

# Integrated Annual Report

2022-23



**NET  
ZERO**  
by 2038  
Scope-1 and Scope-2





“ Recognizing the importance of Environmental, Social and Governance (ESG) aspects, **ONGC** has achieved substantial progress in reducing emissions. Integrating sustainable practices into operations have enabled **ONGC** to lower Scope-1 and Scope-2 emissions by 17% in last five years.

In FY'23, **ONGC** has reduced its emissions by 2.66% to 8.89 MMTCO<sub>2</sub>e, from 9.14 MMTCO<sub>2</sub>e in FY'22.

**ONGC** has set goals to achieve

**NET  
ZERO**

emissions for Scope-1 and Scope-2 by 2038.”



**“ I would like to present the five nectar elements ‘Panchamrit’, to deal with the Climate Change challenge:**



**India will reach its non-fossil energy capacity to 500 GW by 2030**



**India will meet 50 percent of its energy requirements from renewable energy by 2030**



**India will reduce the total projected carbon emissions by one billion tonnes from now onwards till 2030**



**By 2030, India will reduce the carbon intensity of its economy by less than 45 percent**



**By the year 2070, India will achieve the target of Net Zero**

**These ‘Panchamrit’ will be an unprecedented contribution of India to climate action.**



**- Narendra Modi**  
Prime Minister

# Image better, Drill deeper, Monetize faster.

Driven by India's vision of self-reliance in energy, **ongc** is intensively pursuing Exploration in Deepwaters, Enhancing Production and Greening its Processes.

**ongc** Jeetega  
Toh Jeetega **India**





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## Chairman's Message

### *Dear Shareholders,*

It is my pleasure to present, on behalf of the Board of Directors of Oil & Natural Gas Corporation Ltd. (ONGC / the Company), the Integrated Report for the financial year 2022-23 (FY'23), highlighting the Company's performance.

Over the past 3-4 years, the global economy has faced significant challenges. Growth slowed down last year. Some major financial institutions collapsed. Intense geopolitical tensions have disturbed the energy ecosystem.

Despite these challenges, India's sustained economic growth exemplifies its fundamental

resilience. The depth and width of transformation in India is truly remarkable. IEA Chief Dr. Fatih Birol recently remarked, "India is at the 'center of global energy affairs' today". A growing young population and rapidly developing economy is boosting demand in the world's third-largest energy-consuming nation.

The structure of global energy demand is also undergoing a rapid change. This is catalyzed by climate-led challenges and emerging technologies. This transition is an inevitable evolution that the energy sector must embrace. India's climate adaptation and mitigation ambitions are profoundly transformative for our nation; it also carries immense





significance for the entire planet.

Amidst this mega transformation, the role of your Company, as the leading energy explorer in the country, becomes even more central. Notwithstanding the uncertainty in the oil and gas industry, we are continuously evolving and adapting to changed realities. While we continue to remain focused on operational excellence as an immediate goal, we are also building the ONGC of tomorrow that is resilient, agile and adaptable.

Recognizing the importance of Environmental, Social and Governance (ESG) aspects, we have achieved substantial progress in reducing emissions. Integrating sustainable practices into our operations have enabled us to lower our Scope-1 and Scope-2 emissions by 17% in last five years. In FY'23, your Company has reduced its emissions by 2.66% to 8.89 MMTCO<sub>2e</sub>, from 9.14 MMTCO<sub>2e</sub> in FY'22. We have set goals to achieve Net-Zero emissions for Scope-1 and Scope-2 by 2038.

Your Company is charting a roadmap for opportunities in renewable energy and low-carbon sectors. It is planning to scale up its renewable portfolio to 10 GW by 2030. We are committed to spend around ₹1 trillion by the end of this decade, on our multiple green initiatives. We are also actively exploring collaborations with leading players in the energy space on various low carbon energy opportunities including renewables, green hydrogen, green ammonia and other derivatives of green hydrogen

Energy Transition is a reality. However, cleaner fuels like natural gas will continue to play an important role for balancing variable renewable energy at scale, while reducing carbon emissions in the short term.

Petrochemicals demand is expected to remain strong and will continue to be a key driver of oil and gas demand in the future. With this objective, ONGC is collaborating with other entities to explore opportunities in the Oil to Chemical (O2C), refining, and petrochemicals. We are also planning to set up two greenfield O2C plants in India.

In our core Exploration & Production (E&P) business, we have significantly increased our efforts in the exploration and development of Indian sedimentary basins. India's basins are under-explored and offer significant opportunities. Under our 'Future Exploration Strategy', your Company

has set up an ambitious target to bring 500,000 sq. km of area under active exploration by 2025. A total of 809 LKM of 2D and 13,696 SKM of 3D seismic has been acquired in FY'23.

The Government of India has entrusted your Company to spearhead the efforts to expand the exploration acreage. A total of 70,000 LKM of state-of-the-art 2D high-fidelity broadband seismic data (API) was planned to be acquired in three sectors namely West Coast, East Coast and Andaman offshore which was subsequently revised to 82,353 LKM. During FY'23, a total of 65,271 LKM of 2D seismic data was acquired by us, which is 80% of the revised target.

Your Company is also creating a commercial play in newer and frontier areas to consolidate and realize reserves from unconventional reservoirs. We completed the drilling of 4 HPHT wells, spread over KG Basin (2 wells) and Mumbai Offshore (2 wells) and another 3 wells with Basement Play as an objective – one each in Cambay Basin, Assam Shelf and Mumbai Offshore. Of these, 3 wells bore hydrocarbons.

Over the past three years, pandemic and geopolitical crisis presented formidable hurdles, disrupted global supply chains and also slowed down our project execution. Despite the challenges, our flagship project KG-DWN-98/2 Cluster-II is progressing well. 'U' Field of this project has been fully monetized and oil production from 'M' field shall commence in the current fiscal.

ONGC's iconic 'Sagar Samrat' has been re-dedicated to the nation as Mobile Offshore Production Unit. It is expected to increase ONGC's oil production by 6,000 barrels per day over the next few years.

Hydrocarbon exploration is becoming increasingly challenging, with associated cost expected to go up. Leveraging the latest technologies and equipment is crucial for efficient operations. Your Company is upgrading itself to state-of-the-art level to stay ahead.

For robust growth in future, we are focusing on three key areas: Deepwater exploration, early monetization through faster project execution and enhancing production through IOR/EOR techniques. We have continued our stable CAPEX program and invested over ₹30,000 crore during FY'23. In this period, 5 major projects with an

investment of ₹8,118 crore were completed. During FY'23, five major projects have been approved with total cost of around ₹13,500 crore with envisaged life cycle gain of 27.64 MMTOE of oil and gas. As on 31 March 2023, twenty four major projects of over ₹100 crore were under implementation with a total cost of around ₹61,352 crore and envisaged lifecycle gain of ~94 MMTOE.

Our standalone crude oil production for FY'23 was 19.584 MMT, while standalone gas production was 20.628 BCM, as against 19.545 MMT and 20.907 BCM respectively in FY'22. ONGC's overall oil and gas production, including joint ventures, stood at 42.836 MMTOE, slightly lower than the previous fiscal year's 43.387 MMTOE. Additionally, our Value Added Products (VAPs) production in FY'23 was 2.598 MMT, compared to 3.089 MMT in FY'22.

In terms of financial performance, your Company logged a gross revenue of ₹1,55,517 crore in FY'23 against ₹1,10,345 crore in FY'22, registering an increase of 41%. The Company realized USD 91.90/bbl for crude sold in the domestic market in FY'23, compared to USD 76.62/bbl (FY'22).

During FY'23, we attained highest-ever standalone Profit before Tax (PBT) of ₹50,395 crore against ₹41,040 crore (FY'22) and Profit after Tax (PAT) of ₹38,829 crore as against ₹40,306 crore (FY'22). The PAT would have been higher but we have made a provision of ₹12,107 crore during Q4 of FY'23 on account of disputed ST/GST on royalty as a prudent accounting measure. However, the Company shall continue to contest such disputed matters before various forums. At the group level, we achieved an impressive revenue from operations of ₹6,84,829 crore and profit after tax of ₹32,777 crore.

The total dividend for FY'23 would be 225% (₹11.25 per share of face value ₹5) with total pay-out of ₹14,153 crore and pay-out ratio of 36.45%, which is one of the best in the industry. It is another testament of our sound business fundamentals, prudent capital management and deep investor friendliness.

FY'23 witnessed impressive performance in our core E&P business, with positive reserve replacement and significant discoveries. Your Company notified 8 new hydrocarbon discoveries, including first prospect discovery 'Amrit' in OALP Block MB-OSHP-2017/1 awarded under OALP-I bid round in Mumbai. Reserve accretion in terms of 2P

from ONGC-operated areas in India stood at 40.62 MMTOE.

Our Subsidiaries and Joint Ventures provide hedge against volatility in the energy industry and give stability to the ONGC Group. On consolidated basis, ONGC Group delivered a resilient performance in FY23, with 1,221 MMT of 2P reserves, 53 MMT of oil and gas production and 36.23 MMT of refinery output.

ONGC Videsh Limited (OVL), the overseas arm of your Company, holds immense significance, not only for the Company's long-term growth strategy but also for expanding influence of sovereign energy diplomacy. Today, ONGC Videsh is present in 15 countries across 32 projects of which 14 are producing properties. Some major highlights include a notable increase in production in the CPO-5 Block in Colombia, reaching joint venture production levels of 19,000 BOPD by the end of FY'23.

In FY'23, OVL production was impacted by several factors like force majeure in Sakhalin-1 project, FPSO shutdown in BC-10 and heavy floods in GPOC, South Sudan. Despite challenges, OVL delivered a healthy performance, producing 10.171 MMTOE vs 12.330 MMTOE in FY'22. The production is expected to increase in the current fiscal year. Gross consolidated revenue for FY'23 was ₹11,676 crore (against ₹17,322 crore during FY'22) and the PAT (attributable to owners) was ₹1,700 crore during FY'23 as against ₹1,589 crore during FY'22.

HPCL, another Maharatna subsidiary of your Company, registered a stellar Y-o-Y growth, posting highest-ever sales in all three major products – petrol, diesel and LPG. It achieved highest-ever sales volume of 43.45 MMT compared to previous year's sales of 39.14 MMT. Refining throughput increased by 36.7% to 19.09 MMT in FY'23 from 13.97 MMT (FY'22). Gross Refinery Margin (GRM) was USD 12.09/bbl against USD 7.19/bbl (FY'22). Due to exceptionally high international oil prices along with suppressed marketing margins during the year, HPCL recorded a loss of ₹8,974 crore. Revenue from operations was ₹4,66,192 crore as compared to ₹3,73,897 crore.

