS 20 'Accounting for Government Grants and Disclosure of Government Assistance' vide Companies (Indian Accounting Standards) Second Amendment Rules, 2018 (the 'Rules'), during the year 2019-20 the Company had opted to recognize the non-monetary government grant at nominal value. (refer Note No. 6.2 & 7.2.2).

**34.2** Revenue recognized that was included in the contract liability:

( ₹ in million)

| Particulars | For the year ended | |
|---|---|---|
| | March 31, 2022 | March 31, 2021 |
| Natural gas | 21.78 | 39.27 |

**34.3** Transaction price allocated to the remaining performance obligations that are unsatisfied at the reporting date:

(₹ in million)

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | Less than 12 Months | More than 12 Months | Less than 12 Months | More than 12 Months |
| Natural gas | 82.88 | 196.14 | 28.67 | 256.74 |

**34.4** Significant changes in the contract liability balances during the year are as follows:

( ₹ in million)

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| **Balance at beginning of the year** | **285.41** | **304.71** |
| Add: Amount received from customers during the year | 15.39 | 60.82 |
| Less: Minimum Guaranteed Offtake (MGO) refunded | - | 40.85 |
| Less: Revenue recognised during the year | 21.78 | 39.27 |
| **Balance at end of the year** | **279.02** | **285.41** |

**34.5** In respect of subsidiary OVL, contract liability on gas sales represents amounts received from gas customers against "Take or Pay" obligations under relevant gas sales agreements.

( ₹ in million)

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| **Balance at the beginning of the year** | **245.11** | **1,383.80** |
| Add: Amount received from customers during the year | 1,244.48 | 74.63 |
| Less: Revenue recognized during the year | (19.32) | 1,167.71 |
| Less: Penalty recognised during the year | 5.72 | 5.72 |
| Less: Reversal of deferred credit | (1,352.67) | |
| Exchange Difference | (117.60) | (39.89) |
| **Balance at the end of the year** | **-** | **245.11** |

**34.6** In respect of subsidiary OVL, Other current liabilities includes ₹ Nil (as at March 31, 2021: ₹ 558.27 million) which represents the impact of overlifted oil quantity by the company during the period and the same would be settled in kind in future.

**34.7** In respect of subsidiary HPCL, the revenue is recognised only upon satisfaction of performance obligation and whenever there are remaining performance obligations, the same is recognised as revenue, a) in case of amount received in advance from a Customer, when the product is delivered to the Customer, b) in case of loyalty points earned by Customer, when such points are redeemed / expire. Such remaining obligations, termed as Contract Liability under the Ind-AS 115 'Revenue Recognition' at period end together with Trade Receivable is as under:

( ₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Trade Receivables | 63,403.10 | 68,699.90 |
| Liabilities under contractual obligation | 18,581.80 | 10,447.80 |

During the financial year, the company recognized revenue of ₹ 8,563.20 million (2020-21:₹ 8,017.80 million) arising from opening unearned revenue.

## 35 Trade Payables

### 35.1 Trade payables - other than micro and small enterprises

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Trade Payable - Other than Micro and Small Enterprises | 393,762.23 | 266,122.76 |
| **Total** | **393,762.23** | **266,122.76** |

### 35.2 Trade payables -Total outstanding dues of Micro & Small enterprises*

(₹ in million)

| Particulars | | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| a) | Principal & Interest amount remaining unpaid but not due as at year end | 7,948.49 | 3,127.57 |
| b) | the amount of interest paid by the buyer in terms of section 16 of the 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. | - | - |
| c) | the amount of 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 the Micro, Small and Medium Enterprises Development Act, 2006. | - | - |
| d) | the amount of interest accrued and remaining unpaid at the end of year; and | - | - |
| e) | the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - |

*Micro and Small Enterprises status based on the confirmation from Vendors.

### 35.3 Ageing Schedule of Trade Payables:

**As at March 31, 2022**

(₹ in million)

| S.No. | Particulars | Not due | Outstanding for following periods from due date of payment | | | | Total |
|---|---|---|---|---|---|---|---|
| | | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| 1 | MSME | 4,354.91 | 802.42 | 0.30 | 0.20 | 0.10 | 5,157.93 |
| 2 | Others | 293,736.41 | 19,098.79 | 357.25 | 408.48 | 3,440.60 | 317,041.53 |
| 3 | Disputed dues- MSME | 133.01 | - | - | - | 0.46 | 133.47 |
| 4 | Disputed dues- Others | 163.01 | 1,305.21 | 746.42 | 176.89 | 1,954.22 | 4,345.75 |
| | | **298,387.34** | **21,206.42** | **1,103.97** | **585.57** | **5,395.38** | **326,678.68** |
| Unbilled (including MSME dues) | | | | | | | 75,032.04 |
| **Total trade Payables** | | | | | | | **401,710.72** |

**As at March 31, 2021**

(₹ in million)

| S.No. | Particulars | Not due | Outstanding for following periods from due date of payment | | | | Total |
|---|---|---|---|---|---|---|---|
| | | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| 1 | MSME | 1,693.19 | 1,398.45 | 0.40 | 0.20 | 0.71 | 3,092.95 |
| 2 | Others | 155,705.41 | 17,853.03 | 1,214.33 | 673.60 | 2,210.43 | 177,656.80 |
| 3 | Disputed dues- MSME | 34.17 | - | - | (0.03) | 0.48 | 34.62 |
| 4 | Disputed dues- Others | 114.85 | 6,280.44 | 1,118.88 | 232.15 | 3,668.02 | 11,414.34 |
| | **Total** | **157,547.62** | **25,531.92** | **2,333.61** | **905.92** | **5,879.64** | **192,198.71** |
| Unbilled (including MSME dues) | | | | | | | 77,051.62 |
| **Total trade Payables** | | | | | | | **269,250.33** |

**35.4** In respect of company, payment towards trade payables is made as per the terms and conditions of the contract / purchase orders. The average credit period on purchases is 21 days.

**35.5** In respect of subsidiary MRPL, the average credit period on purchases of crude, stores and spares, other raw material, services, etc. ranges from 7 to 60 days (Year ended March 31, 2021 ranges from 7 to 60 days). Thereafter, interest is charged upto 6.75% per annum (Year ended March 31, 2021 upto 6.75% per annum) over the relevant bank rate as per respective arrangements on the outstanding balances. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

## 36 Tax liabilities/assets (net)

**Non Current Tax Assets**

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Non current tax assets (net) | 105,190.35 | 95,668.74 |
| **Total** | **105,190.35** | **95,668.74** |

**Current Tax Assets**

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Current tax assets (net) | 1,209.94 | 1,884.36 |
| **Total** | **1,209.94** | **1,884.36** |

**Current tax Liabilities**

(₹ in million)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Current tax liabilities (net) | 10,424.90 | 7,425.52 |
| **Total** | **10,424.90** | **7,425.52** |

**36.1** In respect of subsidiary OVL, the above non-current tax liabilities include provisions on account of disputed income tax demands under the Income Tax Act, 1961 amounting to ₹ 214.93 million as at March 31, 2022 (previous year ₹ 214.93 million) in respect of disputed disallowances/additions made by the Assessing Officer on tax positions not covered by favorable orders from Appellate authorities.

## 37 Revenue from Operations

( ₹ in million)

| Particulars | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| **A. Sale of products** | | |
| Sale of products (including excise duty) | 5,332,906.96 | 3,603,391.89 |
| Less: Transfer to Exploratory Wells in progress (includes levies) | 59.67 | 51.74 |
| Less: Government of India's (GoI's) share in Profit Petroleum | 35,223.54 | 15,464.60 |
| **Total** | **5,297,623.75** | **3,587,875.55** |
| **B. Other Operating Revenue** | | |
| Contractual Short Lifted Gas Receipts | 408.32 | 104.49 |
| Pipeline Transportation Receipts (Note No. 37.7) | 3,869.84 | 2,770.79 |
| North-East Gas Subsidy (Note No. 37.2) | 1,519.06 | 1,395.33 |
| Production Bonus | - | 132.92 |
| Sale of Electricity | 754.51 | 635.17 |
| Processing Charges | 576.62 | 312.54 |
| Other Receipts | 12,866.21 | 11,408.35 |
| **Total** | **19,994.56** | **16,759.59** |
| **Total revenue from operations** | **5,317,618.31** | **3,604,635.14** |

**37.1** In respect of the company, Sales revenue in respect of Crude Oil produced from nomination blocks is based on pricing formula provided in Crude Oil Sales Agreements (COSAs) signed with Buyer refineries. COSAs with Indian Oil Corporation Limited (IOCL), Hindustan Petroleum Corporation Limited (HPCL), Bharat Petroleum Corporation Limited (BPCL), Chennai Petroleum Corporation Limited (CPCL) which were valid till March 31, 2018 and have been extended provisionally from time to time presently till March 31, 2022. COSA with Mangalore Refinery and Petrochemicals Limited (MRPL) has been signed and effective from April 01, 2018, is valid for 5 years.

For Crude Oil produced in North East Region, Sales revenue in respect of Crude oil supplied to IOCL is based on the pricing formula provided in COSA signed with IOCL effective from April 01, 2018, is valid for 5 years and to Numaligarh Refinery Limited (NRL) is based on pricing formula provided by Ministry of Petroleum and Natural Gas (MoP&NG) respectively.

**37.2** In respect of the company, Majority of Sales revenue in respect of Natural Gas is based on domestic gas price of US$ 1.79/mmbtu and US$ 2.90/mmbtu (on GCV basis) notified by GoI for the period April 01, 2021 to September 30, 2021 and October 01, 2021 to

March 31, 2022 respectively in terms of "New Domestic Natural Gas Pricing Guidelines, 2014". For consumers in North-East (upto Govt. allocation), consumer price is 60% of the domestic gas price and the difference between domestic gas price and consumer price is paid to the Company through GoI Budget and classified as 'North-East Gas Subsidy'.

**37.3** LPG produced by the Company is presently being sold as per guideline issued by MoP&NG to PSU Oil Marketing Companies (OMCs), as per provision of Memorandum of Understanding (MOU) dated March 31, 2002 signed by the Company with OMCs which was valid for a period of 2 years or till the same is replaced by a bilateral agreement or on its termination.

Value Added Products other than LPG are sold to different customers at prices agreed in respective Term sheets / Agreements entered into between the parties.

**37.4** The Company has assessed the possible impact of continuing COVID-19 on the basis of internal and external sources of information and expects no significant impact on the continuity of operations, useful life of Property Plant and Equipment, recoverability of assets, trade receivables etc., and the financial position of the Company on a long term basis.

However, the revenue for the quarter and year ended March 31, 2021 were impacted by low crude oil and natural gas prices due to the COVID-19 pandemic and volatile global crude oil and natural gas markets. Accordingly, the same are not comparable with those for the year months ended March 31, 2022.

As regards subsidiary MRPL, the Company has assessed the possible effect that may result from COVID-19 pandemic / Russia-Ukraine War, which is not significant on the carrying amounts of Property, Plant and Equipment, Inventories, Receivables and Other Current Assets. The demand for Company's products is expected to be lower in the short term which is not likely to have a continuing impact on the business operations of the Company. In the opinion of the management, the carrying amount of these assets will be recovered.

**37.5 In respect of Subsidiary HPCL:**

**37.5.1** Sale of product is net of discount of ₹ 27,574.70 million (2020-21: ₹ 21,996.30 million).

**37.5.2** During the current financial year 2021-22, Subsidy on PDS Kerosene and Domestic Subsidized LPG from State Governments amounting to ₹ 655.80 million (2020-21: ₹ 313.00 million)

**37.5.3** Disaggregation of revenue as required under Ind AS 115:

**(₹ in million)**

| Particulars | 2021-22 | 2020-21 |
|---|---|---|
| Exports | 72,576.60 | 30,609.60 |
| Other than exports | 3,656,102.80 | 2,664,327.30 |
| **Total** | **3,728,679.40** | **2,694,936.90** |

**37.6** In respect of subsidiary OVL, the majority of the company's natural gas production is sold under long-term contracts. The company expects to satisfy all of its sale obligation through the production of its proved reserves of natural gas.

**37.7** In respect of Subsidiary of PMHBL, the Freight Income is recognized based on the pipeline transportation tariff fixed by Petroleum & Natural Gas Regulatory Board (PNGRB). "PNGRB vide *Order No. TO/2021-22/01 dated 31.12.2021 fixed the pipeline tariff by benchmarking against alternate mode of transport i.e. rail at a level of 75% railway tariff on a train load basis for equivalent rail distance along the pipeline route. Freight income for the period 01.04.2021 to 31.03.2022 is recognized based on Order No. TO/2021-22/01 dated 31.12.2021."*

## 38 Other Income

**( ₹ in million)**

| Particulars | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| **Interest on:** | | |
| Deposits with Banks | 1,193.44 | 1,886.59 |
| Income Tax Refund | 27.35 | 819.60 |
| Delayed Payment from Customers and Others | 8,993.99 | 4,832.28 |
| **Current Investment carried at FVTPL** | **3,708.98** | **3,799.43** |
| **Financial assets measured at amortized cost** | | |
| - Site Restoration Fund Deposit | 9,653.70 | 8,973.21 |
| - Employee Loan | 1,825.00 | 1,675.12 |
| - Other Investments | 165.79 | 165.79 |
| - Others | 2,431.77 | 3,738.31 |
| **Total** | **28,000.02** | **25,890.33** |
| **Dividend Income from:** | | |
| Other Investments | 17,268.44 | 15,405.19 |
| **Total** | **17,268.44** | **15,405.19** |
| **Other Non-Operating Income** | | |
| Excess Provision written back | 7,074.18 | 13,217.96 |
| Liabilities no longer required written back | 1,962.97 | 1,576.87 |
| Exchange Gain (net) | 4,540.62 | 19,331.68 |

| Particulars | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| Contractual Receipts | 732.02 | 954.81 |
| Profit on sale of investments | 49.44 | - |
| Profit on sale of Asset | 1,406.21 | 1.04 |
| Amortization of financial guarantee obligation | 10.68 | 12.74 |
| Gain on fair valuation of financial instruments (Note No. 38.1) | 49.66 | 2,646.68 |
| Gain on revaluation of financial liability towards CCDs | 963.82 | 4,659.61 |
| Miscellaneous Receipts | 12,318.24 | 9,626.93 |
| **Total** | **29,107.84** | **52,028.32** |
| **Total other income** | **74,376.30** | **93,323.84** |

**38.1** In respect of subsidiary HPCL, gain on fair valuation of financial instruments includes fair value gain amounting to ₹ Nil ( previous year ₹ 1,589.91 million) on re-measurement of previously held equity interest.

**38.2** In respect of Subsidiary of OVL, ONGC Nile Ganga BV (ONGBV), a wholly owned subsidiary, is acting as an agent to arrange for the sale of crude oil for Falcon Oil and Gas BV (FOGBV) (an associate and Operator at Lower Zakum Concession, UAE). ONGBV recognises net margin as a facilitator for marketing & administrative activities provided in respect of sale of crude on behalf of FOGBV.

## 39 Purchase of Stock in Trade

**(₹ in million)**

| Particulars | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| Crude & other petroleum products* | 2,248,713.44 | 1,412,013.86 |
| **Total** | **2,248,713.44** | **1,412,013.86** |

*In respect of subsidiary HPCL and MRPL

## 40 Changes in inventories of finished goods, stock in trade and work in progress

**( ₹ in million)**

| Particulars | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| Closing Stock | 311,211.21 | 288,015.32 |
| Opening Stock | 288,015.32 | 187,631.99 |
| Effect of exchange difference | 165.20 | (87.52) |
| **(Increase)/Decrease in Inventories** | **(23,030.69)** | **(100,470.85)** |

## 41 Production, Transportation, Selling and Distribution Expenditure

**( ₹ in million)**

| Particulars | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| Royalty | 159,172.77 | 91,384.94 |
| OIDB Cess | 141,261.00 | 80,187.49 |
| Natural Calamity Contingent Duty | 973.58 | 989.46 |
| Excise Duty | 404,920.31 | 565,713.27 |
| Port Trust Charges | 542.72 | 432.73 |
| Other Levies | 6,798.06 | 6,601.26 |
| Staff expenditure | 68,778.33 | 63,158.29 |
| Workover operations | 14,172.36 | 15,425.72 |
| Water Injection, Desalting and Demulsification | 11,048.95 | 10,233.97 |
| Consumption of raw materials & stores and spares | 1,092,929.26 | 600,276.81 |
| Pollution control | 3,080.03 | 2,222.76 |
| Transport expenditure | 7,799.22 | 4,604.27 |
| Insurance | 4,903.72 | 3,129.76 |
| Power and Fuel | 14,216.79 | 9,444.79 |
| Repairs and maintenance | 41,170.32 | 39,251.59 |
| Contractual payments including Hire charges etc. | 19,510.46 | 18,626.22 |
| Other production expenditure | 33,597.53 | 34,210.84 |

| Particulars | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| Transportation and Freight of Products | 94,321.08 | 83,481.59 |
| Research and development | 5,133.08 | 5,541.30 |
| General administrative expenses | 38,542.14 | 34,918.97 |
| CSR expenditure | 6,146.78 | 7,184.97 |
| Exchange Loss (Net) (Note No. 42.1) | 5,540.97 | - |
| Standby/ Stoppage/ Preservation/ Settlement Cost | 6,885.59 | - |
| Decrease/(increase) due to overlift/underlift quantity | (1,005.76) | 736.54 |
| Miscellaneous expenses | 43,337.42 | 35,513.38 |
| Loss on sale of property, plant & equipments | 88.81 | 583.35 |
| Loss on fair valuation of financial instruments | 2,318.19 | 1,538.47 |
| **Total Production, Transportation, Selling and Distribution Expenditure** | **2,226,183.71** | **1,715,392.74** |

**41.1** In respect of subsidiary MRPL, the company has generated a total of 10,683,169 Kwh of Solar power for the year ended March 31, 2022 (Year ended March 31, 2021 a total of 10,631,356 Kwh) and the same are captively consumed. The monetary values of such power generated that are captively consumed are not recognised for the purpose of disclosure in the financial statement.

**41.2** In respect of subsidiary MRPL, staff expenditure includes ₹ 220.41 million for the year ended March 31, 2022 (Year ended March 31, 2021 ₹ Nil) towards Provident Fund contribution for likely future interest shortfall on portfolio basis.

**41.3** In respect of subsidiary OVL, during the year, operator of Area-1, Mozambique intimated declaration of force majeure (FM) vide letter dated 22nd April 2021 in the project due to security situation. The site was evacuated on 2nd April 2021. In view of the FM situation various expenditures were incurred in the nature of stoppage, standby, settlement and preservation costs. The Group has assessed that these costs amounting to ₹ 6,885.59 million are not directly attributable to completion of underlying assets and therefore have been charged to the statement of profit and loss account. Further, Considering the force majeure, capitalisation of borrowing costs amounting to ₹ 3,139.38 million has been suspended effective from April, 2021 and the said borrowing costs have been charged to the statement of profit and loss account.

**41.4** In respect of subsidiary OVL, upto the year ended March 31, 2022, Input Tax Credit under GST amounting to ₹ 891.70 million has been claimed by the company in the GST returns filed and the same is reflected in the Electronic Credit Ledger (ECL) of the Company on GST portal. This amount of ₹ 819.70 million is after adjusting the refund issued amounting to ₹ 198.51 million that pertains to FY 2018-19 and Rs. 332.89 million for the FY 2019-20. Further, the amount of claim for FY 2021-22 is under review and necessary adjustments, if any, will be carried out in the period up to September 2022 (period available as per GST law).

**41.5 Details of Nature wise Expenditure**

**(₹ in million)**

| Particular | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| **Employee Benefit Expenses** | | |
| (a) Salaries, Wages, Ex-gratia etc. | 119,298.58 | 106,055.16 |
| (b) Contribution to Provident and other funds | 13,431.41 | 12,679.13 |
| (c) Provision for gratuity | (924.78) | 711.38 |
| (d) Provision for Leave (Including Compensatory Absence) | 5,447.61 | 6,990.78 |
| (e) Post Retirement Medical & Terminal Benefits | 5,295.84 | 7,172.14 |
| (f) Staff welfare expenses | 8,173.45 | 7,742.58 |
| **Sub Total:** | **150,722.11** | **141,351.18** |
| Consumption of Raw materials, Stores and Spares | 1,140,926.74 | 647,117.29 |
| Royalty | 159,172.77 | 91,384.94 |
| OIDB Cess | 141,261.00 | 80,187.49 |
| National Calamity Contingent Duty | 973.58 | 989.46 |
| Excise Duty | 404,920.31 | 565,713.27 |
| Port Trust Charges | 542.72 | 432.73 |
| Other Levies | 222.72 | 734.43 |
| Rent | 5,787.83 | 6,839.11 |
| Rates and taxes | 9,476.39 | 10,853.97 |
| Hire charges of equipments and vehicles | 35,557.86 | 32,232.55 |
| Power, fuel and water charges | 22,346.96 | 19,804.39 |

| Particular | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| Contractual drilling, logging, workover etc. | 58,868.81 | 56,073.67 |
| Contractual security | 12,221.96 | 11,562.36 |
| Contractual Transportation | 79,833.93 | 71,071.27 |
| Repairs to building | 2,091.89 | 1,553.20 |
| Repairs to plant and equipment | 29,177.54 | 28,099.11 |
| Other repairs | 8,019.38 | 7,743.37 |
| Decrease/(increase) due to Overlift/Underlift quantity | (1,005.76) | 736.54 |
| Standby/ Stoppage/ Preservation/ Settlement Cost | 6,885.59 | - |
| Insurance | 5,913.39 | 3,981.31 |
| Expenditure on Tour / Travel | 4,790.66 | 3,139.17 |
| CSR Expenditure | 6,146.78 | 7,184.97 |
| Exchange Loss (Net) (Note No. 42.1) | 5,540.97 | - |
| Other Operating expenditure* | 20,372.37 | 19,691.57 |
| Miscellaneous expenditure | 42,024.92 | 27,922.85 |
| | **2,352,793.42** | **1,836,400.21** |
| **Less:** | | |
| Allocated to exploration, development drilling, capital jobs, recoverables etc. | 126,609.71 | 121,007.47 |
| **Production, Transportation, Selling and Distribution Expenditure** | **2,226,183.71** | **1,715,392.74** |

* In respect of subsidiayry OVL, the other operating expenditure includes the expenses in respect of project(s) where the details are not made available by project operator in above mentioned heads.

## 42 Finance Cost

**(₹ in million)**

| Particular | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| **Interest on:** | | |
| - Borrowings from Banks/Financial Institutions | 13,690.08 | 14,478.63 |
| - Debentures/Bonds | 21,155.13 | 18,116.97 |
| - Cash credit | 147.23 | 600.15 |
| - Commercial Paper | 2,396.76 | 2,716.19 |
| **Borrowing Cost-Exchange difference on Foreign Currency Loan(Note no.42.1)** | 5,130.27 | (90.14) |
| **Amounts included in the cost of qualifying assets** | (12,976.48) | (10,879.67) |
| **Unwinding of discount on:** | | |
| - Decommissioning provision | 17,049.73 | 15,383.82 |
| - Liability for Compulsory Convertible Debentures | 3,046.51 | 4,208.78 |
| - Lease liabilities | 5,447.63 | 5,950.50 |
| - Financial liabilities | 267.73 | 275.13 |
| **Net loss/(gain) on fair value of derivative contracts mandatorily measured at fair value through profit or loss (Note No. 42.3)** | 468.83 | (906.81) |
| **Others** | 1,137.01 | 936.76 |
| **Total** | **56,960.43** | **50,790.31** |

**42.1** In terms of para 6 and 6A of Ind AS 23 'Borrowing Cost' the exchange difference arising out of foreign currency borrowings i.e. the difference between the cost of borrowings in functional currency (₹) as compared to the cost of borrowings in foreign currency is treated as finance cost after an adjustment to foreign exchange loss.

**42.2** In respect of subsidiary OVL, the weighted average capitalization rate on funds borrowed is Nil % per annum (as at March 31, 2021: 2.13%).

**42.3** In respect of subsidiary OVL, the net loss/(gain) on fair value of derivative contracts recognised in the statement of Profit & loss is on account of mark to market valuation of the derivative contracts resulting from movements in exchange rates and interest rates of the underlying currencies. These derivative contracts are solely taken for the long term foreign currency borrowings of the Company. Accordingly, it has been deemed appropriate to classify it under finance cost as a separate line item to enable the readers of financial statements to appreciate the offsetting effect of the derivative contracts on the financing costs.

**42.4** In respect of subsidiary HPCL, weighted average cost of borrowing rate used for capitalization of general borrowing (other than specific borrowings) is 4.37% during FY 2021-22 ( as at March 31, 2021 : 1.53%)

**42.5** In respect of subsidiary HPCL, others include interest u/s 234B / 234C of Income Tax Act, 1961 for an amount ₹ 22.90 million (2020-21 : ₹ 570.30 million)

**42.6** In respect of subsidiary MRPL, others include interest as per Income Tax Act, 1961 for the year ended March 31, 2022 for an amount of ₹ 185.63 million (Year ended March 31, 2021 of ₹ Nil).

## 43 Depreciation, Depletion, Amortization and Impairment

**( ₹ in million)**

| Particular | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| **Depletion of Oil and Gas assets** | 166,967.33 | 159,506.74 |
| **Depreciation of other Property, Plant and Equipments** | 68,638.61 | 66,149.86 |
| **Depreciation of right-of-use assets** | 53,634.97 | 57,047.67 |
| Less: Allocated to exploratory drilling | (10,665.91) | (17,779.48) |
| Less: Allocated to development drilling | (19,597.38) | (16,602.41) |
| Less: Allocated to others | (388.13) | (455.55) |
| **Total Depreciation** | **91,622.16** | **88,360.09** |
| **Amortisation of intangible assets** | **1,315.82** | **1,130.48** |
| **Impairment Loss (Note No. 57)** | | |
| Provided during the year | 33,462.27 | 35,140.20 |
| Less: Reversed during the year | 24,535.94 | 28,752.80 |
| **Total** | **8,926.33** | **6,387.40** |
| **Total Depreciation, Depletion, Amortisation and Impairment** | **268,831.64** | **255,384.71** |

## 44 Other impairment and Write Offs

**(₹ in million)**

| Particular | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| **Impairment For:** | | |
| Doubtful debts | 1,717.93 | 1,821.71 |
| Doubtful claims/advances | 3,078.67 | 6,859.23 |
| Non-moving inventories | 1,335.23 | 1,424.66 |
| Others | 1,285.98 | 92.10 |
| | **7,417.81** | **10,197.70** |
| **Write offs** | | |
| Disposal/Condemnation of other PPE | 223.77 | 1,173.47 |
| Inventory | 392.65 | 188.88 |
| Receivables | 2.70 | 7.38 |
| Claims/advances | 45.15 | 42.19 |
| Others | 1.72 | - |
| | **665.99** | **1,411.92** |
| **Total Other impairment and write offs** | **8,083.80** | **11,609.62** |

**44.1** In respect of subsidiary OVL, during the year, trade receivables in respect of Sudan have been assessed for lifetime expected credit loss method and an impairment provision of ₹ 933.46 million (previous year: reversal of ₹ 4,472.86 million) has been made.

## 45 Exceptional items

( ₹ in million)

| Particular | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| Impairment (charge)/reversal | (20,749.11) | 9,187.68 |
| Stamp Duty on Amalgamation | (300.00) | - |
| **Total** | **(21,049.11)** | **9,187.68** |

**45.1** In respect of subsidiary OVL, the company has considered the possible effects global uncertainties, in determining the recoverability of its Cash Generating Units. The company has considered the prevailing business conditions to make an assessment of future crude oil and natural gas prices based on internal and external information / indicators of future economic conditions. Based on the assessment, the Group has recorded impairment in respect of 2 CGUs and impairment reversal in respect of 4 CGUs and provided for net impairment of ₹ 20,749.11 million during the year ended March 31, 2022 (for the year ended March 31, 2021 net impairment of ₹ 4,562.66 million was recognised). The net provision for impairment is considered as exceptional item.

## 46 Tax Expense

(₹ in million)

| Particular | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| **Current tax in realtion to:** | | |
| Current year | 140,172.79 | 80,815.23 |
| Earlier years | (6,652.55) | 9,820.30 |
| **Total** | **133,520.24** | **90,635.53** |
| **Deferred tax** | (85,549.79) | (2,973.52) |
| **Total** | **(85,549.79)** | **(2,973.52)** |
| **Total tax expense recognized** | **47,970.45** | **87,662.01** |

**46.1 The income tax expense for the year can be reconciled to the accounting profit as follows:**

(₹ in million)

| Particular | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| **Profit before tax** | **540,911.02** | **301,264.48** |
| Income tax expense calculated at 25.168% (2020-21: 34.944%) | 136,136.49 | 105,273.86 |
| **Adjustments for tax effect of:** | | |
| Dividend | 6,674.15 | 5,416.40 |
| Deduction under section 80-IA | - | (166.70) |
| Deduction under section 80-M | (10,683.92) | (7,693.09) |
| Investment Allowance @ 15% | 0.09 | 4.33 |
| Income exempt from tax | (145.28) | (856.88) |
| Exceptional (income)/expense not considered in determining taxable profit | 9,811.58 | (655.71) |
| Corresponding Effect of temporary differences on account of current tax of earlier periods | (81,873.53) | (11,186.42) |
| Current Tax on CSR Expenditure | 1,133.36 | 1,751.39 |
| Expenses not allowed in Income Tax | 1,326.76 | 837.83 |
| Additional tax for foreign jurisdiction | 968.24 | (1,138.05) |
| Losses of subsidiary not available for set-off in Group profit | 203.14 | 273.04 |
| Profit from associate | (3,320.30) | (2,155.47) |
| Profit from joint venture | 842.70 | 1,222.33 |
| Deferred tax on unrealised profits | (32.14) | 86.78 |
| Deferred tax on undistributed profits | (3,509.78) | 229.28 |
| Other intra group eliminations | (12.16) | (417.61) |
| Rupee tax base on account of change in exchange rate | 842.01 | (870.19) |
| Timing differences | 1.42 | 0.89 |
| Change in deferred tax balance due to true up adjustments | (11,951.42) | 344.51 |
| Exemption under section 10AA of Income Tax Act, 1961. | - | 1,206.87 |
| Differential tax rates | 6,848.85 | (13,947.80) |
| **Sub total** | **53,260.26** | **77,559.59** |
| Others | 1,362.74 | 282.12 |
| | **54,623.00** | **77,841.71** |
| Adjustments recognised in the current year in relation to the current tax of prior years | (6,652.55) | 9,820.30 |
| **Income tax expense recognised in profit or loss (relating to continuing operations)** | **47,970.45** | **87,662.01** |

**46.2 Income tax recognized in other comprehensive income**

(₹ in million)

| Particular | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| **Deferred tax on** | | |
| **a) Items that may be reclassified to profit or loss** | | |
| Exchange differences in translating the financial statements of foreign operations | (2,350.38) | 3,790.49 |
| Effective portion of gains (losses) on hedging instruments in cash flow hedges | 466.40 | 2.73 |
| **b) Items that will not be reclassified to profit or loss** | | |
| Remeasurement of defined benefit obligation | (2,431.84) | 478.11 |
| Net fair value gain on investments in equity shares at FVTOCI | (3,037.27) | (1,957.67) |
| Share of OCI in Associates & JVs in other comprehensive income: | | 5.45 |
| **Total income tax recognised in other comprehensive income** | **(7,353.09)** | **2,319.11** |
| Bifurcation of the income tax recognised in other comprehensive income into:- | | |
| **Items that will not be reclassified to profit or loss** | **(5,469.11)** | **(1,474.11)** |
| **Items that may be reclassified to profit or loss** | **(1,883.98)** | **3,793.22** |

**46.3** Pursuant to the introduction of Section 115BAA of the Income Tax Act, 1961 vide Taxation Laws (Amendment) Act, 2019 the company has an option to pay corporate income tax at the rate of 22% plus applicable surcharge and cess (lower rate) as against the earlier rate of 30% plus applicable surcharge and cess, subject to certain conditions. Considering all the provisions under said section 115BAA of the Income Tax Act, 1961, during the year ended March 31, 2022 the Company has decided to avail the option of lower rate with effect from the financial year 2020-21. Accordingly, the Company has recognized provision for tax expenses during the year and re-measured its net Deferred Tax liabilities on the basis of the provision prescribed in the said section.

The net impact due to availing the above option has resulted in decrease in deferred tax by ₹ 90,555.15 million (of which ₹ (1382.25) million has been accounted in Other Comprehensive Income) and decrease in current tax by ₹ 28,019.77 million (including ₹ 1,639.72 million relating to earlier years).

Also, Subsidary OVL and MRPL have not excercised the option and continues to recognize the taxes on income for the year ended March 31, 2022 as per the earlier provisions.

**46.4** During the year, the Company has considered the benefit of deduction on dividend income during the year, as per section 80M of the Income Tax Act, 1961, having a tax impact amounting to ₹ 4,245.04 million (previous year ₹ 7,693.09 million) on current tax expense

**46.5** In respect of Subsidiary MRPL, during the financial year ended March 31, 2020, the Company opted to settle Income Tax Disputes under the Direct Tax Vivad Se Vishwas Act, 2020, and accordingly, a sum of ₹ 1,084.76 million payable under the said scheme was charged as prior year tax in the Statement of Profit and Loss in the financial year ended March 31, 2020. Pursuant to this, the tax assets and liabilities were reclassified for the year ended March 31, 2020. The tax assets of ₹ 2,908.37 million and liabilities of ₹ 1,084.76 million pertaining to assessment years for which the Company exercised the option were considered as current tax assets and current tax liabilities respectively, as the same were expected to be settled within a year. The same treatment is continued in the current financial year, as the final orders under the said scheme are awaited.

**46.6 In respect of subsidiary HPCL**

Short or (excess) provision for tax of earlier years, for the year ended March 31,2022: Includes ₹ (1,801.80) million reversed during the year, pursuant to the decision for non-participation under Direct Tax Vivad se Vishwas Act, 2020, in respect of few assessment years.

Short or (excess) provision for tax of earlier years, for the year ended March 31, 2021: Includes ₹ 117.90 million of additional provision during 2020-21, (aggregating to a cumulative provision of ₹7,766.60 million) pursuant to the decision for participation under Direct Tax Vivad se Vishwas Act, 2020.

**46.7 In respect of subsidiary OVL,**

**46.7.1** During the year FY 2021-22, a Long term capital gain amounting to ₹ 2,648.51 million (previous year ₹ 1,019.48 million) for the current year has been set-off against the brought forward Long term capital losses of earlier years. A net tax benefit arising from setoff of previously unrecognised tax loss as above that is used to reduce the current tax expense is amounting to ₹ 617 million (including surcharge and education cess) (previous year ₹ 237.50 million).

**46.7.2** The company has considered the benefit of deduction on dividend income during the year, as per section 80M of the Income Tax Act, 1961, having a tax impact amounting to ₹ 968.46 million (previous year ₹ 505.93 million) on current tax expense in the books of accounts.

**46.7.3** During the previous financial year, the Company has opted for settlement of certain eligible Income Tax disputes for the Assessment Years 2006-07 to 2014-15 on appeals filed by the Company through Vivad se Vishwas Scheme introduced by the Government of India vide The Direct Tax Vivad Se Vishwas Act, 2020. The disputed tax payable amounting to Rs. 521.10 million has already been paid and provided in the books based on the appeal effect orders received for the respective Assessment Years and accordingly, during the previous year, no amount has been accounted for as current tax expense in the Statement of Profit and Loss towards the aforesaid scheme.

## 47 Earnings per Equity share

**(All amounts are ₹ in millions unless otherwise stated)**

| Particulars | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| Profit after tax for the year attributable to equity shareholders | 455,221.06 | 163,043.99 |
| Weighted average number of equity shares (No. in million) | 12,580.28 | 12,580.28 |
| Basic & Diluted earnings per equity share (₹) | 36.19 | 12.96 |
| Face Value per equity share (₹) | 5.00 | 5.00 |

## 48 Leases

As part of transition, under Ind AS 116 'Leases' during the previous year, the Group had availed the practical expedient of not to apply the recognition requirements of Ind AS 116 to short term leases and also applied materiality threshold for recognition of assets and liabilities related to leases.

### 48.1 Expenditure booked under various heads related to Ind AS 116 'Leases' and Company's exposure to future cash outflows is as under:

**(₹ in million)**

| Expenditure heads | Year Ended March 31, 2022 | Year Ended March 31, 2021 |
|---|---|---|
| Depreciation expense on Right-Of-Use Assets | 53,634.97 | 57,047.67 |
| Interest expense on Lease Liability | 6,568.72 | 7,585.44 |
| Expense related to short term leases | 18,678.44 | 13,545.17 |
| Expense related to leases of low value assets | 3,123.34 | 2,703.84 |
| Expense related to variable lease payments not included in the measurement of lease liabilities | 63,264.18 | 53,409.55 |

### 48.2 The estimated future undiscounted cash flows for lease payments:

**(₹ in million)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Future Lease payments payable from end of the year** | | |
| Upto one year | 52,702.78 | 48,156.07 |
| Between one to three years | 48,649.62 | 53,430.24 |
| Between three to five years | 17,847.53 | 12,036.84 |
| More than five years | 77,608.47 | 78,945.75 |
| **Total** | **196,808.40** | **192,568.90** |
| Less: Interest Cost | 55,193.60 | 51,763.22 |
| **Net Lease liability** | **141,614.80** | **140,805.68** |
| Add: Perpetual Lease liability | 787.74 | 787.74 |
| Less: Inter group eliminations | 302.02 | 335.71 |
| **Total lease liabilities** | **142,100.52** | **141,257.71** |

**48.3** In respect of the company, pursuant to amendment to Ind AS 116 vide the Companies (Indian Accounting Standards) Amendment Rules, 2020 dated July 24, 2020, the Company applying the provisions of para 46A of the above rules has opted for practical expedient on rent concessions that meet the conditions in paragraph 46B of amended Ind AS 116. On application of the practical expedient, lease rent concession amounting to ₹ Nil (previous year ₹ 37.72 million) has been recognised during previous year and capitalised in the related well cost as per the accounting policies of the Company.

## 49 Employee benefit plans

### 49.1 Defined Contribution plans:

### 49.1.1 Provident Fund

**In case of subsidiary HPCL:**

**Provident Fund :**

The long term employee benefit of Provident Fund is administered through a separate Trust, established for this purpose in accordance with The Employee Provident Fund and Miscellaneous Provisions Act, 1952. The Group's contribution to the Provident Fund is remitted to this trust based on a fixed percentage of the eligible employee's salary and charged to Statement of Profit and Loss. During the year, the Group has recognized ₹ 1619.30 million (2020-21: ₹ 1676.50 million) as Employer's contribution to Provident Fund in the Statement of Profit and Loss.

Shortfall, if any, in the fund assets, based on the Government specified minimum rate of return, will be made good by the Group and charged to Statement of Profit and Loss. During the year, the actual return earned by the fund has been higher than the Government specified minimum rate of return. There did not arise a shortfall in the fund as on 31st March 2022 and 31st March 2021. The present value of benefit obligation at period end is ₹ 48,973.40 million (31.03.2021: ₹ 46,784.50 million). The fair value of the assets of Provident Fund Trust as of Balance Sheet date is greater than the present value of benefit obligation.

'During the year a provision of ₹158.70 million has been reversed (created in FY 2019-20) being excess provision no longer required.

**Superannuation Fund:**

The Group has Superannuation - Defined Contribution Scheme (DCS) maintained by 'Superannuation Benefit Fund Scheme (SBFS) Trust' wherein Employer makes a monthly contribution of a certain percentage of 'Basic Salary & Dearness Allowance(DA)', out of 30%, earmarked for various Superannuation benefits. This is in accordance with Department of Public Enterprises (DPE) guidelines. These contributions are credited to individual Employee's Account maintained either with Life Insurance Corporation of India (LIC) or an optional National Pension Scheme (NPS) Account. For the financial year 2021-22, the Group has made an overall contribution of ₹ 1943.90 million (2020-21 : ₹ 1925.10 million) towards Superannuation - DCS [including ₹ 787.30 million

(2020-21 : ₹ 597.00 million) to NPS] by charging it to the statement of Profit and Loss.

While there did not arise any need for funding in the financial year 2021-22, during the year 2020-21, the Group had made a provision of ₹ 234.10 million by charging to Statement of Profit & Loss towards increase in liabilities in case of Superannuation – Defined Benefit Scheme (DBS) determined based on actuarial valuation.

**In case of Subsidiary, MRPL:**

**Employee Benefits**

With regard to amalgamation of erstwhile subsidiary company ONGC Mangalore Petrochemicals Limited (OMPL) with the company as per the scheme of amalgamation approved by Ministry of Corporate Affairs (MCA), as Human Resource (HR) integration with respect to amalgamation is in progress, the Employee Benefits Expense including Actuarial valuation and the corresponding disclosures in this regard have been provided separately for both the companies.

Considering the above, possible impact of the changes could not be quantified and disclosed at this juncture.

The employee benefit disclosures of the company excluding the erstwhile subsidiary company ONGC Mangalore Petrochemicals Limited (OMPL) are as follows :-

**Provident Fund:**

**A brief description on Provident Fund is as follows:**

**a)** Provident Fund is governed through a separate trust. The board of trustees of the Trust functions in accordance with any applicable guidelines or directions that may be issued in this behalf from time to time by the Central Government or the Central Provident Fund Commissioner. The board of trustees have the following responsibilities :

**i.** The investments shall be made in accordance with the pattern of investment prescribed by the Government of India in Rule 67 of Income Tax Rules, 1962, and /or directions given by the Central Government, from time to time.

**ii.** The Board of Trustees may raise such sum or sums of money as may be required for meeting obligatory expenses such as settlement of claims, grant of advances as per rules, and transfer of member's P.F. accumulations in the event of his / her leaving service of the Employer and any other receipts by sale of the securities or other investments standing in the name of the Fund subject to the prior approval of the Regional Provident Fund Commissioner.

**iii.** Fixation of rate of interest to be credited to members' accounts.

**b)** The long term employee benefit of Provident Fund is administered through a separate Trust, established for this purpose in accordance with The Employee Provident Fund and Miscellaneous Provisions Act, 1952. The Company's contribution to the Provident Fund is remitted to this trust based on a fixed percentage of the eligible employee's salary and charged to Statement of Profit and Loss. During the year, the Company has recognized Employer's contribution to Provident Fund in the Statement of Profit and Loss are given below:

**(₹ in million)**

| Particulars | Amount recognized during | | Contribution for key management personnel | |
|---|---|---|---|---|
| | 2021-22 | 2020-21 | 2021-22 | 2020-21 |
| Employer's contribution to Provident Fund | 291.37 | 293.02 | 1.44 | 1.41 |

**c)** Under the Statute, the shortfall, if any, in the interest obligation in comparison to minimum rate of return declared by Government of India will have to be made good by the Employer and therefore, for the financial year 2021-22, an amount of ₹ 82.21 million (Year ended March 31, 2021 ₹ 28.72 million) has been provided and charged to Statement of Profit and Loss. On reporting date, the Trust investments included few Non-convertible Debentures of certain companies, amounting to ₹ 295.30 million (Year ended March 31, 2021 ₹ 347.30 million) which have witnessed default in meeting interest obligations in financial year 2020-21, which continued in financial year 2021-22. In anticipation of probable default in principal repayment, Provident Fund Trust had marked down these investments by 70% in its books in financial year 2020-21, which continues to be the true and fair valuation as of 31.03.2022 as per management assessment. Thus, no additional provision (Year ended March 31, 2021 ₹ 243.11 million) is warranted during this financial year.

**d)** The fair value of the assets of Provident Fund Trust as of Balance Sheet date and the Present Value of the benefits obligations is given below:

**(₹ in million)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Fair value of Plan assets at the end of the year | 6,250.65 | 5,520.25 |
| Present value of the obligations at the end of the year | 6,471.06 | 5,472.05 |
| **Interest shortfall provided** | **220.41** | **-** |

**In case of Subsidiary, PMHBL:**

The Company makes Provident Fund which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised during year ending March 31, 2022 ₹ 3.42 million (Year ended 31 March, 2021 ₹ 3.10 million) for Provident Fund contributions in the Statement of Profit and Loss under the head Employee Benefits Expense. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

**49.1.2 Post Retirement Benefit Scheme**

The defined contribution pension scheme of the Group for its employees is administered through a separate trust. The obligation of the Group is to contribute to the trust to the extent of amount not exceeding 30% of basic pay and dearness allowance as reduced by the employer's contribution towards provident fund, gratuity, post-retirement medical Benefit (PRMB) or any other retirement benefits.

The board of trustees of the Trust functions in accordance with any applicable guidelines or directions that may be issued in this behalf from time to time by the Central Government, the board of trustees have the following responsibilities:

**(i)** Investments of the surplus as per the pattern notified by the Government in this regard so as to meet the requirements of the fund from time to time.

**(ii)** Fixation of rate of contribution and interest thereon.

**(iii)** Purchase of annuities for the members.

### 49.2 National Pension Scheme (NPS)

The Company has introduced NPS for its employees during the year within the overall limit of Post Retirement Benefit Scheme. An employee has the option to determine the contribution to be made in PRBS and NPS.