MRPL remains one of the most operationally efficient refineries in the country, capable to process a wide range of crude grades. MRPL showcased an impressive and sustained performance with





standalone turnover of ₹1,24,736 crore (₹86,094 crore in FY'22) and recorded profit of ₹2,638 crore during FY'23 versus profit of ₹2,955 crore (FY'22). Refining net throughput of MRPL during FY'23 increased 13.8% to 17.14 MMT against 15.05 MMT during FY'22. Gross Refinery Margin (GRM) for MRPL was USD 9.88 /bbl against USD 8.60/bbl (FY'22).

Your Company places utmost importance on Health, Safety and Environment management (HSE), ensuring the well-being of people and the environment. In May 2022, we launched Project 'Parivartan', to strengthen our safety culture and effectively pursue strategic HSE goals, further emphasizing our commitment to a safe and sustainable operating environment.

Our HR vision is to build and nurture world class human capital for leadership in energy business. Employees are our most valuable resource for driving excellence. ONGC was again recognized as one of the best employers in India among other nation-builders by Great Place to Work (GPTW).

Dedication to the Nation goes beyond mere profitability and expansion. Through CSR initiatives, your Company contributed for sustainable development of remote areas of the country. In FY'23, we exceeded our CSR charter by spending ₹476 crore with significant focus on healthcare and education.

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

While our operational and financial metrics

have been robust, we are committed to further strengthen them. We have recently undertaken organization-wide initiatives to make our processes more agile, decentralized and efficient. Your Company recognizes the key role of technology and digitalization as enablers to become future-ready. We have initiated several business process improvement initiatives in FY'23 including SCADA Upgrade Project and Common Analytics Platform. ONGC's ICE and SAP systems were successfully upgraded and moved to SAP-S/4 HANA digital platform.

I express my sincere gratitude to all our stakeholders for their invaluable contributions to our Company's success. I acknowledge the significant role played by our Board, customers, business partners, investors, regulators, and all others who have placed their faith in us. I register my deepest admiration for our employees, who have demonstrated unwavering dedication, resilience and fearlessness during these challenging times.

I sincerely express my heartfelt gratitude to Government of India, especially our administrative Ministry of Petroleum and Natural Gas for their invaluable strategic guidance and steadfast support.

On behalf of our entire team, I thank you, all our shareholders, for their continued guidance and support. I am sure that this lasting association will continue to gain strength and remain an invaluable asset for years to come.

Jai Hind!

Sd/-  
**Arun Kumar Singh**  
Chairman & CEO





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 dominant position in Indian petroleum sector and enhance India's energy availability

### Carbon Neutrality

- Strive to reduce CO<sub>2</sub> emissions across its activity chain with the objective of achieving carbon neutrality



# ONGC Group

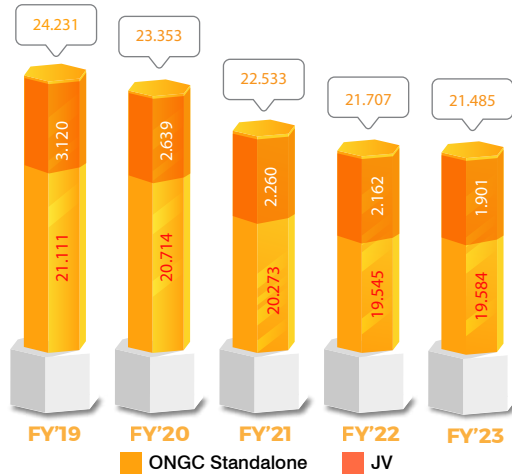
Integrated Energy Company: Expanding Footprints in Energy Business  
Truly Integrated Company - Production : Refining : Marketing :: 1:1:1



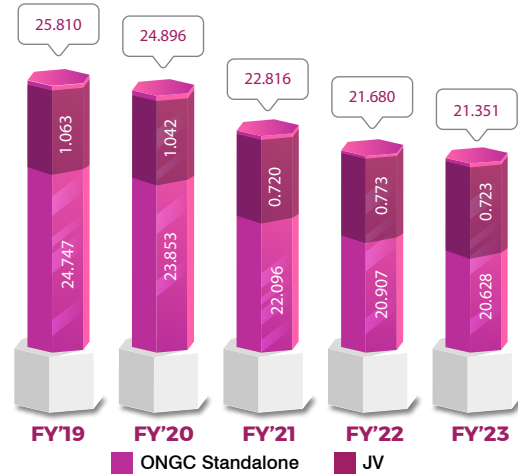


## Operational Highlights

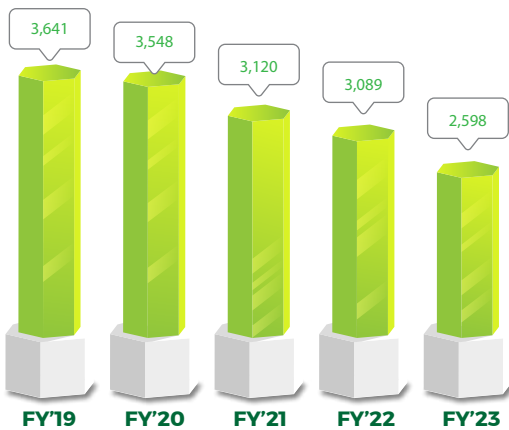
**Crude Oil Production (MMT)**



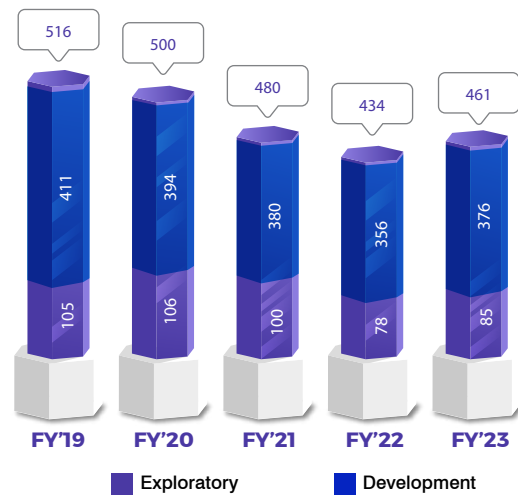
**Natural Gas Production (BCM)**



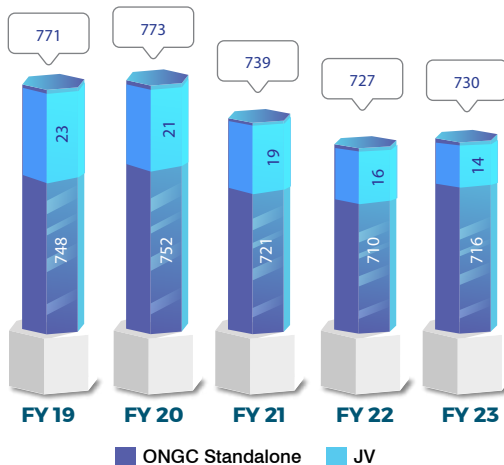
**VAP Production (KT)**



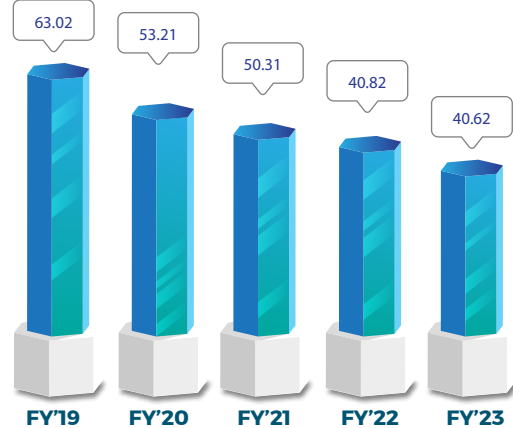
**Wells Drilled (Number)**



**Reserves (2P) MMTOE**



**Reserve Accretion (2P) MMTOE**

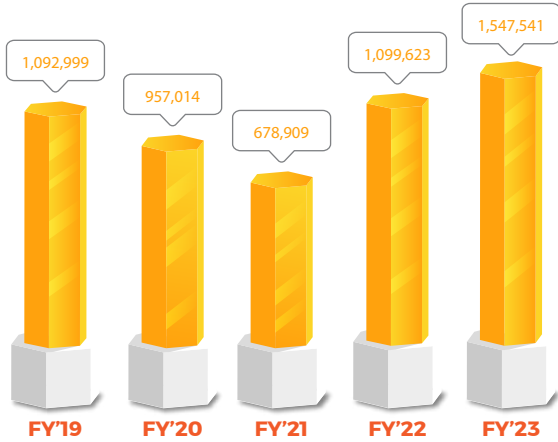


Not to Scale

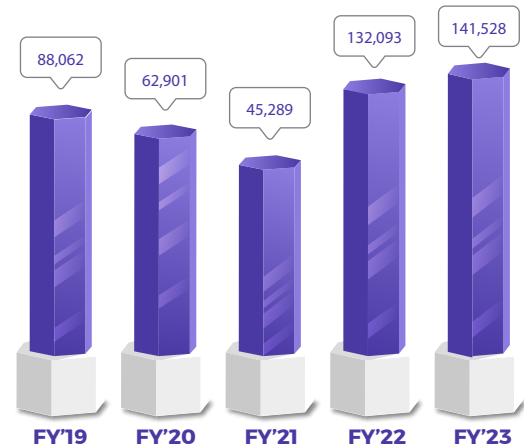


## Financial Highlights

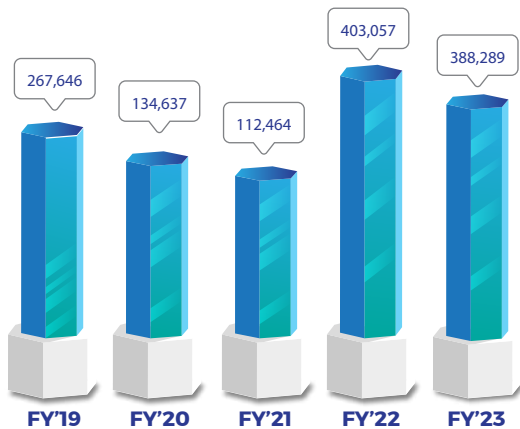
**Income from Sale of Products (₹ in Million)**