The obligation of the Company is to contribute to NPS at the option of employee to the extent of amount not exceeding 30% of basic pay and dearness allowance as reduced by the employer's contribution towards provident fund, gratuity, post-retirement medical Benefit (PRMB), post-retirement benefit scheme or any other retirement benefits. An employee can opt for a maximum of up to 10% of its Basic Salary and DA as employer's contribution towards NPS. All other standard provisions of NPS applies to the scheme.

### 49.3 Employee Pension Scheme 1995

The Employee Pension Scheme -1995 is administered by Employees Provident Fund Organization of India, wherein the Group has to contribute 8.33% of salary (subject to maximum of ₹15,000 per month) out of the employer's contribution to Provident Fund.

### 49.4 Composite Social Security Scheme (CSSS)

The Composite Social Security Scheme is formulated by the Group for the welfare of its regular employees and it is administered through a separate Trust, named as Composite Social Security Scheme Trust. The obligation of the Group is to provide matching contribution to the Trust to the extent of contribution of the regular employees of the group. The Trust provides an assured lump sum support amount in the event of death or permanent total disablement of an employee while in service. In case of Separation other than Death/Permanent total disability, employees own contribution along with interest is refunded.

The Board of trustees of the Trust functions in accordance with Trust deed, Rule, Scheme and applicable guidelines or directions that may be issued by Management from time to time.

The Board of trustees has the following responsibilities:

**(i)** Investments of the surplus as per the pattern notified by the Government in this regard so as to meet the requirements of the fund from time to time.

**(ii)** Fixation of rate of interest to be credited to members' accounts.

**(iii)** To provide cash benefits to the nominees in the event of death of an employee or Permanent Total Disablement leading to the cessation from service and refund of own contribution along with interest in case of separation other than death.

**49.5** The following are the amounts before allocation recognized in the consolidated financial statements for the defined contribution plan:

**(₹ in million)**

| Defined Contribution Plans | Amount recognized during | | Contribution for key management personnel | |
|---|---|---|---|---|
| | 2021-22 | 2020-21 | 2021-22 | 2020-21 |
| Provident Fund | 4,561.79 | 5,001.80 | 3.83 | 4.20 |
| Post Retirement Benefit Scheme | 5,929.41 | 6,946.22 | 5.45 | 5.66 |
| Employee Pension Scheme-1995 (EPS) | 265.93 | 285.80 | 0.10 | 0.09 |
| Composite Social Security Scheme (CSSS) | 543.40 | 549.45 | 0.25 | 0.29 |
| National Pension Scheme (NPS) | 1,771.68 | 777.25 | 0.33 | 0.14 |

### 49.6 Defined benefit plans

**49.6.1 Brief Description:** A general description of the type of Employee Benefits Plans is as follows:

All the employee benefit plans of the Company are run as Group administration plans (Single Employer Scheme) which include employees of the Company seconded to ONGC Videsh Limited (OVL) 100% subsidiary, as well as employees directly appointed by OVL.

#### 49.6.2 Provident Fund

**In case of Company**

The Company pays fixed contribution to provident fund at predetermined rates to a separate trust, which invests the funds in permitted securities. The obligation of the Group is to make such fixed contribution and to ensure a minimum rate of return to the members as specified by GoI. As per report of the actuary, overall interest earnings and cumulative surplus is more than the statutory interest payment requirement. Hence, no further provision is considered necessary. The details of fair value of plan assets and obligations are as under:

**(₹ in million)**

| Particulars | As At 31-Mar-22 | As At 31-Mar-21* |
|---|---|---|
| Obligations at the end of the year | 147,300.29 | 143,302.00 |
| Fair Value of Plan Assets at the end of the year | 149,259.15 | 144,788.00 |

* Fair value of Plan Assets is reinstated based on Audited Balance Sheet of the Provident Fund Trust as at March 31, 2021 and figure of Obligation is reinstated based on re-computation of liability at official rates declared by Employees Provident Fund Organisation for the FY 2021-22.

Provident Fund is governed through a separate trust. The board of trustees of the Trust functions in accordance with any applicable guidelines or directions that may be issued in this behalf from time to time by the Central Government or the Central Provident Fund Commissioner, the board of trustees have the following responsibilities:

**(i)** Investments of the surplus as per the pattern notified by the Government in this regard so as to meet the requirements of the fund from time to time.

**(ii)** Raising of moneys as may be required for the purposes of the fund by sale, hypothecation or pledge of the investment wholly or partially.

Fixation of rate of interest to be credited to member's accounts.

#### 49.6.3 Gratuity

15 days salary for each completed year of service. Vesting period is 5 years and the payment is restricted to ₹ 2 million on superannuation, resignation, termination, disablement or on death.

Scheme is funded through own Gratuity Trust. The liability for gratuity as above is recognized on the basis of actuarial valuation.

**In case of Subsidiary, HPCL**

Each employee rendering continuous service of 5 Years or more is entitled to receive gratuity amount equal to 15/26 of the eligible salary for every completed years of service subject to maximum of ₹ 2.0 million at the time of separation from the company. Besides the ceiling of gratuity increases by 25% whenever IDA rises by 50%. The long term employee benefit of Gratuity is administered through a Trust, established under The Payment of Gratuity Act, 1972. The Board of Trustees comprises of representatives from the Employer who are also plan participants in accordance with the plans regulation. The liability towards gratuity is funded with Life Insurance Corporation of India (LIC).

**In case of Subsidiary, MRPL**

15 days salary for every completed year of service. Vesting period is 5 years and the payment is restricted to ₹ 2 million. Besides the ceiling of gratuity increase by 25% whenever IDA rises by 50%.

The MRPL Gratuity Fund Trust was formed on 20th April, 2007 and investments of the funds received from the company after actuarial valuation and the investment of the funds upto June 28, 2013 was made in the manner prescribed by Income tax Rule 67(1) of the Income Tax Rules ,1962 as amended from time to time .

The Funds of MRPL Gratuity Fund Trust after June 28, 2013 is being invested in Group Gratuity Cash Accumulation Scheme (Traditional Fund) in LIC, Bajaj Allianz, HDFC Standard Life Insurance Co., Aditya Birla Sunlife Insurance co, India First Life Insurance Co. and SBI Life Insurance Co.

#### 49.6.4 Post-Retirement Medical Benefits

The Group has Post-Retirement Medical benefit (PRMB), under which the retired employees, their spouses and dependent parents are provided medical facilities in the Group hospitals/empanelled hospitals up on payment of one time prescribed contribution by the employees. They can also avail treatment as out-patient. The liability for the same is recognized annually on the basis of actuarial valuation. Full medical benefits on superannuation and on voluntary retirement are available subject to the completion of minimum 20 years of service and 50 years of age.

An employee should have put in a minimum of 15 years of service rendered in continuity in ONGC at the time of superannuation to be eligible for availing post-retirement medical facilities. However, as per DPE guidelines dated August 03, 2017, the Post-Retirement Medical Benefits is allowed to Board Level executives (without any linkage to 15 years of service) upon completion of their tenure or upon attaining the age of retirement, whichever is earlier.

During the year 2019-20, the Company had approved the formation of ONGC Post-Retirement Medical Benefit Trust to provide for and fund towards Post-Retirement Medical Liability as per the Company's post - retirement medical scheme, in a staggered manner and the company has contributed ₹ 27,240 million to the ONGC PRMB Trust. The PRMB fund is managed by Life Insurance Corporation of India. Accordingly, the PRMB liability and its plan assets are accounted for as per the requirements of Ind AS- 19 "Employee Benefits".

**In case of Subsidiary, HPCL**

Post Retirement Benefit medical scheme provides medical benefit to retired employees and eligible dependent family members. This long term employee benefit is administered through a Trust. The liability towards Post-Retirement Medical Benefit for employees is ascertained, yearly, based on the actuarial valuation and funded to the Trust.

**In case of Subsidiary, MRPL:**

After retirement, on payment of one time lump sum contribution, the superannuated employee and his/her dependent spouse and dependent parents will be covered for medical benefit as per the rules of the Company.

#### 49.6.5 Terminal Benefits

At the time of superannuation, employees are entitled to settle at a place of their choice and they are eligible for Settlement Allowance.

**In case of Subsidiary, HPCL:**

Upon superannuation from the services of the Group, there are employees who permanently settle down at a place other than the location of the last posting. Such employees are provided with resettlement allowance as per policy of the HPCL Group.

**In case of Subsidiary, MRPL:**

**a)** At the time of superannuation, employees are entitled to settle at a place of their choice and they are eligible for Settlement Allowance.

**b)** Premature Retirement on Medical Grounds

The Company has an approved scheme of Premature Retirement on Medical Grounds. Ex gratia payment equivalent 60 days emolument for each completed year of service or the monthly emoluments at the time of retirement multiplied by the balance months of service left before normal date of retirement, whichever is less is payable apart from Superannuation Benefits..

**c)** Scheme for Self Insurance for providing lump-sum monetary compensation

Under the scheme of 'Post Retirement Benefit and Benefit on Separation', in case of employee suffering death or permanent total disablement due to an accident arising out of and in the course of employment, a compensation equivalent to 100 months Basic Pay plus Dearness Allowance (DA) without laying down any minimum amount is payable.

d) Benefits of Separation under SABF: In case of death / permanent disablement of an employee while in service in the Company, the beneficiary has to exercise desired options available within 6 months from the date of death / permanent total disablement.

#### 49.6.6 Pension

The employees covered by the Pension Plan of the Company are entitled to receive monthly pension for life.

**In case of Subsidiary, HPCL:**

The employees covered by the Pension Plan of the Group are entitled to receive monthly pension for life. However, none of the current serving employees are covered under Pension Plan of the Company.

**49.6.7 Ex-gratia**

The ex-employees of Group covered under the Scheme are entitled to get ex-gratia based on the grade at the time of their retirement. The benefit will be paid to eligible employees till their survival, and after that, till the survival of their spouse.

**In case of Subsidiary, HPCL:**

The ex-employees of Company are covered under the Scheme, entitling to get ex-gratia, determined based on their salary grade at the time of their superannuation. The benefit is paid to eligible employees till their survival, and thereafter till the survival of their spouse. However, none of the current serving employees are covered under this Plan.

**49.6.8** These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

| | |
|---|---|
| Investment risk | The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. When there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Currently, for these plans, investments are made in government securities, debt instruments, Short term debt instruments, Equity instruments and Asset Backed, Trust Structured securities as per notification of Ministry of Finance. |
| Interest risk | A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments. |
| Longevity risk | The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability. |
| Salary risk | The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability. |

No other post-retirement benefits are provided to these employees.

In respect of the above plans, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2022 by a member firm of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

**49.7 Other long term employee benefits**

**49.7.1 Brief Description:** A general description of the type of Other long term employee benefits is as follows:

All the employee benefit plans of the Company are run as Group administration plans (Single Employer Scheme) including employees seconded to as well as directly appointed by ONGC Videsh Limited (OVL), 100% subsidiary.

Further, ONGC accounts for the employee benefit liability of all Defined Benefit plans pertaining to OVL's employees in its books of account and expenditure for the period is transferred to OVL's books of account. This is done in compliance with the requirement for group administrative plan stated in para 38 of IND AS 19 'Employee Benefits'.

**49.7.2 Earned Leave (EL) Benefit**

Accrual – 30 days per year

Encashment while in service – 75% of Earned Leave balance subject to a maximum of 90 days per calendar year

Encashment on retirement – maximum 300 days

Scheme is funded through Life Insurance Corporation of India (LIC).

Each employee is entitled to get 15 earned leaves for each completed half year of service. All regular employees of the company while in service may be allowed encashment of Earned Leave once in a calendar year, to the extent of 75% of the Earned Leave at their credit, subject to maximum of 90 days.

In addition, each employee is entitled to get 10 HPL at the end of every six months. The entire accumulation is permitted for encashment only at the time of retirement. DPE had clarified earlier that sick leave cannot be encashed, though Earned Leave (EL) and Half Pay Leave (HPL) could be considered for encashment on retirement subject to the overall limit of 300 days. Consequently, MOP&NG had advised the company to comply with the DPE Guidelines. Subsequently, the matter has been dealt in 3rd PRC recommendations, which is effective January 1, 2017 and CPSEs have been allowed to frame their own leave rules considering operational necessities and subject to conditions set therein. Therefore, the requisite conditions are fully met by the company.

**In case of Subsidiary MRPL:**

Earned Leave Benefit (EL):

Accrual – 32 days per year

Accumulation up to 300 days allowed

EL accumulated in excess of 15 days is allowed for encashment while in service provided the EL encashed is not less than 5 days.

**49.7.3 Good Health Reward (Half pay leave)**

Accrual - 20 days per year

Encashment while in service - Nil

Encashment on retirement - 50% of Half Pay Leave balance.

Scheme is funded through Life Insurance Corporation of India. (LIC).

The liability for the same is recognized annually on the basis of actuarial valuation.

**In case of subsidiary MRPL:**

Accrual – 20 days per year

Encashment while in service is not allowed

Encashment on retirement is permitted; restricted up to 300 days along with Earned leave.

**49.7.4 In case of subsidiary HPCL:**

The employees of the Corporation are entitled to certain leave as per policy. The liability of the Corporation is determined annually through actuarial valuation and funded with Life Insurance Corporation of India (LIC).

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

| S.No. | Particulars | 31-Mar-22 | 31-Mar-21 |
|---|---|---|---|
| | **Gratuity** | | |
| I | Discount rate | 7.23%-7.27% | 6.70%-6.81% |
| II | Expected return on plan assets | 6.81%-7.27% | 6.70%-6.80% |
| III | Annual increase in salary | 5.00%-7.50% | 5.00%-7.50% |
| | **Leave** | | |
| IV | Discount rate | 6.70%-7.25% | 6.70%-6.81% |
| V | Expected return on plan assets | 6.81% | 6.80% |
| VI | Annual increase in salary | 5.00%-7.50% | 5.00%-8.00% |
| | **Post-Retirement Medical Benefits** | | |
| VII | Discount rate | 7.25%-7.40% | 6.80%-6.91% |
| VIII | Expected return on plan assets | 6.81%-7.40% | 6.91% |
| IX | Annual increase in costs | 3.00%-7.50% | 3.00%-7.50% |
| | **Terminal Benefits** | | |
| X | Discount rate | 7.23%-7.25% | 6.80%-6.90% |
| XI | Expected return on plan assets | NA | NA |
| XII | Annual increase in costs | 7.50% | 7.50% |
| XIII | Annual increase in salary | 7.00%-7.50% | 7.00%-7.50% |
| XIV | **Pension** | 6.96% | 6.44% |
| | **Employee Turnover (%)** | | |
| XV | Up to 30 Years | 3.00 | 3.00 |
| XVI | From 31 to 44 years | 2.00 | 2.00 |
| XVII | Above 44 years | 1.00 | 1.00 |
| XVIII | Weighted Average Duration of Present Benefit Obligations | 13.73 | 13.30 |

The discount rate is based upon the market yield available on Government bonds at the accounting date with a term that matches the weighted average duration of present benefit obligations. The salary growth takes account inflation, seniority, promotion and other relevant factors on long term basis. Expected rate of return on plan assets is based on market expectation, at the beginning of the year, for return over the entire life of the related obligation.

In respect of the company, the mortality rate for Male insured lives have been assumed for Actuarial Valuation as on 31.03.2022 as per 100% of Indian Assured Life Mortality (2012-14) issued by Institute of Actuaries of India for Actuarial Valuation as on 31.03.2022, as separate rates applicable for female lives has not been published by The Institute of Actuaries of India for 2012-14. Therefore, uniform rates of mortality for Male have been used for both Male and Female employees for computation of Employee Benefit Liability.

**Company-wise Mortality Rate:**

| Particulars | ONGC (including OVL) | HPCL | MRPL | PMHBL |
|---|---|---|---|---|
| Before retirement | Indian Assured Lives Mortality Table (2012-14) | Indian Assured Lives Mortality Table (2006-08) | Indian Assured Lives Mortality Table (2006-08) | Indian Assured Lives Mortality Table (2012-14) |
| After retirement | Indian Assured Lives Mortality Table (2012-14) | Indian Individual AMT (2012-15) | Indian Individual AMT (2012-15) | N.A |

**49.9** Amounts recognized in the Consolidated Financial Statements before allocation in respect of these defined benefit plans and other long term employee benefits are as follows:

**Gratuity**

(₹ in million)

| Particulars | Year Ended 31-Mar-22 | Year Ended 31-Mar-21 |
|---|---|---|
| **Service Cost :** | | |
| Current service cost | 878.10 | 905.79 |
| Past service cost and (gain)/loss from settlements | - | 237.25 |
| Net interest expense | 81.79 | 43.70 |
| Increase or decrease due to adjustment in opening corpus consequent to audit | (612.61) | (29.91) |
| **Components of defined benefit costs recognised in Employee Benefit expenses** | **347.28** | **1,156.82** |
| **Remeasurement on the net defined benefit liability:** | | |
| Actuarial (gains)/losses arising from changes in demographic assumptions | (13.41) | - |
| Actuarial (gains)/losses arising from changes in financial assumptions | (912.06) | 45.40 |
| Actuarial (gains) / losses arising from experience adjustments | (27.79) | 433.73 |
| Return on Plan Assets (excluding amount included in net interest cost) | (209.03) | (60.99) |
| **Components of Remeasurement** | **(1,162.29)** | **418.14** |
| **Total** | **(815.01)** | **1,574.96** |

**Leave**

(₹ in million)

| Particulars | Year Ended 31-Mar-22 | Year Ended 31-Mar-21 |
|---|---|---|
| **Service Cost :** | | |
| Current service cost | 1,873.82 | 1,871.87 |
| Past service cost and (gain)/loss from settlements | - | - |
| Net interest expense | 475.18 | 239.19 |
| Increase or decrease due to adjustment in opening corpus consequent to audit | (25.48) | 161.45 |
| Additional Contribution Due to Pay Revision | - | - |
| Actuarial (gains)/losses arising from changes in demographic assumptions | - | - |
| Actuarial (gains)/losses arising from changes in financial assumptions | (1,102.47) | (23.54) |
| Actuarial (gains) / losses arising from experience adjustments | 4,542.30 | 4,865.73 |
| Return on Plan Assets (excluding amount included in net interest cost) | (392.23) | (124.34) |
| **Components of defined benefit costs recognised** | **5,371.12** | **6,990.37** |

**Post-retirement medical benefits**

(₹ in million)

| Particulars | Year Ended 31-Mar-22 | Year Ended 31-Mar-21* |
|---|---|---|
| **Service Cost :** | | |
| Current service cost | 6.66 | 5.32 |
| Past service cost and (gain)/loss from settlements | - | - |
| Net interest expense | 7.38 | 6.53 |
| **Components of defined benefit costs recognised in Employee Benefit expenses** | **14.04** | **11.85** |
| **Remeasurement on the net defined benefit liability:** | | |
| Return on Plan Assets (excluding amount included in net interest cost) | NA | NA |
| Actuarial (gains)/losses arising from changes in demographic assumptions | (0.20) | 7.16 |
| Actuarial (gains)/losses arising from changes in financial assumptions | (7.70) | (0.63) |
| Actuarial (gains) / losses arising from experience adjustments | 6.52 | 1.90 |
| Adjustments for restrictions on the defined benefit asset | - | - |
| **Components of Remeasurement** | **(1.38)** | **8.43** |
| **Total** | **12.66** | **20.28** |

* Restated.

**Terminal Benefits**

(₹ in million)

| Particulars | Year Ended 31-Mar-22 | Year Ended 31-Mar-21 |
|---|---|---|
| **Service Cost :** | | |
| Current service cost | 114.16 | 115.03 |
| Past service cost and (gain)/loss from settlements | - | - |
| Net interest expense | 106.18 | 106.65 |
| **Components of defined benefit costs recognised in Employee Benefit expenses** | **220.35** | **221.68** |
| **Remeasurement on the net defined benefit liability:** | | |
| Actuarial (gains)/losses arising from changes in demographic assumptions | 1.11 | - |
| Actuarial (gains)/losses arising from changes in financial assumptions | (51.93) | (0.50) |
| Actuarial (gains) / losses arising from experience adjustments | (43.77) | (31.79) |
| Adjustments for restrictions on the defined benefit asset | - | - |
| **Components of Remeasurement** | **(94.59)** | **(32.29)** |
| **Total** | **125.75** | **189.39** |

**Pension**

(₹ in million)

| Particulars | Year Ended 31-Mar-22 | Year Ended 31-Mar-21 |
|---|---|---|
| **Service Cost :** | | |
| Current service cost | - | - |
| Past service cost and (gain)/loss from settlements | - | - |
| Net interest expense | 11.00 | 12.80 |
| **Components of defined benefit costs recognised in Employee Benefit expenses** | **11.00** | **12.80** |
| **Remeasurement on the net defined benefit liability:** | | |
| Actuarial (gains)/losses arising from changes in demographic assumptions | - | - |
| Actuarial (gains)/losses arising from changes in financial assumptions | (3.00) | 2.60 |
| Actuarial (gains) / losses arising from experience adjustments | (5.80) | (3.50) |
| Adjustments for restrictions on the defined benefit asset | - | - |
| **Components of Remeasurement** | **(8.80)** | **(0.90)** |
| **Total** | **2.20** | **11.90** |

**Ex – Gratia**

(₹ in million)

| Particulars | Year Ended 31-Mar-22 | Year Ended 31-Mar-21 |
|---|---|---|
| **Service Cost :** | | |
| Current service cost | - | - |
| Past service cost and (gain)/loss from settlements | - | 99.20 |
| Net interest expense | 18.25 | 14.40 |
| **Components of defined benefit costs recognised in Employee Benefit expenses** | **18.25** | **113.60** |
| **Remeasurement on the net defined benefit liability:** | | |
| Actuarial (gains)/losses arising from changes in demographic assumptions | - | - |
| Actuarial (gains)/losses arising from changes in financial assumptions | (1.50) | 0.80 |
| Actuarial (gains) / losses arising from experience adjustments | 18.90 | 20.60 |
| **Components of Remeasurement** | **17.40** | **21.40** |
| **Total** | **35.65** | **135.00** |

**Gratuity Unfunded**

(₹ in million)

| Particulars | Year Ended 31-Mar-22 | Year Ended 31-Mar-21 |
|---|---|---|
| **Service Cost :** | | |
| Current service cost | 6.04 | 5.36 |
| Past service cost and (gain)/loss from settlements | - | - |
| Net interest expense | 3.46 | 2.89 |
| **Components of defined benefit costs recognised in Employee Benefit expenses** | **9.49** | **8.25** |
| **Remeasurement on the net defined benefit liability:** | | |
| Actuarial (gains)/losses arising from changes in demographic assumptions | - | - |
| Actuarial (gains)/losses arising from changes in financial assumptions | (3.42) | (1.07) |
| Actuarial (gains) / losses arising from experience adjustments | 1.72 | 0.08 |
| **Components of Remeasurement** | **(1.71)** | **(0.99)** |
| **Total** | **7.79** | **7.27** |

**Post-Retirement Medical Benefits: Funded**

(₹ in million)

| Particulars | Year Ended 31-Mar-22 | Year Ended 31-Mar-21* |
|---|---|---|
| **Service Cost :** | | |
| Current service cost | 1,562.40 | 1,622.32 |
| Net interest expense | 3,480.65 | 3,501.70 |
| Contribution by Employee | (50.78) | (45.00) |
| **Components of defined benefit costs recognised in Employee Benefit expenses** | **4,992.27** | **5,079.03** |
| Remeasurement on the net defined benefit liability: | | |
| Return on Plan Assets (excluding amount included in net interest cost) | 201.17 | (143.20) |
| Actuarial (gains)/losses arising from changes in demographic assumptions | (3.30) | 951.70 |
| Actuarial (gains)/losses arising from changes in financial assumptions | (3,253.61) | 437.19 |
| Actuarial (gains) / losses arising from experience adjustments | 799.97 | 277.75 |
| **Components of Remeasurement** | **(2,255.77)** | **1,523.45** |
| **Total** | **2,736.49** | **6,602.47** |

* Restated.

The Components of Remeasurement of the net defined benefit liability recognized in other comprehensive income is actuarial gain of ₹ 3,163.68 million (Previous Year actuarial loss ₹ 1,865.85 million).

**49.10** Movements in the present value of the defined benefit obligation and other long term employee benefits are as follows:

**Gratuity**

(₹ in million)

| Particulars | Year Ended 31-Mar-22 | Year Ended 31-Mar-21 |
|---|---|---|
| Opening defined benefit obligation | 33,187.99 | 34,661.41 |
| Current service cost | 878.10 | 905.79 |
| Interest cost | 2,260.55 | 2,363.75 |
| **Remeasurement (gains)/losses:** | | |
| Actuarial (gains)/losses arising from changes in demographic assumptions | (13.41) | - |
| Actuarial (gains)/losses arising from changes in financial assumptions | (912.06) | 45.40 |
| Actuarial (gains) / losses arising from experience adjustments | (27.79) | 433.73 |
| Past service cost, including losses/(gains) on curtailments | - | 237.25 |
| Benefits paid | (5,044.26) | (5,459.33) |
| **Closing defined benefit obligation** | **30,329.13** | **33,187.99** |

**Leave**

(₹ in million)

| Particulars | Year Ended 31-Mar-22 | Year Ended 31-Mar-21 |
|---|---|---|
| Opening defined benefit obligation | 31,163.14 | 29,477.36 |
| Current service cost | 1,873.82 | 1,871.87 |
| Interest cost | 2,122.15 | 2,004.43 |
| **Remeasurement (gains)/losses:** | | |
| Actuarial (gains)/losses arising from changes in demographic assumptions | - | - |
| Actuarial (gains)/losses arising from changes in financial assumptions | (1,102.47) | (23.54) |
| Actuarial (gains) / losses arising from experience adjustments | 4,542.30 | 4,865.73 |
| Past service cost, including losses/(gains) on curtailments | - | - |
| Benefits paid | (6,502.34) | (7,032.72) |
| **Closing defined benefit obligation** | **32,096.60** | **31,163.14** |

**Post-retirement medical benefits: Unfunded**

(₹ in million)

| Particulars | Year Ended 31-Mar-22 | Year Ended 31-Mar-21* |
|---|---|---|
| Opening defined benefit obligation | 106.97 | 95.22 |
| Current service cost | 6.66 | 5.32 |
| Interest cost | 7.38 | 6.53 |
| **Remeasurement (gains)/losses:** | | |
| Actuarial (gains)/losses arising from changes in demographic assumptions | (0.20) | 7.16 |
| Actuarial (gains)/losses arising from changes in financial assumptions | (7.70) | (0.63) |
| Actuarial (gains) / losses arising from experience adjustments | 6.52 | 1.90 |
| Other Adjustments | - | 95.33 |
| Benefits paid | (14.03) | (103.86) |
| **Closing defined benefit obligation** | **105.60** | **106.97** |

* Restated.

**Terminal Benefits**

(₹ in million)

| Particulars | Year Ended 31-Mar-22 | Year Ended 31-Mar-21 |
|---|---|---|
| Opening defined benefit obligation | 1,643.71 | 1,567.36 |
| Current service cost | 114.16 | 115.03 |
| Interest cost | 106.18 | 106.65 |
| **Remeasurement (gains)/losses:** | | |
| Actuarial (gains)/losses arising from changes in demographic assumptions | 1.11 | - |
| Actuarial (gains)/losses arising from changes in financial assumptions | (51.93) | (0.50) |
| Actuarial (gains) / losses arising from experience adjustments | (43.77) | (31.79) |
| Past service cost, including losses/(gains) on curtailments | - | - |
| Benefits paid | (234.28) | (113.04) |
| **Closing defined benefit obligation** | **1,535.19** | **1,643.71** |

**Pension**

(₹ in million)

| Particulars | Year Ended 31-Mar-22 | Year Ended 31-Mar-21 |
|---|---|---|
| Opening defined benefit obligation | 170.90 | 187.80 |
| Current service cost | - | - |
| Interest cost | 11.00 | 12.80 |
| **Remeasurement (gains)/losses:** | | |
| Actuarial (gains)/losses arising from changes in demographic assumptions | - | 1.50 |
| Actuarial (gains)/losses arising from changes in financial assumptions | (3.00) | 2.60 |
| Actuarial (gains) / losses arising from experience adjustments | (5.80) | (3.50) |

| Particulars | Year Ended 31-Mar-22 | Year Ended 31-Mar-21 |
|---|---|---|
| Past service cost, including losses/ (gains) on curtailments | - | |
| Benefits paid | (26.30) | (30.30) |
| **Closing defined benefit obligation** | **146.80** | **170.90** |

**Ex-Gratia**

(₹ in million)

| Particulars | Year Ended 31-Mar-22 | Year Ended 31-Mar-21 |
|---|---|---|
| Opening defined benefit obligation | 281.20 | 219.20 |
| Past service cost, including losses/ (gains) on curtailments | - | 99.20 |
| Interest cost | 18.25 | 14.40 |
| **Remeasurement (gains)/losses:** | | |
| Actuarial (gains)/losses arising from changes in demographic assumptions | - | (7.80) |
| Actuarial (gains)/losses arising from changes in financial assumptions | (1.50) | 0.80 |
| Actuarial (gains) / losses arising from experience adjustments | 18.90 | 20.60 |
| Past service cost, including losses/ (gains) on curtailments | | |
| Benefits paid | (62.04) | (65.20) |
| **Closing defined benefit obligation** | **254.81** | **281.20** |

**Gratuity Unfunded**

(₹ in million)

| Particulars | Year Ended 31-Mar-22 | Year Ended 31-Mar-21 |
|---|---|---|
| Opening defined benefit obligation | 50.58 | 42.67 |
| Current service cost | 6.04 | 5.36 |
| Interest cost | 3.46 | 2.89 |
| **Remeasurement (gains)/losses:** | | |
| Actuarial (gains)/losses arising from changes in demographic assumptions | - | - |
| Actuarial (gains)/losses arising from changes in financial assumptions | (4.10) | (1.07) |
| Actuarial (gains) / losses arising from experience adjustments | 2.39 | 0.08 |
| Other Adjustments | - | 1.00 |
| Benefits paid | (0.99) | (0.35) |
| **Closing defined benefit obligation** | **57.38** | **50.58** |

**Post-retirement medical benefits: Funded**

(₹ in million)

| Particulars | Year Ended 31-Mar-22 | Year Ended 31-Mar-21* |
|---|---|---|
| Opening defined benefit obligation | 62,821.33 | 58,985.75 |
| Current service cost | 1,562.40 | 1,622.32 |
| Interest cost | 4,288.98 | 4,011.90 |
| **Remeasurement (gains)/losses:** | | |
| Actuarial (gains)/losses arising from changes in demographic assumptions | (3.30) | 951.70 |
| Actuarial (gains)/losses arising from changes in financial assumptions | (3,253.61) | 437.19 |
| Actuarial (gains) / losses arising from experience adjustments | 799.97 | 277.75 |
| Past service cost, including losses/ (gains) on curtailments | - | - |
| Benefits paid | (4,696.66) | (3,465.29) |
| **Closing defined benefit obligation** | **61,519.11** | **62,821.33** |

* Restated.

**49.11** The amount included in the Group Balance sheet arising from the entity's obligation in respect of its defined benefit plan and other long term employee benefits is as follows :

**Gratuity Funded**

(₹ in million)

| Particulars | Year Ended 31-Mar-22 | Year Ended 31-Mar-21 |
|---|---|---|
| Present value of funded defined benefit obligation | 30,329.13 | 33,187.99 |
| Fair value of plan assets | 31,406.10 | 31,965.39 |
| Funded status | 1,076.98 | (1,222.60) |
| Restrictions on asset recognized | NA | NA |
| **Net liability arising from defined benefit obligation** | **(1,076.98)** | **1,222.60** |

The amounts included in the fair value of plan assets of gratuity fund in respect of Reporting Enterprise's own financial instruments and any property occupied by, or other assets used by the reporting enterprise are ₹ Nil (As at March 31, 2021 ₹ Nil).

**Leave**

(₹ in million)

| Particulars | Year Ended 31-Mar-22 | Year Ended 31-Mar-21 |
|---|---|---|
| Present value of funded defined benefit obligation | 32,096.60 | 31,163.14 |
| Fair value of plan assets | 26,711.54 | 24,159.07 |
| Funded status | (5,385.06) | (7,004.07) |
| Restrictions on asset recognized | NA | NA |
| **Net liability arising from defined benefit obligation** | **5,385.06** | **7,004.07** |

**Post-retirement medical benefits: Unfunded**

(₹ in million)

| Particulars | Year Ended 31-Mar-22 | Year Ended 31-Mar-21 |
|---|---|---|
| Present value of funded defined benefit obligation | 105.60 | 106.97 |
| Fair value of plan assets | NA | NA |
| Funded status | NA | NA |
| Restrictions on asset recognized | NA | NA |
| **Net liability arising from defined benefit obligation** | **105.60** | **106.97** |

* Restated.

**Terminal Benefits:**

(₹ in million)

| Particulars | Year Ended 31-Mar-22 | Year Ended 31-Mar-21 |
|---|---|---|
| Present value of funded defined benefit obligation | 1,535.19 | 1,643.71 |
| Fair value of plan assets | - | - |
| Funded status | NA | NA |
| Restrictions on asset recognized | NA | NA |
| **Net liability arising from defined benefit obligation** | **1,535.19** | **1,643.71** |

**Pension:**

(₹ in million)

| Particulars | Year Ended 31-Mar-22 | Year Ended 31-Mar-21 |
|---|---|---|
| Present value of funded defined benefit obligation | 146.80 | 170.90 |
| Fair value of plan assets | - | - |
| Funded status | NA | NA |
| Restrictions on asset recognized | NA | NA |
| **Net liability arising from defined benefit obligation** | **146.80** | **170.90** |

**Ex- Gratia:**

(₹ in million)

| Particulars | Year Ended 31-Mar-22 | Year Ended 31-Mar-21 |
|---|---|---|
| Present value of funded defined benefit obligation | 254.81 | 281.2 |
| Fair value of plan assets | - | - |
| Funded status | NA | NA |
| Restrictions on asset recognized | NA | NA |
| **Net liability arising from defined benefit obligation** | **254.81** | **281.20** |

**Gratuity Unfunded:**

(₹ in million)

| Particulars | Year Ended 31-Mar-22 | Year Ended 31-Mar-21 |
|---|---|---|
| Present value of funded defined benefit obligation | 57.38 | 50.58 |
| Fair value of plan assets | - | - |
| Funded status | NA | NA |
| Restrictions on asset recognized | NA | NA |
| **Net liability arising from defined benefit obligation** | **57.38** | **50.58** |

**Post-Retirement Medical Benefits: Funded**

(₹ in million)

| Particulars | Year Ended 31-Mar-22 | Year Ended 31-Mar-21* |
|---|---|---|
| Present value of funded defined benefit obligation | 61,519.11 | 62,821.33 |
| Fair value of plan assets | 39,150.95 | 9,773.80 |
| Funded status | (22,368.16) | (53,047.53) |
| Restrictions on asset recognized | NA | NA |
| **Net liability arising from defined benefit obligation** | **22,368.16** | **53,047.53** |

* Restated.

**49.12 Movements in the fair value of the plan assets are as follows :**

**Gratuity:**

(₹ in million)

| Particulars | Year Ended 31-Mar-22 | Year Ended 31-Mar-21 |
|---|---|---|
| Opening fair value of plan assets | 31,965.39 | 33,999.07 |
| Adjustment in opening corpus consequent to audit | 612.61 | 29.91 |
| Expected return on plan assets | 2,218.77 | 2,320.05 |
| Return on plan assets (excluding amounts included in net interest expense) | 209.03 | 60.99 |
| Contributions from the employer | 1,444.57 | 1,014.71 |
| Benefits paid | (5,044.26) | (5,459.33) |
| **Closing fair value of plan assets** | **31,406.10** | **31,965.39** |

Expected Contribution in respect of Gratuity for next year will be ₹ 638.38 million (For the year ended March 31, 2021 ₹ 1,426.66 million).

The group has recognized a gratuity liability of ₹ 81.13 million as on March 31, 2022 (As at March 31, 2021 ₹ 87.73 million) as per actuarial valuation for 150 employees (As at March 31, 2021 – 190 employees) contingent Employees engaged in different work centers.

**Leave:**

(₹ in million)

| Particulars | Year Ended 31-Mar-22 | Year Ended 31-Mar-21 |
|---|---|---|
| Opening fair value of plan assets | 24,159.07 | 26,120.76 |
| Adjustment in opening corpus consequent to audit | 25.48 | (161.45) |
| Expected return on plan assets | 1,646.97 | 1,765.23 |
| Return on plan assets (excluding amounts included in net interest expense) | 392.23 | 124.34 |
| Contributions from the employer | 6,988.67 | 3,342.14 |
| Benefits paid | (6,500.88) | (7,031.96) |
| **Closing fair value of plan assets** | **26,711.54** | **24,159.07** |

**Post-Retirement Medical Benefits:**

(₹ in million)

| Particulars | Year Ended 31-Mar-22 | Year Ended 31-Mar-21* |
|---|---|---|
| Opening fair value of plan assets | 9,773.80 | 7,491.70 |
| Adjustment in opening corpus consequent to audit | - | - |
| Expected return on plan assets | 808.34 | 510.20 |
| Return on plan assets (excluding amounts included in net interest expense) | 201.17 | 143.20 |
| Contributions from the employer | 28,367.64 | 1,628.70 |
| Benefits paid | - | - |
| **Closing fair value of plan assets** | **39,150.95** | **9,773.80** |

* Restated.

**49.13** The fair value of the plan assets at the end of the reporting period for each category, are as follows:

(₹ in million)

| Particulars | Year Ended 31-Mar-22 | Year Ended 31-Mar-21 |
|---|---|---|
| **Gratuity:** | | |
| Cash and cash equivalents | 0.06 | 0.05 |
| **Investments in Mutual Fund:** | | |
| - Mutual Fund | 23.62 | 21.84 |
| **Debt investments categorized by issuers' credit rating:** | | |
| AAA | 941.51 | 1,095.90 |
| AA+ | 398.36 | 398.51 |
| AA | 18.02 | 18.03 |
| AA- | 1.00 | 1.00 |
| A+ | 2.00 | 2.00 |
| A- | 2.00 | - |
| **Group Gratuity Cash Accumulation Scheme (Traditional Fund)** | | |
| Insurance Companies | 30,251.66 | 28,968.98 |
| Investment in Govt. Securities | 86.63 | 120.63 |
| Bank TDR | 643.80 | 687.10 |
| Net Current Assets | (962.56) | 651.35 |
| **Total Gratuity** | **31,406.10** | **31,965.39** |
| **Leave:** | | |
| 100% managed by insurance company | 26,711.54 | 24,159.07 |
| **Post-Retirement Medical Benefits:** | | |
| 100% managed by insurance company | 39,150.95 | 9,773.80 |
| **Total** | **97,268.59** | **65,898.26** |

**49.13.1** The fair values of the above equity and debt instruments are determined based on quoted market prices in active markets.

**49.13.2** Cost of Investment is taken as fair value of Investment in Unit Linked Plan of Insurance Group (ULIPs) and Bank TDR.

**49.13.3** All Investments in PSU Bonds, Government Securities and Treasury Bills are quoted in active market.

**49.13.4** Fair value of Investment in Group Gratuity Cash Accumulation Scheme (Traditional Fund) of Insurance Group is taken as book value on reporting date.

**49.13.5** Net Current Assets represent Accrued Interest on Investments minus outstanding gratuity reimbursements as on reporting date.

**49.13.6** The actual return on plan assets of gratuity during FY 2021-22 was ₹ 1,768.65 million (during FY 2020-21 ₹ 1,852.21 million) and for Leave ₹ 2,039.20 million (during FY 2020-21 ₹ 1,889.57 million)

**49.14** Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

**49.14.1 Sensitivity Analysis as at March 31, 2022**

**For ONGC and OVL:**

(₹ in million)

| Significant actuarial assumptions | Gratuity | Leave | Post-Retirement Medical Benefits | Terminal Benefits |
|---|---|---|---|---|
| **Discount Rate** | | | | |
| - Impact due to increase of 50 basis points | (661.44) | (1,055.18) | (2,523.64) | (54.08) |
| - Impact due to decrease of 50 basis points | 686.86 | 1,037.70 | 2,600.46 | 54.82 |
| **Salary increase** | | | | |
| - Impact due to increase of 50 basis points | 191.46 | 1,024.80 | - | - |
| - Impact due to decrease of 50 basis points | (228.01) | (1,055.90) | - | - |
| **Cost increase** | | | | |
| - Impact due to increase of 50 basis points | - | - | 2,521.91 | 54.03 |
| - Impact due to decrease of 50 basis points | - | - | (2,585.64) | (53.09) |

**For HPCL:**

(₹ in million)

| Significant actuarial assumptions | Gratuity | PRMBS | Pension | Ex - Gratia | Resettlement Allowance |
|---|---|---|---|---|---|
| Delta effect of +1% Change in Rate of Discounting | (437.00) | (1,244.00) | (5.40) | (6.80) | (6.60) |
| Delta effect of -1% Change in Rate of Discounting | 506.00 | 1,583.90 | 5.90 | 7.30 | 7.80 |
| Delta effect of +1% Change in Future Benefit cost inflation | - | 1,592.30 | - | - | - |
| Delta effect of -1% Change in Future Benefit cost inflation | - | (1,255.50) | - | - | - |
| Delta effect of +1% Change in Rate of Salary Increase | 76.20 | - | - | - | - |
| Delta effect of -1% Change in Rate of Salary Increase | (93.50) | - | - | - | - |
| Delta effect of +1% Change in Rate of Employee Turnover | 186.50 | - | - | - | (7.30) |
| Delta effect of -1% Change in Rate of Employee Turnover | (212.00) | - | - | - | 8.50 |

**For MRPL:**

(₹ in million)

| Significant actuarial assumptions | Gratuity | Post-Retirement Medical Benefits | Resettlement Allowance |
|---|---|---|---|
| **Rate of discounting** | | | |
| - Impact due to increase of 50 basis points | (73.71) | (6.93) | (1.03) |
| - Impact due to decrease of 50 basis points | 79.85 | 7.70 | 1.14 |
| **Rate of salary increase** | | | |
| - Impact due to increase of 50 basis points | 72.72 | - | - |
| - Impact due to decrease of 50 basis points | (72.68) | - | - |
| **Rate of Employee turnover** | | | |
| - Impact due to increase of 50 basis points | 7.65 | (2.61) | - |
| - Impact due to decrease of 50 basis points | (8.03) | 2.36 | - |
| **Future Cost Escalation** | | | |
| - Impact due to increase of 50 basis points | - | - | 1.13 |
| - Impact due to decrease of 50 basis points | - | - | (1.03) |

**49.14.2 Sensitivity Analysis as at March 31, 2021**

**For ONGC and OVL:**

(₹ in million)

| Significant actuarial assumptions | Gratuity | Leave | Post-Retirement Medical Benefits | Terminal Benefits |
|---|---|---|---|---|
| **Discount Rate** | | | | |
| - Impact due to increase of 50 basis points | (735.56) | (1,116.71) | (2,489.48) | (59.31) |
| - Impact due to decrease of 50 basis points | 701.55 | 1,213.96 | 2,565.16 | 53.04 |
| **Salary increase** | | | | |
| - Impact due to increase of 50 basis points | 176.71 | 1,183.81 | - | - |
| - Impact due to decrease of 50 basis points | (269.13) | (1,100.33) | - | - |
| **Cost increase** | | | | |
| - Impact due to increase of 50 basis points | - | - | 2,487.71 | 53.64 |
| - Impact due to decrease of 50 basis points | - | - | (2,550.64) | (51.58) |

**For HPCL:**

(₹ in million)

| Significant actuarial assumptions | Gratuity | PRMBS | Pension | Ex - Gratia | Resettlement Allowance |
|---|---|---|---|---|---|
| Delta effect of +1% Change in Rate of Discounting | (478.70) | (1,330.60) | (6.60) | (7.90) | (7.30) |
| Delta effect of -1% Change in Rate of Discounting | 553.60 | 1,701.30 | 7.30 | 8.50 | 8.60 |
| Delta effect of +1% Change in Future Benefit cost inflation | - | 1,707.10 | - | - | - |
| Delta effect of -1% Change in Future Benefit cost inflation | - | (1,340.70) | - | - | - |
| Delta effect of +1% Change in Rate of Salary Increase | 99.20 | - | - | - | - |
| Delta effect of -1% Change in Rate of Salary Increase | (121.80) | - | - | - | - |
| Delta effect of +1% Change in Rate of Employee Turnover | 154.40 | - | - | - | (8.00) |
| Delta effect of -1% Change in Rate of Employee Turnover | (174.60) | - | - | - | 9.40 |

**For MRPL:**

(₹ in million)

| Significant actuarial assumptions | Gratuity | Post-Retirement Medical Benefits | Resettlement Allowance |
|---|---|---|---|
| **Rate of discounting** | | | |
| - Impact due to increase of 50 basis points | (72.76) | (7.41) | (1.19) |
| - Impact due to decrease of 50 basis points | 79.05 | 8.27 | 1.32 |
| **Rate of salary increase** | | | |
| - Impact due to increase of 50 basis points | 76.70 | - | 1.31 |
| - Impact due to decrease of 50 basis points | (73.31) | - | (1.19) |
| **Rate of Employee turnover** | | | |
| - Impact due to increase of 50 basis points | 3.70 | (3.00) | - |
| - Impact due to decrease of 50 basis points | (3.80) | 2.76 | - |
| **Future Cost Escalation** | | | |
| - Impact due to increase of 50 basis points | - | - | 1.31 |
| - Impact due to decrease of 50 basis points | - | - | (1.19) |

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Sensitivity due to mortality & withdrawals are not material & hence impact of change not calculated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

**49.15 Maturity Profile of Defined Benefit Obligation and other long term employee benefits:**

**For ONGC and OVL:**

(₹ in million)

| Defined Benefit | 31-Mar-22 | 31-Mar-21 |
|---|---|---|
| **Gratuity:** | | |
| Less than One Year | 3,578.77 | 3,852.75 |
| One to Three Years | 5,079.28 | 5,778.39 |
| Three to Five Years | 3,538.77 | 4,079.56 |
| More than Five Years | 8,579.21 | 9,342.65 |
| **Leave:** | | |
| Less than One Year | 5,204.74 | 4,918.52 |
| One to Three Years | 7,111.68 | 6,998.55 |
| Three to Five Years | 5,595.45 | 5,376.22 |
| More than Five Years | 14,166.90 | 13,854.45 |

**For HPCL:**

(₹ in million)

| 31-Mar-22 | Less than 1 Year | 1-2 Year | 2-5 Year | 6-10 Year |
|---|---|---|---|---|
| Gratuity | 1,346.70 | 749.10 | 2,994.40 | 9,720.90 |
| PRMBS | 479.40 | 527.20 | 1,904.22 | 3,256.10 |
| Pension | 21.70 | 21.40 | 62.10 | 92.70 |
| Ex - Gratia | 49.60 | 48.50 | 137.50 | 196.80 |
| Resettlement Allowance | 14.30 | 7.00 | 35.20 | 150.86 |
| **Total** | **1,911.70** | **1,353.20** | **5,133.42** | **13,417.36** |

(₹ in million)

| 31-Mar-21 | Less than 1 Year | 1-2 Year | 2-5 Year | 6-10 Year |
|---|---|---|---|---|
| Gratuity | 1,317.60 | 840.00 | 3,264.26 | 9,893.72 |
| PRMBS | 507.00 | 550.50 | 1,942.98 | 3,236.30 |
| Pension | 24.50 | 24.10 | 70.25 | 105.10 |
| Ex - Gratia | 53.00 | 51.90 | 147.84 | 214.10 |
| Resettlement Allowance | 13.60 | 8.10 | 39.06 | 155.87 |
| **Total** | **1,915.70** | **1,474.60** | **5,464.38** | **13,605.09** |

**For MRPL:**

(₹ in million)

| Defined Benefit | 31-Mar-22 | 31-Mar-21 |
|---|---|---|
| **Gratuity:** | | |
| Less than One Year | 78.56 | 66.73 |
| One to Three Years | 134.79 | 129.49 |
| Three to Five Years | 196.10 | 149.23 |
| More than Five Years | 669.39 | 610.84 |
| **Post-Retirement Medical Benefits:** | | |
| Less than One Year | 3.41 | 3.11 |
| One to Three Years | 7.22 | 6.72 |
| Three to Five Years | 8.59 | 7.79 |
| More than Five Years | 32.13 | 28.74 |
| **Resettlement Allowance:** | | |
| Less than One Year | 0.51 | 0.49 |
| One to Three Years | 0.87 | 0.91 |
| Three to Five Years | 1.06 | 1.00 |
| More than Five Years | 3.20 | 3.22 |

**For PMHBL:**

(₹ in million)

| Defined Benefit | 31-Mar-22 | 31-Mar-21 |
|---|---|---|
| **Gratuity:** | | |
| Less than One Year | 0.48 | 0.36 |
| One to Three Years | 0.96 | 0.75 |
| Three to Five Years | 0.98 | 0.78 |
| More than Five Years | 3.69 | 3.09 |
| **Leave:** | | |
| Less than One Year | 2.24 | 1.64 |
| One to Three Years | 0.49 | 0.68 |
| Three to Five Years | 0.87 | 0.70 |
| More than Five Years | 3.79 | 3.12 |

## 50 Segment Reporting

**50.1** The Group has identified and reported segments taking into account the different risks and returns, the organization structure and the internal reporting systems. These have been organized into the following geographical and business segments:

**Geographical Segments**

**A.** In India –

- Offshore
- Onshore

**B.** Outside India

**Business Segments**

**A.** Exploration and Production

**B.** Refining & Marketing

**50.2 Segment revenue, results, assets and liabilities**

**50.2.1** The following is an analysis of the Group's revenue, results, assets and liabilities from continuing operations by reportable segment.

**(₹ in million)**

| Particulars | 2021-22 | | | | | | |
|---|---|---|---|---|---|---|---|
| | In India | | | Outside India E&P | Unallocated | Elimination of Inter Segment Sales | Grand Total |
| | E&P | | Refining & Marketing | | | | |
| | Offshore | Onshore | | | | | |
| **Segment Revenue** | | | | | | | |
| External Sales | 481,698.90 | 355,502.43 | 4,306,890.24 | 173,220.32 | 306.42 | - | 5,317,618.31 |
| Inter Segment Sales | 233,714.41 | 30,187.42 | 297,367.31 | - | 724.14 | (561,993.28) | - |
| **Revenue from Operations** | **715,413.31** | **385,689.85** | **4,604,257.55** | **173,220.32** | **1,030.56** | **(561,993.28)** | **5,317,618.31** |
| **Segment Result-Profit/ (loss)** | 323,848.54 | 68,369.71 | 117,193.92 | 44,142.55 | | | 553,554.72 |
| Unallocated Corporate Expenses | | | | | 15,591.00 | | 15,591.00 |
| **Total** | **323,848.54** | **68,369.71** | **117,193.92** | **44,142.55** | **(15,591.00)** | | **537,963.72** |
| Finance costs | | | | | 56,960.43 | | 56,960.43 |
| Interest income | | | | | 28,000.02 | | 28,000.02 |
| Dividend Income | | | | | 17,268.44 | | 17,268.44 |
| Share of profit / (loss) of joint ventures and associates | | | 8,920.11 | 4,761.64 | 957.52 | | 14,639.27 |
| **Profit before tax** | **323,848.54** | **68,369.71** | **126,114.03** | **48,904.19** | **(26,325.45)** | | **540,911.02** |
| Income taxes | | | | | 47,970.45 | | 47,970.45 |
| **Profit for the year** | | | | | | | 492,940.57 |
| **Segment Assets** | 1,460,535.37 | 737,187.22 | 1,921,724.92 | 1,168,499.70 | | | 5,287,947.21 |
| Unallocated Corporate Assets | | | | | 566,546.00 | | 566,546.00 |
| **Total Assets** | **1,460,535.37** | **737,187.22** | **1,921,724.92** | **1,168,499.70** | **566,546.00** | | **5,854,493.21** |
| **Segment Liabilities** | 480,241.22 | 158,983.83 | 1,411,430.06 | 610,971.37 | | | 2,661,626.48 |
| Unallocated Corporate Liabilities | | | | | 359,588.30 | | 359,588.30 |
| **Total Liabilities** | **480,241.22** | **158,983.83** | **1,411,430.06** | **610,971.37** | **359,588.30** | | **3,021,214.78** |
| **Other Information** | | | | | | | |
| **Depreciation*** | 110,071.25 | 55,085.56 | 50,550.61 | 42,730.37 | 1,467.52 | | 259,905.31 |
| **Impairment (including related exceptional item)**** | 21,258.01 | (12,331.68) | - | 20,749.11 | - | | 29,675.44 |
| **Other Non-cash Expenses** | 4,343.86 | 926.29 | 88.47 | 2,690.17 | 35.01 | | 8,083.80 |

(₹ in million)

| Particulars | 2020-21 | | | | | | |
|---|---|---|---|---|---|---|---|
| | In India | | | Outside India E&P | Unallocated | Elimination of Inter Segment Sales | Grand Total |
| | E&P | | Refining & Marketing | | | | |
| | Offshore | Onshore | | | | | |
| **Segment Revenue** | | | | | | | |
| External Sales | 312,334.34 | 217,518.45 | 2,958,157.68 | 116,365.29 | 259.38 | - | 3,604,635.14 |
| Inter Segment Sales | 132,422.80 | 17,674.18 | 257,041.17 | 3,192.65 | 514.26 | (410,845.06) | - |
| **Revenue from Operations** | **444,757.14** | **235,192.63** | **3,215,198.85** | **119,557.94** | **773.64** | **(410,845.06)** | **3,604,635.14** |
| **Segment Result-Profit/ (loss)** | 137,456.70 | 14,832.78 | 131,704.14 | 26,932.29 | | | 310,925.91 |
| Unallocated Corporate Expenses | | | | | 10,360.26 | | 10,360.26 |
| **Total** | **137,456.70** | **14,832.78** | **131,704.14** | **26,932.29** | **(10,360.26)** | | **300,565.65** |
| Finance costs | | | | | 50,790.31 | | 50,790.31 |
| Interest income | | | | | 25,890.33 | | 25,890.33 |
| Dividend Income | | | | | 15,405.19 | | 15,405.19 |
| Share of profit / (loss) of joint ventures and associates | | | 2,674.25 | 7,097.92 | 421.45 | | 10,193.62 |
| **Profit before tax** | **137,456.70** | **14,832.78** | **134,378.39** | **34,030.21** | **(19,433.60)** | | **301,264.48** |
| Income taxes | | | | | 87,662.01 | | 87,662.01 |
| **Profit for the year** | | | | | | | **213,602.47** |
| **Segment Assets** | 1,396,763.47 | 677,195.82 | 1,665,294.34 | 1,173,182.78 | | | 4,912,436.41 |
| Unallocated Corporate Assets | | | | | 520,351.12 | | 520,351.12 |
| **Total Assets** | **1,396,763.47** | **677,195.82** | **1,665,294.34** | **1,173,182.78** | **520,351.12** | | **5,432,787.53** |
| **Segment Liabilities** | 451,485.04 | 147,941.27 | 1,232,105.81 | 638,679.78 | | | 2,470,211.90 |
| Unallocated Corporate Liabilities | | | | | 536,607.75 | | 536,607.75 |
| **Total Liabilities** | **451,485.04** | **147,941.27** | **1,232,105.81** | **638,679.78** | **536,607.75** | | **3,006,819.65** |
| **Other Information** | | | | | | | |
| **Depreciation*** | 106,481.47 | 49,217.18 | 47,504.75 | 44,519.96 | 1,273.95 | | 248,997.31 |
| **Impairment (including related exceptional item)**** | 14,706.30 | (22,069.24) | - | 4,562.66 | - | | (2,800.28) |
| **Other Non-cash Expenses** | 2,790.82 | 972.85 | 6,996.09 | 827.57 | 22.29 | | 11,609.62 |

*Also includes depletion and amortization   ** For details of Exceptional items, refer Note No. 45

**50.2.2** Segment revenue reported above represents revenue generated from external customers.

**50.2.3** The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 3. Segment result represents the profit before tax earned by each segment excluding finance cost and other income like interest/dividend income. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

**50.2.4** Segment revenue, results, assets and liabilities include the respective amounts identifiable to each of the segments and amount allocated on reasonable basis. Unallocated expenditure includes common expenditure incurred for all the segments and expenses incurred at the corporate level. Finance cost includes unwinding of discount on decommissioning liabilities not allocated to segment.

### 50.3 Additions to non- current assets

**50.3.1** In respect of the Company, the addition to Non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets:

(₹ in million)

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Offshore | 39,923.32 | 53,003.06 |
| Onshore | 46,983.27 | 27,050.27 |
| Unallocated | (385.69) | 988.50 |
| **Total** | **86,520.90** | **81,041.83** |

**50.3.2** In respect of the subsidiaries, OVL , MRPL, PMHBL and HPCL the addition to Non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets:

(₹ in million)

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| OVL | (23,700.83) | (42,150.75) |
| MRPL | (5,773.34) | (2,930.48) |
| HPCL | 145,000.92 | 110,068.18 |
| PMHBL | (79.99) | (37.86) |

### 50.4 Information about major customers

Group's significant revenues are derived from sales to Oil Marketing Companies and International Oil Companies (IOCs).

No other single customer contributed 10% or more to the Group's revenue for the year 2021-22 and 2020-21.

### 50.5 Information about geographical areas:

• The Group is domiciled in India. The amount of its revenue from external customers broken down by location of customers is tabulated below:

(₹ in million)

| Location | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| India | 4,681,761.44 | 3,327,338.59 |
| Other Countries(including SEZ) | 635,856.87 | 277,296.55 |
| **Total** | **5,317,618.31** | **3,604,534.14** |

• The total of non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets, broken down by location of assets are shown below:

(₹ in million)

| Location | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| India | 3,076,201.09 | 2,851,111.28 |
| Other Countries | 896,695.25 | 919,817.40 |
| **Total** | **3,972,896.34** | **3,770,928.68** |

### 50.6 Information about products and services:

The Group derives revenue from sale of crude oil, natural gas, value added products and downstream (Refinery and Petrochemicals) operations.

## 51 Related party transactions

**51.1** Name of related parties and description of relationship:

**A.Subsidiaries**

1. ONGC Videsh Limited (OVL)

1.1. ONGC Nile Ganga B.V. (ONGBV)

1.1.1. ONGC Campos Limiteda

1.1.2. ONGC Nile Ganga (San Cristobal) B.V.

1.2. ONGC Amazon Alaknanda Limited (OAAL)

1.3. ONGC Narmada Limited (ONL)

1.4. ONGC (BTC) Limited

1.5. Carabobo One AB

1.5.1. Petro Carabobo Ganga B.V.

1.6. Imperial Energy Limited

1.6.1. Imperial Energy Tomsk Limited

1.6.2. Imperial Energy (Cyprus) Limited

1.6.3. Imperial Energy Nord Limited

1.6.4. Biancus Holdings Limited

1.6.5. Redcliffe Holdings Limited

1.6.6. Imperial Frac Services (Cyprus) Limited

1.6.7. San Agio Investments Limited

1.6.8. LLC Sibinterneft

1.6.9. LLC Allianceneftegaz

1.6.10. LLC Nord Imperial

1.6.11. LLC Rus Imperial Group

1.6.12. LLC Imperial Frac Services

1.7. Beas Rovuma Energy Mozambique Limited

1.8. ONGC Videsh Rovuma Limited

1.9. ONGC Videsh Atlantic Inc.

1.10. ONGC Videsh Singapore Pte. Limited

1.10.1. ONGC Videsh Vankorneft Pte. Limited

1.11. Indus East Mediterranean Exploration Limited

2. Mangalore Refinery and Petrochemicals Limited (MRPL)

2.1 ONGC Mangalore Petrochemicals Limited (OMPL) (amalgamated with MRPL w.e.f 01.04.2021)

3. Hindustan Petroleum Corporation Limited (HPCL)

3.1. Prize Petroleum Company Limited

3.1.1 Prize Petroleum International Pte. Limited

3.2. HPCL Biofuels Limited

3.3. HPCL Middle East FZCO

3.4 HPCL LNG Limited (HPCLNG) formerly know as HPCL Shapoorji Energy Pvt. Limited (HSEPL)

4. Petronet MHB Limited

**B. Joint Ventures**

1. Mangalore SEZ Limited (MSEZ)

2. ONGC Petro additions Limited (OPaL)

3. ONGC Tripura Power Company Limited (OTPC)

4. ONGC Teri Biotech Limited (OTBL)

5. Dahej SEZ Limited (DSEZ)

6. Indradhanush Gas Grid Limited (IGGL)

7. ONGC Mittal Energy Limited (OMEL) (through OVL)

8. Sudd Petroleum Operating Company (through OVL)

9. Mansarovar Energy Colombia Limited, Colombia (through OVL)

10. Himalaya Energy Syria BV, Netherlands (through OVL)

11. Shell MRPL Aviation Fuels and Services Limited (SMASL) (through MRPL)

12. Hindustan Coals Private Limited (through HPCL)

12.1 Dust-A-Side Hincol Limited

13. HPOIL Gas Pvt. Limited.(through HPCL)

14. HPCL Rajasthan Refinery Limited.(through HPCL)

15. South Asia LPG Co. Pvt. Limited.(through HPCL)

16. HPCL - Mittal Energy Limited.(through HPCL)

16.1 HPCL Mittal Pipeline Limited (through HPCL)

17. Godavari Gas Pvt Limited.(through HPCL)

18. Petronet India Limited. (through HPCL, in process of voluntary winding up w.e.f. August 30, 2018)

19. Mumbai Aviation Fuel Farm Facilities Pvt. Limited (through HPCL).

20. Aavantika Gas Limited.(through HPCL)

21. Bhagyanagar Gas Limited. (through HPCL)

22. Ratnagiri Refinery & Petrochemical Limited.(through HPCL)

23. IHB Limited.(through HPCL) (converted into a Public Limited Company effective from April 6, 2021)

24. Ujjwala plus foundation (through HPCL)

25. Mangalore STP Limited (through MSEZ)

26. MSEZ Power Limited (through MSEZ)

27. Adani Petronet Dahej Port Pvt Limited (APPPL) (through PLL)

28. India LNG Transport Company Private Limited (through PLL)

29. North East Transmission Company Limited (NETC) (through OTPC)

**C. Associates**

1. Pawan Hans Limited

2. Petronet LNG Limited (PLL)

3. Rohini Heliport Limited

4. Moz LNG1 Holding Company Limited (through OVL)

5. Petro Carabobo S.A., Venezuela (through OVL)

6. Carabobo Ingenieria Y Construcciones, S.A, Venezuela (through OVL)

7. Petrolera Indovenezolana SA, Venezuela (through OVL)

8. South East Asia Gas Pipeline Limited, Hongkong (through OVL)

9. Tamba BV, The Netherlands (through OVL)

10. JSC Vankorneft, Russia (through OVL)

11. Falcon Oil & Gas BV, Netherlands (through OVL)

12. Bharat Energy Office LLC, Russia (through ONGC Videsh Singapore Pte Ltd.) (incorporated on October 18, 2021)

13. GSPL India Gasnet Limited. (through HPCL)

14. GSPL India Transco Limited. (through HPCL)

**D. Trusts (including post retirement employee benefit trust)**

1. ONGC Contributory Provident Fund Trust

2. ONGC CSSS Trust

3. ONGC Sahyog Trust

4. ONGC PRBS Trust

5. ONGC Gratuity Fund

6. ONGC Energy Center

7. ONGC Foundation

8. ONGC Start Up Fund Trust

9. MRPL Gratuity Fund Trust (through MRPL)

10. MRPL Provident Fund Trust (through MRPL)

11. MRPL Education Trust (through MRPL)

12. MRPL Janaseva Trust (through MRPL)

13. Ujjwala Plus Foundation, (through HPCL)

14. Hindustan Petroleum Corporation Limited Provident Fund

15. Hindustan Petroleum Corporation Limited Employees Post Retirement Medical Benefit Fund

16. Hindustan Petroleum Corporation Limited Employees Group Gratuity Assurance Scheme

17. Hindustan Petroleum Corporation Limited Employees Superannuation Benefit Fund Scheme

**E. Key Management Personnel**

**E.1. Whole-time Directors**

1. Dr Alka Mittal, Director (HR) (w.e.f Nov 27,2018) and Chairman & Managing Director - Additional Charge (w.e.f Jan 04,2022)

2. Shri Subhash Kumar, Director (Finance) and Chairman & Managing Director - Additional Charge upto December 31, 2021

3. Shri Rajesh Kumar Srivastava, Director (Exploration)

4. Shri O.P. Singh, Director (T&FS)

5. Shri Anurag Sharma, Director (Onshore)

6. Shri Pankaj Kumar, Director (Offshore) (w.e.f Sept 04,2021)

7. Shri Rajesh Kakkar (upto 30.04.2021)

8. Smt. Pomila Jaspal, Director (Finance) (w.e.f April 19,2022)

**E.2. CFO & Company Secretary**

1. Shri Vivek Chnadrakant Tongaonkar (w.e.f 23.04.2021 upto 31.12.2021)

2. Shri Rajni Kant, Company Secretary (w.e.f. June 29,2021)

3. Shri M E V Selvam (upto June 25, 2021)

**E.3. Independent Directors**

1. Shri Amitava Bhattacharya

2. Shri Syamchand Ghosh (w.e.f. 14.11.2021)

3. Shri V Ajit Kumar Raju (w.e.f. 14.11.2021)

4. Shri Manish Pareek (w.e.f. 14.11.2021)

5. Ms. Reena Jaitly (w.e.f. 14.11.2021)

6. Dr Prabhaskar Rai (w.e.f. 31.12.2021)

7. Dr Madhav Singh (w.e.f February 2, 2022)

**E.3. Government Nominee – Directors**

1. Shri Amar Nath

2. Shri Rajesh Madanlal Aggarwal (upto September 24, 2021)

**F.1 Key Management personnel of the subsidiaries**

1. Shri Alok Kumar Gupta, Managing Director with effect from November 2, 2020 and additional charge of Director (Operations) w.e.f November 3, 2020 and additional charge of Director (Finance) w.e.f November 1, 2021 (OVL)

2. Shri Sanjeev Tokhi, Director (Exploration) w.e.f October 4, 2021 (OVL)

3. Shri Omkar Nath Gyani, Director (Operations) w.e.f. March 29, 2022 (OVL)

4. Shri Anupam Agarwal, Chief Financial Officer w.e.f. May 19, 2022 (OVL)

5. Shri Vinod Hallan, Chief Financial Officer upto May 18, 2022 (OVL)

6. Shri Vivekanand, Director (Finance) upto October 31, 2021 (OVL)

7. Shri G S Chaturvedi, Director (Exploration) upto April 30, 2021 (OVL)

8. Shri M. Venkatesh, Managing Director (MRPL)

9. Smt. Pomila Jaspal, Director (Finance) (MRPL)

10. Shri Sanjay Varma, Director (Refinery) (MRPL)

11. Shri Mukesh Kumar Surana, Chairman and Managing Director (HPCL)

12. Shri Pushp Kumar Joshi, Director - Human Resources (HPCL)

13. Shri Vinod S. Shenoy, Director - Refineries (HPCL)

14. Shri Rakesh Misri, Director - Marketing (HPCL)

15. Shri R. Kesavan, Director - Finance & CFO (upto 30th June 2021) (HPCL)

16. Shri. Anurag Sharma - Chairman (Appointment effective 13 Jan 2022 ) (PMHBL)

17. Shri. Subhash Kumar - Chairman (Resigned effective 1 Jan 2022) (PMHBL)

18. Shri. Mukundan V. M. -Managing Director (Appointment effective 1st June 2021 ) (PMHBL)

19. Shri. C Ramakrishnan. -Managing Director (Resigned effective 31st May 2021 ) (PMHBL)

20. Shri. R. Sridhar - Director, Shri. Rakesh Kaul - Director (PMHBL)

21. Shri. Venkatesh Madhava Rao - Director, Smt. Pomila Jaspal-Director (PMHBL)

22. Shri. J S Prasad - Director (Resigned effective 1 April 2022) (PMHBL)

23. Shri. C. Sridhar Goud - Director (Resigned effective 1 April 2022) (PMHBL)

24. Shri. Subodh Batra - Director (Appointment effective 1st April 2022 ) (PMHBL)

25. Shri. Anuj Kumar Jain- Director (Appointment effective 1st April 2022 ) (PMHBL)

26. Shri Rajneesh Narang, Chief Finance Officer (CFO) : from 01st July 2021 & Director-Finance : from 22nd March 2022

**F.2 Independent Director**

1. Shri Prakash Babu KP (w.e.f November 12, 2021)

2. Shri Dhanpat Ram Agarwal (w.e.f November 12, 2021)

3. Smt. Deeksha Gangwar (w.e.f December 28, 2021)

4. Shri G. Rajendran Pillai

5. Smt. Vimla Pradhan (from 16th November 2021)

6. Shri Bechan Lal (from 16th November 2021)

7. Shri Vivekananda Biswal (from 16th November 2021)

8. Shri Ramdarshan Singh Pal (from 16th November 2021)

9. Dr. Nagaraja Bhalki (from 30th December 2021)

10. Shri Amar Sinha (upto 20th September 2020)

11. Shri Siraj Hussain (upto 20th September 2020)

**F.3 Government nominee Director**

1. Smt. Esha Srivastava, Director (IC), Ministry of Petroleum & Natural Gas, Government of India, (w.e.f October 11, 2021)

2. Shri Baldeo Purushartha, Joint Secretary, Department of Economic Affairs, Ministry of Finance, Government of India (w.e.f April 22, 2020)

3. Shri B N Reddy, Joint Secretary (IC), Ministry of Petroleum & Natural Gas, Government of India (upto September 15, 2021)

4. Shri Sunil Kumar

5. Dr. Alka Mittal (from 17th June 2021 to 04th January 2022)

6. Shri Subhash Kumar (upto 19th May 2021)

**F.4 Other Non Executive Directors**

1. Shri Om Prakash Singh, Nominee Director (ONGC), from June 07, 2021 (MRPL)

2. Shri Vinod S. Shenoy, Nominee Director (HPCL) (MRPL)

3. Shri Rohit Mathur, Director (Govt. Nominee) (MRPL)

4. Smt. Esha Srivastava, Director (Govt. Nominee) (MRPL)

5. Shri R T Agarwal, Independent Director (MRPL)

6. Shri Rajkumar Sharma, Independent Director (From November 15, 2021 (MRPL))

7. Smt. Nivedida Subramanian, Independent Director (From November 15, 2021 (MRPL))

8. Shri Manohar Singh Verma, Independent Director (From November 15, 2021 (MRPL))

9. Shri Pankaj Gupta, Independent Director (From November 15, 2021 (MRPL))

10. Shri M. Venkatesh, Director (w.e.f. 01st April 2015) (MRPL)

11. Shri Anurag Sharma, Director (w.e.f. 05th June 2020) (MRPL)

12. Shri Sanjay Varma, Director (w.e.f. 26th June 2020) (MRPL)

13. Shri Om Prakash Singh, Director (w.e.f. 07th June, 2021) (MRPL)

14. Shri Pankaj Kumar, Director (w.e.f. 11th January, 2022) (MRPL)

15. Shri Sanjay Kumar Moitra, Director (upto 31st May 2020) (MRPL)

16. Shri Vinayakumar, Director (upto 31st May 2020) (MRPL)

17. Shri Rajesh Shyamsunder Kakkar, Director (upto 30th April 2021) (MRPL)

18. Smt. Pomila Jaspal, Director (upto 18th April 2022) (MRPL)

**F.5 CFO & Company Secretary**

1. Shri Pidaparthi Prakash Chainulu, Chief Executive Officer (w.e.f. 1st July, 2021)

2. Shri Sujir S Nayak, Chief Executive Officer (upto 30th June 2021)

3. Smt. Pomila Jaspal, Director (Finance) & CFO (MRPL)

4. Shri Surinder Pal Singh Chawla, Chief Financial Officer (Secondment from holding company w.e.f. 23rd October, 2020)

5. Shri. Surendra Nayak, Chief Financial Officer (Secondment from holding company upto 30th September, 2020)

6. Shri. Chandan Kumar Das - CFO(KMP) (PMHBL)

7. Ms. Nisha Dhingra (w.e.f August 9, 2021)

8. Shri K B Shyam Kumar, Company Secretary (from May 17, 2021)

9. Shri Dinesh Ranjan Mishra, Company Secretary (till May 02, 2021)

10. Shri Vikram Manjunath Shriyan , Company Secretary (w.e.f. 23rd July 2021)

11. Shri V. Murali, Company Secretary (CS)

12. Shri.Sachin Jayaswal - Company Secretary (KMP)

**51.2 Details of related party Transactions after elimination:**

**51.2.1 Transactions with Subsidiaries:**

Intergroup related party transactions and outstanding balances with subsidiaries companies are eliminated in the preparation of Consolidated Financial Statement of the group. Hence the same has not been disclosed in group related party transactions.

**51.2.2 Transactions with joint ventures**

**(₹ in million)**

| Name of related party | | Nature of transaction | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|---|---|
| **Sale/Purchase of products to/from:** | | | | |
| a) | HPCL-Mittal Energy Ltd. | Petroleum Product | 531,361.75 | 225,449.34 |
| b) | Hindustan Colas Pct Ltd. | Petroleum Product | 4,052.34 | 2,408.47 |
| c) | Shell MRPL Aviation Fuels and Services Ltd(SMAFSL) | Contaminated product | - | 0.14 |
| d) | ONGC Petro additions Limited | Sale of Petroleum Products | 1,874.02 | - |
| e) | ONGC Tripura Power Company Limited | Sale of natural gas | 6,430.57 | 7,418.86 |
| f) | ONGC Petro additions Limited | Sale of naphtha & C2-C3 | 76,623.27 | 43,172.95 |
| g) | HPCL-Mittal Energy Ltd. | Sale of Goods | 810.71 | 357.35 |
| h) | Hindustan Colas Pct Ltd. | Sale of Goods | 9,695.24 | 6,914.96 |
| i) | South Asia LPG Company Pvt Ltd. | Sale of Goods | 6,075.14 | 2,228.86 |
| **Services received from:** | | | | |
| a) | ONGC Teri Biotech Limited | Bio-remediation services | 172.99 | 303.43 |
| b) | Dahej SEZ Limited | Lease rent /ROU charges for SEZ land for C2-C3 plant | 978.80 | 1,180.97 |
| c) | MSEZ Limited | Supplies and services received & Lease rent | 455.45 | 419.61 |
| d) | HPCL-Mittal Energy Ltd. | Other Services availed | 189.66 | 160.65 |
| e) | Hindustan Colas Pct Ltd. | Other Services availed | 18.55 | 10.10 |
| f) | South Asia LPG Company Pvt Ltd. | Other Services availed | 1,002.39 | 922.74 |
| **Services provided to:** | | | | |
| a) | ONGC Petro additions Limited | ROU Charges for pipeline received | 0.22 | 0.05 |
| b) | ONGC Teri Biotech Limited | Field study charges and rent for colony accommodation | 0.56 | 0.52 |
| c) | ONGC Tripura Power Company Limited | Rent of office space at Scope Minar | 23.77 | 12.18 |

| Name of related party | | Nature of transaction | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|---|---|
| d) | Shell MRPL Aviation Fuels and Services Ltd(SMAFSL) | Reimbursement of Electrical Charges & royalty income | 11.10 | 9.15 |
| e) | HPCL-Mittal Energy Ltd. | Manpower supply service, lease rent & other service | 311.47 | 182.10 |
| f) | Hindustan Colas Pct Ltd. | Manpower supply service, lease rent & other service Manpower Supply Services | 102.05 | 69.98 |
| g) | South Asia LPG Company Pvt Ltd. | Lease rent & other services | 122.69 | 23.49 |
| h) | HPCL Shapoorji Energy Pvt. Ltd. | Manpower supply service | - | - |
| i) | Indradhanush Gas Grid Limited (IGGL) | Manpower deputation | 24.95 | 16.80 |
| j) | Sudd Petroleum Operating Company, Mauritius | Deputation of manpower and other charges | 95.38 | 86.51 |
| k) | Himalaya Energy Syria BV, The Netherlands (through ONGC Nile Ganga B.V.) | Deputation of manpower and other charges | 0.89 | 0.89 |
| **Dividend Income from:** | | | | |
| a) | ONGC Tripura Power Company Limited | Dividend Income | 392.00 | 448.00 |
| b) | Shell MRPL Aviation Fuels and Services Ltd (SMAFSL) | Dividend Income | 45.00 | 37.50 |
| c) | HPCL-Mittal Energy Limited | Dividend Income | 3,000.37 | - |
| d) | Hindustan Colas Pct Ltd. | Dividend Income | 803.25 | 590.63 |
| e) | South Asia LPG Company Pvt Ltd. | Dividend Income | 750.00 | 750.00 |
| f) | Mansarovar Energy Colombia Limited, Colombia (through ONGC Amazon Alaknanda Ltd.) | Dividend Income | 3,801.41 | 1,411.02 |
| **Subscription of Share Warrants** | | | | |
| a) | ONGC Petro additions Limited | Subscription of Share warrants | - | 8,709.09 |
| **Subscription of Equity Shares** | | | | |
| a) | Indradhanush Gas Grid Limited (IGGL) | Subscription to Equity | 240.00 | 490.00 |
| **Deemed Investments Non cash transaction (Ind AS fair valuations):** | | | | |
| a) | ONGC Petro addition Limited | Deemed equity investment for Financial guarantees of interest on Compulsory Convertible Debentures | 13.47 | 16.60 |

**51.2.3 Outstanding balances with joint ventures**

**(₹ in million)**

| Name of related party | | Nature of transaction | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|---|
| **A. Amount receivable:** | | | | |
| a) | ONGC Petro additions Limited | Trade and other receivables | 5,001.19 | 2,508.09 |
| b) | ONGC Teri Biotech Limited | Trade and other receivables | 434.93 | 228.08 |
| c) | Shell MRPL Aviation Fuels and Services Ltd(SMAFSL) | Trade and other receivables | 14.00 | 4.56 |
| d) | ONGC Mittal Energy Limited (OMEL) | Trade and other receivables | 872.11 | 342.32 |
| e) | Hindustan Colas Pct Ltd. | Trade and other receivables | 66.64 | 51.04 |
| f) | South Asia LPG Company Pvt. Ltd. | Trade and other receivables | 362.38 | - |
| g) | HPCL Shapoorji Energy Pvt. Ltd. | Trade and other receivables | 14.10 | 0.60 |
| h) | Sudd Petroleum Operating Company, Mauritius | Trade and other receivables | - | 52.72 |
| i) | Mansarovar Energy Colombia Limited, Colombia (through ONGC Amazon Alaknanda Ltd.) | Trade and other receivables | 77.85 | 24.84 |
| **B. Amount payable:** | | | | |
| a) | ONGC Teri Biotech Limited | Trade payables | 19.17 | 52.41 |
| b) | ONGC Tripura Power Company Limited | Trade payables and other payables | - | 5.39 |
| c) | Mangalore SEZ Limited | Trade payables | 124.73 | 245.79 |

| Name of related party | | Nature of transaction | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|---|
| d) | HPCL-Mittal Energy Ltd. | Trade payables | 45,024.67 | 25,285.20 |
| e) | Hindustan Colas Pct Ltd. | Trade payables | 863.65 | 299.70 |
| f) | South Asia LPG Company Pvt. Ltd. | Trade payables | 101.94 | 99.70 |
| **C. Loan & Advance outstanding:** | | | | |
| a) | ONGC Petro addition Limited | Advance against subscription to share warrant | 33,649.59 | 33,649.59 |
| b) | Mangalore SEZ Limited | | 55.82 | 59.41 |
| c) | Himalaya Energy Syria BV, The Netherlands (through ONGC Nile Ganga B.V.) | Capital advance & security Deposit | | |
| | | Loan Taken | | |
| | | | 292.60 | 307.60 |
| d) | Indradhanush Gas Grid Limited (IGGL) | Advance for subscription of equity shares | 830.00 | - |
| **D. Commitments:** | | | | |
| a) | ONGC Petro addition Limited | Unpaid subscription of share warrants | 862.81 | 862.81 |
| | | Backstopping support for compulsory convertible debentures-Interest accrued | 1,699.28 | 1,926.75 |
| **E. Letter of Comfort:** | | | | |
| a) | ONGC Petro addition Limited | Letter of Comfort against term loan | 65,000.00 | 65,000.00 |
| | | Letter of Comfort against Non-Convertible Debentures | 30,000.00 | 30,000.00 |

**51.2.3.1** During the previous year, the Company had approved the related party transaction for transfer of Hazira Dahez Naptha Pipeline (HDNPL) to OPaL on as-is basis for a consideration of ₹ 1,653.40 million comprising ₹ 1,154.40 million (excludes GST) towards the cost incurred by Company for partially completed HDNPL pipe line with associated facilities and ₹ 499.00 million towards Arbitration award and other related legal expenses. As the amount of Arbitral award has neither been paid to the contractor of HDNPL nor deposited with court till date as the same is being contested, the same has not been invoiced to OPaL. Necessary action will be initiated on receipt of final award.

**51.2.4 Transactions with associates**

**(₹ in million)**

| Name of related party | | Nature of transaction | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|---|---|
| **A. Purchase of products from:** | | | | |
| a) | Falcon Oil & Gas BV, Netherlands (through ONGC Nile Ganga B.V.) | Purchase of Crude Oil | 29,129.98 | 18,356.21 |
| **B. Services received from:** | | | | |
| a) | Pawan Hans Limited (PHL) | Hiring of helicopter services | 1,259.84 | 1,288.38 |
| b) | Petronet LNG Limited | Purchase of LNG | 18,319.61 | 8,992.74 |
| | | Facilities charges at C2-C3 and reimbursement of consultant fee | 770.86 | 824.79 |
| c) | Falcon Oil & Gas BV, Netherlands (through ONGC Nile Ganga B.V.) | Reimbursement of expense | 2.23 | 2.42 |
| **C. Services provided to:** | | | | |
| a) | Pawan Hans Limited (PHL) | Miscellaneous receipt on account of liquidated damages | 60.83 | - |
| b) | Falcon Oil & Gas BV, Netherlands (through ONGC Nile Ganga B.V.) | Deputation of manpower and other charges | 85.38 | 112.72 |
| c) | Petrolera Indovenezolana SA, Venezuela (through ONGC Nile Ganga B.V.) | Deputation of manpower and other charges | 88.09 | 81.98 |
| **D. Dividend and interest income from:** | | | | |
| a) | Petronet LNG Limited (PLL) | Dividend income | 1,968.75 | 2,812.50 |

| Name of related party | | Nature of transaction | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|---|---|
| b) | South East Asia Gas Pipeline Ltd, Hongkong (through ONGC Nile Ganga B.V.) | Interest income | 140.05 | 247.56 |
| | | Dividend income | - | 661.52 |
| c) | Petrolera Indovenezolana SA, Venezuela (through ONGC Nile Ganga B.V.) | Interest income | 98.91 | 101.62 |
| d) | Falcon Oil & Gas BV, Netherlands (through ONGC Nile Ganga B.V.) | Dividend income | 1,475.84 | 2,376.45 |
| e) | Tamba BV, The Netherlands (through ONGC Nile Ganga B.V.) | Dividend income | 1,145.55 | 1,002.57 |
| f) | JSC Vankorneft, Russia (through ONGC Videsh Singapore Pte Ltd.) | Dividend income | 12,982.68 | 15,927.75 |
| **E. Investment** | | | | |
| a) | Moz. LNG1 Holding Company Ltd. | Investment in equity capital (through OVRL) | 187.30 | 1,424.69 |
| b) | Moz. LNG1 Holding Company Ltd. | Investment in equity capital (through BREML) | 187.30 | 1,424.69 |
| **F. Loans Repaid by:** | | | | |
| a) | South East Asia Gas Pipeline Ltd, Hongkong (through ONGC Nile Ganga B.V.) | Loan repaid by Associate | 1,084.26 | 1,080.28 |

**51.2.5 Outstanding balances with associates**

**(₹ in million)**

| Name of related party | | Nature of transaction | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|---|
| **A. Amount Receivable:** | | | | |
| a) | Falcon Oil & Gas BV, Netherlands (through ONGC Nile Ganga B.V.) | Deputation of manpower and other charges | 19.79 | 27.16 |
| b) | Falcon Oil & Gas BV, Netherlands (through ONGC Nile Ganga B.V.) | Reimbursement of Expenses | 0.89 | 0.87 |
| c) | Petrolera Indovenezolana SA, Venezuela (through ONGC Nile Ganga B.V.) | Dividend Receivable | 31,270.96 | 30,337.99 |
| **B. Amount Payable:** | | | | |
| a) | Pawan Hans Limited (PHL) | Trade payables | 250.55 | 257.38 |
| b) | Petronet LNG Limited | Trade payables | 652.49 | 573.68 |
| c) | Falcon Oil & Gas BV, Netherlands (through ONGC Nile Ganga B.V.) | Trade payables | 7,444.43 | 6,042.26 |
| **C. Loans and advance outstanding:** | | | | |
| a) | South East Asia Gas Pipeline Ltd, Hongkong (through ONGC Nile Ganga B.V.) | Loan Given | 734.60 | 1,781.70 |
| b) | South East Asia Gas Pipeline Ltd, Hongkong (through ONGC Nile Ganga B.V.) | Advances receivable | - | 2,981.96 |
| c) | Petrolera Indovenezolana SA, Venezuela (through ONGC Nile Ganga B.V.) | Loan Given | 1,295.99 | 1,257.32 |
| d) | Petrolera Indovenezolana SA, Venezuela (through ONGC Nile Ganga B.V.) | Accrued Interest | 522.91 | 409.79 |

**51.2.6 Transactions with Trusts**

**(₹ in million)**

| Name of related party | | Nature of transaction | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|---|---|
| **A. Remittance of payment:** | | | | |
| a) | ONGC Contributory Provident Fund Trust | Contribution | 12,369.79 | 14,387.06 |
| b) | ONGC CSSS Trust | Contribution | 1,077.05 | 1,099.10 |
| c) | ONGC Sahyog Trust | Contribution | 31.34 | 23.85 |
| d) | ONGC PRBS Trust | Contribution | 8,510.23 | 12,166.16 |
| e) | ONGC Gratuity Trust | Contribution | 1,097.73 | - |

| Name of related party | | Nature of transaction | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|---|---|
| f) | MRPL Providend Fund | Contribution | 763.37 | 956.69 |
| g) | MRPL Gratuity Fund | Contribution | 52.32 | 248.93 |
| h) | Hindustan Petroleum Corporation Limited Provident Fund | Contribution | 108.80 | 410.66 |
| i) | Hindustan Petroleum Corporation Ltd Employees Post Retirement Med Benefit Fund | Contribution | 165.81 | 216.65 |
| j) | Hindustan Petroleum Corporation Ltd Employees Group Gratuity Assurance Scheme | Contribution | 50.50 | 85.95 |
| k) | Hindustan Petroleum Corporation Ltd Employees Superannuation Benefit Fund Scheme | Contribution | 149.89 | 226.25 |
| **B. Reimbursement of Gratuity payment made on behalf of Trust:** | | | | |
| a) | ONGC Gratuity Fund | Reimbursement | 2,088.10 | 4,649.07 |
| b) | MRPL Gratuty fund | Reimbursement | 52.94 | 23.65 |
| **C. Services provided to:** | | | | |
| a) | ONGC Energy Center | Rental income | 4.07 | 7.70 |
| b) | MRPL Education Trust | Services Rendered | 2.54 | 2.77 |
| c) | MRPL Janseva Trust | Services Rendered | 4.05 | 3.49 |
| **D. Contribution to trust:** | | | | |
| a) | MRPL Janaseva Trust | Contribution | 62.85 | 49.68 |
| b) | MRPL Education Trust | Contribution | 54.70 | 49.85 |
| c) | ONGC Energy Center | For research and development | 75.00 | 100.00 |
| d) | ONGC Start Up Fund Trust | Investment | 365.00 | 79.21 |
| e) | ONGC Foundation | Supply of Oxygen Concentrator | 93.57 | - |
| f) | ONGC Foundation | CSR Expenditure | 1,511.68 | 282.20 |
| **E. Sale/Purchase of Securities** | | | | |
| a) | ONGC Start Up Fund Trust | Sale of Equity Share & Compulsory Convertible Preference Shares | 235.76 | - |

**51.2.7 Compensation of key management personnel**

• **Whole time directors and Company secretary**

**(₹ in million)**

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Short term employee benefits | 188.06 | 171.64 |
| Post-employment benefits | 44.81 | 37.09 |
| Long-term benefits | 20.80 | 14.19 |
| **Total** | **253.67** | **222.92** |

• **Independent directors**

**(₹ in million)**

| Particulars | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| Sitting fees | 7.54 | 6.43 |
| **Total** | **7.54** | **6.43** |