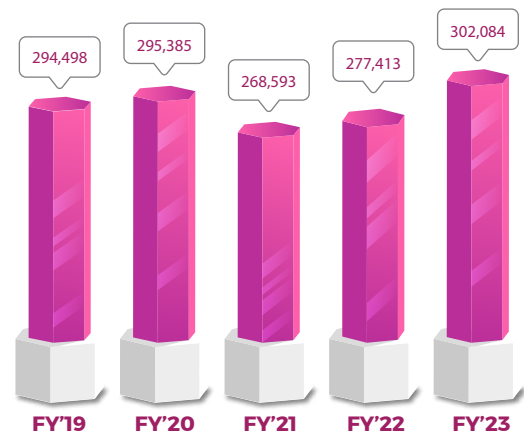
**Dividend (₹ in Million)**



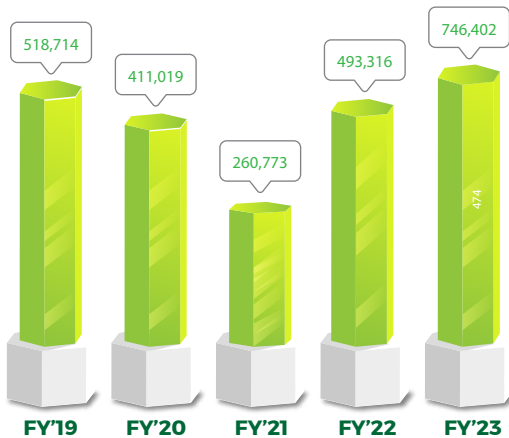
**Net Profit (₹ in Million)**



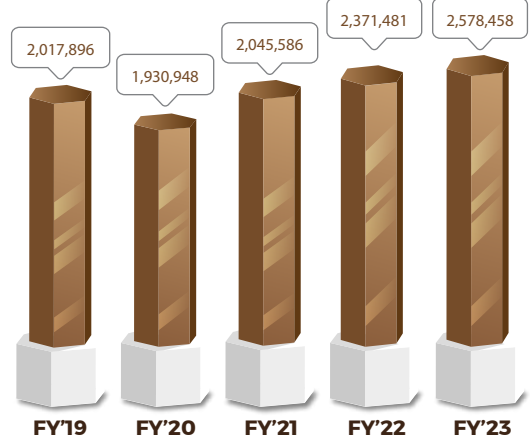
**Capex (₹ in Million)**



**Contribution to Exchequer (₹ in Million)**



**Net Worth (₹ in Million)**



Not to Scale

## Board of Directors



**Arun Kumar Singh**  
Chairman & CEO

Mr. Arun Kumar Singh is the Chairman of ONGC and ONGC Group of Companies. He assumed the charge of Chairman on 7 December 2022. Mr. Singh is Chairman ONGC, ONGC Videsh Limited (OVL), Mangalore Refinery & Petrochemicals Limited (MRPL), ONGC Petro additions Limited (OPaL) and ONGC Energy Centre Trust (OECT). The ONGC Group is having dominance in the E&P sector in India and has a very good presence abroad through its 100% subsidiary OVL. It has a significant presence in refining, petrochemicals, power and renewables. Mr. Singh is also on the Board of Petronet LNG Ltd. (PLL).

Mr. Singh is an industry stalwart bringing with him extraordinary rich portfolio of diverse roles in the Oil & Gas industry, spanning close to four decades. He is a Mechanical Engineer with 1<sup>st</sup> rank from National Institute of Technology, Patna.

Earlier, he was the Chairman & MD of Bharat Petroleum Corporation Limited (BPCL), a 'Maharatna' and a Fortune Global 500 Company. He was also Chairman of Indraprastha Gas Ltd. (IGL) a Joint Venture (JV) City Gas Distribution (CGD) Company, listed on Indian bourses. He has also held the position of President (Africa & Australia) in Bharat Petro Resources Ltd, a wholly owned Subsidiary of BPCL, engaged in exploration of Oil & Gas, largely overseas.

Mr. Arun Kumar Singh is the President of Global Compact Network India (GCNI), the Indian Local Network of the United Nations Global Compact (UNGC) and also Chairman of the CII Public Sector Enterprises Council for the Year 2023-24. Mr. Singh is the Chairman of Federation of Indian Petroleum Industry's (FIPI) Governing Council as well.



**Om Prakash Singh**  
Director (T&FS)

Mr. Om Prakash Singh, a Mechanical Engineer par excellence, has more than 35 years of extensive National and International exposure in E&P operations – both Onshore as well as Offshore. Mr. Singh has risen through the ranks of ONGC and has commanded various leading positions prior to taking over as Director. He has played major roles in challenging Deepwater drilling projects in India and overseas projects in Vietnam, Iran, Qatar, and Brazil.

Mr. Singh also Chairs the Board of ONGC Tripura Power Company Limited and had been a Director on the Board of Mangalore Refinery and Petrochemicals Limited, North East Transmission Company Limited, ONGC Petro additions Limited and erstwhile ONGC Mangalore Petrochemicals Limited.

He is a holder of prestigious Non-Executive Director Diploma course with distinction from Financial Times, UK. Mr. Singh is an elected member of the Executive Board of Standing Conference of Public Enterprises, for a second term in a row.





**Pankaj Kumar**  
Director (Production)

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 & Plant design from IIT Delhi. He completed Advance Management Program at IIM, Bengaluru and Leadership Development Program at IIM, Calcutta.

He is also a Director on the Board of ONGC's Subsidiary/JVs i.e. HPCL, ONGC Petro additions Limited, Pawan Hans Limited and Chairman of Petronet MHB Limited.

Mr. Kumar is a thorough Oil & Gas Industry professional with more than 35 years of experience across ONGC's business functions. He immensely contributed in formulation of ONGC's Long Term Growth 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 the Punjab University.

Mrs. Jaspal was previously Director (Finance) in Mangalore Refinery and Petrochemicals Ltd (MRPL), a listed subsidiary of ONGC from October 2019 to April 2022.

She has 37 years of experience across varied segments of the oil & gas industry, encompassing operating, regulatory and policy aspects of upstream and downstream industry.

She is also a Director on the Board of Mangalore Refinery and Petrochemical Limited (MRPL), ONGC Petro additions Limited (OPaL), Petronet MHB Limited and Chairperson of Mangalore SEZ Limited (MSEZ).



**Pomila Jaspal**  
Director (Finance)



**Sushma Rawat**  
Director (Exploration)

Ms. Sushma Rawat, Director (Exploration) and Board Member, ONGC is an industry veteran with 33 years of experience and an Exploration Manager par excellence with diverse professional and industry expertise.

A Post-Graduate in Geology, she has an "International Certificate Program in Business Management" course at ASCI, Hyderabad and at Faculty of Economics, University of Ljubljana (FELU), Slovenia, in 2014, under the aegis of DPE.

Ms. Rawat is also on the Board of ONGC Tripura Power Company Limited; she had been on the Board of ONGC Petro Additions Ltd (OPaL). She is also the chairperson of ONGC Teri Biotech Limited (OTBL).



**Manish Patil**  
Director (Human Resource)

Mr. Manish Patil is a Mechanical Engineer from the Government Engineering College, Raipur and also holds an Executive MBA degree from the University of Ljubljana, an Advanced Diploma in Cyber Laws from Government Law College, apart from a Post Graduate Diploma in Human Resources Management (HRM).

Mr. Patil is a thorough energy professional having worked across locations and functions with the downstream Maharatna and Fortune 500 energy Company, Indian Oil Corporation Limited.

He brings with him, a rich and varied experience of over three decades, spanning Sales, Operations & Supplies, Information Systems, IR and Management Services in HR.

Mr. Praveen Mal Khanooja is currently posted as Additional Secretary in the Ministry of Petroleum & Natural Gas. He is a B. Tech in Chemical Engineering and M. Tech in Management & Systems. He belongs to 1994 batch of Indian Audit & Accounts Service (IA&AS) and has worked in various capacities in Defence Audit, Railways Audit, State Government Accounts & Audit at many field and CAG Headquarters' postings.

He has also earlier served as Director (Finance) for the Department of Revenue and Central Board of Excise & Customs; Expert in the State Audit Institution, Sultanate of Oman, Muscat, Additional DG in the Central Economic Intelligence Bureau and DG of Petroleum Planning & Analysis Cell on various deputation and secondment assignments.

He has also conducted Compliance and Performance Audits of FAO, Rome; WIPO, Geneva, WTO, Spain; GFMD Geneva, and UNITAID Geneva. He has also been a mentor on IT Audit for SAI officers of various Asian countries during 2018-2019.



**Praveen Mal Khanooja**  
Government Nominee Director



**Syamchand Ghosh**  
Independent Director

Mr. Syamchand Ghosh has a Master's Degree in Economics from North Bengal University; and B.Ed. (Bachelor's in Education) from North Bengal University. Mr Ghosh is a social worker and Educationist.



**V Ajit Kumar Raju**  
Independent Director

Mr. V Ajit Kumar Raju is a practising Chartered Accountant with more than 22 years of professional experience. He is a Partner at M/s. D M Associates, a firm of Chartered Accountants.

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



**Manish Pareek**  
Independent Director

Mr. Manish Pareek is a Practicing 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 as a Chairman of Bye-laws Committee of JMC.



**Reena Jaitly**  
Independent Director

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



**Dr. Prabhaskar Rai**  
Independent Director

Dr. Prabhaskar Rai is professor of Psychology and has experience of teaching graduate and postgraduate students for the last 34 years. He held position of Principal of SRK College, Firozabad and LR College, Jasrana, Firozabad. Presently, he is working as Professor and Head of Psychology in SRK College, Firozabad of Uttar Pradesh. His research area is social psychology and psychology of personality and has published 23 research papers in various national and international research journals.

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 level 2 state level awards in the field of NCC.

Dr. Madhav Singh is a practicing doctor by profession and also a social worker, a debater and a human resource management co-ordinator. Dr. Singh completed his MBBS degree from SMS Medical College Jaipur.

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



**Dr. Madhav Singh**  
Independent Director





## 10 Years' Standalone Performance at a Glance



## Standalone Performance at a Glance

| (₹ in Million unless otherwise stated)                             | 2022-23          | 2021-22          | 2020-21        | 2019-20*         | 2018-19*         | 2017-18        | 2016-17        | 2015-16*       | 2014-15        | 2013-14        |
|--------------------------------------------------------------------|------------------|------------------|----------------|------------------|------------------|----------------|----------------|----------------|----------------|----------------|
| <b>PHYSICAL</b>                                                    |                  |                  |                |                  |                  |                |                |                |                |                |
| <b>Quantity Sold (Other than Trading)</b>                          |                  |                  |                |                  |                  |                |                |                |                |                |
| -Crude Oil (MMT)                                                   | 19.19            | 20.30            | 20.71          | 21.34            | 22.50            | 23.67          | 23.86          | 24.15          | 24.11          | 23.61          |
| -Natural Gas (MMM3)                                                | 16,677           | 16,753           | 17,694         | 19,423           | 20,485           | 19,494         | 17,935         | 17,100         | 17,983         | 19,633         |
| -LPG (000' Tonnes)                                                 | 884              | 883              | 1,011          | 1,011            | 1,109            | 1,186          | 1,352          | 1,191          | 1,090          | 1,073          |
| -Naphtha/ARN (000' Tonnes)                                         | 921              | 964              | 915            | 1,177            | 1,154            | 1,180          | 1,087          | 1,065          | 1,124          | 1,379          |
| - Ethane-Propane (C2-C3)/Ethane/<br>Propane / Butane (000' Tonnes) | 628              | 1,127            | 1,005          | 1,225            | 1,192            | 914            | 673            | 401            | 337            | 428            |
| <b>FINANCIAL</b>                                                   |                  |                  |                |                  |                  |                |                |                |                |                |
| Revenue from Operations                                            | 1,555,173        | 1,103,454        | 681,411        | 962,136          | 1,096,546        | 850,041        | 779,078        | 777,417        | 830,935        | 842,028        |
| Dividend Income                                                    | 25,007           | 42,519           | 30,630         | 24,664           | 31,054           | 37,810         | 16,969         | 5,712          | 4,890          | 3,744          |
| Other Non Operating Income                                         | 51,259           | 22,637           | 40,795         | 41,438           | 41,598           | 41,026         | 59,794         | 64,382         | 48,775         | 63,388         |
| <b>Total Revenues</b>                                              | <b>1,631,439</b> | <b>1,168,610</b> | <b>752,836</b> | <b>1,028,238</b> | <b>1,169,198</b> | <b>928,877</b> | <b>855,841</b> | <b>847,511</b> | <b>884,600</b> | <b>909,160</b> |
| Statutory Levies                                                   | 452,842          | 279,322          | 164,237        | 225,708          | 265,004          | 200,984        | 208,658        | 195,306        | 230,993        | 229,607        |
| Operating Expenses ^                                               | 287,400          | 224,749          | 189,047        | 243,558          | 236,852          | 208,863        | 210,345        | 202,995        | 168,176        | 167,582        |
| Exploration Costs written off                                      | 99,945           | 55,083           | 63,855         | 86,837           | 87,569           | 70,318         | 50,545         | 56,643         | 1,05,224       | 78,357         |
| Purchases                                                          | -                | -                | -              | -                | -                | -              | 26             | 72             | 44             | 32             |
| Profit Before Interest, Depreciation &<br>Tax (PBIDT)              | 791,252          | 609,456          | 335,697        | 472,135          | 579,773          | 448,712        | 386,267        | 392,495        | 380,163        | 433,582        |
| Depreciation, Depletion, Amortisation<br>and Impairment            | 167,952          | 175,457          | 163,274        | 186,169          | 154,561          | 144,702        | 121,895        | 110,999        | 114,583        | 109,259        |
| Profit Before Interest & Tax (PBIT)                                | 623,300          | 433,999          | 172,423        | 285,966          | 425,212          | 304,010        | 264,372        | 281,496        | 265,580        | 324,323        |
| Finance Cost                                                       | 26,996           | 23,599           | 22,145         | 33,097           | 24,921           | 15,085         | 12,217         | 13,242         | 28             | 4              |
| <b>Profit before Tax and Exceptional<br/>Items</b>                 | <b>596,304</b>   | <b>410,400</b>   | <b>150,278</b> | <b>252,869</b>   | <b>400,291</b>   | <b>288,925</b> | <b>252,155</b> | <b>268,254</b> | <b>265,552</b> | <b>324,319</b> |
| Exceptional items                                                  | (92,351)         | -                | 13,750         | (48,990)         | -                | -              | -              | (32,266)       | -              | -              |
| <b>Profit before Tax</b>                                           | <b>503,953</b>   | <b>410,400</b>   | <b>164,028</b> | <b>203,879</b>   | <b>400,291</b>   | <b>288,925</b> | <b>252,155</b> | <b>235,988</b> | <b>265,552</b> | <b>324,319</b> |
| Corporate Tax                                                      | 115,664          | 7,343            | 51,564         | 69,242           | 132,645          | 89,472         | 73,155         | 74,589         | 88,222         | 103,371        |
| <b>Net Profit (PAT)</b>                                            | <b>388,289</b>   | <b>403,057</b>   | <b>112,464</b> | <b>134,637</b>   | <b>267,646</b>   | <b>199,453</b> | <b>179,000</b> | <b>161,399</b> | <b>177,330</b> | <b>220,948</b> |
| Dividend                                                           | 176,125          | 114,481          | 22,015         | 72,337           | 95,952           | 77,642         | 95,180         | 49,194         | 81,277         | 81,277         |
| Tax on Dividend                                                    | -                | -                | -              | 12,014           | 16,845           | 11,521         | 19,354         | 10,005         | 16,256         | 13,807         |
| Share Capital                                                      | 62,901           | 62,901           | 62,901         | 62,902           | 62,902           | 64,166         | 64,166         | 42,778         | 42,778         | 42,778         |
| Reserve & Surplus                                                  | 2,379,323        | 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      |
| Net Worth (Equity)                                                 | 2,578,458        | 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      |
| Borrowings                                                         | 72,188           | 63,969           | 1,50,226       | 1,39,491         | 2,15,936         | 2,55,922       | -              | -              | 13,930         | -              |
| Working Capital                                                    | 119,277          | (6,750)          | (50,524)       | (210,589)        | (183,718)        | (278,453)      | 70,395         | 98,942         | 94,232         | 104,061        |
| Capital Employed                                                   | 1,542,206        | 1,349,661        | 1,159,394      | 1,062,842        | 1,091,861        | 984,459        | 1,185,309      | 1,112,137      | 1,144,996      | 1,094,411      |
| Internal Resources Generation                                      | 537,312          | 363,701          | 249,075        | 382,274          | 334,020          | 353,474        | 281,916        | 404,040        | 218,699        | 327,545        |
| Capex                                                              | 302,084          | 277,413          | 268,593        | 295,385          | 294,498          | 729,016        | 280,064        | 301,104        | 299,975        | 324,695        |
| Contribution to Exchequer                                          | 746,402          | 493,316          | 260,773        | 411,019          | 518,714          | 376,088        | 387,341        | 345,192        | 421,074        | 405,750        |
| Expenditure on Employees                                           | 106,207          | 110,821          | 101,265        | 115,124          | 121,130          | 113,811        | 115,508        | 86,970         | 86,299         | 104,051        |
| Number of Employees                                                | 25,993           | 27,165           | 28,479         | 30,105           | 31,065           | 32,265         | 33,660         | 33,927         | 33,185         | 33,911         |
| <b>FINANCIAL PERFORMANCE RATIOS</b>                                |                  |                  |                |                  |                  |                |                |                |                |                |
| PBIDT to Turnover (%)                                              | 50.9             | 55.2             | 49.3           | 49.1             | 52.9             | 52.8           | 49.6           | 50.5           | 45.8           | 51.5           |
| PBDT to Turnover (%)                                               | 49.1             | 53.1             | 46.0           | 45.6             | 50.6             | 51.0           | 48.0           | 48.8           | 45.7           | 51.5           |
| Profit Margin(%)- incl. exceptional item                           | 25.0             | 36.5             | 16.5           | 14.0             | 24.4             | 23.5           | 23.0           | 20.8           | 21.3           | 26.2           |



| (₹ in Million unless otherwise stated)                         | 2022-23  | 2021-22  | 2020-21  | 2019-20* | 2018-19* | 2017-18  | 2016-17 | 2015-16* | 2014-15  | 2013-14 |
|----------------------------------------------------------------|----------|----------|----------|----------|----------|----------|---------|----------|----------|---------|
| Contribution to Exchequer to Turnover (%)                      | 48.0     | 44.7     | 38.3     | 42.7     | 47.3     | 44.2     | 49.7    | 44.4     | 50.7     | 48.2    |
| Return on Capital Employed (%) (ROCE)                          | 38.79    | 29.01    | 12.23    | 24.59    | 36.10    | 27.04    | 20.87   | 24.80    | 22.77    | 29.29   |
| Return on Capital Employed (%) (ROCE) -incl. exceptional items | 32.81    | 29.01    | 13.42    | 19.98    | 36.10    | 27.04    | 20.87   | 21.90    | 22.77    | 29.29   |
| Net Profit to Equity (%) - incl. exceptional item              | 15.1     | 17.0     | 5.5      | 7.0      | 13.3     | 10.3     | 9.6     | 9.7      | 12.3     | 16.3    |
| <b>BALANCE SHEET RATIOS</b>                                    |          |          |          |          |          |          |         |          |          |         |
| Current Ratio                                                  | 1.29 : 1 | 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  |
| Debt Equity Ratio                                              | 0.03 : 1 | 0.03 : 1 | 0.07 : 1 | 0.07 : 1 | 0.11 : 1 | 0.13 : 1 | -       | -        | 0.0096:1 | -       |
| Debtors Turnover Ratio(Days)                                   | 26       | 32       | 34       | 25       | 27       | 31       | 28      | 45       | 48       | 33      |
| <b>PER SHARE DATA</b>                                          |          |          |          |          |          |          |         |          |          |         |
| Earning Per Share (₹) #                                        | 30.86    | 32.04    | 8.94     | 10.7     | 20.9     | 15.54    | 13.95   | 12.58    | 13.82    | 17.22   |
| Dividend (%)                                                   | 225      | 210      | 72       | 100      | 140      | 132      | 121     | 170      | 190      | 190     |
| Book Value Per Share (₹)(Restated) #                           | 205      | 189      | 163      | 153      | 160      | 151      | 145     | 129      | 112      | 106     |

\* Restated

\*\* The figures of FY 2015-16 to FY 2022-23 are given as per requirement of Ind AS Compliant Schedule-III to the Companies Act, 2013. Figures of 2014-15 are given as per requirements of Schedule-III to the Companies Act, 2013, figures for 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 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 + Current maturities of non-current borrowings + 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 Liabilities.
7. ROCE = Profit Before Interest, Dividend Income & Tax (PBIT excluding Dividend income) / Capital Employed.
8. Current Ratio = Current Assets (Including Current Investment) / Current Liabilities.
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 Operations)\*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.