**51.3 Disclosure in respect of Government related Entities**

**51.3.1** Name of Government related entities and description of relationship wherein significant amount of transaction carried out:

| Sl no. | Government related entities | Relation |
|---|---|---|
| 1. | Indian Oil Corporation Limited | Central PSU |
| 2. | GAIL (India) Limited | Central PSU |
| 3. | Bharat Petroleum Corporation Limited | Central PSU |
| 4. | Chennai Petroleum Corporation Limited | Central PSU |
| 5. | Numaligarh Refinery Limited | Central PSU |
| 6. | Kochi Refineries Limited | Central PSU |
| 7. | Bharat Heavy Electricals Limited | Central PSU |
| 8. | United India Insurance Company Limited | Central PSU |
| 9. | Bharat Sanchar Nigam Limited | Central PSU |
| 10. | Mahanagar Telephone Nigam Limited | Central PSU |

| Sl no. | Government related entities | Relation |
|---|---|---|
| 11. | Balmer Lawrie & Co Limited | Central PSU |
| 12. | Engineers India Limited | Central PSU |
| 13. | Shipping Corporation of India Limited | Central PSU |
| 14. | Indian Strategic Petroleum Reserves Limited (ISPRL) | Central PSU |
| 15. | New Manngalore Port Trust | Central Port Trust |
| 16. | Brahmaputra Cracker and Polymer Limited | Central PSU |
| 17. | Bharat Electronics Limited | Central PSU |
| 18. | Bridge & Roof Co (India) Limited | Central PSU |
| 19. | Konkan Railway Corporation Limited | Central PSU |
| 20. | National Insurance Company Limited | Central PSU |
| 21. | New India Assurance Company Limited | Central PSU |
| 22. | Oriental Insurance Co. Limited | Central PSU |
| 23. | Coal India Limited | Central PSU |
| 24. | Oil India Limited | Central PSU |
| 25. | Bharat Pump and Compressor Limited | Central PSU |
| 26. | North Eastern Electric Power Corporation Limited | Central PSU |
| 27. | Rashtriya Chemicals and Fertilizers Limited | Central PSU |
| 28. | Centre for High Technology | Central Government |
| 29. | Indian Railways | Central Government |
| 30. | Central Industrial Security Force | Central Government |
| 31. | Ministry of Corporate Affairs | Central Government |
| 32. | National Informatics Centre | Central Government |
| 33. | Karnataka Power Transmission Corporation Limited | State PSU |
| 34. | Karnataka Industrial Area Development Board | State Government |
| 35. | Haldia Petrochemicals Limited | State PSU |
| 36. | Kerala Small Industries Development Corporation Limited | State PSU |
| 37. | Malabar Cements Limited | State PSU |
| 38. | Member Secretary, KSPCB, Mangalore | State Government |
| 39. | MESCOM | State Government |
| 40. | Additional Chief Electrical Inspector, Mangalore | State Government |
| 41. | Karnataka State Pollution Control Board | State Government |

**51.3.2 Group Transactions with Government Related Entities**

**(₹ in million)**

| | Name of related party | Nature of transaction | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|---|---|
| **Sale of products during year to:** | | | | |
| a) | Indian Oil Corporation Limited | Sale of crude oil C2-C3, SKO, HSD, LPG, Oxygen Concentrators and related services | 404,246.19 | 283,893.42 |
| b) | Bharat Petroleum Corporation Ltd | Sale of crude oil C2-C3, SKO, HSD, LPG, Oxygen Concentrators and related services | 193,964.05 | 117,317.35 |
| c) | Chennai Petroleum Corporation Ltd | Sale of crude oil, Oxygen Concentrators and related services | 72,808.50 | 42,158.73 |
| d) | Numaligarh Refinery Ltd | Sale of crude oil, Oxygen Concentrators and related services | 33,717.05 | 17,816.43 |
| e) | GAIL (India) Limited | Sale of Natural Gas & other product, Oxygen Concentrators and related services | 99,469.27 | 98,289.24 |
| f) | Brahmaputra Cracker and Polymer Ltd | Sale of Natural gas | 506.65 | 553.87 |
| g) | North Eastern Electric Power Corporation Limited | Sale of Natural gas | 1,242.47 | 922.61 |

| Name of related party | | Nature of transaction | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|---|---|
| h) | New Mangalore Port Trust | Sale of petroleum products | 3.11 | 0.82 |
| i) | Haldia Petrochemicals Limited | Sale of petroleum products | 4,599.29 | 2,915.26 |
| j) | Kerala Small Industries Development Corporation Limited | Sale of petroleum products | 341.82 | 267.94 |
| k) | Malabar Cements Limited | Sale of petroleum products | 110.02 | 154.42 |
| l) | Rashtriya Chemicals and Fertilizers Limited | Sale of petroleum products | 399.87 | 91.28 |
| m) | Indian Strategic Petroleum Reserves Limited (ISPRL) | Sale of crude oil & petroleum products | 0.31 | 22,042.85 |
| n) | Indian Railways | Sale of petroleum products | 4,180.05 | 3,097.00 |
| **Purchase of product & services provided during year from:** | | | | |
| a) | Indian Oil Corporation Limited | Purchase of Petrol Oil & lubricant | 4,458.17 | 3,490.23 |
| b) | Bharat Petroleum Corporation Ltd | Purchase of Petrol Oil & lubricant | 5,197.38 | 1,549.70 |
| c) | GAIL (India) Limited | Purchase of LNG & Other related services | 6,220.17 | 4,890.56 |
| d) | Bharat Heavy Electricals Limited | Purchase of drilling rig related items including spares and related services | 1,644.29 | 3,225.62 |
| e) | Numaligarh Refinery Ltd | Purchase of HSD | 6.73 | 63.58 |
| f) | Bharat Pump and Compressor Ltd | Purchase of spare parts | 53.11 | 254.79 |
| g) | Bharat Electronics Limited | Purchase of Products | 1,023.20 | 356.61 |
| h) | Indian Strategic Petroleum Reserves Limited (ISPRL) | Purchase of Crude Oil | 30,137.73 | 988.45 |
| **Services Provided to:** | | | | |
| a) | Indian Strategic Petroleum Reserves Limited (ISPRL) | Deputation of MRPL employees | 17.05 | 8.73 |
| **Services Received from:** | | | | |
| a) | Karnataka Power Transmission Corporation Ltd | Purchase of electricity | 0.13 | 196.48 |
| b) | Oriental Insurance Co. Ltd | Insurance premium | 497.08 | 400.89 |
| c) | New Mangalore Port Trust | Port Services others | 1,141.76 | 1,125.06 |
| d) | Bridge & Roof Co (India) Ltd | Job Work Service | 112.46 | 925.14 |
| e) | Engineers India Ltd | Technical Services | 47.10 | 92.88 |
| f) | Shipping Corporation of India | Hiring of vessels | 6,854.76 | 7,525.57 |
| g) | Konkan Railway Corporation Limited | Railway Siding Freight Charges | 13.49 | 617.33 |
| h) | Bharat Petroleum Corporation Ltd (BPCL) | PT Programme Services | - | 0.12 |
| i) | Bharat Heavy Electrical Ltd | Other services | 25.81 | 24.06 |
| j) | Additional Chief Electrical Inspector, Mangalore | Captive-Power-Gen-Cpp-Solar | 236.33 | 196.48 |
| k) | Central Industrial Security Force | Security Charges | 155.49 | 221.91 |
| l) | Gail (India) Limited | RLNG Transmission | 161.17 | 8.20 |
| m) | Member, Secretary, KSPCB, Mangalore | Payment of Consent Fee | 104.62 | - |
| n) | MESCOM | Power Supply and Rating Fee | 907.60 | 311.98 |
| o) | National Insurance Company Limited | Services | 18.87 | 0.23 |
| p) | Karnataka State Pollution Control Board | Services | 37.87 | 0.14 |
| q) | Balmer Lawrie & Co. Limited | Services | 0.58 | 0.71 |
| r) | New India Assurance Company Limited | Services | 0.05 | 179.70 |
| s) | National Informatics Centre | Services | 0.98 | - |
| t) | United India Insurance Company Limited | Insurance premium | 1,264.03 | 1,226.90 |
| u) | Balmer Lawrie & Co Limited | Travel expenses | 552.45 | 399.69 |
| v) | Oil India limited | Pipe line service | 237.77 | 241.16 |
| **Dividend Income received from:** | | | | |
| a) | Indian Oil Corporation Limited | Dividend income | 14,040.76 | 14,040.76 |
| b) | GAIL (India) Limited | Dividend income | 1,960.30 | 1,089.05 |

**51.3.3 Outstanding balances with Government Related Entities**

**(₹ in million)**

| Particulars | | | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|---|
| **Amount receivable:** | | | | |
| a) | Indian Oil Corporation Limited | Trade & other receivable | 37,518.68 | 24,364.62 |
| b) | Bharat Petroleum Corporation Limited | Trade & other receivable | 16,441.80 | 9,609.37 |
| c) | Indian Strategic Petroleum Reserves Limited (ISPRL) | Trade & other receivable | 0.47 | 1.41 |
| d) | Indian Railways | Trade & other receivable | 489.98 | 415.82 |
| e) | Haldia Petrochemicals Limited | Trade & other receivable | 0.70 | - |
| f) | Rashtriya Chemicals and Fertilizers Limited | Trade & other receivable | 85.30 | 17.32 |
| g) | Chennai Petroleum Corporation Limited | Trade & other receivable | 9,902.24 | 6,200.67 |
| h) | Numaligarh Refinery Limited | Trade & other receivable | 3,114.44 | 1,878.92 |
| i) | GAIL (India) Limited | Trade & other receivable | 9,995.77 | 8,038.28 |
| j) | United India Insurance Company Limited | Claim receivable (net) | - | 3.07 |
| k) | Oil India Limited | Trade & other receivable | 840.09 | 590.71 |
| l) | Brahmaputra Cracker and Polymer Limited | Trade & other receivable | 89.26 | 397.52 |
| m) | Kochi Refineries Limited | Trade & other receivable | 0.05 | 9.61 |
| n) | Coal India Limited | Trade & other receivable | 897.44 | 779.91 |
| **Advance to vendors:** | | | | |
| a) | Centre for High Technology | Advance | 29.82 | 29.82 |
| b) | Karnataka Industrial Area Development Board | Advance & Security Deposit for Land etc. | 6,956.24 | 6,955.25 |
| c) | MESCOM | Advance | 81.76 | - |
| d) | Central Industrial Security Force | Advance | 10.75 | 14.99 |
| e) | New Mangalore Port Trust | Advance | 232.45 | 221.69 |
| f) | National Insurance Company Limited | Advance | 0.06 | 0.01 |
| g) | National Informatics Centre | Advance | - | 0.47 |
| **Advance for Acquisition for Land** | | | | |
| a) | Karnataka Industrial Area Development Board | Purchase of land | - | 7.24 |
| **Amount payable:** | | | | |
| a) | Bridge & Roof Co (India) Ltd | Trade & other payable | 86.64 | 54.12 |
| b) | Engineers India Ltd | Trade & other payable | 208.34 | 158.16 |
| c) | Bharat Heavy Electricals Limited | Trade & other payable | 1,005.73 | 1,584.23 |
| d) | Shipping Corporation of India Limited | Trade & other payable | 2,241.35 | 1,446.42 |
| e) | Konkan Railway Corporation Limited | Trade & other payable | 32.24 | 16.87 |
| f) | Karnataka Power Transmission Corporation Ltd | Trade & other payable | - | 19.26 |
| g) | Indian Oil Corporation Limited | Trade & other payable | 79.44 | 159.55 |
| h) | Indian Strategic Petroleum Reserves Limited (ISPRL) | Trade & other payable | 116.12 | - |
| i) | GAIL (India) Limited | Trade & other payable | 342.10 | 306.05 |
| j) | Member Secretary, KSPCB, Mangalore | Trade & other payable | - | 0.10 |
| k) | MESCOM | Trade & other payable | - | 12.21 |
| l) | Bharat Petroleum Corporation Limited | Trade & other payable | 1,028.33 | 13.04 |
| m) | Indian Strategic Petroleum Reserves Limited (ISPRL) | Trade & other payable | - | 6,462.22 |
| n) | Balmer Lawrie & Co Limited | Trade & other payable | 32.68 | 60.88 |
| o) | Bharat Electronics Limited | Trade & other payable | 383.08 | 420.87 |
| p) | Oil India Limited | Trade & other payable | 4.35 | 47.56 |
| q) | Bharat Pump and Compressor Limited | Trade & other payable | 4.30 | 18.52 |
| **Advance from Customers** | | | | |
| a) | Kerala Small Industries Development Corporation Limited | Advance | 0.06 | 0.45 |
| b) | Assistant Director KRIDL | Advance | 0.53 | - |
| c) | Malabar Cements Limited | Advance | 0.07 | 0.25 |

The above transactions with the government related entities cover transactions that are available for the Company and its subsidiaries. Further, the transactions included above covers transactions that are significant individually and collectively. The Group has also entered into other transactions such as telephone expenses, air travel, fuel purchase and deposits etc. with above mentioned and other various government related entities. These transactions are insignificant individually and collectively and hence not disclosed.

## 52 Financial instruments Disclosure

### 52.1 Capital Management

The Group's objective when managing capital is to:

- Safeguard its ability to continue as going concern so that the Group is able to provide maximum return to stakeholders and benefits for other stakeholders; and
- Maintain an optimal capital structure to reduce the cost of capital.

The Group maintains its financial framework to support the pursuit of value growth for shareholders, while ensuring a secure financial base. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The capital structure of the Group consists of net debt (borrowings as detailed in Note No. 29 offset by cash and bank balances) and total equity (refer Note No. 26, 27 and 28).

The Group's financial management committees review the capital structure on a regular basis. As part of this review, the committee considers the cost of capital, risks associated with each class of capital requirements and maintenance of adequate liquidity.

#### 52.1.1 Gearing Ratio

The gearing ratio is worked out as follows:

**(₹ in million)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| i) Debt | 1,077,758.06 | 1,190,611.50 |
| ii) Total cash and bank balances | 68,409.39 | 71,922.62 |
| Less : cash and bank balances required for working capital | 438.55 | 520.77 |
| Net cash and bank balances | 67,970.84 | 71,401.85 |
| **iii) Net Debt** | **1,009,787.22** | **1,119,209.65** |
| **iv) Total equity** | **2,833,278.43** | **2,425,967.88** |
| **v) Net Debt to equity ratio** | **35.64%** | **46.13%** |

### 52.2 Categories of financial instruments

**(₹ in million)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Financial assets** | | |
| **Measured at fair value through profit or loss (FVTPL)** | | |
| (a) Investment in mutual funds | 41,578.88 | 32,577.33 |
| (b) Compulsory Convertible Preference Share# | 178.04 | 372.06 |
| (c) Derivative assets | - | 65.17 |
| (d) Debt Instrument | 53,715.24 | 54,175.73 |
| (e) Investments in equity instruments*# | 444.53 | 0.59 |
| **Measured at amortised cost** | | |
| (a) Investment in GoI Special Bonds | 1,975.08 | 1,975.08 |
| (b) Trade and other receivables | 216,637.84 | 185,787.90 |
| (c) Cash and cash equivalents | 54,497.30 | 40,193.69 |
| (d) Other bank balances | 13,912.09 | 31,728.93 |
| (e) Deposit under Site Restoration Fund | 248,721.80 | 235,114.70 |
| (f) Loans | 31,365.80 | 28,225.62 |
| (g) Other financial assets | 132,577.32 | 133,783.89 |
| **Measured at FVTOCI** | | |
| (a) Investments in equity instruments | 199,378.60 | 155,654.85 |
| **Financial liabilities** | | |
| **Measured at fair value through profit or loss (FVTPL)** | | |
| (a) Derivative Liability | 2,060.52 | 916.69 |
| **Measured at amortised cost** | | |
| (a) Short Term Borrowings | 197,331.30 | 398,990.87 |
| (b) Long Term Borrowings | 880,426.76 | 791,620.63 |
| (c) Trade payables | 401,710.72 | 269,250.33 |

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| (d) Other financial liabilities | | |
| i. Compulsory Convertible Debentures | 76,401.82 | 74,319.13 |
| ii Financial guarantee contracts | 4.35 | 12.23 |
| iii.Others | 375,825.03 | 359,098.68 |
| (e) Lease Liabilities | 142,100.52 | 141,257.71 |

# During the year, investment in equity shares of startups were sold to ONGC startup fund for the total consideration of ₹ 235.76 million. (refer note No. 14.2.3)

* Further, during the year the company has subscribed 44,420,792 no's equity units of ONGC startup fund trust (reg under SEBI as AIF category 1) for the total consideration of ₹ 444.21 million. (refer note 14.2.3)

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity (ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."

### 52.3 Financial risk management objectives

While ensuring liquidity is sufficient to meet Group operational requirements, the Group's financial management committee also monitors and manages key financial risks relating to the operations of the Group by analysing exposures by degree and magnitude of risks. These risks include credit risk, liquidity risk and market risk (including currency risk and price risk).

**In respect of Company**, during the year, the liquidity position of the Company was comfortable. The lines of Credit/short term loan available with various banks for meeting the short term working capital/ deficit requirements were sufficient for meeting the fund requirements. The Company has also an overall limit of ₹ 100,000 million for raising funds through Commercial Paper. Cash flow/ liquidity position is reviewed on continuous basis.

**In case of subsidiary OVL**, the Company's management seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the company's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

**In case of subsidiary HPCL**, the Corporation has established an Enterprise Risk Management (ERM) framework under the Corporation's Risk Management Charter and Policy 2007, which is embedded at the forefront of business strategies and focuses on the stronger, deeper and trust-based relationship with the stakeholders. It provides necessary support to the business to steer through the continuously evolving risk terrain through dynamic risk management approach that embraces disruption and enhances resiliency and trust.

The Risk Management Steering Committee (RMSC) receives regular insights on risk exposures faced by the Corporation, thereby enabling it to provide inputs on prompt actions to be taken as well as monitor the actions taken. The Board is also updated regularly on the risk assessment and mitigation procedures.

Technology has been enabled to support the Enterprise Risk Management processes with a focus on optimizing risk exposures and automating risk reporting across the organization.

**In case of subsidiary MRPL**, the Company's Risk Management Committee monitors and manages key financial risks relating to the operations of the Company by analysing exposures by degree and magnitude of risks. These risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

### 52.4 Credit risk management

Credit risk arises from cash and cash equivalents, investments carried at amortized cost and deposits with banks as well as customers including receivables. Credit risk management considers available reasonable and supportive forward-looking information including indicators like external credit rating (as far as available), macro-economic information (such as regulatory changes, government directives, market interest rate).

Credit exposure is managed by counterparty limits for investment of surplus funds which is reviewed by the Management. Investments in liquid plan/schemes are with public sector Asset Management Companies having highest rating. For banks, only high rated banks are considered for placement of deposits.Bank balances are held with reputed and creditworthy banking institutions.

**In respect of Company,**

Major customers, being public sector Oil Marketing Companies (OMCs) and gas companies having highest credit ratings, carry negligible credit risk. The Company is exposed to default risk in relation to financial guarantees given to banks / vendors on behalf of subsidiaries / joint venture companies for the estimated amount that would be payable to the third party for assuming the obligation. The Company's maximum exposure in this regard on as at March 31, 2022 is ₹ 389,094.14 million (As at March 31, 2021 ₹ 411,769.54 million).

**In respect of subsidiary company MRPL,**

Major customers comprise of public sector undertakings (Oil Marketing Companies - OMCs) having highest credit ratings and carry negligible credit risk. Concentration of credit risk to any other counterparty did not exceed 10% of total monetary assets at any time during the year. Only high rated banks are considered for placement of deposits. Bank balances are held with reputed and creditworthy banking institutions.

**In respect of subsidiary company OVL,**

Major customers, of the Company are reputed Oil Marketing Companies (OMCs) / International Oil Companies (IOCs) / National Oil Companies (NOCs) which have highest credit ratings, carrying negligible credit risk.

**In respect of subsidiary company HPCL,**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet their contractual obligations. The risk arises principally from the Group's Receivables from Customers and so also from Investment Securities. The risk is managed through credit approval, establishing credit limits and continuous monitoring of the creditworthiness of Customers to whom the Group extends credit terms in the normal course of business.

The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

**Trade receivables:**

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

The Group assesses impairment of Trade Receivable/Other Receivables both individually &/or grouping large numbers of Customers, homogenously and recognizes a loss allowance towards doubtful debts by estimating its expected losses. In this regard, an allowance matrix is used to measure the expected credit losses on trade receivables that are considered good. The following table provides information about the exposure to credit risk and loss allowance (including expected credit loss provision) on such trade receivables:

**(₹ in million)**

| | 31.03.2022 | | | 31.03.2021 | | |
|---|---|---|---|---|---|---|
| | Gross carrying amount | Weighted average loss rate | Loss allowance | Gross carrying amount | Weighted average loss rate | Loss allowance |
| Past due 0-90 days | 61,370.50 | 0.02% | 11.60 | 63,503.40 | 0.05% | 32.90 |
| Past due 91–360 days | 850.70 | 3.35% | 28.50 | 3,522.10 | 1.73% | 61.00 |
| More than 360 days | 2,904.80 | 57.93% | 1,682.80 | 4,875.80 | 63.73% | 3,107.50 |
| | **65,126.00** | | **1,722.90** | **71,901.30** | | **3,201.40** |

**The movement in loss allowance on trade receivables is as follows:**

**(₹ in million)**

| | |
|---|---|
| **Balance as at 01.04.2020** | **1,799.20** |
| Add : Loss allowance recognised | 1,405.90 |
| Less : Amounts written off | 3.70 |
| **Balance as at 31.03.2021** | **3,201.40** |
| Add : Loss allowance recognised | 189.70 |
| Less : Loss allowance reversed | 1,666.80 |
| Less : Amounts written off | 1.30 |
| **Balance as at 31.03.2022** | **1,722.90** |

The amounts written off relates to customers who have defaulted payments and are not expected to be expected to pay their outstanding balances, mainly due to economic circumstances.

**Cash and cash equivalents**

The Group held cash and cash equivalents of ₹ 2,338.50 million as at 31.03.2022 (31.03.2021: ₹ 4,803.80 million).The cash and cash equivalents (other than cash on hand) are held with Scheduled banks. The Group invests its surplus funds for short duration in fixed deposit with banks, Govt of India T-bills and liquid Schemes of Mutual Funds, all of which carry no mark to market risks as the Group is exposed only to low credit risk.

**Derivatives:**

The forex and interest rate derivatives are entered into with banks having an investment grade rating. Commodity derivatives are entered with reputed Counterparties in the OTC (Over-the-Counter) Market. The exposure to counter-parties are closely monitored and kept within the approved limits.

**Investment in debt securities:**

Investment are made in government securities or bonds which do not carry any credit risk, being sovereign in nature.

**52.5 Liquidity risk management**

The Group manages liquidity risk by maintaining sufficient cash and cash equivalents including bank deposits and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due. Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets & liabilities and monitoring balance sheet liquidity ratios.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Group may be required to pay.

| Particulars | Weighted average effective interest rate | Less than 1 month | 1 month -1 year | 1 year – 3 years | More than 3 years | Total |
|---|---|---|---|---|---|---|
| **As at March 31, 2022** | | | | | | |
| **Measured at amortised cost** | | | | | | |
| **Fixed Rate Borrowing:** | | | | | | |
| Short Term Borrowing | | - | 86,951.43 | - | - | 86,951.43 |
| Long Term Borrowing | | - | - | 26,400.00 | 36,875.21 | 63,275.21 |
| Borrowings | Long term -3.94%<br>Short Term -3.18% | 18,245.14 | 52,283.06 | 58,411.37 | 99,581.86 | 228,521.43 |

| Particulars | Weighted average effective interest rate | Less than 1 month | 1 month -1 year | 1 year – 3 years | More than 3 years | Total |
|---|---|---|---|---|---|---|
| | Subsidiary OMPL<br>Long term - 4.29%<br>Short Term -5.82% | | | | | |
| Borrowings and interest thereon | | - | 167,596.00 | 125,961.2 | 158,351.2 | 451,908.40 |
| US$ 750 millions unsecured non-convertible Reg S Bonds | 4.72% | - | - | - | 54,684.42 | 54,684.42 |
| US$ 500 millions unsecured non-convertible Reg S Bonds | 3.76% | - | - | 36,707.13 | - | 36,707.13 |
| EUR 525 millions unsecured Euro Bonds | 2.84% | - | - | 44,968.38 | - | 44,968.38 |
| US$ 600 million Foreign Currency Bonds | 3.802% | - | - | - | 43,986.25 | 43,986.25 |
| US$ 400 million Foreign Currency Bonds | 2.923% | - | 29,384.99 | - | - | 29,384.99 |
| **Variable Rate Borrowing:** | | | | | | |
| Term loan from bank (US$ 1,000 million Facility) | 3M$Libor + 95 bps | - | - | - | 72,681.61 | 72,681.61 |
| Term Loan from Bank (US$ 500 million Facility) | 3M$Libor + 76 bps | - | - | - | 36,487.79 | 36,487.79 |
| Term Loan from Bank (US$ 1,775 million Facility) | 3M$Libor + 95 bps | - | - | 50,928.57 | - | 50,928.57 |
| Term Loan from Bank (JPY 38 billion Facility) | 3MJPYLibor + 47 bps | - | - | 16,717.91 | 8,358.95 | 25,076.86 |
| **Derivative financial liabilities** | | | | | | |
| Commodity contracts (net settled) | | - | 33.60 | - | - | 33.60 |
| **Others financials liabilities:** | | | | | | |
| Lease Liabilities # | | - | - | - | - | 141,257.71 |
| Trade Payable | | 61,610.10 | 2,12,881.35 | - | - | 2,74,491.45 |
| Payable to operators | | 34,797.65 | - | - | - | 34,797.65 |
| Bonus payable for extension of Production sharing agreement | | - | 1,004.36 | 1,937.48 | 937.82 | 3,879.66 |
| Deposit from suppliers/ vendors | | 4,162.11 | 375.93 | 669.08 | 3.64 | 5,210.76 |
| Interest accrued | | - | 3,157.09 | 839.42 | - | 3,996.51 |
| Compulsory Convertible Debentures | | - | 16,203.56 | 58,115.57 | - | 74,319.13 |
| Others | | 103,197.27 | 50,640.80 | 65.80 | 161,780.44 | 315,684.31 |
| **Total** | | **222,012.27** | **620,512.17** | **421,721.91** | **673,729.20** | **2,079,233.26** |

# For Maturity Analysis of Lease Liabilities please refer Note No. 48.2 and refer Note No. 29 Borrowings.

(₹ in million)

| Particulars | Weighted average effective interest rate | Less than 1 month | 1 month -1 year | 1 year – 3 years | More than 3 years | Total |
|---|---|---|---|---|---|---|
| **As at March 31, 2021** | | | | | | |
| **Measured at amortised cost** | | | | | | |
| **Fixed Rate Borrowing:** | | | | | | |
| Short Term Borrowing | | - | 86,951.43 | - | - | 86,951.43 |
| Long Term Borrowing | | - | - | 26,400.00 | 36,875.21 | 63,275.21 |
| Borrowings | Long term -3.94%<br>Short Term -3.18%<br>Subsidiary OMPL<br>Long term - 4.29%<br>Short Term -5.82% | 18,245.14 | 52,283.06 | 58,411.37 | 99,581.86 | 228,521.43 |
| Borrowings and interest thereon | | - | 167,596.00 | 125,961.2 | 158,351.2 | 451,908.40 |
| US$ 750 millions unsecured non-convertible Reg S Bonds | 4.72% | - | - | - | 54,684.42 | 54,684.42 |
| US$ 500 millions unsecured non-convertible Reg S Bonds | 3.76% | - | - | 36,707.13 | - | 36,707.13 |
| EUR 525 millions unsecured Euro Bonds | 2.84% | - | - | 44,968.38 | - | 44,968.38 |
| US$ 600 million Foreign Currency Bonds | 3.802% | - | - | - | 43,986.25 | 43,986.25 |
| US$ 400 million Foreign Currency Bonds | 2.923% | - | 29,384.99 | - | - | 29,384.99 |
| **Variable Rate Borrowing:** | | | | | | |
| Term loan from bank (US$ 1,000 million Facility) | 3M$Libor + 95 bps | - | - | - | 72,681.61 | 72,681.61 |
| Term Loan from Bank (US$ 500 million Facility) | 3M$Libor + 76 bps | - | - | - | 36,487.79 | 36,487.79 |
| Term Loan from Bank (US$ 1,775 million Facility) | 3M$Libor + 95 bps | - | - | 50,928.57 | - | 50,928.57 |
| Term Loan from Bank (JPY 38 billion Facility) | 3MJPYLibor + 47 bps | - | - | 16,717.91 | 8,358.95 | 25,076.86 |
| **Derivative financial liabilities** | | | | | | |
| Commodity contracts (net settled) | | - | 33.60 | - | - | 33.60 |
| **Others financials liabilities:** | | | | | | |
| Lease Liabilities # | | - | - | - | - | 141,257.71 |
| Trade Payable | | 61,610.10 | 2,12,881.35 | - | - | 2,74,491.45 |
| Payable to operators | | 34,797.65 | - | - | - | 34,797.65 |
| Bonus payable for extension of Production sharing agreement | | - | 1,004.36 | 1,937.48 | 937.82 | 3,879.66 |
| Deposit from suppliers/ vendors | | 4,162.11 | 375.93 | 669.08 | 3.64 | 5,210.76 |
| Interest accrued | | - | 3,157.09 | 839.42 | - | 3,996.51 |
| Compulsory Convertible Debentures | | - | 16,203.56 | 58,115.57 | - | 74,319.13 |
| Others | | 103,197.27 | 50,640.80 | 65.80 | 161,780.44 | 315,684.31 |
| **Total** | | **222,012.27** | **620,512.17** | **421,721.91** | **673,729.20** | **2,079,233.26** |

# For Maturity Analysis of Lease Liabilities please refer Note No. 48.2 and refer Note No. 29 Borrowings.

The Group expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets. The Group has access to committed credit facilities as described below:

**In respect of the Company,**

The Company along with its wholly owned subsidiary ONGC Videsh Limited, had set up Euro Medium Term Note (EMTN) Program for US$ 2 billion on August 27, 2019 which was listed on Singapore Stock Exchange and subsequently on India International Exchange (India INX) and will mature in December 05, 2029. The EMTN program was updated by the Company along with its wholly owned subsidiaries ONGC Videsh Limited and ONGC Videsh Vankorneft Ltd. on April 19, 2021 for drawdown.

The domestic debt capital market was tapped by the Company during FY 2020-21 by issuance of four series of Non-Convertible Debentures (NCD) aggregating to ₹ 41,400 million on private placement basis. Details of NCDs outstanding as on March 31, 2022 are given under Note No. 29.1.6.

Liabilities for Compulsory Convertible Debentures (CCDs) represents maturity profile against CCDs issued by Joint Venture Company ONGC Petro additions Limited (OPaL)amounting to ₹ 77,780.00 million refer Note No.52.5

The Company has access to committed credit facilities and the details of facilities used are given below. The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

**Unsecured bank overdraft facility, reviewed annually and payable at call:**

**(₹ in million)**

| **Particulars** | **As at March 31, 2022** | **As at March 31, 2021** |
|---|---|---|
| Amount used | - | - |
| Amount unused | 40,000 | 2,663 |

# At the year-end, the cash credit limit was ₹ 40,000 million (Previous year ₹ 11,023 million) considering business requirement of the Company. The cash credit limit of ₹ NIL (Previous year ₹ 8,360 million) was utilized as working capital loan.

Besides the above, the Company had arrangement for unutilized short term loan facilities of ₹ 40,000 million as on March 31, 2022 (Previous year ₹ 15,833 million) with other banks.

The Company also had an unutilized limit of ₹ 100,000 million (Previous year ₹ 82,500 million) for raising funds through Commercial Paper.

**In respect of subsidiary company MRPL,**

The Group has access to financing facilities as described below, of which ₹ Nil were unused at the end of the reporting period (As at March 31, 2021 ₹ 5,000 million). The Group expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

**(₹ in million)**

| **Particulars** | **As at March 31, 2022** | **As at March 31, 2021** |
|---|---|---|
| Secured bank overdraft facility, payable at call: | 5,000.00 | 5,000.00 |
| amount used | 5,000.00 | - |
| amount unused | | 5,000.00 |
| | - | **5,000.00** |

**In respect of subsidiary company OVL,**

The amounts included above for variable interest rate instruments for both non-derivative financial liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

The following table details the Company's liquidity analysis for its derivative financial instruments. The table has been drawn up based on the undiscounted contractual net cash inflows and outflows on derivative instruments that settle on a gross basis:

**(₹ in million)**

| **Particulars** | **Less than 3 months** | **3 months – 6 months** | **6 months – 1 year** | **More Than 1 year** | **Total** | **Carrying amount** |
|---|---|---|---|---|---|---|
| **As at March 31, 2022** | | | | | | |
| Gross settled: | | | | | | |
| **Derivative liabilities** | | | | | | |
| -foreign exchange forward contracts | - | - | - | 207.39 | 207.39 | 207.39 |
| **Total** | | | | **207.39** | **207.39** | **207.39** |
| Gross settled: | | | | | | |
| **Derivative assets** | | | | | | |
| -foreign exchange forward contracts | - | - | - | - | - | - |
| **Total** | | | **-** | **-** | **-** | **-** |

| Particulars | Less than 3 months | 3 months – 6 months | 6 months – 1 year | More Than 1 year | Total | Carrying amount |
|---|---|---|---|---|---|---|
| **As at March 31, 2021** | | | | | | |
| Gross settled: | | | | | | |
| **Derivative liabilities** | | | | | | |
| - foreign exchange forward contracts | - | 905.32 | - | - | 905.32 | 905.32 |
| **Total** | **-** | **905.32** | **-** | **-** | **905.32** | **905.32** |
| Gross settled: | | | | | | |
| **Derivative assets** | | | | | | |
| - foreign exchange forward contracts | - | 33.76 | - | 31.41 | 65.17 | 65.17 |
| **Total** | **-** | **33.76** | **-** | **31.41** | **65.17** | **65.17** |

**In respect of subsidiary company HPCL, the details of derivative financial liabilities are as follows:**

**(₹ in million)**

| Derivative financial liabilities | Contractual cash flows | | | | | |
|---|---|---|---|---|---|---|
| | 31.03.2022 | | | 31.03.2021 | | |
| | Upto 1 year | 1-3 years | more than 3 years | Upto 1 year | 1-3 years | more than 3 years |
| Interest rate swaps | - | - | - | - | - | - |
| Commodity contracts (net settled) | 1,853.10 | - | - | 11.40 | - | - |
| Forward exchange contracts (Gross settled) | - | - | - | - | - | - |
| - Inflows | - | - | - | - | - | - |
| - Outflows | - | - | - | - | - | - |
| **Total** | **1,853.10** | **-** | **-** | **11.40** | **-** | **-** |

**52.6 Market Risk**

In respect of group, market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of a business. The major components of market risk are commodity price risk, foreign currency risk and interest rate risk.

The primary commodity price risks that the Group is exposed to international crude oil and gas prices that could adversely affect the value of the Group's financial assets or expected future cash flows. Substantial or extended decline in international prices of crude oil and natural gas may have an adverse effect on the Group's reported results.

The management has assessed the possible impact of continuing COVID-19 on the basis of internal and external sources of information and expects no significant impact on the continuity of operations, useful life of Property Plant and Equipment, recoverability of assets, trade receivables etc., and the financial position of the Company on a long term basis. The Company is constantly carrying out macro level analysis and keeping a vigilant eye on global reports & analysis being done by global analyst & firms.

Subsidiary Company OVL enters into a variety of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk, including:

(a) Derivative contracts to hedge its exposure in respect of Euro bond and for JPY Loan.

**52.7 Foreign currency risk management**

In case of company, Sale price of crude oil is denominated in United States dollar (US$) though billed and received in Indian Rupees (₹). The Company is, therefore, exposed to foreign currency risk principally out of ₹ appreciating against US$. Foreign currency risks on account of receipts / revenue and payments / expenses are managed by netting off naturally-occurring opposite exposures through export earnings, wherever possible and carry unhedged exposures for the residual considering the natural hedge available to it from domestic sales.

The Company undertakes transactions denominated in different foreign currencies and consequently exposed to exchange rate fluctuations. Exchange rate exposures are managed within approved policy parameters.

The Company has approved the Foreign exchange and Interest Risk Management Policy [RMP] with objective to ensure that foreign exchange exposures on both revenue and balance sheet accounts are properly computed, recorded and monitored, risks are limited to tolerable levels and an efficient process is created for reporting of risk and evaluation of risk management operations.

The RMP primary objective is to risk limitation/reduction and to constitute a committee with appropriate authority and structured responsibility of all activities of Company with regard to management of foreign exchange risk. The FRMC identifies, assesses, monitor and manage / mitigate appropriately within the legal and regulatory framework.

The Company has a Hedging policy so that exposures are identified and measured across the Company, accordingly, appropriate hedging can be done on net exposure basis. The Company has a structured risk management policy to hedge foreign exchange risk within acceptable risk limit. Hedging instrument includes plain vanilla forward (including plain vanilla swaps) and option contract. FRMC decides and take necessary decisions regarding selection of hedging instruments based on market volatility, market conditions, legal framework, global events and other macro-economic situations. All the decisions and strategies are taken in line and within the approved Foreign exchange and Interest Risk Management Policy. Since the company is naturally hedged, hedging decisions are triggered in case of a Net Exposure exceeds USD 500 million During the year, no hedging decision was necessitated as net exposure of USD 500 million was not breached.

**In case of subsidiary company HPCL**, the group is exposed to currency risk, primarily on account of its repayment obligations of loans taken in foreign currency and imports, to be paid in foreign currency. The exposure is mainly denominated in U.S.Dollar. The Group has a Forex Risk Management Cell (FRMC) which actively review the forex and interest rate exposures. The Group uses generic derivative contracts to mitigate the risk of changes in foreign currency exchange rates in line with Corporation's forex risk management policy. The Group does not use derivative financial instruments for trading or speculative purposes

**Similarly, subsidiary MRPL**, undertakes transactions denominated in different foreign currencies, primarily for purchase of crude oil and export sales and has borrowings denominated in foreign currency; consequently, exposed to exchange rate fluctuations.

**In respect of subsidiary company OVL**, the functional currency is US$. The company undertakes transactions denominated in different foreign currencies and is consequently exposed to exchange rate fluctuations due to overseas operations.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

**(₹ in million)**

| Particulars | Liabilities as at | | Assets as at | |
|---|---|---|---|---|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| US$ | 580,976.41 | 484,895.28 | 37,720.53 | 21,262.36 |
| GBP | 1,330.25 | 3,187.84 | - | - |
| EURO | 1,813.75 | 46,239.83 | - | - |
| JPY | 10,695.91 | 25,512.62 | - | - |
| Others | 61.68 | 285.09 | - | - |

**52.7.1 Foreign currency sensitivity analysis**

The Group is principally exposed to foreign currency risk against currency other than functional currency. Sensitivity of profit or loss arises mainly against EURO, JPY and ₹ borrowings in case of OVL and from US$ denominated receivables and payables in other cases.

**In respect of the Company,**

As per management's assessment of reasonable possible changes in the exchange rate of +/- 5% between US$-₹ currency pair, sensitivity of profit or loss only on outstanding foreign currency denominated monetary items at the period end is presented below:

**(₹ in million)**

| US$ sensitivity at year end | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| **Assets:** | | |
| Weakening of ₹ by 5% | 407.45 | 440.18 |
| Strengthening of ₹ by 5% | (407.45) | (440.18) |
| **Liabilites:** | | |
| Weakening of ₹ by 5% | (4,585.56) | (6,437.08) |
| Strengthening of ₹ by 5% | 4,585.56 | 6,437.08 |

**In respect of subsidiary company MRPL,**

**(₹ in million)**

| US$ sensitivity at year end | Year ended March 31, 2022 | Year ended March 31, 2021 |
|---|---|---|
| **Receivables:** | | |
| Weakening of ₹ by 5% | 833.90 | 355.30 |
| Strengthening of ₹ by 5% | (833.90) | (355.30) |
| **Payable** | | |
| Weakening of ₹ by 5% | (9,381.55) | (7,599.11) |
| Strengthening of ₹ by 5% | 9,381.55 | 7,599.11 |

**In respect of subsidiary company OVL,**

The Company is exposed to foreign currency risk against currency other than functional currency. Sensitivity of profit or loss arises mainly against EURO, JPY and ₹ borrowing.

As per management's assessment of reasonable possible changes in the exchange rate of +/- 5% between EURO-US$, JPY-US$ and US$-₹ currency pair, sensitivity of profit or loss only on outstanding foreign currency denominated monetary items at the year end is presented below:

(₹ in million)

| US$ sensitivity at year end | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| **Borrowing** | | |
| JPY-US$ appreciation by 5% | 539.54 | 1,266.34 |
| JPY-US$ depreciation by 5% | (539.54) | (1,266.34) |

**In case of Company,**

Sensitivity of Revenue from operation (net of levies) to change in +/- ₹ 1 in exchange rate between ₹-US$ currency pair is presented as under:

(₹ in million)

| Sensitivity of Revenue from operation | 2021-2022 | 2020-2021 |
|---|---|---|
| Impact on Revenue from operation (net of levies) for exchange rate | (+/-) 11,061.47 | (+/-)7,040.98 |

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

**In case of subsidiary company HPCL,**

The table below shows sensitivity of open forex exposure to US$/₹ movement. We have considered 1% (+/-) change in US$/₹ movement, increase indicates appreciation in US$/₹ whereas decrease indicates depreciation in US$/₹. The indicative 1% movement is not directional and does not reflect management's forecast on currency movement.

(₹ in million)

| Effect in ₹ | Impact on profit or loss due to 1 % increase / decrease in currency | | | |
|---|---|---|---|---|
| | Increase | Decrease | Increase | Decrease |
| | March 31, 2022 | | March 31, 2021 | |
| 1% movement | 1% | | 1% | |
| US$ | (2,844.10) | 2,844.10 | (1,944.10) | 1,944.10 |

**52.7.2 Forward foreign exchange contracts**

The Company has not entered into any forward foreign exchange contracts during the reporting period.

The subsidiary company OVL generally enters into forward exchange contracts to cover specific foreign currency payments and receipts to reduce foreign exchange fluctuation risk. In current year, the Company has entered certain forward contracts to cover exposure towards EURO bond.

**In case of subsidiary company HPCL,**

The Company is exposed to currency risk mainly on account of its borrowings and import payables in foreign currency. Our exposures are mainly denominated in U.S. dollars. The Company has used generic derivative contracts to mitigate the risk of changes in foreign currency exchange rates in line with Company's forex risk management policy. The Company has a Forex Risk Management Cell (FRMC) which actively review the forex and interest rate exposures. The Company does not use derivative financial instruments for trading or speculative purposes.

**52.8 Interest rate risk management**

The Group has availed borrowings at fixed and floating interest rates, hence is exposed to interest rate risk.

**52.8.1 Interest rate sensitivity analysis**

**In respect of company,**

The Company is exposed to interest rate risk because the Company has borrowed funds benchmarked to overnight MCLR, Treasury Bills, debt (capital) market, MIBOR, RBI Repo and US$ LIBOR. The Company's exposure to interest rates on financial liabilities are detailed in note 29.1.

The Company invests the surplus fund generated from operations in term deposits with banks and mutual funds. Bank deposits are made for a period of upto 12 months carry interest rate as per prevailing market interest rate. Considering these bank deposits are short term in nature, there is no significant interest rate risk. Average interest earned on term deposit and a mutual fund for the year ended March 31, 2022 was 3.39% p.a. (Previous year 4.09% p.a.).

**In respect of subsidiary company MRPL,**

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate borrowings, the analysis is prepared assuming the amount of the borrowings outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used for disclosing the sensitivity analysis.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the company's profit for the year ended March 31, 2022 would decrease/increase by ₹ 677.74 million (for the year ended March 31, 2021 : decrease/increase by ₹ 728.98 million). This is mainly attributable to the company's exposure to interest rates on its variable rate borrowings (considered on closing balance of borrowings as at year end).

**In respect of subsidiary company OVL,**

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting year. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting year was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the analysis is as under:

(₹ in million)

| Particulars | For the year ended March 31, 2022 | | | | | For the year ended March 31, 2021 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | US$ 700 million Term loan | JPY 38 billion Term loan | US$ 500 million Term loan (New) | US$ 1000 million Term loan | US$ 600 & 100 million Term loan (New) | US$ 700 million Term loan | JPY 38 billion Term loan | US$ 500 million Term loan (New) | US$ 1000 million Term loan | US$ 600 & 100 million Term loan (New) |
| (a) Impact on profit or loss for the year for decrease in interest rate | - | 57.53 | 186.34 | 372.69 | 223.61 | 259.92 | 133.15 | 185.66 | 371.32 | - |
| (b) Impact on profit or loss for the year for increase in interest rate | - | (57.53) | (186.34) | (372.69) | (223.61) | (259.92) | (133.15) | (185.66) | (371.32) | - |

**Interest rate swap contracts**

The subsidiary company OVL is engaged in E&P business outside India. Its revenues of crude oil and natural gas are principally denominated in US$. Further, price benchmarks wherever applicable are also principally in US$. The Company has therefore swapped the coupon and the principal amount of 8.54 % Unsecured Redeemable Debenture (face value of ₹ 3,700.00 Million) into US$. These contracts matured during the year 2019-20.

**In respect of subsidiary company HPCL,**

The Corporation has long-term foreign currency syndicated loans with floating rate of interest, which exposes the Corporation to cash flow interest rate risk. The borrowings at floating rate are denominated in USD. The Corporation manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Under this, the Corporation agrees with other Parties to exchange at specified intervals (i.e. quarterly), the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts. The Corporation monitors the interest rate movement and manages the interest rate risk, based on the Corporation's Forex Risk Management Policy. The Corporation also has a Forex Risk Management Cell (FRMC) that actively reviews the forex and interest rate exposures. The Corporation does not use derivative financial instruments for trading or speculative purposes.

The Corporation has exposure in the form of External Commercial Borrowings aggregating to USD 1250 million linked to LIBOR as at 31.03.2022. In March 2021, the Financial Conduct Authority (FCA), UK has confirmed that all LIBOR settings will either cease to be provided by any administrator or no longer be a representative in the following manner:

• Immediately after December 31, 2021, in the case of all Sterling, Euro, Swiss franc and Japanese yen settings, and the 1-week and 2-month US dollar settings; and

• Immediately after June 30, 2023, in the case of the remaining US dollar settings.