## Statement of Income and Retained Earnings

| (₹ in Million)                                              | 2022-23          | 2021-22          | 2020-21        | 2019-20 *        | 2018-19 *        | 2017-18        | 2016-17        | 2015-16 *      | 2014-15        | 2013-14        |
|-------------------------------------------------------------|------------------|------------------|----------------|------------------|------------------|----------------|----------------|----------------|----------------|----------------|
| <b>REVENUES</b>                                             |                  |                  |                |                  |                  |                |                |                |                |                |
| <b>Sales #</b>                                              |                  |                  |                |                  |                  |                |                |                |                |                |
| Crude Oil(Including Condensate)                             | 1,030,076        | 836,612          | 479,338        | 648,363          | 775,729          | 603,899        | 548,036        | 511,316        | 536,638        | 525,734        |
| Natural Gas (incl. Gas Marketing Margin)                    | 374,168          | 124,414          | 114,216        | 193,556          | 188,389          | 137,372        | 139,398        | 182,239        | 187,381        | 183,291        |
| Liquified Petroleum Gas (LPG)- Domestic Market              | 55,543           | 46,752           | 31,973         | 36,038           | 43,490           | 40,352         | 37,276         | 34,951         | 34,380         | 30,145         |
| Ethane-Propane (C2-C3)/Ethane/ Propane / Butane             | 31,601           | 36,715           | 23,962         | 32,551           | 32,590           | 24,226         | 17,264         | 9,441          | 10,064         | 14,837         |
| Naphtha                                                     | 49,614           | 50,640           | 26,081         | 39,863           | 46,861           | 38,084         | 30,455         | 30,609         | 50,835         | 75,743         |
| Kerosene (SKO)                                              | 67               | 880              | 837            | 2,465            | 3,355            | 1,178          | 1,321          | 2,118          | 2,771          | 2,779          |
| HSD                                                         | 1,366            | 1,018            | 1,531          | 2,390            | 1,155            | -              | 421            | 406            | 312            | 522            |
| LSHS (Low sulphur heavy stock)/RCO (Residual Crude oil)     | 1,218            | 839              | 538            | 747              | 694              | 482            | 562            | 412            | 705            | 1,295          |
| Aviation Turbine Fuel                                       | 3,692            | 1,544            | 336            | 889              | 519              | -              | -              | -              | 286            | 220            |
| Others                                                      | 196              | 209              | 97             | 152              | 217              | 209            | 131            | 76             | 56             | 87             |
| <b>Sub- Total</b>                                           | <b>1,547,541</b> | <b>1,099,623</b> | <b>678,909</b> | <b>957,014</b>   | <b>1,092,999</b> | <b>845,802</b> | <b>774,864</b> | <b>771,568</b> | <b>823,428</b> | <b>834,653</b> |
| Sale of Traded Products                                     | -                | -                | -              | -                | -                | -              | 31             | 84             | 60             | 44             |
| Other Operating Income                                      | 7,632            | 3,831            | 2,502          | 5,122            | 3,547            | 4,239          | 4,183          | 5,765          | 7,447          | 7,331          |
| <b>Revenue from Operations</b>                              | <b>1,555,173</b> | <b>1,103,454</b> | <b>681,411</b> | <b>962,136</b>   | <b>1,096,546</b> | <b>850,041</b> | <b>779,078</b> | <b>777,417</b> | <b>830,935</b> | <b>842,028</b> |
| Dividend Income                                             | 25,007           | 42,519           | 30,630         | 24,664           | 31,054           | 37,810         | 16,969         | 5,712          | 4,890          | 3,744          |
| Other Non Operating Income                                  | 51,259           | 22,637           | 40,795         | 41,438           | 41,598           | 41,026         | 59,794         | 64,382         | 48,775         | 63,388         |
| <b>Total Revenues</b>                                       | <b>1,631,439</b> | <b>1,168,610</b> | <b>752,836</b> | <b>1,028,238</b> | <b>1,169,198</b> | <b>928,877</b> | <b>855,841</b> | <b>847,511</b> | <b>884,600</b> | <b>909,160</b> |
| <b>EXPENSES</b>                                             |                  |                  |                |                  |                  |                |                |                |                |                |
| Royalty                                                     | 182,077          | 136,057          | 81,354         | 115,076          | 134,600          | 99,090         | 115,748        | 89,591         | 116,079        | 114,890        |
| OIDB Cess                                                   | 159,294          | 141,261          | 80,187         | 107,878          | 128,568          | 99,638         | 89,045         | 101,916        | 102,535        | 99,734         |
| Motor Spirit Cess                                           | -                | -                | -              | -                | -                | -              | -              | -              | -              | 3              |
| Natural Calamity Contingent Duty                            | 933              | 974              | 989            | 1,020            | 1,063            | 1,122          | 1,129          | 1,137          | 1,123          | 1,097          |
| Excise Duty                                                 | 110,039          | 265              | 539            | 478              | 268              | 410            | 2,093          | 1,990          | 2,206          | 3,076          |
| Road and Infrastructure Cess                                | 151              | 222              | 734            | 910              | 183              |                |                |                |                |                |
| Sales Tax #                                                 | -                | -                | -              | -                | -                | -              | -              | -              | 2,586          | 3,123          |
| Service Tax                                                 | -                | -                | -              | -                | -                | 334            | 289            | 339            | 290            | 439            |
| Education cess                                              | -                | -                | -              | -                | -                | -              | -              | -              | 91             | 2,348          |
| Octroi and Port Trust Charges #                             | 348              | 543              | 434            | 346              | 322              | 390            | 354            | 333            | 6,083          | 4,897          |
| <b>Sub-total</b>                                            | <b>452,842</b>   | <b>279,322</b>   | <b>164,237</b> | <b>225,708</b>   | <b>265,004</b>   | <b>200,984</b> | <b>208,658</b> | <b>195,306</b> | <b>230,993</b> | <b>229,607</b> |
| Operating Expenses                                          | 249,219          | 217,889          | 189,525        | 215,840          | 226,386          | 206,602        | 210,082        | 197,672        | 163,654        | 165,833        |
| Exchange Loss-Net                                           | 10,047           | 2,984            | -              | 16,772           | 4,769            | -              | -              | 1,033          | 241            | 1,021          |
| Purchases                                                   | -                | -                | -              | -                | -                | -              | 26             | 72             | 44             | 32             |
| (Accretion) / Decretion in stock                            | (4,817)          | (1,429)          | (4,264)        | 2,470            | (1,665)          | (630)          | (1,329)        | 352            | (1,674)        | 1,043          |
| <b>Exploration Costs written off</b>                        |                  |                  |                |                  |                  |                |                |                |                |                |
| -Survey Costs                                               | 39,397           | 17,644           | 17,245         | 16,879           | 18,514           | 14,801         | 17,549         | 15,274         | 19,146         | 15,912         |
| -Exploratory well Costs                                     | 60,548           | 37,439           | 46,610         | 69,958           | 69,055           | 55,517         | 32,996         | 41,369         | 86,078         | 62,445         |
| <b>Depreciation, Depletion, Amortisation and Impairment</b> | <b>167,952</b>   | <b>175,457</b>   | <b>163,274</b> | <b>186,169</b>   | <b>154,561</b>   | <b>144,702</b> | <b>121,895</b> | <b>110,999</b> | <b>114,583</b> | <b>109,259</b> |
| Provisions and Write-offs                                   | 32,951           | 5,305            | 3,786          | 8,476            | 7,362            | 2,891          | 1,592          | 3,938          | 2,116          | 2,189          |
| Prior Period Expenses (Net)                                 | -                | -                | -              | -                | -                | -              | -              | -              | 3,839          | (2,504)        |
| <b>Total Expenses</b>                                       | <b>1,008,139</b> | <b>734,611</b>   | <b>580,413</b> | <b>742,272</b>   | <b>743,986</b>   | <b>624,867</b> | <b>591,469</b> | <b>566,015</b> | <b>619,020</b> | <b>584,837</b> |





| (₹ in Million)                                                                                          | 2022-23        | 2021-22        | 2020-21        | 2019-20 *      | 2018-19 *      | 2017-18        | 2016-17        | 2015-16 *      | 2014-15        | 2013-14        |
|---------------------------------------------------------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Operating Income Before Interest & Tax                                                                  | 623,300        | 433,999        | 172,423        | 285,966        | 425,212        | 304,010        | 264,372        | 281,496        | 265,580        | 324,323        |
| Finance Cost                                                                                            | 26,996         | 23,599         | 22,145         | 33,097         | 24,921         | 15,085         | 12,217         | 13,242         | 28             | 4              |
| <b>Profit before Tax and Exceptional Items</b>                                                          | <b>596,304</b> | <b>410,400</b> | <b>150,278</b> | <b>252,869</b> | <b>400,291</b> | <b>288,925</b> | <b>252,155</b> | <b>268,254</b> | <b>265,552</b> | <b>324,319</b> |
| Exceptional items                                                                                       | (92,351)       | -              | 13,750         | (48,990)       | -              | -              | -              | (32,266)       | -              | -              |
| Profit before Tax                                                                                       | 503,953        | 410,400        | 164,028        | 203,879        | 400,291        | 288,925        | 252,155        | 235,988        | 265,552        | 324,319        |
| <b>Corporate Tax ( Net)</b>                                                                             | <b>115,664</b> | <b>7,343</b>   | <b>51,564</b>  | <b>69,242</b>  | <b>132,645</b> | <b>89,472</b>  | <b>73,155</b>  | <b>74,589</b>  | <b>88,222</b>  | <b>103,371</b> |
| <b>Profit after Tax</b>                                                                                 | <b>388,289</b> | <b>403,057</b> | <b>112,464</b> | <b>134,637</b> | <b>267,646</b> | <b>199,453</b> | <b>179,000</b> | <b>161,399</b> | <b>177,330</b> | <b>220,948</b> |
| Other comprehensive income (OCI)                                                                        | (5,187)        | 37,319         | 24,189         | (1,24,609)     | (17,988)       | (31,827)       | 1,33,171       | 6,120          | -              | -              |
| <b>Total Comprehensive Income for the year</b>                                                          | <b>383,102</b> | <b>440,376</b> | <b>136,653</b> | <b>10,028</b>  | <b>249,658</b> | <b>167,626</b> | <b>312,171</b> | <b>167,519</b> | <b>177,330</b> | <b>220,948</b> |
| <b>Retained Earnings at beginning of the year*</b>                                                      | <b>8,920</b>   | <b>9,191</b>   | <b>(5,525)</b> | <b>9,779</b>   | <b>24,831</b>  | <b>25,704</b>  | <b>28,692</b>  | <b>(691)</b>   | <b>-</b>       | <b>-</b>       |
| Effect of Restatement                                                                                   | -              | -              | -              | (12,625)       | (12,518)       | -              | -              | -              | -              | -              |
| Profit after tax for the year                                                                           | 388,289        | 403,057        | 112,464        | 134,637        | 267,646        | 199,453        | 179,000        | 161,399        | 177,330        | 220,948        |
| Other comprehensive income arising from re-measurement of defined benefit obligation, net of income tax | (347)          | (271)          | (333)          | (2,871)        | (2,946)        | (873)          | (2,988)        | (297)          | -              | -              |
| Dividend                                                                                                | 176,125        | 114,481        | 22,015         | 72,337         | 95,952         | 77,642         | 95,180         | 49,194         | 81,277         | 81,277         |
| Tax on Dividend                                                                                         | -              | -              | -              | 12,014         | 16,845         | 11,521         | 19,354         | 10,005         | 16,256         | 13,807         |
| Expenses relating to buyback of equity shares                                                           | -              | -              | -              | -              | 75             | -              | -              | -              | -              | -              |
| Transfer to General Reserve                                                                             | 212,164        | 288,576        | 75,400         | 50,094         | 154,362        | 110,290        | 64,466         | 72,520         | 79,797         | 125,864        |
| <b>Retained Earnings at end of the year</b>                                                             | <b>8,573</b>   | <b>8,920</b>   | <b>9,191</b>   | <b>(5,525)</b> | <b>9,780</b>   | <b>24,831</b>  | <b>25,704</b>  | <b>28,692</b>  | <b>-</b>       | <b>-</b>       |

\* Restated

\*\* The figures of FY 2015-16 to FY 2022-23 are given as per requirement of Ind AS Compliant Schedule-III to the Companies Act, 2013. Figures of 2014-15 are given as per requirements of Schedule-III to the Companies Act, 2013, figures for FY 2013-14 are given as per the requirement of revised Schedule VI to the Companies Act, 1956.