In this context, the afore-mentioned exposure shall be migrated from LIBOR to an Alternative Reference Rate (ARR). The impact of such migration is not ascertainable at present.

'The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

**Interest rate risk exposure**

Company's interest rate risk arises mainly from borrowings. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

(₹ in million)

| Particulars | Carrying amount | |
|---|---|---|
| | 31.03.2022 | 31.03.2021 |
| **Fixed-rate instruments** | | |
| Financial assets | 56,026.80 | 56,268.10 |
| Financial liabilities | 281,160.90 | 299,841.20 |
| **Variable-rate instruments** | | |
| Financial assets | 18,764.30 | 18,702.60 |
| Financial liabilities | 168,626.40 | 106,997.20 |

**Cash flow sensitivity analysis for variable-rate instruments**

A reasonably possible change of 25 basis points in interest rates at Reporting Date would have impacted profit or loss [increased / (decreased)] by the amounts shown below. The indicative 25 basis point (0.25%) movement is directional and does not reflect management forecast on interest rate movement. This analysis assumes that all other variables, in particular, foreign currency exchange rate remaining constant.

(₹ in million)

| Particulars | Profit or loss | | | |
|---|---|---|---|---|
| | 25 bp increase | 25 bp decrease | 25 bp increase | 25 bp decrease |
| | 31.03.2022 | | 31.03.2021 | |
| Floating rate borrowings | (389.90) | 389.90 | (178.80) | 178.80 |
| Interest rate swaps (notional principal amount) | - | - | - | - |
| **Cash flow sensitivity (net)** | **(389.90)** | **389.90** | **(178.80)** | **178.80** |

**52.9 Commodity Risk**

**In respect of subsidiary company HPCL,**

The Company's Profitability is exposed to the risk of fluctuation in prices of Crude Oil and Petroleum products in international markets. Company monitors and reduces the impact of the volatility in International Oil prices based on approved Oil Price Risk Management Policy by entering into derivative contracts in the OTC market.

The Company also has Oil Price Risk Management Committee (OPRMC) which actively reviews and monitors risk management principles, policies and risk management activities.

Category-wise quantitative break-up of Commodity derivative contracts entered into by the Company and Outstanding as at balance sheet date is given below:

| Particulars | Quantity (in Mn Barrels) | |
|---|---|---|
| | 31.03.2022 | 31.03.2021 |
| Crude/Product Swaps | 5.40 | 0.80 |

The sensitivity to a reasonable possible change of 10% in the price of crude/product swaps on the outstanding commodity hedging positions as on Balance sheet date would increase/decrease the profit or loss by amounts shown below. This 10% movement is directional and does not reflect any forecast of price movement.

(₹ in million)

| Particulars | Effect on Profit before Tax | | | |
|---|---|---|---|---|
| | 10% Increase | 10% Decrease | 10% Increase | 10% Decrease |
| | 31.03.2022 | | 31.03.2021 | |
| Crude/Product Swaps | (472.60) | 472.60 | (140.1) | 115.6 |

**Derivatives & Hedging**

The company enters into derivative contracts for hedging purpose, to mitigate the commodity price risk, on Highly probable forecast transactions as detailed above. Effective 01 January 2020, the Corporation has applied Hedge Accounting on commodity derivative transactions entered subsequent to 01 January 2020 as per Ind AS 109 (Financial Instruments). Consequent to this a Mark to Market debit amounting to ₹ 1,853.10 million (Previous year ₹ 11.40 million) has been accounted in Other Comprehensive Income which will be recycled to Statement of Profit and Loss in subsequent period on settlement of respective contracts.

All these hedges are accounted for as Cash Flow Hedges.

**Hedge Effectiveness:**

The has established a hedge ratio of 1:1 for the hedging relationship as the underlying risk of the commodity forward contracts are identical to the hedged risk component. Hedge item and the hedging instruments have economic relationship as the terms of the commodity forward contracts match with the terms of hedge items. Considering the economic relationship and characteristics of the hedging instrument being aligned to the hedged item, the fair value changes in the hedging instrument reasonably approximates the fair value changes in the hedged Item (in absolute amounts).

**Source of Hedge Effectiveness:**

The company has identified the following sources of hedge ineffectiveness which are not expected to be material:

a. Counterparty Credit Risk impacting the fair value of the hedge instrument and hedge item.

b. Difference in the timing of the cash flows of the hedged items and the hedge instruments

c. Different indexes used to hedge risk of the hedged item.

d. Changes to forecasted amounts of cash flows of hedged items and hedging instruments.

**Disclosures of effects of Cash Flow Hedge Accounting:**

The company has applied Hedge Accounting prospectively for the highly probable forecast transactions as stated above, entered after 01 January 2020. Consequently, disclosure is made only for the transactions designated for Hedge Accounting.

The company is holding the following derivative contracts:

| As at March 31, 2022 | Maturities | | | | | |
|---|---|---|---|---|---|---|
| | **Less than 1 Month** | **1-3 Months** | **3-6 Months** | **6-12 Months** | **More than 12 Months** | **Total** |
| **Commodity Forward Contracts** | | | | | | |
| Nominal Volume (Quantity in Mn Barrels) | 0.525 | 1.05 | 1.275 | 2.55 | - | 5.40 |
| Nominal amount (₹ /million) | 464.80 | 929.60 | 1,110.40 | 2,220.8 | - | 4,725.60 |

| As at March 31, 2022 | Maturities | | | | | |
|---|---|---|---|---|---|---|
| | **Less than 1 Month** | **1-3 Months** | **3-6 Months** | **6-12 Months** | **More than 12 Months** | **Total** |
| **Commodity Forward Contracts** | | | | | | |
| Nominal Volume (Quantity in Mn Barrels) | 0.18 | 0.33 | 0.30 | - | - | 0.8 |
| Nominal amount (₹ /million) | 357.00 | 615.50 | 183.00 | - | - | 1,155.50 |

The Impact of Hedging Instruments in Balance sheet is as under:

| Particulars | Commodity forward contract- Margin Hedging | Commodity forward contract- Margin Hedging |
|---|---|---|
| | **2021-22** | **2020-21** |
| Nominal Amount | 4,725.60 | 1,155.50 |
| Carrying Amount | (1,853.10) | (11.40) |
| Line item in Balance sheet that include Hedge Instrument | Other Financial Assets/ Other Financial Liabilities | Other Financial Assets/ Other Financial Liabilities |

The Impact of Cash flow Hedge in the statement of Profit and Loss and Other comprehensive Income (OCI):

**(₹ in million)**

| Particulars | Highly Probable Forcast Transaction | |
|---|---|---|
| | **2021-22** | **2020-21** |
| Hedging Gain / (Loss) recognised in OCI* | (1,853.10) | (11.40) |
| Income tax on Above | 466.40 | 2.90 |
| **Net amount recognised in Cash flow Hedge Reserve** | (1,386.70) | (8.50) |
| Amount reclassified from Cash flow hedge reserve to Statement of Profit and Loss | (11.40) | (241.10) |
| Income tax on Above | 2.90 | 60.70 |
| Line item in the Statement of Profit and Loss that includes the reclassification adjustment | Revenue/ Purchases | Revenue/ Purchases |

*The Company expects that the amount of Loss recognised in cash flow hedge reserve through Other comprehensive income (OCI) will be recovered in future period through gains in underlying transactions.

#### 52.10 Price risks

The Company's price risk arises from investments in equity shares (other than investment in group companies) held and classified in the balance sheet either at fair value through other comprehensive income (FVTOCI) or at fair value through profit or loss (FVTPL).

Investment of short-term surplus funds of the Company in liquid schemes of mutual funds provides high level of liquidity from a portfolio of money market securities and high quality debt and categorized as 'low risk' product from liquidity and interest rate risk perspectives.

The revenue from operations of the company are also subject to price risk on account of change in prices of Crude Oil, Natural Gas & Value Added Products.

#### 52.10.1 Price sensitivity analysis

The sensitivity of profit or loss in respect of investments in equity shares at the end of the reporting period for +/-5% change in price and net asset value is presented below:

Other comprehensive income for the year ended March 31, 2022 would increase / decrease by ₹ 9,650.05 million (for the year ended March 31, 2021 would increase / decrease by ₹ 7,618.68 million) as a result of 5% changes in fair value of equity investments measured at FVTOCI.

The Sensitivity of Revenue from operation to change in +/- 1 US$ in prices of crude oil, natural gas & value added products (VAP)

**(₹ in million)**

| Sensitivity of Revenue from operation | 2021-22 | 2020-21 |
|---|---|---|
| Impact on Revenue from operation (net of levies) for US$ in prices of crude oil, natural gas & VAP | (+/-) 52,562.42 | (+/-) 55,914.20 |

**In respect of subsidiary, OVL,**

The Sensitivity of Revenue from operation (net of levies) to change in (+/-) 1 US$ in prices of crude oil is presented below:

(₹ in million)

| Sensitivity of Revenue from operation | 2021-22 | 2020-21 |
|---|---|---|
| Impact on Revenue from operation (net of levies) for change in US$ prices of crude oil | (+/-) 2,146.16 | (+/-) 2,264.46 |

The sensitivity of profit or loss in respect of investments in mutual funds at the end of the reporting period for +/-5% change in price and net asset value is presented below:

Profit before tax for the year ended March 31, 2022 would increase/decrease by ₹ 2,078.94 million (For the year ended March 31, 2021 would increase/decrease by ₹ 1,628.87 million) as a result of the changes in net asset value of investment in mutual funds.

**In respect of subsidiary, HPCL,**

The table below summarises the impact of increases/decreases in prices on Other comprehensive Income for the period

(₹ in million)

| Particulars | Equity Instruments through OCI | | | |
|---|---|---|---|---|
| | 5% Increase | 5% Decrease | 5% Increase | 5% Decrease |
| | 31.03.2022 | | 31.03.2021 | |
| Equity Investment in Oil India Ltd. | 318.00 | (318.00) | 164.10 | (164.10) |

**52.11 Fair value measurement**

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

**52.11.1 Fair value of the Group's financial assets that are measured at fair value on a recurring basis**

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined.

**In respect of company:**

(₹ in million)

| Financial Assets/ (Financial Liabilities) | Fair value as at | | Fair value hierarchy | Valuation technique(s) and key input(s) |
|---|---|---|---|---|
| | March 31, 2022 | March 31, 2021 | | |
| Investment in Equity Instruments (quoted) | 192,964.02 | 152,336.60 | Level 1 | Quoted bid prices from Stock exchange-NSE Ltd. |
| Compulsorily Convertible Preference Share | - | 233.90 | Level 2 | Discounted Free Cash Flow Methodology |
| Investment in Equity Instruments | 481.16 | 37.21 | Level 2 | Discounted Free Cash Flow Methodology |
| Employee Loans | 16,912.82 | 14,014.18 | Level 2 | Discounted Cash Flows i.e. present value of expected receipt/payment discounted using appropriate discounting rate. |
| Financial Guarantee | (1,095.72) | (1,226.22) | Level 2 | Interest Rate Differential Model. |
| Lease Liability | (100,156.46) | (104,210.83) | Level 2 | Discounted Cash Flows i.e. present value of expected receipt/payment discounted using appropriate discounting rate. |
| Security Deposits from Contractors | (5,656.93) | (5,142.13) | Level 2 | Discounted Cash Flows i.e. present value of expected receipt/payment discounted using appropriate discounting rate. |
| Compulsory Convertible Debentures | (76,401.82) | (78,752.21) | Level 2 | Discounted Cash Flows i.e. present value of expected receipt/payment discounted using appropriate discounting rate. |

**In respect of subsidiary company OVL,**

Some of the Company's financial assets are measured at fair value at the end of each reporting year. The following table gives information about how the fair values of these financial assets are determined

**(₹ in million)**

| Particulars | Fair value | | Fair value hierarchy | Valuation technique and key input(s) |
|---|---|---|---|---|
| | As at March 31, 2022 | As at March 31, 2021 | | |
| **Financial assets** | | | | |
| Investment in mutual funds | 41,578.88 | 32,577.33 | Level 1 | NAV declared by respective Asset Management Companies |
| Derivative assets | - | 65.17 | Level 1 | Mark to Market valuation report provided by banks. |
| **Financial Liabilities** | | | | |
| Derivative liabilities | 207.39 | 905.32 | Level 1 | Mark to Market valuation report provided by banks. |

**In respect of subsidiary company HPCL,**

**Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair value of the Financial Assets and Financial Liabilities that are recognised and measured at fair value and amortised cost. To provide an indication about the reliability of the inputs used in determining fair value, Group has classified its Financial Assets and Financial Liabilities into the three levels prescribed under the accounting standard. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. An explanation of each level is provided under Significant Accounting Policy.

**(₹ in million)**

| Particulars | 31.03.2022 | | | 31.03.2021 | | |
|---|---|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 |
| **Financial assets** | | | | | | |
| Investments | | | | | | |
| - Investment in Equity Instruments | 6,377.60 | - | - | 3,281.40 | - | - |
| - Investment in Debt Instruments | 53,715.20 | - | - | 54,175.80 | - | - |
| - Others | - | - | - | - | - | - |
| Loans & Advances | | | | | | |
| - Employee Loans | - | 4291.8 | - | - | 4207.80 | - |
| - Other Loans | - | | 6520.70 | | | 10,808.50 |
| Derivative Assets | - | - | - | - | - | - |
| **Total** | **60,092.80** | **4291.8** | **6520.70** | **57,457.20** | **4207.80** | **10,808.50** |
| **Financial liabilities** | | | | | | |
| Borrowings | | | | | | |
| - Foreign Currency Bonds | - | 37,267.80 | - | - | 38,833.70 | - |
| - Non Convertible Debentures | - | 144,517.90 | - | - | 110,332.60 | - |
| - Oil Industry Development Board Loan | - | 1003.10 | - | - | 29,421.50 | - |
| Syndicated Loan from Foreign Banks (Fixed Rate Loan) | | 21025.70 | | | 22150.10 | |
| Derivative Liabilities | - | 1853.10 | - | - | 11.40 | - |
| **Total** | **-** | **205,667.60** | **-** | **-** | **200,749.3** | **-** |

**Valuation techniques used to determine Fair Value**

| Type | Valuation technique |
|---|---|
| Derivative instruments - forward exchange contracts | Discounted cash flow i.e. fair value of foreign exchange forward contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract. |
| Commodity derivatives | Fair value of commodity derivative contracts is estimated by determining the difference between the contractual price and the current forward price for the residual maturity of the contract. |
| Derivative instruments - interest rate swap | Discounted cash flows i.e. Present value of expected receipt/ payment. |
| Non current financial assets and liabilities measured at amortised cost | Discounted cash flows. The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates. |

**52.12 Offsetting**

**In respect of subsidiary company HPCL,**

The following table presents the recognized financial instruments that are eligible for offset and other similar arrangements but are not offset, as at 31.03.2022 and 31.03.2021. The column 'net amount' shows the impact on the Company's balance sheet if all set-off rights are exercised.

**(₹ in million)**

| Particulars | Effect of offsetting on the balance sheet | | | Related amounts not offset | |
|---|---|---|---|---|---|
| | Gross amounts | Gross amounts set off in the balance sheet | Net amounts presented in the balance sheet | Amount not offset | Net Amount |
| **March 31, 2022** | | | | | |
| **Financial assets** | | | | | |
| Trade Receivables | 101,181.80 | (37,778.70) | 63,403.10 | - | 63,403.10 |
| **Financial liabilities** | | | | | |
| Trade Payables | 302,552.00 | (37,778.70) | 264,773.30 | - | 264,773.30 |
| Other Current Financial Liabilities | 225,388.90 | - | 225,388.90 | - | 225,388.90 |
| **March 31, 2021** | | | | | |
| **Financial assets** | | | | | |
| Trade Receivables | 80,605.60 | (11,905.70) | 68,699.90 | - | 68,699.90 |
| **Financial liabilities** | | | | | |
| Trade Payables | 177,666.10 | (11,905.70) | 165,760.40 | - | 165,760.40 |
| Other Current Financial Liabilities | 209,889.40 | - | 209,889.40 | - | 209,889.40 |

**52.13 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)**

Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements except as per note 52.11 approximate their fair values.

## 53 Disclosure of Interests in Joint Operation:

**53.1 Joint Operations in India**

In respect of certain unincorporated PSC/NELP/HELP/CBM blocks, the Company's Joint Operation (JO) with certain body corporates have entered into Production Sharing Contracts (PSCs) / Revenue Sharing Contracts (RSCs) with GoI for operations in India. As per signed PSC, RSC & JOA, Company has direct right on Assets, liabilities, income & expense of blocks. Details of these Joint Operation Blocks are as under:

| Sl. No. | Blocks | Company's Participating Interest | | Others Partners and their PI in the JO/ Operatorship |
|---|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 | |
| **A** | **Jointly Operated JOs** | | | |
| 1 | Panna, Mukta and Tapti (Note No. 58.1.4) | 40% | 40% | BGEPIL 30%, RIL 30% |
| 2 | NK-CBM-2001/1 | 55% | 55% | IOCL 20%, PEPL 25% |
| **B ONGC Operated JOs** | | | | |
| 3 | AA-ONN-2001/2 | 80% | 80% | IOCL 20% |
| 4 | CY-ONN-2002/2 | 60% | 60% | BPRL 40% |
| 5 | KG-ONN-2003/1 | 51% | 51% | Vedanta Ltd (erstwhile Cairn India Ltd) 49% |
| 6 | CB-ONN-2004/1 | 60% | 60% | GSPC 40%, |
| 7 | CB-ONN-2004/2 | 55% | 55% | GSPC 45% |
| 8 | CB-ONN-2004/3 | 65% | 65% | GSPC 35% |
| 9 | CY-ONN-2004/2 | 80% | 80% | BPRL 20% |
| 10 | MB-OSN-2005/1 | 80% | 80% | GSPC 20% |
| 11 | Raniganj (Note No. 53.1.8) | 74% | 74% | CIL 26% |
| 12 | Jharia (Note No. 53.1.7) | 74% | 74% | CIL 26% |
| 13 | BK-CBM-2001/1 | 80% | 80% | IOCL 20% |
| 14 | WB-ONN-2005/4 | 75% | 75% | OIL 25% |
| 15 | GK-OSN-2009/1 | 40% | 40% | AWEL 20%, GSPC 20%, IOCL 20% |
| 16 | GK-OSN-2010/1 | 60% | 60% | OIL 30%, GAIL 10% |
| 17 | MB-OSN-2005/3* | 70% | 70% | EEPL 30% |
| 18 | KG-OSN-2009/2* | 90% | 90% | APGIC 10% |
| 19 | KG-OSN-2001/3 | 80% | 80% | GSPC 10%, JODPL 10% |
| **C Operated by JO Partners** | | | | |
| 20 | Ravva | 40% | 40% | Vedanta Ltd (erstwhile Cairn India Ltd) (Operator) 22.5%, VIL 25%, ROPL 12.5% |
| 21 | CY-OS-90/1 | 40% | 40% | HEPI (operator) 18%, HOEC 21%, TPL 21% |
| 22 | RJ-ON-90/1 | 30% | 30% | Vedanta Ltd (erstwhile Cairn India Ltd) (Operator) 35%, CEHL 35% |
| 23 | CB-OS/2 | 50% | 50% | Vedanta Ltd (erstwhile Cairn India Ltd) (operator) 40% , TPL 10% |
| 24 | CB-ON/7 | 30% | 30% | HOEC (Operator) 35%, GSPC 35% |
| 25 | CB-ON/3 | 30% | 30% | EOGEPL (Operator)70% |
| 26 | CB-ON/2 | 30% | 30% | GSPC (Operator) 56%, Geo-Global Resources 14% |
| 27 | AA-ONN-2010/2 | 30% | 30% | OIL 50% (Operator), GAIL 20% |
| 28 | AA-ONN-2010/3 | 40% | 40% | OIL 40% (Operator), BPRL 20% |
| 29 | CB-ONHP-2017/9 | 40% | 40% | BPRL 60% (Operator) |
| 30 | AA-ONHP-2017/10 | 30% | 30% | OIL 70% (Operator) |
| 31 | AA-ONHP-2017/13 | 30% | 30% | OIL 70% (Operator) |

*Proposed for relinquishment.

**Note:** There is no change in Previous year details unless otherwise stated.

**Abbreviations:-** APGIC-Andhra Pradesh Gas Infrastructure Corporation Private Limited, AWEL-Adani Welspun Exploration Limited, BGEPIL-British Gas Exploration & Production India Limited, BPRL-Bharat Petro Resources Limited, CEHL-Cairn Energy Hydrocarbons Limited, CIL-Coal India Limited, EEPL-Essar Exploration & Production Limited, EOGEPL-Essar Oil & Gas Exploration and Production Limited, GAIL-Gas Authority of India Limited, GSPC- Gujarat State Petroleum Corporation Limited, HEPI- Hardy Exploration & Production India Limited, HOEC-Hindustan Oil Exploration Company Limited, IOCL-Indian Oil Corporation Limited, JODPL-Jubilant Offshore Drilling Private Limited, OIL-Oil India Limited, PEPL-Prabha Energy Private Limited, RIL-Reliance Industries Limited, ROPL- Ravva Oil (Singapore) Private Limited, TPL- Tata Petrodyne Limited, VIL- Videocon Industries Limited.

**53.1.1 Financial position of the Joint Operation –Company's share is as under:**

The financial statements of 154 nos. (Previous year 157 nos.) out of 166 nos. (Previous year 167 nos.) Joint operation block (JOs/NELP/HELP) have been incorporated in the accounts to the extent of Company's participating interest in assets, liabilities, income, expenditure and profit / (loss) before tax on the basis of statements certified in accordance with production sharing contract and in respect of balance 12 (Previous year 10) Joint operation blocks (JOs/NELP/CBM blocks), the figures have been incorporated on the basis of uncertified statements prepared under the production sharing contracts. Both the figures have been adjusted for changes as per note no. 3.8. The financial positions of JO/NELP/HELP are as under:-

**As at March 31, 2022**

**(₹ in million)**

| Particulars | Current Assets | Non Current Assets | Current Liabilities | Non Current Liabilities | Revenue | Profit or (Loss) from continuing operations | Other Comprehensive Income | Total Comprehensive Income |
|---|---|---|---|---|---|---|---|---|
| NELP -100% PI (9) | 538.67 | 226,159.20 | 539.64 | 2,672.54 | 3,272.63 | (13,514.09) | 0.39 | (13,513.70) |
| HELP -100% PI (22) | 23.45 | 20.35 | 1.99 | - | - | (5,296.75) | 0.33 | (5,296.42) |
| DSF 100% (5) | 7.07 | 890.41 | 11.55 | 16.75 | - | (780.79) | - | (780.79) |
| NELP/Pre NELP Block with other partner (28) | 53,062.81 | 110,354.46 | 47,255.20 | 15,143.71 | 102,108.63 | (2,598.68) | 2.37 | (2,596.31) |
| HELP Blocks with other partners (3) | 0.53 | 1.46 | (2.00) | - | - | (86.27) | - | (86.27) |
| Surrendered (99) | 358.29 | 51.95 | 17,064.70 | 59.07 | - | (880.58) | - | (880.58) |
| **Total (166)** | **53,990.82** | **337,477.83** | **64,871.08** | **17,892.07** | **105,381.26** | **(23,157.16)** | **3.09** | **(23,154.07)** |
| **Further Break-up of above blocks as under:** | | | | | | | | |
| Audited (145) | 4,492.20 | 289,047.52 | 17,602.87 | 4,537.23 | 6,759.01 | (37,685.00) | 2.60 | (37,682.40) |
| Certified (9)# | 44,828.11 | 43,534.62 | 40,083.57 | 11,936.75 | 98,583.94 | 15,236.66 | 0.07 | 15,236.73 |
| Unaudited (12) | 4,670.51 | 4,895.69 | 7,184.64 | 1,418.09 | 38.31 | (708.82) | 0.42 | (708.40) |
| **Total (166)** | **53,990.82** | **337,477.83** | **64,871.08** | **17,892.07** | **105,381.26** | **(23,157.16)** | **3.09** | **(23,154.07)** |

# Certified by other Chartered Accountants as per PSC provisions.

**As at March 31, 2021**

(₹ in million)

| Particulars | Current Assets | Non Current Assets | Current Liabilities | Non Current Liabilities | Revenue | Profit or (Loss) from continuing operations | Other Comprehensive Income | Total Comprehensive Income |
|---|---|---|---|---|---|---|---|---|
| NELP -100% PI (9) | 372.68 | 169,392.67 | 448.44 | 1,054.62 | 1,586.75 | (14,336.99) | (6.22) | (14,343.21) |
| HELP -100% PI (22) | 10.44 | 6.56 | 0.05 | - | - | (6,791.07) | 1.25 | (6,789.82) |
| DSF 100% (5) | 7.11 | 201.85 | - | 9.65 | - | (30.62) | - | (30.62) |
| NELP/Pre NELP Block with other partner (28) | 49,601.78 | 126,656.60 | 42,306.93 | 13,929.17 | 62,681.07 | 4,680.56 | (0.11) | 4,680.45 |
| HELP Blocks with other partners (3) | 3.75 | 1.28 | 163.86 | - | - | (247.55) | - | (247.55) |
| Surrendered (100) | 819.67 | 44.76 | 16,831.37 | 59.07 | - | (557.91) | - | (557.91) |
| **Total (167)** | **50,815.43** | **296,303.72** | **59,750.65** | **15,052.51** | **64,267.82** | **(17,283.58)** | **(5.08)** | **(17,288.66)** |
| **Further Break-up of above blocks as under:** | | | | | | | | |
| Audited (149) | 5,919.95 | 246,009.38 | 17,452.37 | 3,806.31 | 3,507.01 | (37,210.77) | (5.05) | (37,215.82) |
| Certified (8)# | 40,393.31 | 46,090.75 | 35,537.64 | 9,959.69 | 60,629.92 | 19,749.54 | - | 19,749.54 |
| Unaudited (10) | 4,502.17 | 4,203.59 | 6,760.64 | 1,286.51 | 130.89 | 177.65 | (0.03) | 177.62 |
| **Total (167)** | **50,815.43** | **296,303.72** | **59,750.65** | **15,052.51** | **64,267.82** | **(17,283.58)** | **(5.08)** | **(17,288.66)** |

# Certified by other Chartered Accountants as per PSC provisions.

**53.1.2 Additional Financial information related to Joint Operation blocks are as under:**

**As at March 31, 2022**

(₹ in million)

| Particulars | Cash and Cash Equivalents | Current Financial Liabilities | Depreciation and Amortisation | Interest Income | Interest Expense |
|---|---|---|---|---|---|
| NELP -100% PI (9) | 0.03 | 355.41 | 2,796.89 | 4.27 | 125.41 |
| HELP -100% PI (22) | - | 0.15 | 0.27 | 0.24 | - |
| DSF 100% (5) | - | 9.54 | - | 0.30 | - |
| NELP/Pre NELP Block with other partner (28) | 264.36 | 39,263.27 | 25,976.53 | 497.61 | 1,007.16 |
| HELP Blocks with other partners (3) | 0.01 | (2.00) | - | - | - |
| Surrendered (99) | 0.09 | 17,018.10 | - | 0.92 | - |
| **Total (166)** | **264.49** | **56,644.47** | **28,773.69** | **503.34** | **1,132.57** |
| **Further Break-up of above blocks as under:** | | | | | |
| Audited (145) | 0.07 | 17,153.29 | 18,660.56 | 9.18 | 302.71 |
| Certified (9)# | 0.39 | 34,091.43 | 10,096.14 | 329.57 | 744.93 |
| Unaudited (12) | 264.03 | 5,399.75 | 16.99 | 164.59 | 84.93 |
| **Total (166)** | **264.49** | **56,644.47** | **28,773.69** | **503.34** | **1,132.57** |

# Certified by other Chartered Accountants as per PSC provisions.

**As at March 31, 2021**

(₹ in million)

| Particulars | Cash and Cash Equivalents | Current Financial Liabilities | Depreciation and Amortisation | Interest Income | Interest Expense |
|---|---|---|---|---|---|
| NELP -100% PI (10) | 0.03 | 333.27 | 1,289.06 | 0.19 | 78.51 |
| HELP -100% PI (22) | - | 0.05 | 23.01 | 0.20 | - |
| DSF 100% (5) | - | - | - | 0.25 | - |
| NELP/Pre NELP Block with other partner (28) | 334.43 | 36,037.64 | 19,774.45 | 467.36 | 934.22 |
| HELP Blocks with other partners (3) | 0.01 | 163.86 | - | - | - |
| Surrendered (99) | 0.09 | 16,782.25 | (827.48) | 0.85 | - |
| **Total (167)** | **334.56** | **53,317.07** | **20,259.04** | **468.85** | **1,012.73** |
| **Further Break-up of above blocks as under:** | | | | | |
| Audited (149) | 0.07 | 16,456.35 | 14,183.36 | 1.81 | 272.02 |
| Certified (8)# | 216.49 | 31,438.66 | 5,981.28 | 280.85 | 664.36 |
| Unaudited (10) | 118.00 | 5,422.06 | 94.40 | 186.19 | 76.35 |
| **Total (167)** | **334.56** | **53,317.07** | **20,259.04** | **468.85** | **1,012.73** |

# Certified by other Chartered Accountants as per PSC provisions.

**53.1.3** In respect of 1 Pre NELP block (Previous year 1) which has expired as at March 31, 2022, the Company's share of Unfinished Minimum Work Programme (MWP) amounting to ₹ 493.81 million (previous year ₹ 493.81 million) has not been provided for since the Company has already applied for further extension of period in these blocks as 'excusable delay'/ special dispensations citing technical complexities, within the extension policy of NELP Blocks, which are under active consideration of GoI. The delays have occurred generally on account of pending statutory clearances from various Govt. authorities like Ministry of Defence, Ministry of Commerce & Industry, environmental clearances, State Govt. permissions etc. The MWP amount of ₹ 493.81 million (previous year ₹ 493.81 million) is included in MWP commitment under note no. 58.3.2 (a).

As per the Production Sharing Contracts signed by the Company with the GoI, the Company is required to complete Minimum Work Programme (MWP) within stipulated time. In case of delay in completion of the MWP, Liquidated Damages (LD) are payable for extension of time to complete MWP. Further, in case the Company does not complete MWP or surrender the block without completing the MWP, the estimated cost of completing balance work programme is required to be paid to the GoI. LD amounting to ₹ 5.47 million [Previous year ₹ 100.09 million (net of reversal)] and cost of unfinished MWP amounting to Nil [Previous year ₹ 996.96 million (net of reversal)], paid/payable to the GoI is included in survey and wells written off expenditure respectively.

**53.1.4** Government of India has approved the relinquishment of 30% Participating Interest (PI) of ONGC in SGL Field with future interest in block RJ-ON/6 in Jaisalmer Basin Rajasthan and assignment of PI to Focus Energy Limited (Operator) and other JV partners on the condition that Focus Energy Limited (Operator) will pay towards 100 % past royalty obligation, PEL/ML fees, other statutory levies (total amount ₹ 2,290.22 million as on March 31, 2022) and waive off development/production cost payable by the Company in SGL Field of the block as well as take all future 100% royalty obligation of the Company as licensee. The process of entering into Farm-out Agreement and amendment in Production Sharing Contract (PSC) is under progress. Pending the execution of agreements, no adjustment is made in the accounts in respect of relinquishment of block RJ-ON/6.

**53.1.5** The Company is having 30% Participating interest in Block RJ-ON-90/1 along with Vedanta Limited (erstwhile Cairn India Limited) (Operator) and Cairn Energy Hydrocarbons Limited. There are certain unresolved issues including cost recovery and sharing in respect of exploration, development and production cost in the Block between the Company and Operator of the Block amounting to tentatively US$ 1,257.11 million (equivalent to ₹ 95,225.95 million) as on March 31, 2021. The amount under dispute related to cost recovery and sharing for FY 2021-22 is yet to be finalized.

The Company, as Government nominee under Article 13.2 is liable to contribute its share as per the PI, only for the development & production operations, and is not liable to share Exploration Cost. However, any recovery of exploration expenditure by Operator will impact on the share of Cost Oil/Gas available to ONGC. The Operator already took recovery of Exploration expenditure of US$ 388.37 million (incurred upto Exploration Phase), hence the Company's liability upto Exploration phase is NIL. Further, the Operator has also claimed exploration cost (beyond exploration phase of PSC) of US$ 167.08 million (equivalent to ₹ 12,656.35 million) being 30% of US$ 556.93 million (equivalent to ₹42,187.82 million) from the Company upto FY 2020-21 (Previous year US$ 147.11 million and equivalent ₹10,810.91 million) from the Company, which in view of Company is not tenable. The Company has shown a sum of US$ 167.08 million (equivalent to ₹ 12,656.35 million) under Contingent Liabilities, as the issues are presently under Arbitration proceedings.

Pending settlement of issues, an amount of US$ 134.49 million (equivalent to ₹ 10,187.80 million), which is 30% of US$ 448.31 Million pertaining to development and production cost have been accounted for as per the participating interest of the Company.

Royalty on production is being paid by the Company as licensee and the share of JV Partners of Royalty is recoverable through revenue from Sale of Crude Oil and Gas as per PSC. Accordingly, an amount of ₹ 15,376.03 million outstanding from JV Partners has been included in the revenue upto March 31, 2022.

**53.1.6** The primary period of twenty five years of the Production Sharing Contract (PSC) of the Block RJ-ON-90/1 expired on May 14, 2020. The Contractors in the Block had applied for extension of the PSC for a period of 10 years, which was approved by Government in October 2018 under the pre-NELP Extension Policy as per notification dated April 7, 2017, subject to certain conditions. One of the conditions for extension, stipulated by Government relates to notification of certain audit exceptions raised for FY 2016-17 as per PSC provisions and requires payment of Additional Profit Petroleum, in case these exceptions are accepted by Contractors. In connection with these audit exceptions, US$ 156.03 million (₹ 11,819.25 million) relating to the share of Company out of total US$ 520.10 million (₹39397.52 million) has been raised by DGH on May 12, 2020. Subsequently in December 2020, the amount of demand has been increased to US$ 654.83 million (Companies share US$ 196.45 million), based on audit exceptions for FY 2017-18. The other Partners in the JV have disputed the demand with a Notice of Arbitration dated May 14, 2020 against the Government. The Company is not a Party to the Arbitration against Government and will pay the amount, once liability, if any, arises out of the Audit Exceptions is finalized for the Contractors. The Company share of US$ 196.45 million (₹14881.01 million) in the Audit Exceptions has already been shown under Contingent liabilities.

As all the conditions required for extension of PSC could not be complied with and the Addendum for extension of the PSC could not be signed by the Contractors and Government on or before May 14, 2020, Government has allowed the Contractors to continue the Petroleum operations for a period of three months or signing of PSC amendment, whichever is earlier. The Government subsequently extended the period of Petroleum Operations from time to time and currently it is extended upto August 14, 2022. It is expected that Govt. will further extend this period further and the Addendum for extension of the PSC will be signed by all Parties. Accordingly, the accounts of the Company's share in the Block for FY 2021-22 has been prepared on a 'going concern' basis.

**53.1.7** In respect of Jharia CBM Block, revised Feasibility Report (FR) has been approved in the 27th Steering Committee (SC) held on September 9, 2019. In light of better techno-economics, the Company has decided to implement the revised FR as phases in the light of overlap issue with Bharat Coking Coal Limited and early implementation and monetization. Therefore, Parbatpur and adjoining area was taken up in Phase-I under the approved FR and accordingly, implementation strategy for Stage-I has been approved by the Company on November 21, 2019 and 36th Operating Committee (OC) meeting for Jharia CBM Block held on December 10, 2019. The same was communicated to the Partner, Coal India Limited (CIL) and was approved by the Board of Directors of CIL in its meeting held on January 10, 2020. As per Performa provided by DGH, all the formalities for enhancement of participating interest (PI) from 10% of CIL to 26% have been completed by both the Company (Assignor) and CIL (Assignee) and the signed documents were submitted to DGH for the approval of GoI on January 27, 2020. However, GoI, on the basis of the application and supporting documents has granted enhancement of PI of CIL from 10% to 26% w.e.f January 25, 2021. This has been contested by the Company as the provision and timing of exercising the option of enhancing PI from 10% to 26% is very clearly defined in the JOA i.e. the option shall be exercised by CIL before the start of Development Phase. Accordingly, DGH and MoPNG has been requested to consider April 23, 2013 as the date of commencement of PI enhancement, as delay in PI enhancement is primarily due to late submission of requisite documents by CIL. Considering the provisions of JOA and approval of Steering Committee, the cash calls amounting to ₹ 707.95 million from CIL have been continued to be recognized at 26% w.e.f. April 23, 2013 (which is the start date of development phase activity) upto January 24, 2021 as against ₹ 272.29 million of cash calls at the rate of 10% PI up to January 24, 2021.

**53.1.8** In respect of Raniganj (N) CBM Block, the Feasibility Report (FR) is under process exploring different variants to optimize the cost. Work Program and Budget for RE 2021-22, BE 2022-23 have been approved by the Operating Committee. The issue of connectivity of proposed locations in Raniganj with Urja Ganga Pipeline is being discussed with GAIL (India) Limited, Kolkata. Government of West Bengal has granted PML for 311.79 Sq. km including the BAPL overlap area on February 10, 2020 w.e.f. June 9, 2019. Pending final decision on the Block, an impairment provision of ₹ 617.36 million has been provided in the books.

**53.1.9** During the year 2017-18 the Company had acquired the entire 80% Participating Interest (PI) of Gujarat State Petroleum Corporation Limited (GSPC) along with operatorship rights, at a purchase consideration of US$ 995.26 million (equivalent to ₹ 62,950.20 million) for Deen Dayal West (DDW) Field in the Block KG-OSN-2001/3. The revised PI in the block after above acquisition stands for the Company 80%, GSPC 10% and Jubilant Offshore Drilling Private Limited (JODPL) 10%.A farm-in Farm-out agreement (FIFO) was signed with GSPC on March 10, 2017 and the said consideration has been paid on August 04, 2017 being the closing date. In the current year 2021-22, accounting for the final closing adjustment (i.e., working capital and other adjustments) to sale consideration viz. transactions from the economic date up to the closing date has been provisionally carried out and a sum of ₹ 946.71 million is net payable to GSPC as final settlement and the same is under deliberation. As per FIFO, the Company is entitled to receive sums as adjustments to the consideration already paid based on the actual gas production and the differential in agreed gas price. Pending executing mother wells and estimating future production, the contingent adjustment to consideration remains to be quantified. The Company has also paid part consideration of US$ 200 million (equivalent to ₹12,650.00 million) for six discoveries other than DDW Field in the Block KG-OSN-2001/3 to GSPC towards acquisition rights for these discoveries in the Block KG-OSN-2001/3 to be adjusted against the valuation of such fields based on valuation parameters agreed between GSPC and the Company.

The JV partner JODPL is under liquidation since December 2017 and has defaulted all the cash calls since acquisition of the block by the Company. The amount of outstanding cash call from JODPL as at March 31, 2022 is ₹ 1624.86 million (Previous year: ₹ 1368.26 million). The assignment of JODPL's 10% PI in accordance with provisions of Production sharing Contract (PSC) is pending with Management Committee (MC). As per provision of the Joint Operating Agreement (JOA), the receivable amount of ₹ 1,624.86 million (Previous year: ₹ 1368.26 million) after the acquisition of block is required to be contributed by the non-defaulting JV Partner in their ratio of participating interest. Pending decision of assignment of JODPL's PI by MC a provision for an amount of ₹ 1,444.32 million (Previous year: ₹ 1,216.23 million) has been made against the said cash call receivables from JODPL, being the company's share as per PI ratio.

**53.1.10** In case of Joint Venture Block CB-ONN-2004/3, the discovery well Uber#2 ceased to flow from June 23, 2020. ONGC in consultation with JV partner M/s GSPC has initiated a proposal for examination / surrendering the NELP block CB-ONN-2004/3 and relinquishment of the development area of 10.78 sq. km. The Management Committee (MC) in March 2021 had advised that action plan be drawn up to revive the field, which can include drilling a new development well in a better part of the reservoir, so that fairly good quantity of gas, as approved in the FDP, is achieved at the earliest. Pending assessment of the same, an impairment loss of ₹ 370.95 million has been provided in the books.

**53.1.11** The designated currency, for the purpose of cost recovery under the Production Sharing Contracts (PSC) is US$. Thus, the expenditure incurred in Indian Rupees (₹) needs to be converted in US$ for the preparation of cost recovery statements. The Company has already submitted the draft Management Committee agendas for the corresponding blocks for adoption of State Bank of India (SBI) reference rate in place of Reserve Bank of India (RBI) reference rate for preparation of cost recovery statements.

The management committee (MC) of the block named VN-ONN-2009/3 has recommended to the Government for approval of SBI reference rate in lieu of RBI reference rate for the conversion purpose between US$ and ₹ in modification of provision laid down under the PSC. The MC also recommended that the same may be extended to other similarly placed PSCs of the operator. MC further recommended that the above dispensation to opt for SBI exchange rate may be made available as one time measure also to other operators, should they opt to do so, provided they have adopted SBI exchange rate at the corporate level.

Subsequently, Directorate General of Hydrocarbons (DGH) which is PSC monitoring arm of the Ministry of Petroleum and Natural Gas (MoPNG), Government of India, submitted the proposal for the approval of MoPNG for adoption of SBI reference rate in lieu of RBI reference rate for the block VN-ONN-2009/3 in May 2020 which is at present pending with MoPNG.

The Company is following the SBI reference exchange rates on consistent basis for maintenance of accounts as the main banker of the Company is State Bank of India, and there is no impact on the Company financial statements due to adoption of SBI exchange rate, as the transactions of foreign currency in the Company are recorded at actual cost basis and foreign currency liabilities & assets at period end are also recognised as per SBI reference rate. The financial implication for adoption of SBI reference rate preparation of cost recovery statements with DGH, as against the RBI reference rate is immaterial.

**53.2 Joint Operation outside India**

The details of Group's joint operations as on March 31, 2022 are as under:

| S.no | Name of the Project and Country of Operation | Group's participating share (%) | Other Consortium Members | Operator | Project status |
|---|---|---|---|---|---|
| 1. | Azeri, Chirag, Guneshli Fields (ACG), Azerbaijan, Offshore | 2.31 | BP - 30.37%<br>SOCAR - 25.00%<br>MOL - 9.57%<br>INPEX - 9.31%<br>Equinor - 7.27%<br>Exxon-Mobil - 6.79%<br>TPAO - 5.73%<br>Itochu - 3.65% | BP | The project is under development and production |
| 2. | Block 06.1, Vietnam, Offshore | 45 | Rosneft Vietnam B.V. - 35%<br>Petro Vietnam - 20% | Rosneft Vietnam B.V. | The project is under production |
| 3. | Block 5A, South Sudan, Onshore | 24.125 | Petronas - 67.875%<br>Nilepet - 8% | Joint Operatorship by all partners. | Oil production activities in Block 5A, South Sudan which were under shutdown since December 2013 due to security related issues have commenced w.e.f 30th May, 2021. However, post resumption, the group's share of first cargo of crude oil sales was effected in November 2021 and accordingly revenue was recognized. |
| 4. | Block A-1, Myanmar, Offshore | 17 | POSCO International Corporation - 51%<br>MOGE- 15%<br>GAIL – 8.5%<br>KOGAS – 8.5% | POSCO International Corporation | The project is under Production. |

| S.no | Name of the Project and Country of Operation | Group's participating share (%) | Other Consortium Members | Operator | Project status |
|---|---|---|---|---|---|
| 5. | Block A-3, Myanmar, Offshore | 17 | POSCO International Corporation - 51%<br>MOGE- 15%<br>GAIL – 8.5%<br>KOGAS – 8.5% | POSCO International Corporation | The project is under production |
| 6. | Block B2, Myanmar, Onshore | 97 | Machinery and Solutions Company Ltd. - 3% | ONGC Videsh | The project is under exploration |
| 7. | Block CPO-5, Colombia, Onshore | 70 | Geopark – 30% (earlier Petrodorado) | ONGC Videsh | The project is under exploration, development and production |
| 8. | Block EP3, Myanmar, Onshore | 97 | Machinery and Solutions Company Ltd. - 3% | ONGC Videsh | The project is under exploration |
| 9. | Block Farzad B, Iran, Offshore | 40 | IOC – 40%<br>OIL - 20% | ONGC Videsh | The project's exploration phase under Exploration Service Contract (ESC) ended on 24 June 2009. Agreement on MDP and Development Service Contract is yet to be agreed. |
| 10. | Block RC-9, Colombia, Offshore | 50 | Ecopetrol - 50% | Ecopetrol | The block is under process of relinquishment |
| 11. | Block RC-10, Colombia, Offshore | 50 | Ecopetrol - 50% | ONGC Videsh | The block is under process of relinquishment |
| 12. | Block SS 04, Bangladesh, Offshore | 45 | OIL-45%<br>BAPEX-10% | ONGC Videsh | The project is under exploration |
| 13. | Block SS 09, Bangladesh, Offshore | 45 | OIL-45%<br>BAPEX-10% | ONGC Videsh | The project is under exploration |
| 14. | Block SSJN-7, Colombia, Onshore | 50 | Canacol Energy - 50% | Canacol Energy | The project is under exploration |
| 15. | Block XXIV, Syria, Onshore | 60 | IPRMEL - 25%<br>Triocean-15% | IPR MEL | The project is temporarily shut down due to deteriorated law and order situation in the country since April 2012 |
| 16. | Sakhalin -1, Russia, Offshore | 20 | ENL - 30%<br>SODECO - 30%<br>SMNG - 11.5%<br>R N Astra - 8.5% | ENL | The project is under development and production. |
| 17. | SHWE Offshore Pipeline, Myanmar, Offshore | 17 | POSCO International Corporation - 51%<br>MOGE- 15%<br>GAIL – 8.5%<br>KOGAS – 8.5% | POSCO International Corporation | Pipeline is completed and is under use for transportation of gas from Blocks A1/A3, Myanmar |

| S.no | Name of the Project and Country of Operation | Group's participating share (%) | Other Consortium Members | Operator | Project status |
|---|---|---|---|---|---|
| 18. | Port Sudan Product Pipeline, Sudan | 90 | OIL – 10% | ONGC Videsh | Pipeline was completed and was handed over to Govt. of Sudan in earlier years |
| 19. | Block Area 1, Mozambique, Offshore (10% through OVRL India Ltd. and 6% through BREML) | 16 | TOTAL- 26.5%<br>MITSUI-20%<br>ENH-15%<br>BPRL-10%<br>BREML-10% #<br>PTTEP-8.5% | TOTAL | The project is under development |
| 20. | Block 1a, 1b, & 4, GPOC. South Sudan (Through ONGC Nile Ganga B.V.) | 25 | CNPC - 40%<br>Petronas - 30%<br>Nilepet - 5% | Joint Operatorship (GPOC) | The project is under production. |
| 21. | Block BC-10 Brazil, Offshore (Through ONGC Campos Ltda,) | 27 | Shell – 50%<br>QPI – 23% | Shell | The project is under development and production |
| 22. | Block BM-SEAL-4 Brazil, Offshore (Through ONGC Campos Ltda,) | 25 | Petrobras- 75% | Petrobras | The project is under exploration |
| 23. | Lower Zakum Abu Dhabi (through Falcon Oil and gas B.V.) | 4 | IndOil Global B.V. - 3%<br>BPRL International Ventures B.V. - 3%<br>ADNOC-60%<br>Japan's Inpex-10%<br>CNPC-10%<br>Eni-5%<br>TOTAL-5% | Adnoc Offshore | The project is under development and production |

**Abbreviations used:**

TOTAL - Total S.A, France; BAPEX - Bangladesh Petroleum Exploration & Production Company Limited; BP - British Petroleum; BPRL - Bharat PetroResources Limited; BREML - Beas Rovuma Energy Mozambique Limited; CNPC- China National Petroleum Corporation; Ecopetrol - Ecopetrol S.A, Colombia; ENH - Empresa Nacional De Hidrocarbonates, E.P.; ENL - Exxon Neftegas Limited; Exxon Mobil - Exxon Mobil Corporation; GAIL - GAIL (India) Limited; INPEX - INPEX Corporation; IOC - Indian Oil Corporation Limited; IPRMEL - IPR Mediterranean Exploration Limited; Itochu - Itochu Corporation; KMG - Kazmunaygas; KOGAS - Korea Gas Corporation; MITSUI - MITSUI & Co. Limited; MOGE - Myanmar Oil and Gas Enterprise; Nilepet - Nile Petroleum Corporation; OIL - Oil India Limited; ONGC Videsh - ONGC Videsh Limited; Petrobras - Petrobras Colombia Ltd; PetroDorado - PetroDorado South America S.A.; Petronas - Petronas Carigali Overseas SdnBhd; Petrovietnam - Vietnam Oil and Gas Group; PTTEP - PTT Public Company Limited; QPI- Qatar Petroleum International; SMNG - Sakhalinmorneftegas Shelf; SOCAR - State Oil Company of Azerbaijan Republic; SODECO - Sakhalin Oil Development Company Limited; SOLLP - Satpavey Operating LLP; STATOIL - Den Norske Stats Oljeselskap; TPAO - Turkiye Petrolleri A.O; Triocean - TriOcean Mediterranean

# ONGC Videsh holds 60% shares in BREML.

**53.2.1 The Financial position of the Joint Operation projects/ blocks are as under:**

**As at March 31, 2022**

(₹ in million)

| Particulars | Current Assets | Non-Current Assets | Current Liabilities | Non-Current Liabilities | Total Revenue | Profit or Loss from continuing operations | Profit or Loss from discontinued operations | Other Comprehensive Income | Total Comprehensive Income |
|---|---|---|---|---|---|---|---|---|---|
| **A. Certified as at March 31, 2022** | | | | | | | | | |
| Block 06.1, Vietnam | 1,387.17 | 5,137.58 | 727.50 | 3,275.77 | 6,570.53 | 1,044.99 | - | - | 1,044.99 |
| Block Sakhalin 1, Russia | 11,762.52 | 232,396.67 | 13,757.07 | 38,005.36 | 85,621.84 | 25,625.51 | - | - | 25,625.51 |
| Block A-1, Myanmar | 1,765.90 | 14,184.76 | 2,064.14 | - | 6,156.45 | 1,118.68 | - | - | 1,118.68 |
| Block A-3, Myanmar | 563.02 | 1,439.71 | 447.93 | - | 2,864.02 | 538.86 | - | - | 538.86 |
| SHWE Offshore Pipeline, Myanmar | 240.41 | 1,098.29 | 140.91 | - | 2,161.76 | 1,502.37 | - | - | 1,502.37 |
| Block CPO 5, Colombia | 1,902.67 | 1,053.48 | 7,642.11 | 306.50 | 18,694.97 | 6,961.03 | - | - | 6,961.03 |
| GNPOC & GPOC, Sudan | 5,404.65 | 31,052.80 | 10,973.95 | 2,419.62 | 14,353.90 | 4,551.71 | - | - | 4,551.71 |
| BC-10, Brazil & Block BM-SEAL-4 | 4,505.31 | 28,400.13 | 6,632.58 | 9,684.21 | 19,512.42 | 7,622.79 | - | - | 7,622.79 |
| Block Farzad B, Iran | 12.51 | 0.18 | - | - | - | (11.34) | - | - | (11.34) |
| Port Sudan Product Pipeline, Sudan | 4.45 | 10.23 | 1,924.37 | - | - | - | - | - | - |
| **Total (A)** | **27,548.62** | **314,773.85** | **44,310.57** | **53,691.47** | **155,935.89** | **48,954.60** | **-** | **-** | **48,954.60** |
| **B. Certified as at December 31, 2021 (the latest audited information is available for December 31, 2021. The below figures are as at March 31, 2022)** | | | | | | | | | |
| Block RC-9, Colombia | - | - | 0.13 | - | - | 0.11 | - | - | 0.11 |
| Block RC-10, Colombia | - | - | - | - | - | (0.28) | - | - | (0.28) |
| Block SS-04, Bangladesh | 265.64 | 68.92 | 527.54 | - | - | (927.08) | - | - | (927.08) |
| Block SS-09, Bangladesh | 58.86 | 97.64 | 0.00 | - | - | (37.24) | - | - | (37.24) |
| Block ACG, Azerbaijan | 1,267.78 | 40,428.54 | 1,951.11 | 9,845.29 | 8,529.04 | 2,852.89 | - | - | 2,852.89 |
| **Total (B)** | **1,592.27** | **40,595.10** | **2,478.78** | **9,845.29** | **8,529.04** | **1,888.40** | **-** | **-** | **1,888.40** |
| **C. Unaudited** | | | | | | | | | |
| Block SSJN-7, Colombia | - | 5.41 | 48.23 | - | - | (353.03) | - | - | (353.03) |
| Myanmar Block EP 3, O/S (Non-Op) | 3.36 | 76.80 | 39.88 | - | - | (17.10) | - | - | (17.10) |
| Myanmar Block B2 Onshore | 34.02 | 26.81 | 57.72 | - | - | (13.43) | - | - | (13.43) |
| Block 5A, Sudan | 568.60 | 5,367.00 | 2,302.19 | - | 404.22 | (1,886.35) | - | - | (1,886.35) |
| Block 24, Syria | - | - | 633.21 | - | - | - | - | - | - |
| Block Area 1, Mozambique | 5,706.90 | 151,269.31 | 8,315.95 | - | - | (3,505.69) | - | - | (3,505.69) |
| **Total ( C)** | **6,312.89** | **156,745.33** | **11,397.17** | **-** | **404.22** | **(5,775.59)** | **-** | **-** | **(5,775.59)** |
| **Grand Total** | **35,453.78** | **512,114.28** | **58,186.51** | **63,536.75** | **164,869.15** | **45,067.41** | **-** | **-** | **45,067.41** |

**As at March 31, 2021**

(₹ in million)

| Particulars | Current Assets | Non-Current Assets | Current Liabilities | Non-Current Liabilities | Total Revenue | Profit or Loss from continuing operations | Profit or Loss from discontinued operations | Other Comprehensive Income | Total Comprehensive Income |
|---|---|---|---|---|---|---|---|---|---|
| Block 06.1, Vietnam | 1,709.50 | 4,877.21 | 1,224.62 | 1,930.85 | 7,440.56 | (561.45) | - | - | (561.45) |
| Port Sudan Product Pipeline, Sudan | 12.06 | 9.92 | 1,866.96 | - | - | (10.03) | - | - | (10.03) |
| Block Farzad B, Iran | 63.84 | 0.03 | - | - | - | (17.95) | - | - | (17.95) |
| Block SS-04, Bangladesh | 56.94 | 124.76 | 84.57 | - | - | (32.70) | - | - | (32.70) |
| Block SS-09, Bangladesh | 88.71 | 73.05 | 54.38 | - | - | (28.42) | - | - | (28.42) |
| GNPOC & GPOC, Sudan | 4,732.23 | 32,968.63 | 5,912.42 | 2,502.59 | 10,650.29 | 7,190.15 | | | 7,190.15 |
| BC-10, Brazil & Block BM-SEAL-4 | 3,332.19 | 24,994.15 | 7,032.81 | 8,556.21 | 10,677.09 | (649.80) | | | (649.80) |
| Block Sakhalin 1, Russia | 19,129.76 | 238,677.32 | 10,652.97 | 35,115.68 | 60,408.78 | 10,452.04 | - | - | 10,452.04 |
| Block RC-9, Colombia | - | 3.46 | 0.27 | - | - | (0.63) | - | - | (0.63) |
| Block RC-10, Colombia | 42.52 | 0.02 | - | - | - | (0.76) | - | - | (0.76) |
| Block CPO 5, Colombia | 762.24 | 273.27 | 3,455.33 | - | 7,413.62 | 1,939.12 | - | - | 1,939.12 |
| Block ACG, Azerbaijan | 1,319.52 | 41,212.20 | 2,049.45 | 11,779.47 | 6,831.18 | 3,165.50 | - | - | 3,165.50 |
| Block SSJN-7, Colombia | - | - | 63.79 | - | - | (179.94) | - | - | (179.94) |
| Block A-1, Myanmar | 999.67 | 10,350.91 | 1,728.69 | - | 6,908.32 | 2,411.53 | - | - | 2,411.53 |
| Block A-3, Myanmar | 399.97 | 1,586.60 | 193.52 | - | 3,502.56 | 973.77 | - | - | 973.77 |
| SHWE Offshore Pipeline, Myanmar | 260.01 | 1,219.60 | 52.62 | - | 2,171.55 | 1,513.73 | - | - | 1,513.73 |
| Myanmar Block EP 3, O/S (Non-Op) | 10.70 | 22.12 | 1.08 | - | - | (12.79) | - | - | (12.79) |
| Myanmar Block B2 Onshore | 56.29 | 6.17 | 104.99 | - | - | (13.31) | - | - | (13.31) |
| Block Area 1, Mozambique | 5,912.33 | 329,422.90 | 14,492.75 | - | - | (269.44) | | | (269.44) |
| Block 5A, South Sudan | 730.92 | 4,640.36 | 942.74 | - | - | (1,309.90) | - | - | (1,309.90) |
| Block 24, Syria | - | - | 615.25 | - | - | (63.28) | - | - | (63.28) |
| **Grand Total** | **39,619.40** | **690,462.68** | **50,529.21** | **59,884.80** | **116,003.94** | **24,495.44** | **-** | **-** | **24,495.44** |

Financial information is not presented in respect of closed projects.

**53.2.2 Additional Financial information related to Joint Operation blocks are as under:**

**As at March 31, 2022**

(₹ in million)

| Particulars | Cash and Cash Equivalents | Current Financial Liabilities | Non-Current Financial Liabilities | Depreciation and Amortisation | Interest Income | Interest Expense | Income Tax Expense or Income |
|---|---|---|---|---|---|---|---|
| **A. Certified as at March 31, 2022** | | | | | | | |
| Block 06.1, Vietnam | 45.97 | 727.50 | - | 1,985.34 | 0.14 | - | - |
| Block Sakhalin 1, Russia | 3,460.24 | 7,664.02 | - | 25,868.03 | 104.61 | - | 20,504.55 |
| Block A-1, Myanmar | 782.17 | 1,918.23 | - | 2,836.90 | - | - | 517.76 |
| Block A-3, Myanmar | 280.53 | 401.78 | - | 629.35 | - | - | 268.74 |
| SHWE Offshore Pipeline, Myanmar | 32.86 | 30.25 | - | 157.17 | - | - | 367.29 |
| Block CPO 5, Colombia | - | 3,073.35 | - | 189.68 | - | - | 1,996.63 |
| BC-10, Brazil & Block BM-SEAL-4 | 1,163.63 | 10,973.95 | 271.82 | 1,375.71 | - | - | - |
| GNPOC & GPOC, Sudan | 1,111.36 | 5,109.89 | 4,833.68 | 3,914.82 | 18.12 | 419.77 | 3,745.86 |
| Port Sudan Product Pipeline, Sudan | 4.45 | 1,924.37 | - | - | | - | - |
| Block Farzad B, Iran | 12.51 | - | - | - | 0.37 | - | - |
| **Total (A)** | **6,893.73** | **31,823.34** | **5,105.51** | **36,957.00** | **123.24** | **419.77** | **27,400.84** |
| **B. Certified as at December 31, 2021 (the latest audited information is available for December 31, 2021. The below figures are as at March 31, 2022)** | | | | | | | |
| Block RC-9, Colombia | - | 0.13 | - | - | 0.05 | - | - |
| Block RC-10, Colombia | - | - | - | - | 10.12 | - | - |
| Block SS-04, Bangladesh | 265.64 | 527.54 | - | - | - | - | - |
| Block SS-09, Bangladesh | 58.86 | - | - | - | - | - | - |
| Block ACG, Azerbaijan | - | 1,951.11 | 1,999.11 | 3,850.02 | 0.11 | - | 1,053.44 |
| **Total (B)** | **324.50** | **2,478.78** | **1,999.11** | **3,850.02** | **10.28** | **-** | **1,053.44** |
| **C. Unaudited** | | | | | | | |
| Block SSJN-7, Colombia | | 48.23 | - | - | | - | - |
| Myanmar Block EP 3, O/S (Non-Op) | 3.36 | 39.88 | - | - | 0.19 | - | 0.98 |
| Myanmar Block B2 Onshore | 34.02 | 57.72 | - | - | 0.19 | - | 0.70 |
| Block 5A, Sudan | 145.13 | 2,302.19 | - | 85.75 | - | - | - |
| Block 24, Syria | - | 633.21 | - | - | - | - | - |
| Block Area 1, Mozambique | - | 7,498.04 | - | - | 3,456.44 | 3,140.30 | |
| **Total (C)** | **182.51** | **10,579.27** | **-** | **85.75** | **3,456.82** | **3,140.30** | **1.68** |
| **Grand Total** | **7,400.74** | **44,881.39** | **7,104.62** | **40,892.77** | **3,590.34** | **3,560.07** | **28,455.96** |

**As at March 31, 2021**

(₹ in million)

| Particulars | Cash and Cash Equivalents | Current Financial Liabilities | Non-Current Financial Liabilities | Depreciation and Amortisation | Interest Income | Interest Expense | Income Tax Expense or Income |
|---|---|---|---|---|---|---|---|
| Block 06.1, Vietnam | - | 1,097.94 | - | 2,075.60 | 0.25 | - | - |
| Port Sudan Product Pipeline, Sudan | 4.32 | 1,866.96 | - | - | 0.01 | - | - |
| Block Farzad B, Iran | 13.18 | 2.99 | - | - | 0.46 | - | - |
| Block SS-04, Bangladesh | 14.45 | 128.50 | - | - | - | - | - |
| Block SS-09, Bangladesh | 42.49 | 117.16 | - | - | - | - | - |
| GNPOC & GPOC, Sudan | 1,342.90 | 5,912.42 | 2,502.59 | 1,851.83 | - | - | (636.36) |
| BC-10, Brazil & Block BM-SEAL-4 | 483.25 | 6,912.54 | 3,962.41 | 5,850.55 | 4.19 | 1,490.12 | (332.77) |
| Block Sakhalin 1, Russia | 1,309.26 | 5,749.54 | - | 24,600.05 | 1.78 | - | 11,381.52 |
| Block RC-9, Colombia | - | 0.27 | - | - | 0.25 | - | - |
| Block RC-10, Colombia | - | - | - | - | 0.12 | - | - |
| Block CPO 5, Colombia | - | 730.09 | - | 1,007.91 | 2.22 | - | 1,169.14 |
| Block ACG, Azerbaijan | - | 1,901.32 | 2,875.30 | 3,826.74 | 5.56 | - | 606.80 |
| Block SSJN-7, Colombia | - | 63.79 | - | - | - | - | - |
| Block A-1, Myanmar | 544.81 | 1,617.39 | - | 2,762.42 | - | - | 108.89 |
| Block A-3, Myanmar | 120.67 | 230.97 | - | 751.07 | - | - | 584.38 |
| SHWE Offshore Pipeline, Myanmar | 29.25 | 17.96 | - | 180.35 | - | - | 355.43 |
| Myanmar Block EP 3, O/S (Non-Op) | 8.34 | 81.75 | - | 0.02 | - | - | - |
| Myanmar Block B2 Onshore | 54.45 | 172.49 | - | - | - | - | - |
| Block Area 1, Mozambique | - | 14,432.93 | - | - | - | 28.66 | - |
| Block 5A, South Sudan | 113.57 | 942.74 | - | 34.27 | - | - | - |
| Block 24, Syria | - | 615.25 | - | - | - | - | - |
| **Grand Total** | **4,080.94** | **42,595.00** | **9,340.30** | **42,940.81** | **14.84** | **1,518.78** | **13,237.03** |

In respect of subsidary ONGC Nile Ganga BV (ONGBV), during the previous year(s), all activities related to Sudan Crude Oil Transportation System (SCOTS) activities in Sudan ceased to exist with effect from 2014 and all the exploration and production activities in Sudan ceased to exist with effect from August 31, 2019 owing to early termination of EPSA by the Government of Sudan. However, as per Clause 2.3 'Continuing Rights and Obligations' of Article II of Joint Operating Agreement dated April 15, 1997, it is stated that upon termination, the Parties shall execute any and all documents required to effectuate such termination and shall continue to be obliged in proportion to their respective Participating Interest shares for any obligations and liabilities which may have accrued prior to such termination date; including but not limited to:

**(a)** Outstanding obligations or liabilities incurred by Operator during the conduct of Operations; and

**(b)** Expenses incurred by Operator in terminating Operations.

Accordingly, the Company is required to incorporate 25% of all the assets and liabilities of the Joint operations as on March 31, 2022 till the time liquidation of GNPOC is complete. Currently the Company has incorporated such share of 25% in assets and liabilities basis the joint interest billing received from Joint Operator (GNPOC) and the final settlement of accounts is outstanding as of March 31, 2022 between the Company and Operator. Accordingly, Company has booked receivable of USD 20.7 million. The management believes that the impact of final settlement with Operator and likelihood for any further expenses or liability devolving on the Company, shall not be material. Pending outcome of such reconciliations, no adjustment has been made to accompanying financial statements.

**53.3 Joint Operation in respect of subsidiary HPCL**

**53.3.1** The subsidiary has entered into production sharing oil & gas exploration contracts in India in consortium with other body corporate. These consortia are:

| Name of the Block | Participating Interest of HPCL in % | |
|---|---|---|
| | As on March 31, 2022 | As on March 31, 2021 |
| **In respect of HPCL** | | |
| **In India** | | |
| **Under NELP IV** | | |
| KK- DWN-2002/2 | 20.00 | 20.00 |
| KK- DWN-2002/3 | 20.00 | 20.00 |
| CB- ONN-2002/3 | 15.00 | 15.00 |
| **Under NELP V** | | |
| AA-ONN-2003/3 | 15.00 | 15.00 |
| **Under NELP VI** | | |
| CY-DWN-2004/1 | 10.00 | 10.00 |
| CY-DWN-2004/2 | 10.00 | 10.00 |
| CY-DWN-2004/3 | 10.00 | 10.00 |
| CY-DWN-2004/4 | 10.00 | 10.00 |
| CY-PR-DWN-2004/1 | 10.00 | 10.00 |
| CY-PR-DWN-2004/2 | 10.00 | 10.00 |
| KG-DWN-2004/6 | 10.00 | 10.00 |
| MB-OSN-2004/1 | 20.00 | 20.00 |
| MB-OSN-2004/2 | 20.00 | 20.00 |
| RJ-ONN-2004/1 | 22.22 | 22.22 |
| RJ-ONN-2004/3 | 15.00 | 15.00 |
| **Under NELP IX** | | |
| MB-OSN-2010/2 | 30.00 | 30.00 |
| **Cluster - 7** | **60.00** | **60.00** |
| **In respect of PPCL** | | |
| **In India** | | |
| South Rewa – PSC | 10.00 | 10.00 |
| Sanganpur – PSC | 50.00 | 50.00 |
| Hirapur – SC | - | 50.00 |
| **Outside India** | | |
| Yolla Field (Australia) Licence T/L-1 | 11.25 | 11.25 |
| Trefoil Field (Australia) Permit T/18P | 9.75 | 9.75 |

**53.3.1.1** The block CB-ONN-2002/3 was awarded under NELP IV bidding round and the production sharing contract was signed on 06.02.2004. The exploration Minimum Work Program has been completed. Production from SE#3/4 wells of the Block is in progress, which had started during FY 2017-18. The share of the assets, liabilities, income and expenditure is considered based on the Management certified financials for the FY 2021-22.

**53.3.1.2** In respect of Cluster – 7,which is terminated and the matter is under litigation (refer Note No. 58.1.8(b). The share of the assets, liabilities, income and expenditure is considered based on the Management Certified financials for FY 2021-22.

**53.3.1.3** Other than above, the remaining blocks are in the process of relinquishment/ under relinquishment and the share of the assets, liabilities, income and expenditure, if any, is considered based on information received from these blocks.

**53.3.2 In respect of step-down subsidiary PPCL**

**53.3.2.1 ONGC Onshore Marginal Fields**

The Company was awarded Service Contracts dated 28th April, 2004, for development of ONGC's Hirapur, Khambel and West Bechraji onshore marginal oil fields. The Company executed Agreements for development of Hirapur, Khambel and West Bechraji onshore marginal fields with Valdel Oil and Gas Private Limited (VALDEL) with equal share in the Service Contracts. The Service Contracts in respect of Khambel and West Bechraji had been terminated in February, 2009 by ONGC. Hirapur Service contract was terminated on 25th March 2021. The field handed over to ONGC, which includes five wells (P#1, P#2, P#3, H#1 and H#2) and associated fixed assets. The handing over document was signed on August 17, 2021.Total Assets of ₹ 113.30 million (Gross Block) have been written off in the books of PPCL (PPCL share 50%), during the current Financial Year 2021-22. The Company's share of assets and liabilities as at 31st March 2022 and the Income and expenditure for the year in respect of above joint venture is as follows::

**(₹ in million)**

| | Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| A | Property, Plant & Equipment (Gross) | - | 99.90 |
| B | Intangible asset under development | - | 13.60 |
| C | Other Net Non-Current Assets | 03.7 | 2.90 |
| D | Net Current Assets (*) | 47.9 | 41.10 |
| E | Income | 01.2 | 6.50 |
| F | Expenditure | 94.4 | 18.20 |

(*) Includes receivable from joint venture amounting to ₹ 45.50 million. (As at March 31, 2021 ₹ 39.20 million.)

**53.3.2.2 Sanganpur Field**

The Company acquired 50% participating interest in Sanganpur field from M/s Hydrocarbon Development Company Pvt. Ltd. (HDCPL) effective 1st September, 2004. Accumulated amount prior to acquisition of Sanganpur field amounting ₹11,817,034/- have been included in Sanganpur field Assets. The Company has accounted its proportionate share in the Sanganpur field based on estimated un-Audited accounts as at 31st March, 2017.

In FY 2014-15 , the operator of the block M/s HDCPL has committed default in the payment to its contractor. The petition was filed by contractor ETA Star Golding limited for non-payment of its invoices by M/s HDCPL in their another asset wherein Bombay High Court vide order dated 14th Nov, 2014 in Company Petition 550 of 2013 had passed order for appointment of liquidator for assets and business of Company M/s HDCPL. However, as per Production Sharing contract (PSC), the ownership of underlying hydrocarbon lies with GoI, hence Sanganpur field was not attached and operations in the field were continued. Further, MoP&NG vide its letter dated June 2, 2017 has terminated the PSC and all operations in the field were called off. Since the appointment of official liquidator, the bank account of HDCPL were seized, HDCPL has neither raised any invoice to IOCL for transfer of crude nor raised any cash call to PPCL for operation in the field. The payment of Royalty and Cess to concerned authorities are also pending since then.

Said order of Bombay High Court was challenged by HDCPL before its Division Bench and is still pending before the Court. In the meantime, HDCPL had initiated an arbitration proceeding against MoPNG for termination of PSC. However, PPCL is not a part of it. Under Section 9 of Arbitration and Conciliation Act, Directorate General of hydrocarbon (DGH) on behalf of MoP&NG has initiated proceeding for possession of the field.

MoP&NG vide its letter dated June 2, 2017 has terminated the PSC. Accordingly, Company had created a provision for write-off of Sanganpur Assets of ₹ 66.50 million in FY 2017-18. During current Financial Year 2021-22 amount of ₹ (1.20 million) transferred to provision for write-off of Sanganpur Assets.

The Company's share of assets and liabilities as at 31st March 2022 and the Income, expenditure for the year in respect of above joint venture is as follows:

**(₹ in million)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Property, Plant & Equipment (Gross) | - | - |
| Other Net Non-Current Assets | - | (0.20) |
| Net Current Assets (*) | - | (1.00) |
| Income | - | - |
| Expenditure | - | - |

(*) Includes payable to joint venture amounting to ₹ Nil (as at March 31, 2021: ₹ 0.40 million)

**53.3.2.3 ONGC Offshore Marginal Fields (Cluster-7)**

The Company along with Consortium member, M/s Hindustan Petroleum Corporation Limited (HPCL) (PI - 60%) and M/s M3nergy (PI – 30%) was awarded a Contract vide letter of award dated 31st March, 2006 for the development of ONGC's offshore marginal Oilfields viz. B -192, B - 45 and WO – 24. The Service Contract for Cluster-7 was signed on 27th September, 2006 between ONGC and Consortium members. The Company is the Executing Contractor and its participating interest (PI) is 10%.

The said Service Contract was terminated by ONGC. Subsequently, HPCL/PPCL started arbitration proceedings against M3nergy which are still in progress, hence the joint bank account has not been closed.

**53.3.2.4 SR – ONN – 2004 / 1 (South Rewa Block)**

The Company along with Consortium member M/s Jaiprakash Associates Limited (PI - 90%) was awarded PSC for the SR-ONN-2004/1 block vide letter dated 12th February, 2007 of Ministry of Petroleum & Natural Gas (MOP & NG) under NELP – VI round. The Company is the executing contractor and its PI is 10%. The PSC was signed on 2nd March, 2007.

Consortium has proposed to relinquish the block effective from 23rd October, 2014 and Operating Committee Resolution (OCR) for relinquishment of the block has been submitted to Directorate General of Hydrocarbon (DGH). DGH vide its letter dated Feb. 5, 2018 has communicated that the Block stands relinquished with effect from 23.10.2014 subject to the compliance of PSC and the P&NG rules.

The South Rewa Block has standing inventory of ₹ 37.60 million in which the company has share of 10%. The company is in the process of carrying out elaborate valuation of the inventory for further disposal. The same has been recorded at cost.

The Company's share of assets and liabilities as at 31st March, 2022 in respect of above joint venture is as follows:

**(₹ in million)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Property, Plant and Equipment (Gross) | 0.01 | 0.01 |
| Intangible asset under development | - | - |
| Other Net Non-Current Assets | 0.07 | 0.07 |
| Net Current Assets (*) | 30.50 | 30.62 |
| Expenditure | 0.13 | 0.13 |

(*) Includes receivables from joint venture amounting to ₹ 26.70 million (as at March 31, 2021: ₹ 26.80 million).

## 54 In respect of subsidiary company, HPCL-Estimated Hydrocarbon Proven Reserves as on 31st March, 2022 in the Oil fields are as follows:

### 54.1 Domestic Operations (Hirapur - On-shore Marginal Fields)

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | MM BBLS | MMT | MM BBLS | MMT |
| Recoverable Reserves (*) | - | - | 2.344 | 0.315 |

(*) The Company Share is 50% of total.

### 54.2 International Operations (Yolla Field, Australia – License T/L 1 – Offshore Filed)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| | MM BoE | MM BoE |
| Recoverable Reserves (*) | 0.889 | 1.036 |

(*) For respective share of the company.

### 54.3 Quantitative Particulars of Petroleum:

| Total Dry Crude Production | FY 2021-22 (BoE) | FY 2020-21 (BoE) |
|---|---|---|
| Hirapur Field (*) | 1,846 | 11,823 |
| Yolla Field (T/L1) Australia | 1,67,170 | 283,149 |
| **TOTAL** | **1,69,016** | **294,972** |

(*) For total share in Field.

## 55 Disclosure of Interests in subsidiaries:

For disclosure related to name and interests in subsidiaries, refer Note No. 4.

## 56 Disclosure of Interests in Joint Arrangements and Associates:

For disclosure related to joint venture and associates refer Note No.4, Note No. 14.1.9 and Note No. 14.1.10.

## 57 Disclosure under Indian Accounting Standard 36 – Impairment of Assets

**57.1** The Company is engaged mainly in the business of oil and gas exploration and production in Onshore and Offshore. In case of onshore, the fields are using common production/transportation facilities and are sufficiently economically interdependent to constitute a cash generating unit (CGU). Accordingly, impairment test of all onshore fields is performed in aggregate at the Asset Level. In case of Offshore, a field is generally considered as CGU except for fields which are developed as a Cluster or group of Clusters, for which common facilities are used, in which case the impairment testing is performed in aggregate for all the fields included in the cluster or group of Clusters.

**57.2** The Value in Use of producing/developing CGUs is determined under a multi-stage approach, wherein future cash flows are initially estimated based on Proved Developed Reserves. Under the circumstances where further development of the fields in the CGUs are under progress and where the carrying value of the CGUs is not likely to be recovered through exploitation of proved developed reserves alone, the Proved and Probable Reserves (2P) of the CGUs are taken for the purpose of estimating future cash flows. In such cases, full estimate of the expected cost of future development is also considered while determining the value in use.

**57.3** In assessing value in use, the estimated future cash flows from the continuing use of assets and from its disposal at the end of its useful life are discounted to their present value. The present value of cash flows has been determined by applying discount rates of 14.74% (as at March 31, 2021: 14.29%) for Rupee transactions and 10.10% (as at March 31, 2021: 9.60%) for crude oil, natural gas and value added products revenue, which are measured in US$. Future cash inflows from sale of crude oil, natural gas and value added products have been computed using Management's estimate of future crude oil, natural gas and value added products price, discounted applying the rate applicable to the cash flows measured in US$.

**57.4** The Company has considered the prevailing business conditions to make an assessment of future crude oil and natural gas prices based on internal and external information / indicators of future economic conditions. Based on the assessment, the Company has recorded a net impairment reversal to the extent the value in use exceeds the carrying amount subject to accumulated impairment provision, amounting to ₹ 11,904.07 million (Previous year: ₹ 11,135.08 million), this consist of net impairment reversal at Onshore CGUs amounting to ₹ 14,746.95 million (Previous year: ₹ 22,117.06 million) and net impairment loss at Offshore CGUs amounting to ₹ 2,842.88 million (Previous year ₹ 10,981.98 million).

**57.5 The following 2P reserves for respective CGU were considered as a basis for the impairment testing as at March 31, 2022:**

| Name of the CGU | Quantity of Reserves used for Impairment Assessment (In MMTOE) |
|---|---|
| Assam Onshore Asset | 41.72 |
| KG-OSN-2001/3 Block | 18.10 |
| Rajahmundry Onshore Asset | 16.85 |
| RJ-ON-90/1 Block | 11.79 |
| WO 16 (Western Offshore) | 8.15 |
| B-193 (Western Offshore) | 5.19 |
| S1-Vashishta | 4.34 |
| Ravva JV | 0.76 |
| Silchar Onshore Asset | 0.86 |
| Rajasthan Exploratory Asset | 0.10 |

**57.6** Impairment testing of assets under exploratory phase (Exploratory wells in progress) has been carried out as on March 31, 2022 and a net impairment loss of ₹ 20,830.40 million (Previous year: ₹ 3,772.15 million) has been provided during the year.

**57.7** In respect of subsidiary OVL, the company carried out impairment test as at March 31, 2022 in respect of its Cash Generating Units (CGUs) based on value in use method. The Company identified impairment in respect of 2 CGUs and impairment reversal in respect of 4 CGUs and provided for net impairment of ₹ 20,749.11 million during the year ended March 31, 2022 (for the year ended March 31, 2021 net impairment of ₹ 4,562.66 million was recognised). The net provision for impairment is considered as exceptional item

The following 2P reserves of the respective CGUs have been considered for the impairment assessment:

| No | CGU | Proved and Probable Reserves (MMTOE) as at March 31, 2021 |
|---|---|---|
| 1 | Imperial, Russia | 40.312 |
| 2 | Sakhlain-1, Russia | 116.843 |
| 3 | Vankor, Russia | 70.102 |
| 4 | Area-1, Mozambique | 200.708 |
| 5 | Block-5A, South Sudan | 2.776 |
| 6 | GPOC, South Sudan | 5.044 |
| 7 | Carabobo, Venezuela | 13.568 |
| 8 | PIVSA, Venezuela | 3.806 |

**57.8** The subsidiary OVL has considered the equity share investment, preference share investment, loans given and interest accrued thereon, to its wholly owned subsidiary Imperial Energy Limited as carrying value of investment. The cash flows for assessing the value in use have been estimated based on the life of blocks till 2063. The existing validity period of licenses of various blocks are ranging from upto 2022 to till 2038 which are expected to be extended by the host government at the initiative of the Imperial energy in line with the provisions of the sub soil contract in view of the available reserves estimated up to 2063 as per GKG, the State commission for Mineral resources.

The production for next five years have been estimated in alignment with the work program from 2021-22 to 2025-26 and thereafter as per the design documents approved by the regulator.

**57.9** In respect of subsidiary HPCL, the future cash flows have been worked out based on the desired margins and impairment assessment has been carried out for all of the Cash Generating Units. Since there do not exist any indication of impairment of assets as at Balance Sheet date, no impairment has been considered necessary. In view of assumptions being technical, peculiar to the industry and Government policy, the auditors have relied on the same.

## 58 Contingent Liabilities, Contingent Assets and commitments (to the extent not provided for)

**58.1** Contingent Liabilities: Claims / disputes not acknowledged as debt:-

(₹ in million)

| S.No. | Particular | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| **A** | **In respect of Group** | | |
| I | Income tax | 108,363.94 | 95,365.20 |
| II | Excise Duty | 17,543.97 | 17,409.40 |
| III | Custom Duty | 3,538.66 | 3,479.65 |
| IV | Royalty | 496.82 | 604.84 |
| V | Cess | - | 6.45 |
| VI | Sales Tax | 47,026.10 | 45,407.10 |
| VII | Octroi and other Municipal Taxes | 167.20 | 148.06 |
| VIII | AP Mineral Bearing Land (Infrastructure) Cess | 3,425.29 | 3,329.74 |
| IX | Specified Land Tax (Assam) | 14,465.76 | 12,214.82 |
| X | Claims of contractors in Arbitration/Court. | 184,359.02 | 188,498.37 |
| XI | Service Tax (Note No. 58.1.2) | 57,399.38 | 56,700.35 |
| XII | GST (Note No. 58.1.2) | 105,682.83 | 79,915.76 |
| XIII | Employees Provident Fund | 66.35 | 66.35 |
| XIV | Other Matters (Note No. 58.1.3 & 58.1.4) | 209,260.02 | 195,855.54 |
| | **Sub Total ( A )** | **751,795.34** | **699,001.64** |
| **B** | **In respect of Joint Ventures and Associates** | | |
| I | Income tax | 655.95 | 834.20 |
| II | Excise Duty | 5,961.69 | 3,979.48 |
| III | Custom Duty | (353.51) | 116.98 |
| IV | Sales Tax | 2,663.37 | 2,661.77 |
| V | Service Tax | 338.50 | 338.50 |
| VI | GST | 5.04 | 0.47 |
| VII | Claims of contractors in Arbitration/Court. | 3,323.83 | 2,664.18 |
| VIII | Other | 2,536.09 | 2,705.08 |
| | **Sub Total ( B )** | **15,130.97** | **13,300.66** |
| | **Total ( A+B )** | **766,926.31** | **712,302.29** |

**58.1.1** The Company's pending litigations comprise claims against the Company and proceedings pending with Tax / Statutory/ Government Authorities. After review of all its pending litigations and proceedings, the Company has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position. Future cash outflows in respect of the above are determinable only on receipt of judgments/ decisions pending with various forums/ authorities.

**58.1.2** The Company had received demand orders from Service Tax Department at various work centres on account of Service Tax on Royalty in respect of Crude oil and Natural gas. Appeals against such orders have been filed before the Tribunals. The Ahmedabad Tribunal adjourned the matter sine-die vide order dated June 25, 2019, against which the Company has filed writ petition before Gujarat High Court. In this matter, Hon'ble Gujarat High Court in the hearing held on 04.01.2021 directed the revenue authorities to file counter affidavit by 21.01.2021. The Central Government has filed counter affidavit on 20.01.2021. The next date of hearing before Hon'ble Gujarat High court is not scheduled as yet. The Company had also obtained legal opinion as per which the Service Tax/GST on Royalty in respect of Crude oil and Natural gas is not applicable. Meanwhile, the Company also received demand order dated January 01, 2019 on account of GST on Royalty in the State of Rajasthan against which the Company filed writ petition (4919/2019) before Hon'ble High Court of Rajasthan. The Hon'ble High Court of Rajasthan heard the matter on April 3, 2019 and issued notice to Department with a direction that no coercive action shall be taken against the Company. The final hearing has not yet taken place. The Company also filed writ of mandamus (9961/2019) before Hon'ble High Court of Madras seeking stay on the levy of GST on royalty. The Hon'ble High Court of Madras heard the matter on April 3, 2019 and issued notice to Central Government and State Government. The Central Government has filed their counter affidavit on August 26, 2019. The Company has filed additional grounds to the writ petition and filed rejoinder to the counter of the Central Government before Hon. Madras High Court on January 24, 2020. The final hearing has not yet taken place. Disputes are also pending at various forums for various work centres in respect to GST on Royalty.

The total estimated amount (including penalty and interest up to March 31, 2022) works out towards Service Tax is ₹ 40,172.56 million (upto March 31, 2021: ₹ 39,604.84 million) and GST is ₹ 102,731.94 million (upto March 31, 2021: ₹ 77,173.72 million). Since the Company is contesting the matter, it has been considered as contingent liability. Further, as an abundant caution, the Company has deposited Service Tax and GST along-with interest under-protest amounting to ₹ 13,524.39 million (upto March 31, 2021: ₹ 13,524.39 million) and ₹ 74,043.48 million (upto March 31, 2021: ₹ 56,777.04 million) respectively.

**58.1.3** There are certain unresolved issues including cost recovery and sharing in respect of exploration, development and production cost in the Block between the Company and Operator - Vedanta Limited (erstwhile Cairn India Limited) of the Block RJ-ON-90/1. Pending settlement of issues, the company has shown an amount of US$ 167.08 million - equivalent to ₹ 12,656.35 million (Previous year: US$ 147.11 million – equivalent to ₹ 10,810.91 million) under contingent liability as on March 31, 2022. For further details, please refer Note No. 53.1.5.

**58.1.4** The Company, with 40% Participating Interest (PI), was a Joint Operator in Panna-Mukta and Mid and South Tapti Fields along with Reliance Industries Limited (RIL) and BG Exploration and Production India Limited (BGEPIL) each having 30% PI, (all three together referred to as "Contractors") signed two Production sharing Contracts (PSCs) with Government of India (Union of India) on December 22, 1994 for a period of 25 years. The PSCs for Panna Mukta and Mid & South Tapti have expired on December 21, 2019. In terms of the Panna Mukta Field Asset Handover Agreement, the Contractors of PMT JV are liable for the pre-existing liability.

In December 2010, RIL & BGEPIL (JV Partners) invoked an international arbitration proceeding against the Union of India in respect of certain disputes, differences and claims arising out of and in connection with both the PSCs .The Ministry of Petroleum and Natural Gas (MoP&NG), vide their letter dated July 4, 2011, had directed the Company not to participate in the Arbitration initiated by the JV Partners (BGEPIL & RIL). MoP&NG has also stated that the Arbitral Award would be applicable to the Company also as a constituent of the Contractor for both the PSCs.

Directorate General of Hydrocarbons (DGH), vide letters dated May 25, 2017 had informed the Company that on October 12, 2016, a Final Partial Award (FPA) was pronounced by the Tribunal in the said arbitrations. As informed by BGEPIL additionally Audit Award on January 11, 2018, Agreement Case Award on October 1, 2018 and Jurisdictional Award on March 12, 2019 wherein the principles relating to the aforesaid disputes were pronounced. However, the details of proceedings of the FPA and other Orders are not available with the Company. DGH, vide their letter dated May 25, 2017 and June 4, 2018, marked to the Contractors, had directed the payment of differential Government of India share of Profit Petroleum and Royalty alleged to be payable by Contractors pursuant to Governments interpretation of the FPA (40% share of the Company amounting to US$ 1,624.05 million, including interest upto November 30, 2016) equivalent to ₹ 123,022 million @ ₹ 75.75 i.e. closing rate as on March 31,2022 (March 31, 2021: ₹ 119,351.43 million). In response to the letters of DGH, the JV partners (with a copy marked to all Joint Venture Partners) had stated that demand of DGH was premature as the FPA did not make any money award in favour of Government of India, since quantification of liabilities were to be determined during the final proceedings of the arbitration. Further the award had also been challenged before the English Commercial Court (London High Court). Based on the above facts, the Company had also responded to the letters of DGH stating that pending finality of the order, the amount due and payable by the Company was not quantifiable. In view of the Company, if any changes are approved for increase in the Cost Recovery Limit (CRL) by the Arbitral Tribunal as per the terms of the PSCs the liability to DGH would potentially reduce.

The English Court has delivered its final verdict on May 2, 2018 following which the Arbitral Tribunal re-considered some of its earlier findings from the 2016 FPA (Revised Award).The Government of India and JV Partners have challenged parts of the Revised Award before English Court. On February 12, 2020, the English Court passed a verdict favoring the challenges made by BGEPIL and RIL and also remitted the matter in the Revised Award back to Arbitral Tribunal for reconsideration. Based on the information shared by BGEPIL in January 2021, the Tribunal issued a verdict favoring BGEPIL/RIL on the remitted matter, which has been challenged by the GOI before the English Court.

Based on the information shared by one of the JV partners in the earlier periods, The GOI has also filed an execution petition before the Hon'ble Delhi High Court seeking enforcement and execution of the October 12, 2016 FPA. BGEIPL / RIL contend that GOI's execution petition is not maintainable and have opposed the reliefs sought by the GOI under the said petition. The matter is pending before the Hon'ble Delhi High Court and no final orders on the reliefs sought by the GOI have been passed so far. In January 2018, the Company along with the JV partners has filed an application with MC for increase in CRL in terms of the PSCs.

The application has been rejected by MC. Pursuant to the rejection, the JV partners have filed a claim with Arbitral Tribunal. One of the JV partners has further informed the Company that the hearing before the Arbitral Tribunal has been partially heard in the quarter. Further the additional hearing are scheduled to be heard in the Quarter 2 and Quarter 3 of the year 2022.

DGH vide letter dated January 14, 2019 has advised the contractors to re-cast the accounts for Panna-Mukta and Mid and South Tapti Fields for the year 2017-18. Pending finalization of the decision of the Arbitral Tribunal, the JV partners and the Company had indicated in their letters to DGH that the final recasting of the accounts was premature and thus the issues raised by DGH may be kept in abeyance.