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



**Statement of Financial Position**

| (₹ in Million)                                                        | As at<br>March 31,<br>2023 | As at<br>March 31,<br>2022 | As at<br>March 31,<br>2021 | As at<br>March 31,<br>2020* | As at<br>March 31,<br>2019* | As at<br>March 31,<br>2018 | As at<br>March 31,<br>2017 | As at<br>March 31,<br>2016* |
|-----------------------------------------------------------------------|----------------------------|----------------------------|----------------------------|-----------------------------|-----------------------------|----------------------------|----------------------------|-----------------------------|
| <b>RESOURCES</b>                                                      |                            |                            |                            |                             |                             |                            |                            |                             |
| <b>A. Own (Net Worth)</b>                                             |                            |                            |                            |                             |                             |                            |                            |                             |
| 1) Equity                                                             |                            |                            |                            |                             |                             |                            |                            |                             |
| i) Equity share capital                                               | 62,901                     | 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 | 136,234                    | 141,074                    | 103,484                    | 78,962                      | 200,699                     | 215,741                    | 246,694                    | 110,536                     |
| (b) Others                                                            | 2,379,323                  | 2,167,506                  | 1,879,201                  | 1,789,084                   | 1,754,295                   | 1,653,940                  | 1,544,524                  | 1,504,433                   |
| <b>Total other equity</b>                                             | <b>2,515,557</b>           | <b>2,308,580</b>           | <b>1,982,685</b>           | <b>1,868,046</b>            | <b>1,954,994</b>            | <b>1,869,681</b>           | <b>1,791,218</b>           | <b>1,614,969</b>            |
| <b>Net worth (A) #</b>                                                | <b>2,578,458</b>           | <b>2,371,481</b>           | <b>2,045,586</b>           | <b>1,930,948</b>            | <b>2,017,896</b>            | <b>1,933,847</b>           | <b>1,855,384</b>           | <b>1,657,747</b>            |
| <b>B. Non-current Borrowings</b>                                      | 39,499                     | 63,969                     | 63,275                     | 22,451                      | -                           | -                          | -                          | -                           |
| C. Deferred Tax Liability (net)                                       | 217,612                    | 197,333                    | 274,734                    | 263,441                     | 274,261                     | 262,592                    | 221,632                    | 192,973                     |
| <b>TOTAL RESOURCES ( A+ B + C )</b>                                   | <b>2,835,569</b>           | <b>2,632,783</b>           | <b>2,383,595</b>           | <b>2,216,840</b>            | <b>2,292,157</b>            | <b>2,196,439</b>           | <b>2,077,016</b>           | <b>1,850,720</b>            |
| <b>DISPOSITION OF RESOURCES</b>                                       |                            |                            |                            |                             |                             |                            |                            |                             |
| <b>A. Non-current assets</b>                                          |                            |                            |                            |                             |                             |                            |                            |                             |
| <b>1) Block Capital</b>                                               |                            |                            |                            |                             |                             |                            |                            |                             |
| a) Oil and Gas Assets ^                                               | 1,223,495                  | 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 ^                              | 104,814                    | 97,605                     | 90,681                     | 92,216                      | 96,435                      | 92,507                     | 91,875                     | 85,339                      |
| c) Intangible assets                                                  | 1,677                      | 1,824                      | 2,172                      | 1,810                       | 1,745                       | 1,129                      | 883                        | 665                         |
| d) Right-of-use assets                                                | 86,162                     | 1,01,149                   | 1,07,354                   | 98,198                      | -                           | -                          | -                          | -                           |
| <b>Total Block Capital</b>                                            | <b>1,416,148</b>           | <b>1,369,356</b>           | <b>1,306,998</b>           | <b>1,276,991</b>            | <b>1,219,358</b>            | <b>1,196,284</b>           | <b>1,048,070</b>           | <b>942,791</b>              |
| <b>2) Financial assets</b>                                            |                            |                            |                            |                             |                             |                            |                            |                             |
| a) Loans                                                              | 16,965                     | 14,471                     | 11,761                     | 11,825                      | 10,461                      | 21,335                     | 28,071                     | 41,488                      |
| b) Deposit under Site Restoration Fund Scheme                         | 264,106                    | 246,306                    | 233,587                    | 221,522                     | 180,926                     | 159,912                    | 145,387                    | 135,592                     |
| c) Others                                                             | 3,796                      | 1,672                      | 2,684                      | 1,504                       | 2,649                       | 1,647                      | 1,418                      | 1,486                       |
| <b>Total Financial assets</b>                                         | <b>284,867</b>             | <b>262,449</b>             | <b>248,032</b>             | <b>234,851</b>              | <b>194,036</b>              | <b>182,894</b>             | <b>174,876</b>             | <b>178,566</b>              |
| 3) Other non-current assets (excl, capital advances)                  | 3,851                      | 14,182                     | 10,972                     | 7,232                       | 5,667                       | 6,495                      | 7,349                      | 6,789                       |
| 4) Non-current tax assets (net)                                       | 114,966                    | 84,270                     | 76,558                     | 90,431                      | 94,272                      | 99,464                     | 87,763                     | 74,316                      |
| <b>Subtotal (A)</b>                                                   | <b>1,819,832</b>           | <b>1,730,257</b>           | <b>1,642,560</b>           | <b>1,609,505</b>            | <b>1,513,333</b>            | <b>1,485,137</b>           | <b>1,318,058</b>           | <b>1,202,462</b>            |
| <b>B. Non-current Liabilities</b>                                     |                            |                            |                            |                             |                             |                            |                            |                             |
| (a) Financial liabilities                                             | 48,378                     | 71,677                     | 1,26,887                   | 56,294                      | 1,181                       | 1,494                      | 2,583                      | 2,313                       |
| (b) Provisions                                                        | 374,738                    | 301,862                    | 305,352                    | 279,392                     | 236,247                     | 213,018                    | 192,852                    | 186,843                     |
| (c) Other non-current liabilities                                     | 186                        | 307                        | 403                        | 388                         | 326                         | 7,713                      | 7,709                      | 111                         |
| <b>Subtotal (B)</b>                                                   | <b>423,302</b>             | <b>373,846</b>             | <b>432,642</b>             | <b>336,074</b>              | <b>237,754</b>              | <b>222,225</b>             | <b>203,144</b>             | <b>189,267</b>              |
| <b>C. Net Non Current Assets (A)-(B)</b>                              | <b>1,396,530</b>           | <b>1,356,411</b>           | <b>1,209,918</b>           | <b>1,273,431</b>            | <b>1,275,579</b>            | <b>1,262,912</b>           | <b>1,114,914</b>           | <b>1,013,195</b>            |



| (₹ in Million)                                              | As at<br>March 31,<br>2023 | As at<br>March 31,<br>2022 | As at<br>March 31,<br>2021 | As at<br>March 31,<br>2020* | As at<br>March 31,<br>2019* | As at<br>March 31,<br>2018 | As at<br>March 31,<br>2017 | As at<br>March 31,<br>2016* |
|-------------------------------------------------------------|----------------------------|----------------------------|----------------------------|-----------------------------|-----------------------------|----------------------------|----------------------------|-----------------------------|
| <b>D. Working Capital</b>                                   |                            |                            |                            |                             |                             |                            |                            |                             |
| <b>1) Current Assets</b>                                    |                            |                            |                            |                             |                             |                            |                            |                             |
| a) Inventories                                              | 83,195                     | 78,614                     | 84,745                     | 85,666                      | 77,039                      | 66,889                     | 61,653                     | 56,256                      |
| <b>b) Financial assets</b>                                  |                            |                            |                            |                             |                             |                            |                            |                             |
| i) Trade receivables                                        | 102,503                    | 117,885                    | 77,973                     | 47,774                      | 84,400                      | 77,726                     | 64,762                     | 54,314                      |
| ii) Cash and Bank Balances                                  | 216,340                    | 2,362                      | 3,026                      | 9,682                       | 5,041                       | 10,127                     | 95,108                     | 99,566                      |
| iii) Loans                                                  | 2,591                      | 2,442                      | 2,254                      | 5,117                       | 6,339                       | 14,021                     | 14,269                     | 10,272                      |
| iv) Others                                                  | 69,240                     | 26,770                     | 35,480                     | 27,739                      | 46,175                      | 30,418                     | 11,347                     | 23,202                      |
| c) Other current assets                                     | 56,907                     | 131,191                    | 114,297                    | 93,881                      | 63,303                      | 15,984                     | 15,591                     | 34,113                      |
| Assets classified as held for sale                          | -                          | -                          | -                          | -                           | 1,154                       | -                          | -                          | -                           |
| <b>Subtotal (1)</b>                                         | <b>530,776</b>             | <b>359,264</b>             | <b>317,775</b>             | <b>269,859</b>              | <b>283,451</b>              | <b>215,165</b>             | <b>262,730</b>             | <b>277,723</b>              |
| <b>2) Current liabilities</b>                               |                            |                            |                            |                             |                             |                            |                            |                             |
| <b>a) Financial liabilities</b>                             |                            |                            |                            |                             |                             |                            |                            |                             |
| i) Current Borrowings                                       | 32,689                     | -                          | 86,951                     | 117,040                     | 215,936                     | 255,922                    | -                          | -                           |
| ii) Trade payables                                          | 62,556                     | 61,547                     | 63,767                     | 71,136                      | 88,250                      | 73,345                     | 51,548                     | 51,264                      |
| iii) Others                                                 | 266,121                    | 235,796                    | 180,206                    | 262,135                     | 122,472                     | 122,513                    | 94,969                     | 95,693                      |
| b) Other current liabilities                                | 30,806                     | 35,202                     | 23,189                     | 18,663                      | 24,155                      | 22,893                     | 18,361                     | 16,390                      |
| c) Short-term provisions                                    | 19,327                     | 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                       |
| <b>Subtotal (2)</b>                                         | <b>411,499</b>             | <b>366,014</b>             | <b>368,299</b>             | <b>480,448</b>              | <b>467,169</b>              | <b>493,618</b>             | <b>192,335</b>             | <b>178,781</b>              |
| <b>Working Capital (D) = (1)-(2)</b>                        | <b>119,277</b>             | <b>(6,750)</b>             | <b>(50,524)</b>            | <b>(210,589)</b>            | <b>(183,718)</b>            | <b>(278,453)</b>           | <b>70,395</b>              | <b>98,942</b>               |
| <b>E. Current maturities of non-current borrowings</b>      | 26,399                     | -                          | -                          | -                           | -                           | -                          | -                          | -                           |
| <b>F. CAPITAL EMPLOYED (C+D+E)</b>                          | <b>1,542,206</b>           | <b>1,349,661</b>           | <b>1,159,394</b>           | <b>1,062,842</b>            | <b>1,091,861</b>            | <b>984,459</b>             | <b>1,185,309</b>           | <b>1,112,137</b>            |
| <b>G. Investments</b>                                       |                            |                            |                            |                             |                             |                            |                            |                             |
| i) Current investments                                      | -                          | -                          | -                          | -                           | -                           | -                          | 36,343                     | 30,032                      |
| ii) Non-current investments                                 | 849,856                    | 851,732                    | 813,764                    | 790,855                     | 848,815                     | 857,308                    | 505,154                    | 368,278                     |
| <b>H. Capital work-in-progress (incl, capital advances)</b> | 241,164                    | 233,087                    | 194,089                    | 151,833                     | 116,253                     | 113,835                    | 126,122                    | 132,686                     |
| <b>I. Exploratory/Development Wells in Progress</b>         | 228,742                    | 198,303                    | 216,348                    | 211,310                     | 235,228                     | 240,837                    | 224,088                    | 207,587                     |
| <b>TOTAL DISPOSITION (C+D+G+H+I)</b>                        | <b>2,835,569</b>           | <b>2,632,783</b>           | <b>2,383,595</b>           | <b>2,216,840</b>            | <b>2,292,157</b>            | <b>2,196,439</b>           | <b>2,077,016</b>           | <b>1,850,720</b>            |