During the financial year 2010-11, the Oil Marketing Companies, nominees of the Government of India (GoI) recovered US$ 80.18 million (Share of the Company US$ 32.07 million (equivalent to ₹ 2,429.30 million)) as per directives of GoI in respect of Joint Operation - Panna Mukta and Tapti Production Sharing Contracts (PSCs). The recovery is towards certain observations raised by auditors appointed by the Director General of Hydrocarbons (DGH) under the two PSCs for the period 2002-03 to 2005-06 in respect of cost and profit petroleum share payable to GoI

Pending finality by Arbitration Tribunal on various issues raised above, re-casting of the financial statements and final quantification of liabilities, no provision has been accounted in the financial statements. The demand raised by DGH, amounting to US$ 1,624.05 million equivalent to ₹ 123,021.60 million@ ₹ 75.75 i.e. closing rate as on 31.03.2022 (March 31, 2021: ₹ 119,351.43 million) has been considered as contingent liability.

The Company's share of US$ 32.07 million ₹ 2,429.30 million @ ₹ 75.75 i.e. closing rate as on 31.03.2022 (March 31, 2021: ₹ 2,356.82 million) recovered by Government of India has been disclosed under Note No.19.1 in the financial statements.

**58.1.5** The Company is operating Petroleum Mining Leases (PML) granted by the State Government (s) after initial clearance from the Government of India (GoI). The grant of oil mining lease is regulated and governed by the provisions of the Oilfields [Regulation and Development] Act 1948 (ORD Act). Once the lease order is granted, the lessee has to execute lease deeds with the respective State Government. The stamp duty on the executed lease deed is payable as per the Stamp Act of the respective States. Certain State Governments are of the view to include the amount of Royalty apart from other payments like Security Deposit, surface rent and dead rent etc. for the purpose of calculation of stamp duty under the Stamp Duty Act (s) applicable for such States.

However, the company is of the view that the royalty payable by the Company is not a rent to the State Government(s) but is payable under Rule 14 of the Petroleum and Natural Gas Rules, 1959 (PNG Rules). There is a distinction between the concept of rent and royalty. The word "royalty" signifies in mining lease that part of reddendum which is variable and depends upon the quantity of minerals gotten or the mineral worked out within a specified period. Whereas rent is the amount payable for use and occupation of land. Hence, it could be reasonably assumed that for the purpose of calculation of stamp duty, amount of royalty would not form part of the consideration value of lease deeds to be executed for PML granted. Ministry of Petroleum and Natural Gas, Government of India communicated to the State Government of Tamil Nadu vide letter dated December, 31, 2014, that royalty should not be taken as a basis for fixation of Stamp Duty to the mining leases granted under the ORD Act read with PNG Rules.

The Solicitor General of India, through his opinion dated May 05, 2007, had also opined that the distinction between royalty and rent is well settled. Rent would be payable regardless of whether the property is worked upon or not. On the other hand, royalty is a variable figure. It would depend upon the quantity of mineral obtained. If the mine is not worked upon, rent would nevertheless be payable. Hence, he opined that inclusion of royalty for the purpose of calculation of stamp duty is unjustified and not tenable. In absence of clarity on the issue the amount of firm liability or contingent liability is unascertainable.

**58.1.6 In respect of subsidiary, OVL**

The Service Tax Department had issued a demand cum show-cause notice dated October 11, 2011 requiring the Company to show cause why service tax amounting to ₹ 28,163.14 million (including Education Cess and SHE cess), the interest on such amount and penalty should not be demanded and recovered from the Company. Service Tax Department has calculated these tax amounts based on foreign currency expenditure reported in the Company's financial statements covering the reporting periods from April 1, 2006 to December 31, 2010 and contending that these expenses represent business auxiliary services rendered by the Company foreign branches and operator of the Joint Venture/ Consortium to the Company. Subsequently, five more demand-cum-show cause notices have been issued based on similar contentions covering the period upto March 31, 2015 to show cause why service tax amounting to ₹ 32,863.61 million (including Education cess and SHE cess), the interest on such amount and penalty should not be demanded and recovered from the Company. A demand-cum-show cause notice has been issued based on similar contentions covering the period April 1, 2015 to March 31, 2017 to show cause why service tax amounting to ₹ 15,633.22 million (including Education cess and SHE cess), the interest on such amount and penalty should not be demanded and recovered from the Company. Further, a demand-cum-show cause notice dt. 10.02.2020 has been issued based on similar contentions covering the period April 1, 2017 to June 30, 2017 to show cause why service tax amounting to ₹ 2119.93 million (including Education cess and SHE cess), the interest on such amount and penalty should not be demanded and recovered from the Company.The Company is of the view that the said service tax is not payable and contesting the same. No provision is required to be made in the financial statements at this stage. In the assessment of the management based on independent and competent legal opinion obtained and other attendant factors including circular no. 35/9/2018-GST dated March 05, 2018 issued by Central Board of Excise and Customs, the possibility of the success of the Company's position is extremely high and the possibility of the success of contentions of the Department is very low. Since the chances of payability of the service tax itself have been evaluated by the management as being remote/very low, the chances of assessment of interest and penalty are evaluated to be much lower. Accordingly, the amounts covered by the abovementioned show-cause notices (i.e. tax amount as well as potential interest and penalty thereon) are not considered as contingent liability in accordance with the applicable accounting standards. Further, according to the legal opinion obtained by the Company, a show-cause notice in itself does not qualify as a demand and the chance of the claim being payable by the Company is remote as the Company has a very good case to argue and succeed before the concerned authorities based on the legal position as on date.

**58.1.7 In respect of subsidiary MRPL,** there is a claim from the custom department for customs duty amounting to ₹ 2,121.14 million as at March 31,2022 (As at March 31, 2021 ₹ 2,121.14 million) along with applicable interest and penalties totally amounting to

₹ 6,168.37 million as at March 31,2022 (As at March 31, 2021 ₹ 6,168.37 million) in respect of classification of tariff of the reformate for the purpose of payment of import duty. An appeal has been filed before the Appellate Authority contesting the entire demand. Pending outcome of the appeal proceedings, no provision for the said demand has been made in the books

**58.1.8 In respect of subsidiary HPCL,**

Guarantees given to others includes ₹ 11,599.60 million (as at March 31, 2021 ₹ 9,013.00 million) towards share of jointly controlled entities and associates and ₹ 2,767.40 million (as at March 31, 2021 ₹ 2,669.40 million) towards share of jointly controlled operations.

The Group with a Participating Interest (PI) of 70% along with M/s M3nergy Sdn. Bhd (M/s M3nergy) (PI-30%) were awarded service contract in March, 2006 for development of ONGC's offshore marginal oilfields of cluster-7. PPCL was the executing contractor. Parties provided necessary Bank Guarantees to ONGC. Since M/s M3nergy could not meet their contractual obligations, the contract was terminated by ONGC and Bank guarantees were forfeited. The Group demanded the refund of the monies forfeited towards encashment of Bank Guarantee along with other claims from M/s M3nergy. A counter claim of 42.60 Million USD was made by M3nergy on termination of such service contract. The matter was referred to Arbitration.

The Arbitral Tribunal passed 3 Awards (09.01.2014, 27.09.2017, 15.06.2018 respectively), all were in favour of the Group. These Orders were to the effect that M3nergy had committed breach of the contract and hence their counter claims were disallowed and that the Group is entitled for damages with interest and costs of arbitration to be borne by M3nergy . All the 3 Awards were challenged by M/s M3nergy before the Bombay High Court. However, there was no stay granted by Bombay High Court, hence, the Group filed applications for (a) Mareva Injunction and (b) Enforcement of the Award before the Courts in Malaysia since M/s M3nergy is located in Malaysia.

By Orders dated 10.01.2019 the Hon'ble Bombay High Court set aside all three Arbitration Awards. As the Awards were set aside (on the basis of which the enforcement application was filed by HPCL), on 28.02.2019 the Malaysian High Court at Kuala Lumpur allowed the application of M/s M3nergy to set aside the enforcement order with liberty to file fresh proceedings, if the Group succeed later. Meanwhile, the Group have filed Appeals against the setting aside order (of Single Judge Bombay High Court) before the Division Bench of the Bombay High Court. After hearing arguments of parties, on 16.10.2019, the Hon'ble Bombay High Court set aside the Single Judge's Order and remanded all the 3 matters back to the Single Judge of the High Court, to decide the matter afresh on merits. This Order was challenged by M/s M3nergy before the Supreme Court by filing Special Leave Petition (SLP) which, after brief arguments, was dismissed as withdrawn (by M/s M3nergy) on 31.01.2020. As a result, the Single Judge of Bombay High Court will hear the matter afresh on merits. The matter was lastly listed on 18.01.2022, but could not be taken up.

As a result, Group's share of the awarded amount which is approximately ₹ 4908.70 million towards loss of profit/damages/ costs and interest thereon has not been recognized on a conservative basis. Further, the claim raised by M3Energy to the extent of Group's share i.e. approximately ₹ 2767.40 million (@ Exchange rate of 1 USD = ₹ 75.7975) , being considered remote is also not recognised.

**In respect of PPCL**

Company was awarded an Exploration block AA ONN 2010/1 in Tripura under NELP IX in consortium with ABG Energy Ltd (ABG). The Production Sharing Contract (PSC) was signed with Government of India (GOI) by the consortium on August 30, 2012. Company has 20% Participating Interest (PI) and ABG 80% PI. As per the Joint Bidding agreement, ABG will carry Company during the exploration phase i.e. Company's share of 20% expenditure during exploration phase shall be borne by ABG. In case of any discovery, 10% of Company's share paid by ABG will be recovered by them out of profit and 10% will be paid by them anyway. As per discussions before signing of PSC and written confirmation, ABG was to submit back up guarantee to Company so that Company can submit bank guarantee to GOI for their share of 20%. The value of bank guarantee to be submitted by ABG to Company is USD 1.801 Million. ABG did not submit bank guarantee of their 80% share by due date to GOI. In addition, since back up guarantee was not submitted by ABG to Company, Company also could not submit the bank guarantee for their 20% share to GOI.

In view of non-submission of bank guarantee, GOI terminated the PSC vide letter dated 15th October 2013 and imposed liquidated damages of USD 9.143 Million vide letter dated 6thFeb 2015 as per Article 5.6 of PSC. Company has kept ABG on notice that it is their responsibility to pay the entire quantum of liquidated damages, including the share of Company. If Company is compelled to pay its share of liquidated damages by the GOI, and if such payment is made, then company will have to claim this money from ABG.

Company had invoked arbitration against ABG in the matter on 10th October 2016. After appointment of arbitrator on behalf of ABG by Delhi High Court Order dated 22nd September 2017, three-member tribunal had been constituted. The first sitting of the Arbitral Tribunal was held at New Delhi on 6th April 2018. Arbitral Tribunal has passed award for an amount of USD 1.801 Million with interest on 30th October 2019 in favor of PPCL along with costs of proceedings. The award is subject to the condition that on receipt of the amount by PPCL from ABG, it shall be passed on by PPCL to GOI within a period of three months from the date of receipt of the amount. Company had issued several demand notices to ABG energy, but all these notices were returned unattended by ABG. Company has also attempted to identify the assets of ABG so that execution of the award can be filed in the court.

**58.1.9 In respect of subsidiary PMHBL,**

In the following cases of claims against the company, no reliable estimate could be made of the liability:

**a)** 11 Writ Petition case filed by land owners against PMHBL at Hon'ble High Court of Karnataka, Bangalore for enhancement of compensation against order of Hasan District Court.

**b)** 4 cases filed by Land owners at Mangalore District Court for enhancement of Compensation.

**c)** 1 writ Petition filed by by the Land owner in the High Court of Karnataka, Bangalore against the order of Chikkamangalure District Court for enhancement of Compensation.

**58.1.10 In respect of Joint Venture ONGC Petro additions Limited (OPaL)**

The Company has set up a Petrochemical Complex in Special Economic Zone (SEZ), situated at Dahej, State of Gujarat. In view of changes in market dynamics over the years, the demand for petrochemical products has increased in domestic market and India is now a net importer of polymers. Therefore, Company is selling its majority of products in Domestic Tariff Area (DTA), thereby substituting the imports and saving foreign exchange outflow of the country. However, Basic Custom Duty is applicable on the sale of products from SEZ to DTA which is directly impacting the margin of the company. Therefore, Board of directors has accorded approval to make an application for voluntary exit from SEZ.

Development Commissioner, Dahej SEZ has conveyed in-principal approval for exit from SEZ subject to de-notification of the area; EPCG authorisation from Director General of Foreign Trade; payment of all applicable duties and taxes which may be finalised on the basis of the date of final exit and compliance of all the provisions of SEZ Act and other Rules. The unit is still under the SEZ and the proposal for approval of final exit will be considered subject to approval of de-notification from Board of Approvals, MoCI, New Delhi.

SEZ Developer has to make an application for De-notification along with inter alia NOC from State Government, No due certificate from Specified Officer and demarcation of area from SEZ. These approvals/ activities are in process.

SEZ exit is expected to bring significant improvement in the future margins along with one time cost. Based on the available information, the provisional estimated amount on account of SEZ exit is ₹ 27,344 Million (company's share 13,497 million). This includes **(i)** Duty on capital goods ₹ 15,585 Million, which is permitted to be settled under EPCG scheme; **(ii)** Duty on inventory is ₹ 5,240 Million out of which ₹ 3,750 Million is eligible for Input Tax credit; **(iii)** Capital expenses of ₹ 1,936 Million on land and construction of infrastructure; (iv) Duty, taxes and charges payable to Developer & others ₹ 3,645 Million; (v) SEZ exit expenses of ONGC C2C3 plant ₹ 938 Million. The above amount does not include provisional duty computed by Specified Officer, Dahej SEZ on immovable properties and provisional VAT amount estimated by State tax department.

It is pertinent to mention that the duty amount and other estimates are provisional. Actual outflow on account of SEZ exit and its quantum is contingent upon the terms and conditions on which various approvals may be granted.

As the exist is voluntary in nature, OPAL has requested for exit from SEZ considering economic benefits in future to the concerned authority. Since various NOC, approvals and duty assessment for SEZ exit are under consideration with the competent authorities, management believes that a final decision on exit can only be taken based on the terms and conditions mentioned in these approvals. In view of that management has considered that as on date OPaL has no liability to consider the books of accounts.

### 58.2 Contingent asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. During the normal course of business, several unresolved claims are currently outstanding. The inflow of economic benefits, in respect of such claims cannot be measured due to uncertainties that surround the related events and circumstances.

In respect of subsidiary MRPL, an amount of ₹ 95.28 million as at March 31, 2022 (As at March 31, 2021 ₹ 62.76 million) earmarked by MSEZL as third party share payable to the company towards pipeline-cum-road corridor usage which is not considered in the current period, as the same has not been finalized pending freezing of the project cost of pipeline corridor project.

### 58.3 Commitments

#### 58.3.1 Capital Commitments:

**a.** Estimated amount of contracts remaining to be executed on capital account:-

**i.** In respect of the Group: ₹ 684,855.40 million (as at March 31, 2021: ₹ 681,195.87 million).

**ii.** In respect of Group Share in Joint Ventures: ₹ 12,241.23 million (as at March 31, 2021: ₹ 19,584.35 million).

**b.** Unconditional purchase obligation:

**i.** In respect of the Group: ₹ 6,407.14 million (as at March 31, 2021: ₹ 6,407.14 million).

#### 58.3.2 Other Commitments

**(a)** Estimated amount of Minimum Work Programme (MWP) committed under various 'Production Sharing Contracts' and 'Revenue Sharing Contracts' with Government of India / Nominated Blocks:

**i.** In respect of NELP/HELP blocks in which the Company has 100% participating interest: ₹ 34,511.42 million (Previous year ₹ 41,454.05 million).

**ii.** In respect of NELP/HELP blocks in Joint Operations, Company's share: ₹ 1,573.30 million (Previous year ₹ 2,339.97 million).

**iii.** In respect of DSF blocks in which the Company has 100% participating interest: ₹ 36,946.99 million (Previous year ₹ 14,986.03 million)

**iv.** In respect of subsidiary OVL, estimated amount of Minimum Work Programme (MWP) is ₹ 6,677.70 million (Previous year: ₹ 8,940.75 million).

**(b)** In respect of ONGC Petro additions Limited, (OPaL) a Joint Venture Company ₹ 862.81 million (Previous year ₹ 862.81 million) on account of subscription of Share Warrants with a condition to convert it to shares after a balance payment of ₹ 0.25 per share.

**(c)** The Company entered into an arrangement for backstopping support towards repayment of principal and coupon of Compulsory Convertible Debentures (CCDs) amounting to ₹ 77,780.00 million (Previous year ₹ 77,780.00 million) issued by ONGC Petro additions Limited in three tranches. The Company is continuing the back stopping support and the outstanding interest accrued as at March 31, 2022 is ₹ 1,699.28 million (Previous year ₹ 1,926.75 million).

**(d)** As per the directions of the Ministry of Environment, Forest and Climate Change, Government of India, the company is required to carry out certain activities under the Corporate Environment Responsibility, which include infrastructure creation for drinking water supply, sanitation, health, education, skill development, roads, cross drains, electrification, including solar power, solid waste management facilities, scientific support and awareness to local farmers to increase yield of crop and fodder, rain water harvesting, soil moisture conservation works, avenue plantation, plantation in community areas etc. The commitments towards these activities are worked out on the public hearing conducted, social need assessment etc. for grant of environment clearance for development or commissioning of Green Field and Brown field project of the Company. The Company has outstanding commitments towards the aforesaid activities amounting to ₹ 1,951.49 Million as on March 31, 2022 (₹ 2,045.20 million as on March 31, 2021), the company is required to spend the committed amount towards the aforesaid activities during a period of seven years from the date of grant of Environment Clearances as Validity of EC is for seven years and further extendable by three years.

**(e) In respect of subsidiary MRPL,**

**a.** Pending commitment on account of Refinery - MRPL is in possession of certain land provisionally measuring 36.69 acres ceded by HPCL for use by MRPL Phase III expansion and upgradation work .The consideration for such land is mutually agreed to be by way of swapping of land in possession of MRPL/HPCL. The final documentation in this regard is pending to be executed.

**b.** Pending commitment on account of Refinery performance improvement programme by M\s.Shell Global International Solution (M/s.Shell GIS) as at March 31, 2022 US$ 1.46 million net of advance (As at March 31, 2021 US$ 1.46 million net of advance).

**c.** Pending commitments on account of Corporate Environment Responsibility (CER) and Enterprise Social Commitment (ESC) as at March 31, 2022 ₹ 758.79 million (As at March 31, 2021 ₹ Nil).

## 59 Disclosure under Guidance Note on Accounting for "Oil and Gas Producing Activities" (Revised)

**59.1** Group's share of Proved Reserves on the geographical basis is as under:

**A. In India**

| Particulars | Details | Crude Oil (MMT) | | Gas (Billion Cubic Meter) | | Total Oil Equivalent (MMTOE)# | |
|---|---|---|---|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| **Offshore** | Opening | 173.88 | 180.33 | 175.19 | 181.62 | 349.07 | 361.95 |
| | Addition | 5.01 | 6.88 | 4.62 | 10.85 | 9.63 | 17.73 |
| | Production | 12.88 | 13.33 | 16.14 | 17.28 | 29.02 | 30.61 |
| | **Closing** | **166.01** | **173.88** | **163.67** | **175.19** | **329.68** | **349.07** |
| **Onshore** | Opening | 128.7 | 136.89 | 119.08 | 121.53 | 247.78 | 258.42 |
| | Addition | 5.63 | (0.39) | 1.47 | 2.88 | 7.1 | 2.49 |
| | Production | 7.65 | 7.8 | 5.38 | 5.33 | 13.03 | 13.13 |
| | **Closing** | **126.68** | **128.7** | **115.17** | **119.08** | **241.85** | **247.78** |
| **Total** | Opening | 302.58 | 317.22 | 294.27 | 303.15 | 596.85 | 620.37 |
| | Addition | 10.64 | 6.49 | 6.09 | 13.73 | 16.73 | 20.22 |
| | Production | 20.53 | 21.13 | 21.52 | 22.61 | 42.05 | 43.74 |
| | **Closing** | **292.69** | **302.58** | **278.84** | **294.27** | **571.53** | **596.85** |

Refer Note No. 5.2 (e) for procedure of estimation of reserves.

**B. Outside India**

| Project | Details | Crude oil ^ (MMT) | | Gas (Billion Cubic Meter) | | Total oil equivalent (MMTOE)# | |
|---|---|---|---|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| GNPOC, Sudan | Opening | - | - | - | - | - | - |
| | Addition | - | - | - | - | - | - |
| | Deduction/ Adjustment | - | - | - | - | - | - |
| | Change** | - | - | - | - | - | - |
| | Production | - | - | - | - | - | - |
| | **Closing** | **-** | **-** | **-** | **-** | **-** | **-** |

| Project | Details | Crude oil ^ (MMT) | | Gas (Billion Cubic Meter) | | Total oil equivalent (MMTOE)# | |
|---|---|---|---|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| GPOC, South Sudan | Opening | 5.427 | 6.194 | - | - | 5.427 | 6.194 |
| | Addition | 0.008 | 0.170 | - | - | 0.008 | 0.170 |
| | Deduction/ Adjustment | - | - | - | - | - | - |
| | Change** | - | 0.223 | - | - | - | 0.223 |
| | Production | 0.522 | 0.714 | - | - | 0.522 | 0.714 |
| | **Closing** | **4.913** | **5.427** | **-** | **-** | **4.913** | **5.427** |
| Block 5A, South Sudan | Opening | 2.578 | 5.886 | - | - | 2.578 | 5.886 |
| | Addition | - | - | - | - | - | - |
| | Deduction/ Adjustment | - | 0.002 | - | - | - | 0.002 |
| | Change** | - | 3.306 | - | - | - | 3.306 |
| | Production | 0.021 | - | - | - | 0.021 | - |
| | **Closing** | **2.557** | **2.578** | **-** | **-** | **2.557** | **2.578** |
| Sakhalin-1, Russia | Opening | 29.751 | 32.120 | 53.958 | 54.372 | 83.709 | 86.492 |
| | Addition | 3.515 | 0.073 | 2.645 | 0.239 | 6.160 | 0.312 |
| | Deduction/ Adjustment | - | - | - | - | - | - |
| | Change** | - | - | - | - | - | - |
| | Production | 2.185 | 2.442 | 0.695 | 0.653 | 2.880 | 3.095 |
| | **Closing** | **31.081** | **29.751** | **55.908** | **53.958** | **86.989** | **83.709** |
| Block 06.1, Vietnam | Opening | 0.017 | 0.619 | 2.107 | 4.094 | 2.124 | 4.713 |
| | Addition | - | - | - | - | - | - |
| | Deduction/ Adjustment | - | 0.593 | - | 0.666 | - | 1.259 |
| | Change** | - | - | - | - | - | - |
| | Production | 0.007 | 0.009 | 0.912 | 1.321 | 0.919 | 1.330 |
| | **Closing** | **0.010** | **0.017** | **1.195** | **2.107** | **1.205** | **2.124** |
| AFPC, Syria | Opening | - | 2.581 | - | - | - | 2.581 |
| | Addition | - | - | - | - | - | - |
| | Deduction/ Adjustment | - | - | - | - | - | - |
| | Change** | - | 2.581 | - | - | - | 2.581 |
| | Production | - | - | - | - | - | - |
| | **Closing** | **-** | **-** | **-** | **-** | **-** | **-** |
| BC-10, Brazil | Opening | 0.917 | 1.230 | 0.105 | 0.131 | 1.022 | 1.361 |
| | Addition | 1.045 | 0.205 | 0.084 | 0.011 | 1.129 | 0.216 |
| | Deduction/ Adjustment | - | - | - | - | - | - |
| | Change** | - | - | - | - | - | - |
| | Production | 0.487 | 0.518 | 0.031 | 0.037 | 0.518 | 0.555 |
| | **Closing** | **1.475** | **0.917** | **0.158** | **0.105** | **1.633** | **1.022** |

| Project | Details | Crude oil ^ (MMT) | | Gas (Billion Cubic Meter) | | Total oil equivalent (MMTOE)# | |
|---|---|---|---|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| MECL, Colombia | Opening | 1.140 | 1.197 | - | - | 1.140 | 1.197 |
| | Addition | 0.245 | 0.288 | - | - | 0.245 | 0.288 |
| | Deduction/ Adjustment | - | - | - | - | - | - |
| | Change** | - | - | - | - | - | - |
| | Production | 0.219 | 0.345 | - | - | 0.219 | 0.345 |
| | **Closing** | **1.166** | **1.140** | **-** | **-** | **1.166** | **1.140** |
| IEC, Russia | Opening | 21.133 | 19.954 | 2.744 | 2.368 | 23.877 | 22.322 |
| | Addition | - | 1.343 | - | 0.415 | - | 1.758 |
| | Deduction/ Adjustment | 0.001 | - | 0.001 | - | 0.002 | - |
| | Change** | - | - | - | - | - | - |
| | Production | 0.187 | 0.164 | 0.100 | 0.039 | 0.287 | 0.203 |
| | **Closing** | **20.945** | **21.133** | **2.643** | **2.744** | **23.588** | **23.877** |
| PIVSA, Venezuela | Opening | 1.084 | 1.127 | - | - | 1.084 | 1.127 |
| | Addition | - | - | - | - | - | - |
| | Deduction/ Adjustment | - | - | - | - | - | - |
| | Change** | - | - | - | - | - | - |
| | Production | 0.053 | 0.043 | - | - | 0.053 | 0.043 |
| | **Closing** | **1.031** | **1.084** | **-** | **-** | **1.031** | **1.084** |
| Carabobo - 1, Venezuela | Opening | 0.411 | 0.741 | - | - | 0.411 | 0.741 |
| | Addition | - | - | - | - | - | - |
| | Deduction/ Adjustment | - | 0.314 | - | - | - | 0.314 |
| | Change** | - | - | - | - | - | - |
| | Production | 0.060 | 0.016 | - | - | 0.060 | 0.016 |
| | **Closing** | **0.351** | **0.411** | **-** | **-** | **0.351** | **0.411** |
| Block XXIV, Syria | Opening | - | 1.803 | - | - | - | 1.803 |
| | Addition | - | - | - | - | - | - |
| | Deduction/ Adjustment | - | - | - | - | - | - |
| | Change** | - | 1.803 | - | - | - | 1.803 |
| | Production | - | - | - | - | - | - |
| | **Closing** | **-** | **-** | **-** | **-** | **-** | **-** |
| Block-A1 & A3, Myanmar | Opening | - | - | 7.620 | 8.591 | 7.620 | 8.591 |
| | Addition | - | - | - | - | - | - |
| | Deduction/ Adjustment | - | - | - | - | - | - |
| | Change** | - | - | | - | | - |
| | Production | - | - | 0.903 | 0.971 | 0.903 | 0.971 |
| | **Closing** | **-** | **-** | **6.717** | **7.620** | **6.717** | **7.620** |
| ACG, Azerbaijan | Opening | 7.878 | 9.958 | - | - | 7.878 | 9.958 |
| | Addition | - | - | - | - | - | - |
| | Deduction/ Adjustment | 0.529 | 1.549 | - | - | 0.529 | 1.549 |
| | Change** | | - | - | - | - | - |
| | Production | 0.506 | 0.531 | - | - | 0.506 | 0.531 |
| | **Closing** | **6.843** | **7.878** | **-** | **-** | **6.843** | **7.878** |

| Project | Details | Crude oil ^ (MMT) | | Gas (Billion Cubic Meter) | | Total oil equivalent (MMTOE)# | |
|---|---|---|---|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| Vankor, Russia | Opening | 39.470 | 74.555 | 13.440 | 26.630 | 52.910 | 101.185 |
| | Addition | 1.128 | - | 0.838 | 0.364 | 1.966 | 0.364 |
| | Deduction/ Adjustment | - | 17.507 | - | - | - | 17.507 |
| | Change** | - | 14.767 | - | 12.169 | - | 26.936 |
| | Production | 2.681 | 2.811 | 1.468 | 1.385 | 4.149 | 4.196 |
| | **Closing** | **37.917** | **39.470** | **12.810** | **13.440** | **50.727** | **52.910** |
| Lower Zakum, Abu Dhabi | Opening | 13.508 | 14.105 | - | - | 13.508 | 14.105 |
| | Addition | 1.326 | - | - | - | 1.326 | - |
| | Deduction/ Adjustment | - | - | - | - | - | - |
| | Change** | - | - | - | - | - | - |
| | Production | 0.728 | 0.597 | - | - | 0.728 | 0.597 |
| | **Closing** | **14.106** | **13.508** | **-** | **-** | **14.106** | **13.508** |
| CPO 5 Colombia | Opening | 0.080 | - | - | - | 0.080 | - |
| | Addition | 3.089 | 2.225 | - | - | 3.089 | 2.225 |
| | Deduction/ Adjustment | 0.443 | 0.014 | - | - | 0.443 | 0.014 |
| | Change** | - | 1.811 | - | - | - | 1.811 |
| | Production | 0.443 | 0.320 | - | - | 0.443 | 0.320 |
| | **Closing** | **2.283** | **0.080** | **-** | **-** | **2.283** | **0.080** |
| **Total Reserves** | Opening | 123.394 | 172.070 | 79.974 | 96.186 | 203.368 | 268.256 |
| | Addition | 10.356 | 4.304 | 3.567 | 1.029 | 13.923 | 5.333 |
| | Deduction/ Adjustment | 0.973 | 19.979 | 0.001 | 0.666 | 0.974 | 20.645 |
| | Change** | - | 24.491 | - | 12.169 | - | 36.660 |
| | Production | 8.099 | 8.510 | 4.109 | 4.406 | 12.208 | 12.916 |
| | **Closing** | **124.678** | **123.394** | **79.431** | **79.974** | **204.109** | **203.368** |

**59.2 Group's share of Proved Developed Reserves on the geographical basis is as under:**

**A. In India**

| Particulars | Details | Crude Oil (MMT) | | Gas (Billion Cubic Meter) | | Total Oil Equivalent (MMTOE)# | |
|---|---|---|---|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| **Offshore** | **Opening** | 134.30 | 144.23 | 118.77 | 128.50 | 253.07 | 272.73 |
| | Addition | 4.95 | 3.40 | 5.50 | 7.55 | 10.45 | 10.95 |
| | Production | 12.88 | 13.33 | 16.14 | 17.28 | 29.02 | 30.61 |
| | **Closing** | **126.37** | **134.30** | **108.13** | **118.77** | **234.50** | **253.07** |
| **Onshore** | **Opening** | 66.09 | 72.18 | 42.33 | 42.78 | 108.42 | 114.96 |
| | Addition | 4.38 | 1.71 | 2.40 | 4.88 | 6.78 | 6.59 |
| | Production | 7.65 | 7.80 | 5.38 | 5.33 | 13.03 | 13.13 |
| | **Closing** | **62.82** | **66.09** | **39.35** | **42.33** | **102.17** | **108.42** |

| Particulars | Details | Crude Oil (MMT) | | Gas (Billion Cubic Meter) | | Total Oil Equivalent (MMTOE)# | |
|---|---|---|---|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| **Total** | **Opening** | 200.39 | 216.41 | 161.10 | 171.28 | 361.49 | 387.69 |
| | Addition | 9.33 | 5.11 | 7.90 | 12.43 | 17.23 | 17.54 |
| | Production | 20.53 | 21.13 | 21.52 | 22.61 | 42.05 | 43.74 |
| | **Closing** | **189.19** | **200.39** | **147.48** | **161.10** | **336.67** | **361.49** |

**B. Outside India**

| Project | Details | Crude oil^ (MMT) | | Gas (Billion Cubic Meter) | | Total oil equivalent (MMTOE)# | |
|---|---|---|---|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| GNPOC, Sudan | Opening | - | - | - | - | - | - |
| | Addition | - | - | - | - | - | - |
| | Deduction/ Adjustment | - | - | - | - | - | - |
| | Change** | - | - | - | - | - | - |
| | Production | - | - | - | - | - | - |
| | **Closing** | **-** | **-** | **-** | **-** | **-** | **-** |
| GPOC, South Sudan | Opening | 2.711 | 3.323 | - | - | 2.711 | 3.323 |
| | Addition | 0.022 | 0.102 | - | - | 0.022 | 0.102 |
| | Deduction/ Adjustment | - | - | - | - | - | - |
| | Change** | - | - | - | - | - | - |
| | Production | 0.522 | 0.714 | - | - | 0.522 | 0.714 |
| | **Closing** | **2.211** | **2.711** | **-** | **-** | **2.211** | **2.711** |
| Block 5A, South Sudan | Opening | 1.507 | 2.565 | - | - | 1.507 | 2.565 |
| | Addition | - | 0.002 | - | - | - | 0.002 |
| | Deduction/ Adjustment | - | - | - | - | - | - |
| | Change** | - | 1.060 | - | - | - | 1.060 |
| | Production | 0.021 | - | - | - | 0.021 | - |
| | **Closing** | **1.486** | **1.507** | **-** | **-** | **1.486** | **1.507** |
| Sakhalin-1, Russia | Opening | 13.304 | 18.466 | 11.717 | 29.154 | 25.021 | 47.620 |
| | Addition | 0.375 | - | - | - | 0.375 | - |
| | Deduction/ Adjustment | - | 2.720 | 3.132 | 16.784 | 3.132 | 19.504 |
| | Change** | - | - | - | - | - | - |
| | Production | 2.185 | 2.442 | 0.695 | 0.653 | 2.880 | 3.095 |
| | **Closing** | **11.494** | **13.304** | **7.890** | **11.717** | **19.384** | **25.021** |
| Block 06.1, Vietnam | Opening | 0.017 | 0.619 | 2.107 | 4.094 | 2.124 | 4.713 |
| | Addition | - | - | - | - | - | - |
| | Deduction/ Adjustment | - | 0.593 | - | 0.666 | - | 1.259 |
| | Change** | - | - | - | - | - | - |
| | Production | 0.007 | 0.009 | 0.912 | 1.321 | 0.919 | 1.330 |
| | **Closing** | **0.010** | **0.017** | **1.195** | **2.107** | **1.205** | **2.124** |

| Project | Details | Crude oil ^ (MMT) | | Gas (Billion Cubic Meter) | | Total oil equivalent (MMTOE)# | |
|---|---|---|---|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| AFPC, Syria | Opening | - | 2.206 | - | - | - | 2.206 |
| | Addition | - | - | - | - | - | - |
| | Deduction/ Adjustment | - | - | - | - | - | - |
| | Change** | - | 2.206 | - | - | - | 2.206 |
| | Production | - | - | - | - | - | - |
| | **Closing** | **-** | **-** | **-** | **-** | **-** | **-** |
| BC-10, Brazil | Opening | 0.917 | 1.142 | 0.105 | 0.125 | 1.022 | 1.267 |
| | Addition | 0.961 | 0.293 | 0.079 | 0.017 | 1.040 | 0.310 |
| | Deduction/ Adjustment | - | - | 0.001 | - | 0.001 | - |
| | Change** | - | - | - | - | - | - |
| | Production | 0.487 | 0.518 | 0.031 | 0.037 | 0.518 | 0.555 |
| | **Closing** | **1.391** | **0.917** | **0.152** | **0.105** | **1.543** | **1.022** |
| MECL, Colombia | Opening | 0.630 | 0.822 | - | - | 0.630 | 0.822 |
| | Addition | 0.034 | 0.153 | - | - | 0.034 | 0.153 |
| | Deduction/ Adjustment | - | - | - | - | - | - |
| | Change** | - | - | | | - | - |
| | Production | 0.219 | 0.345 | - | - | 0.219 | 0.345 |
| | **Closing** | **0.445** | **0.630** | **-** | **-** | **0.445** | **0.630** |
| IEC, Russia | Opening | 6.169 | 5.700 | 0.727 | 0.691 | 6.896 | 6.391 |
| | Addition | 0.062 | 0.633 | 0.004 | 0.075 | 0.066 | 0.708 |
| | Deduction/ Adjustment | - | - | 0.001 | - | 0.001 | - |
| | Change** | - | - | - | - | - | - |
| | Production | 0.187 | 0.164 | 0.100 | 0.039 | 0.287 | 0.203 |
| | **Closing** | **6.044** | **6.169** | **0.630** | **0.727** | **6.674** | **6.896** |
| PIVSA, Venezuela | Opening | 1.084 | 1.127 | - | - | 1.084 | 1.127 |
| | Addition | - | - | - | - | - | - |
| | Deduction/ Adjustment | - | - | - | - | - | - |
| | Change** | - | - | - | - | - | - |
| | Production | 0.053 | 0.043 | - | - | 0.053 | 0.043 |
| | **Closing** | **1.031** | **1.084** | **-** | **-** | **1.031** | **1.084** |
| Carabobo - 1, Venezuela | Opening | 0.411 | 0.741 | - | - | 0.411 | 0.741 |
| | Addition | - | - | - | - | - | - |
| | Deduction/ Adjustment | - | 0.314 | - | - | - | 0.314 |
| | Change** | - | - | - | - | - | - |
| | Production | 0.060 | 0.016 | - | - | 0.060 | 0.016 |
| | **Closing** | **0.351** | **0.411** | **-** | **-** | **0.351** | **0.411** |
| Block XXIV, Syria | Opening | - | 0.049 | - | - | - | 0.049 |
| | Addition | - | - | - | - | - | - |
| | Deduction/ Adjustment | - | - | - | - | - | - |
| | Change** | - | 0.049 | - | - | - | 0.049 |
| | Production | - | - | - | - | - | - |
| | **Closing** | **-** | **-** | **-** | **-** | **-** | **-** |

| Project | Details | Crude oil ^ (MMT) | | Gas (Billion Cubic Meter) | | Total oil equivalent (MMTOE)# | |
|---|---|---|---|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 | As at March 31, 2022 | As at March 31, 2021 |
| Block-A1 & A3, Myanmar | Opening | - | - | 2.005 | 2.976 | 2.005 | 2.976 |
| | Addition | - | - | - | - | - | - |
| | Deduction/ Adjustment | - | - | - | - | - | - |
| | Change** | - | - | - | - | - | - |
| | Production | - | - | 0.903 | 0.971 | 0.903 | 0.971 |
| | **Closing** | **-** | **-** | **1.102** | **2.005** | **1.102** | **2.005** |
| A C G , Azerbaijan | Opening | 3.771 | 8.577 | - | - | 3.771 | 8.577 |
| | Addition | - | - | - | - | - | - |
| | Deduction/ Adjustment | 0.002 | 4.275 | - | - | 0.002 | 4.275 |
| | Change** | - | - | - | - | - | - |
| | Production | 0.506 | 0.531 | - | - | 0.506 | 0.531 |
| | **Closing** | **3.263** | **3.771** | **-** | **-** | **3.263** | **3.771** |
| Vankor, Russia | Opening | 15.965 | 67.122 | 9.362 | 13.642 | 25.327 | 80.764 |
| | Addition | 1.300 | - | 2.732 | 0.539 | 4.032 | 0.539 |
| | Deduction/ Adjustment | - | 35.717 | - | - | - | 35.717 |
| | Change** | - | 12.629 | - | 3.434 | - | 16.063 |
| | Production | 2.681 | 2.811 | 1.468 | 1.385 | 4.149 | 4.196 |
| | **Closing** | **14.584** | **15.965** | **10.626** | **9.362** | **25.210** | **25.327** |
| Lower Zakum, Abu Dhabi | Opening | 10.048 | 10.645 | - | - | 10.048 | 10.645 |
| | Addition | - | - | - | - | - | - |
| | Deduction/ Adjustment | - | - | - | - | - | - |
| | Change** | - | - | - | - | - | - |
| | Production | 0.728 | 0.597 | - | - | 0.728 | 0.597 |
| | **Closing** | **9.320** | **10.048** | **-** | **-** | **9.320** | **10.048** |
| CPO 5 Colombia | Opening | 0.080 | - | - | - | 0.080 | - |
| | Addition | 3.089 | 2.225 | - | - | 3.089 | 2.225 |
| | Deduction/ Adjustment | 0.443 | 0.014 | - | - | 0.443 | 0.014 |
| | Change** | - | 1.811 | - | - | - | 1.811 |
| | Production | 0.443 | 0.320 | - | - | 0.443 | 0.320 |
| | **Closing** | **2.283** | **0.080** | **-** | **-** | **2.283** | **0.080** |
| Total Reserves | Opening | 56.614 | 123.104 | 26.023 | 50.682 | 82.637 | 173.786 |
| | Addition | 5.843 | 3.408 | 2.815 | 0.631 | 8.658 | 4.039 |
| | Deduction/ Adjustment | 0.445 | 43.633 | 3.134 | 17.450 | 3.579 | 61.083 |
| | Change** | - | 17.755 | - | 3.434 | - | 21.189 |
| | Production | 8.099 | 8.510 | 4.109 | 4.406 | 12.208 | 12.916 |
| | **Closing** | **53.913** | **56.614** | **21.595** | **26.023** | **75.508** | **82.637** |

^ Crude oil includes Condensate.

# MMTOE denotes "Million Metric Tonne Oil Equivalent" and for calculating Oil equivalent of Gas, 1000 $M^3$ of Gas has been taken to be equal to 1 MT of Crude Oil.

** In respect of subsidiary OVL, the changes shown above in the previous year are due to migration from classification of Reserves under SPE-1997 guidelines to Petroleum Resource Management System (PRMS) during the financial year. As a result of the change, there is an increase in depletion by ₹ 836.73 million and further the Share of profit of equity accounted investees, net of tax is decreased by ₹ 1,290.87

million during the year. The amount of the effect in the future years is not disclosed because estimating it is impracticable.

Variations in totals, if any, are due to internal summations and rounding off.

In respect of the company, Crude oil production includes wellhead condensate.

**In respect of subsidiary OVL,**

The company engaged M/s DeGolyer & McNaughton (D&M) to Audit its Reserves as of 1st April, 2019 on PRMS basis. D&M audited the company's reserves base of more than 90% and submitted final report in September 2020. All aspects of the above audit report was considered by the Reserve estimation committee while approving the reserves as on 01.04.2021.

**60** In respect of subsidiary OVL, in certain cases, the company has accounted for its share in the assets, liabilities and expenses of joint operations on on the basis of self certified joint interest billings received from respective overseas opertaors.

**61** In respect of subsidiary MRPL, the Company also operates in special economic zone (SEZ) in Mangalore, accordingly is eligible for certain economic benefits such as exemptions from GST, custom duty, excise duty, service tax , value added tax, entry tax, etc. which are in the nature of government assistance. These benefits are subject to fulfilment of certain obligations by the Company.

**62** As a part of reorganization, the Board of Directors of our subsidiary MRPL had approved a scheme for amalgamation ('the Scheme') of its erstwhile wholly owned subsidiary company ONGC Mangalore Petrochemicals Limited (OMPL) (the amalgamating company) with the company (the amalgamated company) on June 10, 2021. Prior to this, MRPL had acquired the control over the amalgamating company on February 28, 2015 by acquiring 51.0017% of equity shares. Subsequently, MRPL had acquired additional shares to the tune of 48.9981% from non-controlling shareholders i.e. from Oil and Natural Gas Corporation Ltd. in ONGC Mangalore Petrochemicals Limited on January 1, 2021. The amalgamating company was primarily engaged in operating a green field petrochemicals project consisting of an aromatic complex situated in Mangalore Special Economic Zone, Permude, Mangaluru, Karnataka for production of Para-xylene, Benzene and other products. Pursuant to the scheme of Amalgamation ('the Scheme') approved by the Ministry of Corporate Affairs (MCA) vide its order No. 24/3/2021-CL-III dated April 14, 2022, the amalgamating company has been amalgamated with the Company with effect from April 1, 2021 ('the appointed date'). As per Appendix "C" of Ind AS 103 - Business Combinations, the financial information in the standalone financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. Accordingly, business combination is accounted with effect from April 1, 2020.

The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. Accordingly, business combination is accounted with effect from April 1, 2020. MRPL has recorded the asset and liabilities of the transferor company vested in it pursuant to this Scheme at the respective book values appearing in the books of the transferor company. The value of investment in the transferor company in the books of the Company has been cancelled. As per clarification in Ind AS Transition Facilitation Group (ITFG) Clarification Bulletin 9, Goodwill has been recognised in the books of the Company. The difference between the net assets of the transferor company transferred to MRPL, after making adjustment specified in (c) and (e) has been adjusted in 'Other Equity' of the Company. The materiality threshold limits followed by the MRPL and its erstwhile subsidiary company OMPL were different based on the judgement of the respective management of both the companies. However, the impact of same in the restated financial statement is immaterial.