\* Restated

\*\* The figures of FY 2015-16 to FY 2022-23 are given as per requirement of Ind AS Compliant Schedule-III to the Companies Act, 2013. Figures of 2014-15 are given as per requirements of Schedule-III to the Companies Act, 2013, figures for 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 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* |
|-----------------------------------------------------------------|-----------------------|-----------------------|
| <b>RESOURCES</b>                                                |                       |                       |
| <b>A. Own</b>                                                   |                       |                       |
| (a) Equity                                                      |                       |                       |
| i) Share Capital                                                | 42,778                | 42,778                |
| ii) Reserves & Surplus                                          | 1,403,232             | 1,324,472             |
| <b>Sub-Total (a)</b>                                            | <b>1,446,010</b>      | <b>1,367,250</b>      |
| (b) Less Deferred Revenue Expenditure                           | 9,781                 | 10,939                |
| <b>Net Worth (a)-(b)</b>                                        | <b>1,436,229</b>      | <b>1,356,311</b>      |
| B. Deferred Tax Liability                                       | 177,332               | 165,787               |
| <b>TOTAL RESOURCES ( A+ B )</b>                                 | <b>1,613,561</b>      | <b>1,522,098</b>      |
| <b>DISPOSITION OF RESOURCES</b>                                 |                       |                       |
| <b>A. Non-current assets</b>                                    |                       |                       |
| <b>1) Block Capital</b>                                         |                       |                       |
| a). Fixed Assets (Net)*                                         | 314,907               | 302,792               |
| b). Producing Properties (Net)/Oil and Gas Assets*              | 667,110               | 657,833               |
| <b>Total Block Capital</b>                                      | <b>982,017</b>        | <b>960,625</b>        |
| <b>2) Long-term loans and advances (excl, capital advances)</b> | <b>193,177</b>        | <b>181,718</b>        |
| <b>3) Deposit under Site Restoration Fund Scheme</b>            | <b>125,444</b>        | <b>113,102</b>        |
| <b>4) Other non-current assets (excl. DRE)</b>                  | <b>4,397</b>          | <b>3,956</b>          |
| <b>Subtotal (A)</b>                                             | <b>1,305,035</b>      | <b>1,259,401</b>      |
| <b>B. Non-current Liabilities</b>                               |                       |                       |
| 1) Long-term provisions:                                        |                       |                       |
| a) Provision for Abandonment                                    | 227,138               | 228,022               |
| b) Other Long Term provisions                                   | 26,494                | 29,178                |
| 2) Other Non-current liabilities                                | 640                   | 11,850                |
| <b>Subtotal (B)</b>                                             | <b>254,272</b>        | <b>269,050</b>        |
| <b>C. Net Non Current Assets (A)-(B)</b>                        | <b>1,050,763</b>      | <b>990,351</b>        |
| <b>D. Working Capital</b>                                       |                       |                       |
| a) Current Assets                                               |                       |                       |
| i) Inventories                                                  | 59,623                | 58,825                |
| ii) Trade receivables                                           | 135,783               | 81,657                |
| iii) Cash and Bank Balances                                     | 27,601                | 107,989               |
| iv) Short-term loans and advances                               | 69,477                | 43,670                |
| v) Other current assets (excl. DRE)                             | 4,933                 | 2,718                 |
| <b>Subtotal (a)</b>                                             | <b>297,417</b>        | <b>294,859</b>        |
| b) Current liabilities                                          |                       |                       |
| i) Short-term borrowings                                        | 13,930                | -                     |
| ii) Trade payables                                              | 55,611                | 63,725                |
| iii) Other current liabilities                                  | 112,867               | 119,262               |
| iv) Short-term provisions                                       | 20,777                | 7,811                 |
| <b>Subtotal (b)</b>                                             | <b>203,185</b>        | <b>190,798</b>        |
| <b>Working Capital (D )= (a)-(b)</b>                            | <b>94,232</b>         | <b>104,061</b>        |
| <b>E. Current maturities of non-current borrowings</b>          | <b>-</b>              | <b>-</b>              |
| <b>F. CAPITAL EMPLOYED (C+D+E)</b>                              | <b>1,144,995</b>      | <b>1,094,412</b>      |
| <b>G. Investments</b>                                           |                       |                       |
| i) Current investments                                          | -                     | -                     |
| ii) Non-current investments                                     | 181,244               | 172,042               |
| <b>H. Capital work-in-progress (incl, capital advances)</b>     | <b>128,437</b>        | <b>116,516</b>        |
| <b>I. Exploratory/Development Wells in Progress</b>             | <b>158,885</b>        | <b>139,128</b>        |
| <b>TOTAL DISPOSITION (C+D+G+H+I)</b>                            | <b>1,613,561</b>      | <b>1,522,098</b>      |





## Depreciation and Contribution to Exchequer

| (₹ in Million)                               | 2022-23        | 2021-22        | 2020-21        | 2019-20*       | 2018-19*       | 2017-18        | 2016-17        | 2015-16*       | 2014-15        | 2013-14        |
|----------------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>DETAILS OF DEPRECIATION ALLOCATED TO:</b> |                |                |                |                |                |                |                |                |                |                |
| Profit & Loss Account                        | 38,768         | 38,719         | 37,679         | 33,285         | 14,171         | 13,293         | 11,971         | 13,785         | 14,367         | 20,518         |
| Development Drilling                         | 25,939         | 19,597         | 16,602         | 17,516         | 2,947          | 2,317          | 3,586          | 3,216          | 36,774         | 66,628         |
| Exploratory Drilling                         | 9,583          | 10,666         | 17,780         | 15,891         | 2,646          | 4,894          | 4,111          | 2,729          | 3,284          | 2,506          |
| Survey                                       | 686            | 773            | 729            | 1,107          | 783            | 550            | 430            | 433            | 589            | 448            |
| Others                                       | 134            | 152            | 220            | 530            | 308            | 389            | 768            | 535            | 298            | 162            |
| <b>Total</b>                                 | <b>75,110</b>  | <b>69,907</b>  | <b>73,010</b>  | <b>68,329</b>  | <b>20,855</b>  | <b>21,443</b>  | <b>20,866</b>  | <b>20,698</b>  | <b>55,312</b>  | <b>90,262</b>  |
| <b>CONTRIBUTION TO EXCHEQUER CENTRAL</b>     |                |                |                |                |                |                |                |                |                |                |
| 1. Royalty                                   | 89,338         | 54,967         | 35,813         | 52,127         | 58,765         | 45,797         | 43,783         | 45,974         | 35,870         | 41,965         |
| 2. OIDB Cess                                 | 159,507        | 141,261        | 80,188         | 107,880        | 128,568        | 99,639         | 89,053         | 101,928        | 102,550        | 99,740         |
| 3. Natural Calamity Contingent Duty          | 933            | 974            | 990            | 1,020          | 1,063          | 1,122          | 1,129          | 1,137          | 1,123          | 1,097          |
| 4. Excise Duty                               | 110,176 ^      | 265            | 539            | 478            | 268            | 411            | 2,093          | 1,990          | 2,207          | 3,076          |
| 5. Port Trust Charges                        | 1,205          | 1,335          | 1,311          | 914            | 970            | 1,219          | 1,148          | 1,062          | 984            | 884            |
| 6. Customs Duties                            | 367            | 679            | 1,009          | 1,514          | 1,096          | 636            | 2,200          | 151            | 77             | 87             |
| 7. Road and Infrastructure Cess              | 151            | 223            | 494            | 408            | 183            |                |                |                |                |                |
| 8. Education Cess                            | -              | -              | -              | -              | -              | -              | -              | -              | 91             | 2,349          |
| 9. Corporate Tax                             |                |                |                |                |                |                |                |                |                |                |
| a) On ONGC's Account                         | 97,752         | 89,760         | 42,050         | 70,487         | 111,423        | 61,331         | 42,915         | 55,843         | 76,152         | 67,646         |
| b) For Foreign Contractors                   | -              | 6              | 9              | 20             | 14             | 8              | (7)            | (38)           | 25             | 36             |
| 10. Dividend #                               | 103,724        | 69,156         | 13,299         | 43,940         | 62,900         | 52,748         | 65,439         | 33,912         | 56,029         | 56,153         |
| 11. Tax on Dividend #                        | -              | -              | -              | 12,014         | 16,845         | 11,521         | 19,354         | 10,005         | 16,256         | 13,807         |
| 12. Central Goods and Services Tax (CGST)    | 3,886          | 4,016          | 2,523          | 3,128          | 3,292          | 2,054          |                |                |                |                |
| 13. Integrated Goods and Services Tax (IGST) | 2,416          | 1,903          | 2,254          | 2,519          | 3,842          | 2,411          |                |                |                |                |
| <b>Sub Total</b>                             | <b>569,455</b> | <b>364,545</b> | <b>180,479</b> | <b>296,449</b> | <b>389,229</b> | <b>278,897</b> | <b>267,107</b> | <b>251,964</b> | <b>291,364</b> | <b>286,840</b> |
| <b>STATE</b>                                 |                |                |                |                |                |                |                |                |                |                |
| 1. Royalty                                   | 92,908         | 81,097         | 45,547         | 62,983         | 75,839         | 53,298         | 72,007         | 43,639         | 80,194         | 72,971         |
| 2. Sales Tax/VAT                             | 76,771         | 41,640         | 30,212         | 46,942         | 50,180         | 39,117         | 40,212         | 44,006         | 43,765         | 41,344         |
| 3. Octroi Duties etc.                        | -              | -              | -              | -              | -              | 2,424          | 8,015          | 5,583          | 5,751          | 4,592          |
| 4. Motor Sprit -CESS                         | -              | -              | 36             | 66             | 15             | -              | -              | -              | -              | 3              |
| 5. State Goods and Services Tax (SGST)       | 4,015          | 4,051          | 2,530          | 3,431          | 3,292          | 2,352          |                |                |                |                |
| 6. Tripura Road Development Cess             | 3,253          | 1,983          | 1,969          | 1,148          | 159            |                |                |                |                |                |
| <b>Sub Total</b>                             | <b>176,947</b> | <b>128,771</b> | <b>80,294</b>  | <b>114,570</b> | <b>129,485</b> | <b>97,191</b>  | <b>120,234</b> | <b>93,228</b>  | <b>129,710</b> | <b>118,910</b> |
| <b>Grand Total</b>                           | <b>746,402</b> | <b>493,316</b> | <b>260,773</b> | <b>411,019</b> | <b>518,714</b> | <b>376,088</b> | <b>387,341</b> | <b>345,192</b> | <b>421,074</b> | <b>405,750</b> |