**63 Disclosure on relationship with Struck off Companies u/s 148 of Companies Act, 2013:**

**In respect of the company**

**i. Details of Vendors and Customers Struck off as on 31.03.2022**

(₹ in Million)

| Name of the Company | Nature of transactions with struck off company | Transactions during the year March 31, 2022 | Balance Outstanding as on 31.03.2022 | Relationship with the Struck off company |
|---|---|---|---|---|
| Flotomatic Engineering Pvt. Ltd. | Payables | -* | - | Vendor |
| Greenwelt Energy Pvt. Ltd. | Payables | -* | - | Vendor |
| Gem Hvac Engineering Pvt. Ltd. | Payables | -* | - | Vendor |
| Lakshmi Bhargavi Constructions Pvt. Ltd. | Payables | -* | - | Vendor |
| Sri Srinivasa Catering & Housekeeping Services Pvt. Ltd. | Payables | -* | - | Vendor |
| Umiya Chemicals Pvt. Ltd. | Payables | -* | - | Vendor |
| Arunodoi Techno Services Pvt. Ltd. | Payables | -* | - | Vendor |
| Ambarish Builders Pvt. Ltd. | Payables | - | -* | Vendor |
| Geo Tech Pvt. Ltd. | Payables | 12.07 | -* | Vendor |
| Fascel Ltd. | Payables | -* | - | Vendor |
| Hindustan Relocator Pvt. Ltd. | Payables | -* | - | Vendor |
| Armco Shipping & Trading Pvt. Ltd. | Payables | -* | - | Vendor |
| Planet 3 Studios Architecture Pvt. Ltd. | Payables | -* | -* | Vendor |

| Name of the Company | Nature of transactions with struck off company | Transactions during the year March 31, 2022 | Balance Outstanding as on 31.03.2022 | Relationship with the Struck off company |
|---|---|---|---|---|
| Magna Energy & Hydro Systems Pvt. Ltd. | Payables | -* | - | Vendor |
| Management and Technology Application India Ltd. | Payables | - | -* | Vendor |
| Kusalava Power Pvt. Ltd. | Receivable | - | -* | Customer |

* Less than ₹ 1 Million.

**ii. Details of Vendors and Customers Struck off as on 31.03.2021**

**(₹ in Million)**

| Name of the Company | Nature of transactions with struck off company | Transactions during the year March 31, 2021 | Balance Outstanding as on 31.03.2021 | Relationship with the Struck off company |
|---|---|---|---|---|
| Greenwelt Energy Pvt. Ltd. | Payables | - | -* | Vendor |
| Gem Hvac Engineering Pvt. Ltd. | Payables | 1.06 | -* | Vendor |
| Lakshmi Bhargavi Constructions Pvt. Ltd. | Payables | - | -* | Vendor |
| Sri Srinivasa Catering & Housekeeping Services Pvt. Ltd. | Payables | - | -* | Vendor |
| Umiya Chemicals Pvt. Ltd. | Payables | - | -* | Vendor |
| Arunodoi Techno Services Pvt. Ltd. | Payables | - | -* | Vendor |
| Ambarish Builders Pvt. Ltd. | Payables | - | -* | Vendor |
| Geo Tech Pvt. Ltd. | Payables | 18.60 | 1.16 | Vendor |
| Star Shipping Services Pvt. Ltd. | Payables | -* | - | Vendor |
| Purolator India Ltd. | Payables | -* | - | Vendor |
| Fascel Ltd. | Payables | - | -* | Vendor |
| Hindustan Relocator Pvt. Ltd. | Payables | -* | - | Vendor |
| Armco Shipping & Trading Pvt. Ltd. | Payables | - | -* | Vendor |
| Planet 3 Studios Architecture Pvt. Ltd. | Payables | - | -* | Vendor |
| Magna Energy & Hydro Systems Pvt. Ltd. | Payables | - | -* | Vendor |
| Management and Technology Application India Ltd. | Payables | - | -* | Vendor |
| Kusalava Power Pvt. Ltd. | Receivable | - | -* | Customer |

* Less than ₹ 1 Million.

**iii. Details of Shareholders Struck off as on 31.03.2022**

| Name of the Company | Nature of transactions with struck off company | No. of Shares as on 31.03.2022 | Relationship with the Struck off company |
|---|---|---|---|
| Vikram Textiles Ltd. | Shareholding | 450 | Shareholder |
| Kothari Intergroup Ltd. | Shareholding | 21 | Shareholder |
| Bhakti Elevators Pvt. Ltd. | Shareholding | 600 | Shareholder |
| Fayda Portfolio Pvt. Ltd. | Shareholding | 300 | Shareholder |
| Fairtrade Securities Ltd. | Shareholding | 100 | Shareholder |
| Unickon Fincap Pvt. Ltd. | Shareholding | 10,495 | Shareholder |
| Victor Properties Pvt. Ltd. | Shareholding | 3,808 | Shareholder |
| Mayur Share Broking Pvt. Ltd. | Shareholding | 3 | Shareholder |
| Keshan Granite Exports Pvt. Ltd. | Shareholding | 180 | Shareholder |

| Name of the Company | Nature of transactions with struck off company | No. of Shares as on 31.03.2022 | Relationship with the Struck off company |
|---|---|---|---|
| Shibir India Ltd. | Shareholding | 8 | Shareholder |
| Architectural Glass Pvt. Ltd. | Shareholding | 150 | Shareholder |
| Suviron Products Pvt. Ltd. | Shareholding | 277 | Shareholder |
| Real World Builders Pvt. Ltd. | Shareholding | 180 | Shareholder |
| Shreeji Enterprises Pvt. Ltd. | Shareholding | 60 | Shareholder |
| Himatsu Bimet Ltd. | Shareholding | 630 | Shareholder |
| Dreams Comtrade Pvt. Ltd. | Shareholding | 4 | Shareholder |
| Sri Mahabir Co Pvt. Ltd. | Shareholding | 180 | Shareholder |
| GNK Investments Pvt. Ltd. | Shareholding | 114 | Shareholder |
| Utsav Leasing & Finstock Ltd. | Shareholding | 72 | Shareholder |
| Rajat Financial Services Pvt. Ltd. | Shareholding | 300 | Shareholder |
| Abhay Carriers Pvt. Ltd. | Shareholding | 43 | Shareholder |
| Voyager2 Infotech Pvt. Ltd. | Shareholding | 300 | Shareholder |

**iv. Details of Shareholders Struck off as on 31.03.2021**

| Name of the Company | Nature of transactions with struck off company | No. of Shares as on 31.03.2021 | Relationship with the Struck off company |
|---|---|---|---|
| Shankar Suitings Pvt. Ltd. | Shareholding | 4,000 | Shareholder |
| Vikram Textiles Ltd. | Shareholding | 450 | Shareholder |
| Kothari Intergroup Ltd. | Shareholding | 21 | Shareholder |
| Fayda Portfolio Pvt. Ltd. | Shareholding | 300 | Shareholder |
| Fairtrade securities Ltd. | Shareholding | 100 | Shareholder |
| Unickon Fincap Pvt. Ltd. | Shareholding | 10,495 | Shareholder |
| H. B. Portfolio Limited | Shareholding | 900 | Shareholder |
| Victor Properties Pvt. Ltd. | Shareholding | 3,808 | Shareholder |
| Mayur Share Broking Pvt. Ltd. | Shareholding | 3 | Shareholder |
| Keshan Granite Exports Pvt. Ltd. | Shareholding | 180 | Shareholder |
| Shibir India Ltd. | Shareholding | 8 | Shareholder |
| Architectural Glass Pvt. Ltd. | Shareholding | 150 | Shareholder |
| Suviron Products Pvt. Ltd. | Shareholding | 277 | Shareholder |
| Real World Builders Pvt. Ltd. | Shareholding | 180 | Shareholder |
| Shreeji Enterprises Pvt. Ltd. | Shareholding | 60 | Shareholder |
| Himatsu Bimet Ltd. | Shareholding | 630 | Shareholder |
| Dreams Comtrade Pvt. Ltd. | Shareholding | 4 | Shareholder |
| Sri Mahabir Co Pvt. Ltd. | Shareholding | 180 | Shareholder |
| GNK Investments Pvt. Ltd. | Shareholding | 114 | Shareholder |
| Utsav Leasing & Finstock Ltd. | Shareholding | 72 | Shareholder |
| Rajat Financial Services Pvt. Ltd. | Shareholding | 300 | Shareholder |
| Abhay Carriers Pvt. Ltd. | Shareholding | 233 | Shareholder |
| Voyager2 Infotech Pvt. Ltd. | Shareholding | 300 | Shareholder |

**In respect of subsidiary MRPL,**

(₹ in million)

| Name of the struck off company | Nature of transactions with struck off company | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|---|
| | | Balance Outstanding | Relationship with the struck off company | Balance Outstanding | Relationship with the struck off company |
| Outpace Optifibre Network Pvt. Ltd. | Payable : EMD released | Nil | Unrelated | Nil | Unrelated |
| Valvitalia India Pvt. Ltd. | Payable : Write back to income | Nil | Unrelated | Nil | Unrelated |
| Varkul Websoft Pvt. Ltd. | Payable : Write back to income | Nil | Unrelated | Nil | Unrelated |

**In respect of subsidiary HPCL,**

(₹ in million)

| Name of the struck off company | Nature of Transaction for the period ended | Balance Outstanding as on | | Relationship, if any |
|---|---|---|---|---|
| | | As at March 31, 2022 | As at March 31, 2021 | |
| **(i) In respect of HPCL** | | | | |
| Vizag Icon Ventures Private Limited | Payables | -* | -* | None |
| Gayatri Lubricant Private Limited | Payables | -* | -* | None |
| Kothari Intergroup Limited | Payables | -* | -* | None |
| Naku Tanti Escapades Private Limited | Payables | -* | -* | None |
| **(ii) In respect of HPCL Biofuels Limited** | | | | |
| Sri Venkateswara Global Trading Private Limited | Receivable | 137.60 | 138.60 | None |

* Less than ₹ 1 Million, (A provision for doubtful receivable for an amount of ₹ 137.60 million is charged to the Statement of Profit & Loss during the Financial Year 2021-22)

**64 In respect of subsidiary MRPL, summary of reconciliation and reasons for material discrepancies in Statement submitted with Banks for Borrowings secured against current assets**

(₹ in million)

| Quarter | Name of Bank | Particulars of Securities Provided | Amount as per Books of Accounts | Amount as reported in the quarterly return/ statement | Amount of Difference | Reason for Material Discrepancies |
|---|---|---|---|---|---|---|
| Jun-20 | Consortium Loan from State Bank of India, Punjab National Bank, Union Bank of India and Canara Bank | Inventory | 33,113.75 | 32,839.38 | 274.37 | The figures relating to the quarterly returns or statements which were filed with banks are on provisional basis (prior to the finalization of accounts) and as the formats of such returns or statements were not aligned with presentation formats of financial statements, the book figures and provisional figures submitted to the banks are not at par. Hence, corrective measures are being implemented for alignment of the formats and figures in future periods, by seeking additional time from banks for submission of returns or statements aligning with financial statements. |
| | | Trade Receivables | 21,851.60 | 22,916.04 | (1,064.44) | |
| | | Trade Payables (Crude) | 17,564.34 | 17,561.37 | 2.97 | |
| | | Turnover net of Excise Duty and Trading Goods | 35,686.76 | 35,662.40 | 24.36 | |
| Sep-20 | | Inventory | 40,643.62 | 46,466.62 | (5,823.00) | |
| | | Trade Receivables | 17,536.63 | 19,997.92 | (2,461.29) | |
| | | Trade Payables (Crude) | 26,221.20 | 26,231.54 | (10.34) | |
| | | Turnover net of Excise Duty and Trading Goods | 94,525.28 | 94,525.32 | (0.04) | |
| Dec-20 | | Inventory | 46,788.57 | 46,881.09 | (92.52) | |
| | | Trade Receivables | 47,249.74 | 50,080.81 | (2,831.07) | |
| | | Trade Payables (Crude) | 28,245.86 | 28,093.40 | 152.46 | |
| | | Turnover net of Excise Duty and Trading Goods | 174,002.52 | 174,001.99 | 0.53 | |
| Mar-21 | | Inventory | 66,098.68 | 70,292.13 | (4,193.45) | |
| | | Trade Receivables | 24,164.74 | 25,818.80 | (1,654.06) | |
| | | Trade Payables (Crude) | 40,447.32 | 42,269.42 | (1,822.10) | |
| | | Turnover net of Excise Duty and Trading Goods | 309,438.82 | 309,441.55 | (2.73) | |
| Jun-21 | | Inventory | 72,841.69 | 72,889.68 | (47.99) | |
| | | Trade Receivables | 28,110.29 | 29,126.62 | (1,016.33) | |
| | | Trade Payables (Crude) | 52,847.96 | 53,045.92 | (197.96) | |
| | | Turnover net of Excise Duty and Trading Goods | 112,926.10 | 112,927.70 | (1.60) | |
| Sep-21 | | Inventory | 77,661.32 | 77,709.05 | (47.73) | |
| | | Trade Receivables | 37,962.22 | 38,982.59 | (1,020.37) | |
| | | Trade Payables (Crude) | 48,186.64 | 48,309.33 | (122.69) | |
| | | Turnover net of Excise Duty and Trading Goods | 245,259.19 | 245,255.75 | 3.44 | |

**65** Additional Regulatory Information/disclosures as required by General Instructions to Division II of Schedule III to the Companies Act, 2013 are furnished to the extent applicable to the Group.

**66** For improved disclosures, certain changes have been made in the wordings of some of the Accounting Policies. However, there is no impact on the financial statements due to such changes.

**67** The Group has a system of physical verification of Inventory, Property, Plant & Equipment and Capital Stores in a phased manner to cover all items over a period of three years. Adjustment differences, if any, are carried out on completion of reconciliation.

**68** The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

**69** The Figures in respect of the company, Subsidiaries/Joint Venture and Associates Companies have been regrouped/ rearranged based upon the details obtained from the management as part of consolidation process, Audited/unaudited accounts of respective group companies. Further some balances of Trade and other receivables Trade and other payables and Loans & Advances are subject to confirmation/reconciliation. Adjustments, if any, will be accounted for on confirmation / reconciliation of the same which will not have a material impact.

**70** Previous year's figures have been regrouped, wherever necessary, to confirm to current year's grouping.

**71** Additional disclosure under Schedule-III

**71.1** Schedule-III additional disclosure in Consolidated Financial Statements as on March 31, 2022

(₹ in million)

| Sl. No. | Name of the entity in the group | Country of incorporation | Net Asset, i.e., total assets minus total liabilities | | Share in profit or loss | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount | As % of consolidated other comprehensive income | Amount | As % of consolidated total comprehensive income | Amount |
| **A** | **Parent** | | | | | | | | | |
| A.1 | ONGC | India | 52.76 | 1,494,891.27 | 67.74 | 333,934.33 | 82.59 | 36,318.61 | 68.96 | 370,252.94 |
| **B** | **Subsidiaries (Group's share)** | | | | | | | | | |
| **B.1** | **Indian** | | | | | | | | | |
| B.1.1 | ONGC Videsh Limited (OVL) | India | 4.94 | 140,012.50 | 5.74 | 28,277.34 | 10.00 | 4,397.20 | 6.09 | 32,674.54 |
| B.1.2 | Hindustan Petroleum Corporation Limited (HPCL) | India | 10.23 | 289,923.69 | 13.37 | 65,891.65 | 6.85 | 3,010.26 | 12.83 | 68,901.91 |
| B.1.3 | Mangalore Refinery and Petrochemicals Ltd. (MRPL) | India | 2.53 | 71,795.19 | 5.98 | 29,492.91 | 0.07 | 31.48 | 5.50 | 29,524.39 |
| B.1.4 | Petronet MHB Ltd (PMHBL) | India | 0.20 | 5,795.30 | 0.12 | 602.83 | (0.00) | (0.13) | 0.11 | 602.70 |
| B.1.5 | Prize Petroleum Company Ltd. | India | (0.12) | (3,366.50) | 0.00 | 10.20 | (0.37) | (164.10) | (0.03) | (153.90) |
| B.1.6 | HPCL Biofuels Ltd. | India | 0.07 | 2,069.20 | (0.14) | (669.50) | 0.01 | 2.30 | (0.12) | (667.20) |
| B.1.7 | HPCL LNG Limited (Formerly known as HPCL Shapoorji Energy Private Limited) | India | 0.43 | 12,305.40 | (0.03) | (141.00) | (0.00) | (0.50) | (0.03) | (141.50) |
| B.1.8 | ONGC Videsh Rovuma Ltd., India | India | 1.85 | 52,337.60 | (1.24) | (6,107.21) | - | - | (1.14) | (6,107.21) |
| **B.2** | **Foreign** | | | | | | | | | |
| B.2.1 | ONGC Nile Ganga B.V. (ONGBV) | The Netherlands | 3.34 | 94,743.99 | (2.40) | (11,821.65) | - | - | (2.20) | (11,821.65) |
| B.2.2 | ONGC Campos Ltda. | Brazil | (0.77) | (21,823.31) | 1.55 | 7,622.79 | - | - | 1.42 | 7,622.79 |
| B.2.3 | ONGC Nile Ganga (San Cristobal) B.V. | The Netherlands | 1.24 | 35,223.60 | (0.02) | (88.02) | - | - | (0.02) | (88.02) |
| B.2.4 | ONGC Narmada Limited (ONL) | Nigeria | (0.08) | (2,355.17) | (0.00) | (0.31) | - | | (0.00) | (0.31) |
| B.2.5 | ONGC Amazon Alaknanda Limited (OAAL) | Bermuda | 0.67 | 18,942.27 | (0.00) | (4.80) | - | - | (0.00) | (4.80) |
| B.2.6 | Imperial Energy Limited | Cyprus | (0.00) | (33.64) | (0.00) | (4.03) | - | - | (0.00) | (4.03) |
| B.2.7 | Imperial Energy Tomsk Limited | Cyprus | (0.00) | (0.13) | (0.00) | (0.23) | - | - | (0.00) | (0.23) |
| B.2.8 | Imperial Energy (Cyprus) Limited | Cyprus | (0.00) | (3.29) | (0.00) | (0.23) | - | - | (0.00) | (0.23) |
| B.2.9 | Imperial Energy Nord Limited | Cyprus | (0.00) | (13.67) | (0.00) | (0.23) | - | - | (0.00) | (0.23) |
| B.2.10 | Biancus Holdings Limited | Cyprus | (0.00) | (0.38) | 0.00 | 14.61 | - | - | 0.00 | 14.61 |
| B.2.11 | Redcliffe Holdings Limited | Cyprus | (0.00) | (0.81) | (0.00) | (0.21) | - | - | (0.00) | (0.21) |
| B.2.12 | Imperial Frac Services (Cyprus) Limited | Cyprus | (0.00) | (0.02) | (0.00) | (0.40) | - | - | (0.00) | (0.40) |
| B.2.13 | San Agio Investments Limited | Cyprus | 0.00 | 0.07 | (0.00) | (11.01) | - | - | (0.00) | (11.01) |

| Sl. No. | Name of the entity in the group | Country of incorporation | Net Asset, i.e., total assets minus total liabilities | | Share in profit or loss | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount | As % of consolidated other comprehensive income | Amount | As % of consolidated total comprehensive income | Amount |
| B.2.14 | LLC Sibinterneft | Russia | 0.00 | 0.37 | (0.01) | (45.74) | - | - | (0.01) | (45.74) |
| B.2.15 | LLC Allianceneftegaz | Russia | 0.00 | 2.82 | (0.06) | (311.46) | - | - | (0.06) | (311.46) |
| B.2.16 | LLC Nord Imperial | Russia | (0.00) | (1.84) | (0.00) | (7.02) | - | - | (0.00) | (7.02) |
| B.2.17 | LLC Rus Imperial Group | Russia | 0.00 | 0.24 | (0.01) | (27.27) | - | - | (0.01) | (27.27) |
| B.2.18 | LLC Imperial Frac Services | Russia | (0.00) | (0.06) | 0.00 | 7.99 | - | - | 0.00 | 7.99 |
| B.2.19 | Carabobo One AB | Sweden | 0.16 | 4,430.87 | (0.18) | (896.48) | - | - | (0.17) | (896.48) |
| B.2.20 | Petro Carabobo Ganga B.V. | The Netherlands | 0.21 | 5,895.20 | (0.00) | (1.61) | - | - | (0.00) | (1.61) |
| B.2.21 | ONGC (BTC) Ltd | Cayman Islands | 0.00 | 30.47 | 0.19 | 926.77 | - | - | 0.17 | 926.77 |
| B.2.22 | Beas Rovuma Energy Mozambique Ltd | Republic of Mauritius | 3.44 | 97,599.91 | (0.79) | (3,873.36) | - | - | (0.72) | (3,873.36) |
| B.2.23 | ONGC Videsh Atlantic Inc. | Texas | 0.00 | 91.01 | 0.01 | 25.47 | - | - | 0.00 | 25.47 |
| B.2.24 | ONGC Videsh Singapore Pte. Ltd. | Singapore | 0.00 | 89.00 | (0.00) | (6.19) | - | - | (0.00) | (6.19) |
| B.2.25 | ONGC Videsh Vankorneft Pte. Ltd. | Singapore | (2.53) | (71,760.07) | (0.48) | (2,389.96) | - | - | (0.45) | (2,389.96) |
| B.2.26 | Indus East Mediterranean Exploration Ltd. | Israel | 0.00 | 0.13 | (0.00) | (0.34) | - | - | (0.00) | (0.34) |
| B.2.27 | HPCL Middle East FZCO | Dubai | 0.00 | 40.80 | (0.00) | (6.60) | 0.01 | 2.30 | (0.00) | (4.30) |
| **C** | **Non controlling interest in all subsidiaries** | | 8.41 | 238,249.33 | 7.65 | 37,719.51 | 2.28 | 1,004.41 | 7.21 | 38,723.92 |
| **D** | **Associates (Investments as per the equity method)** | | | | | | | | | |
| **D.1** | **Indian** | | | | | | | | | |
| D.1.1 | Pawan Hans Ltd. (PHL) | India | 0.16 | 4,581.61 | 0.03 | 143.77 | - | - | 0.03 | 143.77 |
| D.1.2 | Petronet LNG Limited (PLL) | India | 0.60 | 17,085.11 | 1.10 | 5,443.08 | (0.01) | (2.40) | 1.01 | 5,440.68 |
| D.1.3 | Rohini Heliport Limited (RHL) | India | - | - | - | - | - | - | - | - |
| D.1.4 | GSPL India Gasnet Ltd. | India | 0.07 | 2,116.90 | 0.02 | 80.70 | 0.00 | 0.10 | 0.02 | 80.80 |
| D.1.5 | GSPL India Transco Ltd. | India | 0.01 | 386.10 | (0.03) | (171.20) | 0.00 | 0.10 | (0.03) | (171.10) |
| **D.2** | **Foreign** | | | | | | | | | |
| D.2.1 | Petro Carabobo S.A. | Venezuela | 0.12 | 3,399.63 | (0.20) | (997.66) | - | - | (0.19) | (997.66) |
| D.2.2 | Carabobo Ingeniería y Construcciones, S.A. | Venezuela | 0.00 | 0.32 | - | - | - | - | - | - |
| D.2.3 | South-East Asia Gas Pipeline Company Limited | Hongkong | 0.19 | 5,496.43 | 0.21 | 1,055.57 | - | - | 0.20 | 1,055.57 |
| D.2.4 | Tamba B.V. | The Netherlands | 0.17 | 4,745.77 | 0.02 | 106.14 | - | - | 0.02 | 106.14 |
| D.2.5 | JSC Vankorneft | Russia | 3.17 | 89,707.92 | 1.07 | 5,272.02 | - | - | 0.98 | 5,272.02 |
| D.2.6 | Petrolera Indovenezolana S.A. | Venezuela | 0.93 | 26,287.39 | (0.60) | (2,954.24) | - | - | (0.55) | (2,954.24) |

| Sl. No. | Name of the entity in the group | Country of incorporation | Net Asset, i.e., total assets minus total liabilities | | Share in profit or loss | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount | As % of consolidated other comprehensive income | Amount | As % of consolidated total comprehensive income | Amount |
| D.2.7 | Falcon Oil & Gas B.V | The Netherlands | 0.73 | 20,549.86 | 0.32 | 1,591.67 | - | - | 0.30 | 1,591.67 |
| D.2.8 | Moz LNG1 Holding Co. Ltd. | Abudhabi | 0.12 | 3,318.54 | (0.02) | (80.12) | - | - | (0.01) | (80.12) |
| D.2.9 | Bharat Energy Office, LLC | Russia | 0.00 | 6.89 | (0.00) | (0.49) | - | - | (0.00) | (0.49) |
| **E** | **Joint Ventures (Investments as per the equity method)** | | | | | | | | | |
| **E.1** | **Indian** | | | | | | | | | |
| E.1.1 | Indradhanush Gas Grid Ltd. (IGGL) | India | 0.03 | 823.10 | 0.00 | 3.90 | - | - | 0.00 | 3.90 |
| E.1.2 | Mangalore SEZ Ltd (MSEZ) | India | - | - | (0.01) | (32.33) | 0.00 | 0.22 | (0.01) | (32.11) |
| E.1.3 | ONGC Petro Additions Ltd. (OPaL) | India | 2.10 | 59,409.02 | (0.76) | (3,731.09) | 0.02 | 8.32 | (0.69) | (3,722.77) |
| E.1.4 | ONGC Tripura Power Company Ltd.( OTPC) | India | 0.26 | 7,225.21 | 0.03 | 162.14 | 0.00 | 0.75 | 0.03 | 162.89 |
| E.1.5 | ONGC Teri Biotech Ltd. (OTBL) | India | 0.01 | 399.42 | 0.01 | 43.12 | 0.00 | 0.04 | 0.01 | 43.16 |
| E.1.6 | Dahej SEZ Limited (DSEZ) | India | 0.05 | 1,321.70 | 0.05 | 234.91 | - | - | 0.04 | 234.91 |
| E.1.7 | Hindustan Colas Pvt. Ltd. | India | 0.08 | 2,205.90 | 0.18 | 875.10 | - | - | 0.16 | 875.10 |
| E.1.8 | HPOIL Gas Pvt. Ltd. | India | 0.02 | 682.30 | (0.00) | (17.10) | - | - | (0.00) | (17.10) |
| E.1.9 | HPCL Rajasthan Refinery Ltd. | India | 1.47 | 41,786.00 | (0.03) | (165.50) | - | - | (0.03) | (165.50) |
| E.1.10 | South Asia LPG Co. Pvt. Ltd. | India | 0.03 | 907.40 | 0.11 | 553.30 | 0.00 | 0.70 | 0.10 | 554.00 |
| E.1.11 | HPCL - Mittal Energy Ltd. | India | 1.93 | 54,801.00 | 1.25 | 6,161.20 | (1.45) | (638.30) | 1.03 | 5,522.90 |
| E.1.12 | Godavari Gas Pvt Ltd. | India | 0.01 | 206.80 | (0.00) | (0.70) | - | - | (0.00) | (0.70) |
| E.1.13 | Petronet India Ltd. | India | 0.00 | 4.40 | 0.00 | 0.10 | - | - | 0.00 | 0.10 |
| E.1.14 | Mumbai Aviation Fuel Farm Facilities Pvt. Ltd. | India | 0.03 | 942.60 | 0.00 | 23.90 | - | - | 0.00 | 23.90 |
| E.1.15 | Aavantika Gas Ltd. | India | 0.06 | 1,652.00 | 0.07 | 331.90 | 0.00 | 0.20 | 0.06 | 332.10 |
| E.1.16 | Bhagyanagar Gas Ltd. | India | 0.07 | 1,941.20 | 0.04 | 215.50 | 0.00 | 0.60 | 0.04 | 216.10 |
| E.1.17 | Ratnagiri Refinery & Petrochemical Ltd. | India | 0.01 | 297.10 | (0.00) | (22.10) | - | - | (0.00) | (22.10) |
| E.1.18 | IHB Ltd. | India | 0.18 | 5,139.60 | (0.00) | (7.90) | - | - | (0.00) | (7.90) |
| E.1.19 | Shell MRPL Aviation Fuels & Services Pvt. Limited (SMASL) (through MRPL) | India | 0.01 | 298.34 | 0.02 | 89.61 | 0.00 | 0.43 | 0.02 | 90.04 |
| **E.2** | **Foreign** | | | | | | | | | |
| E.2.1 | Himalaya Energy (Syria) B.V. | The Netherlands | 0.01 | 194.24 | (0.00) | (13.20) | - | - | (0.00) | (13.20) |
| E.2.2 | Mansarovar Energy Colombia Ltd. | Bermuda | 0.36 | 10,247.29 | 0.13 | 635.04 | - | - | 0.12 | 635.04 |
| | **Total** | | **100.00** | **2,833,278.43** | **100.00** | **492,940.57** | **100.00** | **43,972.59** | **100.00** | **536,913.16** |

### 71.2 Schedule-III additional disclosure in Consolidated Financial Statements as on March 31, 2021

(₹ in million)

| Sl. No. | Name of the entity in the group | Country of incorporation | Net Asset, i.e., total assets minus total liabilities | | Share in profit or loss | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount | As % of consolidated other comprehensive income | Amount | As % of consolidated total comprehensive income | Amount |
| **A** | **Parent** | | | | | | | | | |
| A.1 | ONGC | India | 48.85 | 1,185,003.43 | 22.25 | 47,521.62 | 126.06 | 23,506.14 | 30.58 | 71,027.76 |
| **B** | **Subsidiaries (Group's share)** | | | | | | | | | |
| **B.1** | **Indian** | | | | | | | | | |
| B.1.1 | ONGC Videsh Limited (OVL) | India | 8.58 | 208,112.67 | 3.66 | 7,816.72 | (38.37) | (7,155.58) | 0.28 | 661.14 |
| B.1.2 | Hindustan Petroleum Corporation Limited (HPCL) | India | 11.77 | 285,425.75 | 48.97 | 104,610.04 | 0.76 | 141.52 | 45.10 | 104,751.56 |
| B.1.3 | Mangalore Refinery and Petrochemicals Ltd. (MRPL) | India | 1.74 | 42,227.69 | (3.58) | (7,653.67) | 0.11 | 20.87 | (3.29) | (7,632.80) |
| B.1.4 | Petronet MHB Ltd (PMHBL) | India | 0.25 | 6,070.53 | 0.24 | 518.12 | (0.00) | (0.12) | 0.22 | 518.00 |
| B.1.5 | Prize Petroleum Company Ltd. | India | (0.13) | (3,212.60) | (0.13) | (278.20) | 0.80 | 149.10 | (0.06) | (129.10) |
| B.1.6 | HPCL Biofuels Ltd. | India | 0.11 | 2,658.60 | (0.37) | (800.70) | 0.00 | 0.80 | (0.34) | (799.90) |
| B.1.7 | HPCL LNG Limited (Formerly known as HPCL Shapoorji Energy Private Limited) | India | 0.48 | 11,596.90 | (0.02) | (40.20) | - | - | (0.02) | (40.20) |
| B.1.8 | ONGC Videsh Rovuma Ltd. | India | 1.22 | 29,503.98 | 2.42 | 5,159.58 | - | - | 2.22 | 5,159.58 |
| **B.2** | **Foreign** | | | | | | | | | |
| B.2.1 | ONGC Nile Ganga B.V. (ONGBV) | The Netherlands | 1.60 | 38,826.66 | 3.72 | 7,938.05 | - | - | 3.42 | 7,938.05 |
| B.2.2 | ONGC Campos Ltda. | Brazil | 0.53 | 12,737.31 | (0.30) | (649.80) | - | - | (0.28) | (649.80) |
| B.2.3 | ONGC Nile Ganga (San Cristobal) B.V. | The Netherlands | 1.41 | 34,254.36 | (0.02) | (39.84) | - | - | (0.02) | (39.84) |
| B.2.4 | ONGC Narmada Limited (ONL) | Nigeria | (0.10) | (2,338.03) | 0.00 | 0.01 | - | - | 0.00 | 0.01 |
| B.2.5 | ONGC Amazon Alaknanda Limited (OAAL) | Bermuda | 0.00 | 12.62 | 0.01 | 24.03 | - | - | 0.01 | 24.03 |
| B.2.6 | Imperial Energy Limited | Cyprus | 0.76 | 18,504.28 | 0.23 | 500.56 | - | - | 0.22 | 500.56 |
| B.2.7 | Imperial Energy Tomsk Limited | Cyprus | (0.00) | (105.90) | (0.00) | (6.97) | - | - | (0.00) | (6.97) |
| B.2.8 | Imperial Energy (Cyprus) Limited | Cyprus | (0.11) | (2,695.01) | (0.00) | (6.64) | - | - | (0.00) | (6.64) |
| B.2.9 | Imperial Energy Nord Limited | Cyprus | (0.46) | (11,193.14) | (0.00) | (6.44) | - | - | (0.00) | (6.44) |

| Sl. No. | Name of the entity in the group | Country of incorporation | Net Asset, i.e., total assets minus total liabilities | | Share in profit or loss | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount | As % of consolidated other comprehensive income | Amount | As % of consolidated total comprehensive income | Amount |
| B.2.10 | Biancus Holdings Limited | Cyprus | (0.01) | (302.56) | 0.04 | 95.25 | - | - | 0.04 | 95.25 |
| B.2.11 | Redcliffe Holdings Limited | Cyprus | (0.03) | (660.52) | (0.00) | (6.65) | - | - | (0.00) | (6.65) |
| B.2.12 | Imperial Frac Services (Cyprus) Limited | Cyprus | (0.00) | (13.74) | 0.00 | 0.14 | - | - | 0.00 | 0.14 |
| B.2.13 | San Agio Investments Limited | Cyprus | (0.00) | (30.44) | (0.11) | (225.20) | - | - | (0.10) | (225.20) |
| B.2.14 | LLC Sibinterneft | Russia | (0.00) | (121.28) | (0.13) | (267.80) | - | - | (0.12) | (267.80) |
| B.2.15 | LLC Allianceneftegaz | Russia | (0.03) | (736.98) | (3.10) | (6,629.25) | - | - | (2.85) | (6,629.25) |
| B.2.16 | LLC Nord Imperial | Russia | (0.09) | (2,134.67) | (1.09) | (2,332.49) | - | - | (1.00) | (2,332.49) |
| B.2.17 | LLC Rus Imperial Group | Russia | (0.00) | (108.73) | 0.01 | 19.48 | - | - | 0.01 | 19.48 |
| B.2.18 | LLC Imperial Frac Services | Russia | 0.00 | 30.59 | (0.02) | (50.59) | - | - | (0.02) | (50.59) |
| B.2.19 | Carabobo One AB | Sweden | (0.02) | (493.18) | (0.00) | (7.20) | - | - | (0.00) | (7.20) |
| B.2.20 | Petro Carabobo Ganga B.V. | The Netherlands | (0.02) | (454.18) | (0.11) | (239.24) | - | - | (0.10) | (239.24) |
| B.2.21 | ONGC (BTC) Ltd | Cayman Islands | (0.02) | (374.06) | 0.04 | 88.69 | - | - | 0.04 | 88.69 |
| B.2.22 | Beas Rovuma Energy Mozambique Ltd | Republic of Mauritius | 3.19 | 77,489.22 | (0.07) | (142.77) | - | - | (0.06) | (142.77) |
| B.2.23 | ONGC Videsh Atlantic Inc. | Texas | (0.00) | (86.74) | (0.09) | (185.76) | - | - | (0.08) | (185.76) |
| B.2.24 | ONGC Videsh Singapore Pte. Ltd. | Singapore | (4.33) | (105,029.51) | 0.08 | 178.50 | - | - | 0.08 | 178.50 |
| B.2.25 | ONGC Videsh Vankorneft Pte. Ltd. | Singapore | 1.05 | 25,425.67 | 0.37 | 789.67 | - | - | 0.34 | 789.67 |
| B.2.26 | Indus East Mediterranean Exploration Ltd. | Israel | (0.00) | (19.61) | (0.00) | (2.27) | - | - | (0.00) | (2.27) |
| B.2.27 | HPCL Middle East FZCO | Dubai | 0.00 | 45.10 | (0.00) | (5.70) | (0.01) | (1.30) | (0.00) | (7.00) |
| **C** | **Non controlling interest in all subsidiaries** | | 8.91 | 216,157.99 | 23.67 | 50,558.48 | 4.04 | 753.01 | 22.09 | 51,311.49 |
| **D** | **Associates (Investments as per the equity method)** | | | | | | | | | |
| **D.1** | **Indian** | | | | | | | | | |
| D.1.1 | Pawan Hans Ltd. (PHL) | India | 0.20 | 4,833.43 | (0.02) | (45.35) | (0.08) | (15.59) | (0.03) | (60.95) |
| D.1.2 | Petronet LNG Limited (PLL) | India | 0.61 | 14,758.63 | 0.27 | 586.83 | (0.01) | (2.64) | 0.25 | 584.19 |
| D.1.3 | Rohini Heliport Limited (RHL) | India | - | - | (0.00) | (0.05) | - | - | (0.00) | (0.05) |
| D.1.4 | GSPL India Gasnet Ltd. | India | 0.07 | 1,706.10 | 0.01 | 17.80 | 0.00 | 0.20 | 0.01 | 18.00 |
| D.1.5 | GSPL India Transco Ltd. | India | 0.02 | 529.70 | (0.03) | (71.60) | 0.00 | 0.10 | (0.03) | (71.50) |
| **D.2** | **Foreign** | | | | | | | | | |
| D.2.1 | Petro Carabobo S.A. | Venezuela | 0.18 | 4,281.84 | (0.02) | (50.93) | - | - | (0.02) | (50.93) |

| Sl. No. | Name of the entity in the group | Country of incorporation | Net Asset, i.e., total assets minus total liabilities | | Share in profit or loss | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount | As % of consolidated other comprehensive income | Amount | As % of consolidated total comprehensive income | Amount |
| D.2.2 | Carabobo Ingeniería y Construcciones, S.A. | Venezuela | 0.00 | 0.31 | - | - | - | - | - | - |
| D.2.3 | South-East Asia Gas Pipeline Company Limited | Hongkong | 0.07 | 1,776.07 | 0.48 | 1,032.02 | - | - | 0.44 | 1,032.02 |
| D.2.4 | Tamba B.V. | The Netherlands | 0.34 | 8,181.63 | 0.18 | 392.39 | - | - | 0.17 | 392.39 |
| D.2.5 | JSC Vankorneft | Russia | 4.32 | 104,915.26 | 3.07 | 6,561.88 | - | - | 2.83 | 6,561.88 |
| D.2.6 | Petrolera Indovenezolana S.A. | Venezuela | 1.23 | 29,872.15 | (0.20) | (417.84) | - | - | (0.18) | (417.84) |
| D.2.7 | Falcon Oil & Gas B.V | The Netherlands | 0.82 | 19,822.55 | 0.30 | 644.38 | - | - | 0.28 | 644.38 |
| D.2.8 | Moz LNG1 Holding Co. Ltd. | Abudhabi | 0.12 | 2,935.12 | 0.01 | 17.87 | - | - | 0.01 | 17.87 |
| **E** | **Joint Ventures (Investments as per the equity method)** | | | | | | | | | |
| **E.1** | **Indian** | | | | | | | | | |
| E.1.1 | Indradhanush Gas Grid Ltd. (IGGL) | India | 0.02 | 579.20 | 0.00 | 4.07 | - | - | 0.00 | 4.07 |
| E.1.2 | Mangalore SEZ Ltd (MSEZ) | India | 0.00 | 32.11 | (0.04) | (86.21) | 0.00 | 0.23 | (0.04) | (85.98) |
| E.1.3 | ONGC Petro Additions Ltd. (OPaL) | India | 2.62 | 63,665.75 | (2.00) | (4,279.50) | 0.03 | 5.99 | (1.84) | (4,273.51) |
| E.1.4 | ONGC Tripura Power Company Ltd.( OTPC) | India | 0.29 | 7,062.32 | 0.33 | 711.89 | 0.00 | 0.56 | 0.31 | 712.45 |
| E.1.5 | ONGC Teri Biotech Ltd. (OTBL) | India | 0.01 | 356.26 | 0.02 | 44.08 | (0.00) | (0.01) | 0.02 | 44.07 |
| E.1.6 | Dahej SEZ Limited (DSEZ) | India | 0.05 | 1,094.75 | 0.08 | 179.52 | - | - | 0.08 | 179.52 |
| E.1.7 | Hindustan Colas Pvt. Ltd. | India | 0.09 | 2,134.10 | 0.36 | 774.90 | (0.00) | (0.40) | 0.33 | 774.50 |
| E.1.8 | HPOIL Gas Pvt. Ltd. | India | 0.03 | 699.40 | (0.00) | (9.30) | - | - | (0.00) | (9.30) |
| E.1.9 | HPCL Rajasthan Refinery Ltd. | India | 0.71 | 17,272.50 | (0.29) | (619.70) | - | - | (0.27) | (619.70) |
| E.1.10 | South Asia LPG Co. Pvt. Ltd. | India | 0.05 | 1,103.40 | 0.30 | 645.20 | 0.00 | 0.70 | 0.28 | 645.90 |
| E.1.11 | HPCL - Mittal Energy Ltd. | India | 2.15 | 52,278.60 | 0.93 | 1,977.10 | 6.67 | 1,243.70 | 1.39 | 3,220.80 |
| E.1.12 | Godavari Gas Pvt Ltd. | India | 0.01 | 137.00 | (0.01) | (12.30) | - | - | (0.01) | (12.30) |
| E.1.13 | Petronet India Ltd. | India | 0.00 | 4.30 | 0.00 | 0.10 | - | - | 0.00 | 0.10 |
| E.1.14 | Mumbai Aviation Fuel Farm Facilities Pvt. Ltd. | India | 0.04 | 872.40 | 0.00 | 3.90 | - | - | 0.00 | 3.90 |
| E.1.15 | Aavantika Gas Ltd. | India | 0.06 | 1,365.70 | 0.10 | 214.00 | - | - | 0.09 | 214.00 |
| E.1.16 | Bhagyanagar Gas Ltd. | India | 0.07 | 1,725.10 | 0.12 | 251.60 | (0.00) | (0.10) | 0.11 | 251.50 |
| E.1.17 | Ratnagiri Refinery & Petrochemical Ltd. | India | 0.01 | 319.10 | (0.02) | (43.60) | - | - | (0.02) | (43.60) |

| Sl. No. | Name of the entity in the group | Country of incorporation | Net Asset, i.e., total assets minus total liabilities | | Share in profit or loss | | Share in other comprehensive income | | Share in total comprehensive income | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount | As % of consolidated other comprehensive income | Amount | As % of consolidated total comprehensive income | Amount |
| E.1.18 | IHB Ltd. | India | 0.17 | 4,147.50 | 0.01 | 15.60 | - | - | 0.01 | 15.60 |
| E.1.19 | Shell MRPL Aviation Fuels & Services Pvt. Limited (SMASL)(through MRPL) | India | 0.01 | 253.30 | 0.00 | 4.00 | 0.00 | 0.01 | 0.00 | 4.01 |
| **E.2** | **Foreign** | | | | | | | | | |
| E.2.1 | Himalaya Energy (Syria) B.V. | The Netherlands | 0.01 | 216.40 | (0.00) | (5.37) | - | - | (0.00) | (5.37) |
| E.2.2 | Mansarovar Energy Colombia Ltd. | Bermuda | 0.54 | 13,063.43 | (0.50) | (1,076.48) | - | - | (0.46) | (1,076.48) |
| | **Total** | | **100.00** | **2,425,967.88** | **100.00** | **213,602.47** | **100.00** | **18,647.18** | **100.00** | **232,249.65** |

## 72 Approval of financial statements

The Consolidated Financial Statements were approved by the Board of Directors on May 28, 2022.

**FOR AND ON BEHALF OF THE BOARD**

Sd/-
(Rajni Kant)
Company Secretary

Sd/-
(Pomila Jaspal)
Director (Finance)
(DIN: 08436633)

Sd/-
(Dr. Alka Mittal )
Chairman & Managing Director
(DIN: 07272207)

**In terms of our report of even date attached**

**For G M Kapadia & Co.**
Chartered Accountants
Firm Reg. No. 104767W

Sd/-
(Abhishek Singh)
Partner (M. No. 407549)

**For R Gopal & Associates**
Chartered Accountants
Firm Reg. No.000846C

Sd/-
(Sunil Kumar Agarwal)
Partner (M. No. 093209)

**For SARC & Associates**
Chartered Accountants
Firm Reg. No. 006085N

Sd/-
(Sunil Kumar Gupta)
Partner (M. No. 084884)

**For Kalani & Co.**
Chartered Accountants
Firm Reg. No: 000722C

Sd/-
(Varun Bansal)
Partner (M.No. 402856)

**For R.G.N. Price & Co.**
Chartered Accountants
Firm Reg. No.002785S

Sd/-
(G Surendranath Rao)
Partner (M. No. 022693)

**For S. Bhandari & Co.**
Chartered Accountants
Firm Reg. No. 000560C

Sd/-
(Sudha Shetty)
Partner (M. No. 047684)

**28 May 2022**
**New Delhi**


ONGC Para Games have mainstreamed the especially-abled human resource in the Oil and Gas industry. Hon'ble Minister of Petroleum and Natural Gas & Housing and Urban Development Hardeep Singh Puri (above) and Hon'ble Minister of State, Petroleum and Natural & Labour and Employment Rameswar Teli (below) are seen interacting with para athletes in 4th ONGC Para Games during 2-4 August 2022 in Delhi, celebrating inclusivity in the holistic development of human resource.

Some of our Champions

# #ProudToBeONGCian

**Harmeet Desai**
Table Tennis

**G. Sathiyan**
Table Tennis

**B. Sai Praneeth**
Badminton

**Sumit Kumar**
Hockey

**Abhinav Lohan**
Golf

**Pankaj Advani**
Snooker

**Virat Kohli**
Cricketer

**Ankita Raina**
Tennis

**Ashwini Ponnappa**
Badminton

**Gurjant Singh**
Hockey

**Apurvi Chandela**
Shooting

**Mandeep Singh**
Hockey

#YouAreEnergy

Company Secretariat

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