\* Restated. ^ Including Special Additional Excise Duty (SAED) w.e.f. 01.07.2022.

\*\* The figures of FY 2015-16 to FY 2022-23 are given as per requirement of Ind AS Compliant Schedule-III to the Companies Act, 2013. Figures of 2014-15 are given as per requirements of Schedule-III to the Companies Act, 2013, figures for FY 2013-14 are given as per the requirement of revised Schedule VI to the Companies Act, 1956.

# 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 2022-23, 2021-22, 2020-21, 2019-20, 2018-19, 2017-18, 2016-17 and 2015-16.









# Integrated Report





## About ONGC's Integrated Report

The report provides detailed information about Oil and Natural Gas Corporation Limited and its Group Companies (herein referred to as 'ONGC' or 'Company') financial and non-financial performance and highlights for the financial year ending 31 March 2023 (FY'23). This is ONGC's second Integrated Annual Report, showcasing a balanced reflection of the Company's value creation methodology, risks and opportunities, materiality assessment, stakeholder engagement, and the Company performance scorecard through the assessment of capital as well as future strategies.

## Reporting Frameworks

The report has been prepared in alignment with the Integrated Report (IR) Framework developed by the International Integrated Reporting Council (IIRC). The financial and statutory data provided in the report complies with the requirements of the Companies Act, 2013 (including its rules), United Nations Sustainable Development Goals (UN SDGs), Indian Accounting Standards (Ind AS), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (SEBI LODR) Regulations, 2015.

## Scope and Boundary

The scope of reporting covers information on performance across six capitals – Financial, Manufactured, Human, Intellectual, Social and Relationship, & Natural Capitals under IIRC Framework. This includes the relationship between these capitals that the Company uses and the potential linkages between the Company's strategic choice and actions undertaken to deliver on ONGC's vision. This has an impact on the Company's ability to create value for various key stakeholders over the short, medium and long term. Apart from ONGC standalone, the reporting boundary includes details of

Company - joint ventures, subsidiaries performance and approach towards sustainability management.

## Subsidiaries

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

\*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.

## Joint Ventures (JVs)

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

Note: ONGC group has 4 Subsidiaries (OVL, MRPL, HPCL and PMHBL) and 6 Joint Ventures (OPaL, OTPC, OTBL, Dahej SEZ Limited, Mangalore SEZ Limited and IGGL) and 3 Associates (Pawan Hans Helicopters Limited, Rohini Heliport limited and Petronet LNG Limited). However, the Integrated Report covers OVL, MRPL, OPaL and OTPC only. Report covers the Performance of financial capital based on Consolidated Financial Statement.

## ONGC's Nationwide Network and Global Presence

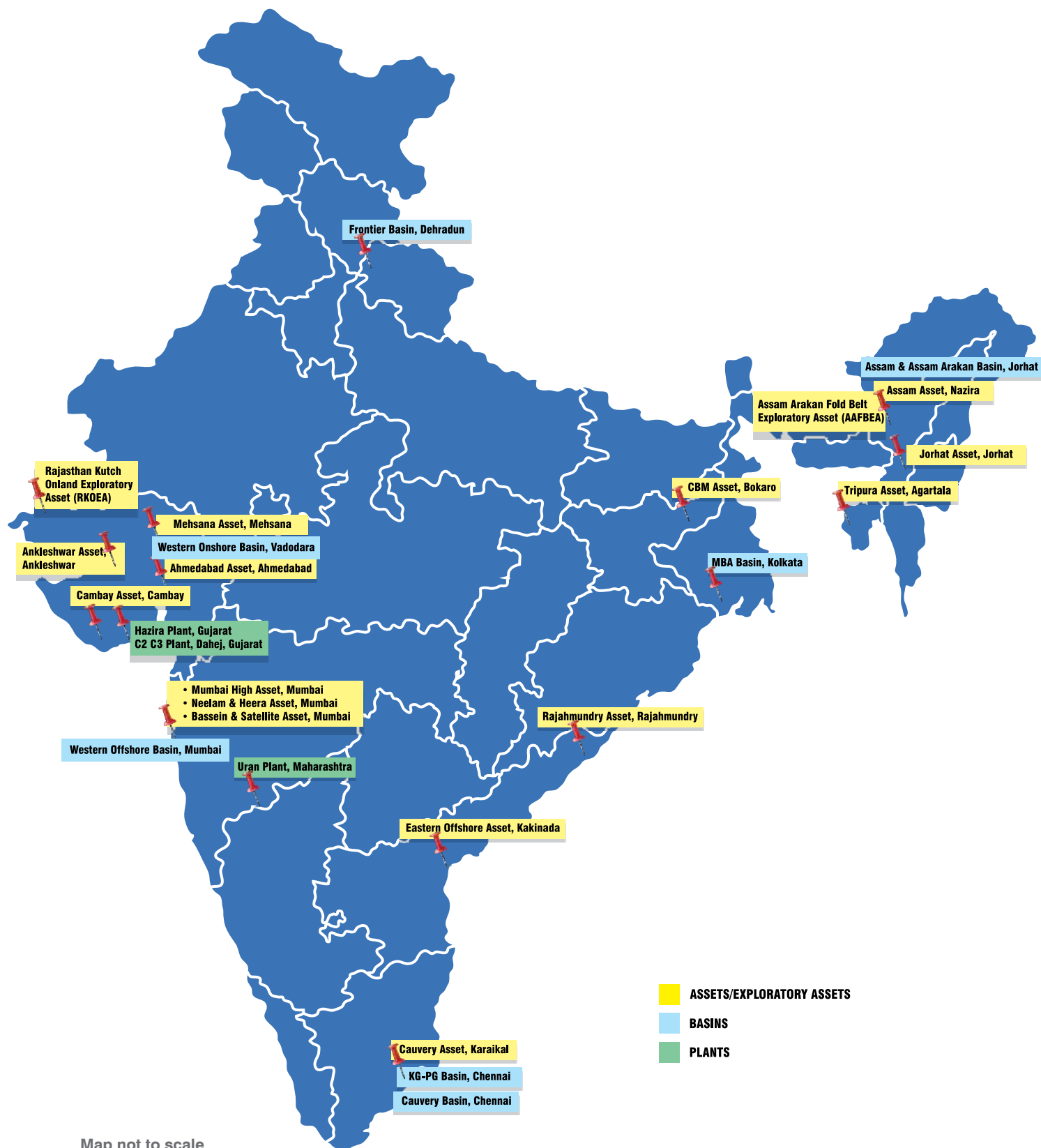
Maharatna ONGC is the largest crude oil and natural gas E & P Company of India, contributing around 71% to Indian domestic production. ONGC's presence in India is significant, and the Company is considered a key player in the country's energy sector. ONGC also has a strong global presence through its wholly-owned subsidiary and overseas arm ONGC Videsh Limited (OVL) which owns participating interests in 32 oil and gas assets in 15 countries.

ONGC is committed to sustainable development by focussing on economic, environmental and social performance. In ONGC, the business exists for the welfare of its multi-level stakeholders. Consistent dialogue and engagement with all stakeholders at every stage of our value chain has a critical role to play in creating long-term sustainability and delivering sustainable growth.





## ONGC's Portfolio



## OVL's Asset Portfolio



Map not to scale



## Awards and Accolades

### “Companies with Purpose Last”

|                                                                                                                                                   |                                                                                                                                                                     |                                                                                                                                                     |
|---------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
| <br>Partners in your Pride & Prestige                            |                                                                                    |                                                                  |
| <p>HSE has been accorded the coveted “Greentech International EHS Award 2023” for exemplary performance in Environmental Leadership</p>           | <p>ONGC received the prestigious ‘Global Sustainability Leadership Award 2022 by World Sustainability under the “environment Sustainability Programme” category</p> | <p>ONGC was conferred with the “Best Risk Management &amp; Risk Assessment Award” 2022 at India HSE &amp; Awards Summit</p>                         |
| <br><i>For a better life on a greener planet</i>                 |                                                                                    |                                                                  |
| <p>ONGC was conferred with the prestigious “Global Oil Spill Management Award” at the Energy &amp; Environment Foundation Global Awards 2022”</p> | <p>ONGC bagged Economic Times Energy Leadership Awards 2022 for the runners-up of the Star PSU of the Award</p>                                                     | <p>ONGC received “Disaster Risk Reduction Awards” in the World Congress on Disaster Management for immense contributions to Disaster Management</p> |

### “Brands with Purpose Grow”

|                                                                                          |                                                                                                 |                                                                                                                        |
|------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|
|       |              |                                   |
| <p>Energy Company of Year (Large Cap) by Economic Times Energy Leadership Award 2022</p> | <p>ONGC has been featured among LinkedIn's Top 25 best workplaces to grow a career in India</p> | <p>ONGC featured on GPTW's 'Wall of Fame' 2022 for its commitment to maintaining the energy security of the nation</p> |

Note: For further details of Awards and accolades, refer to Annexure A of Board's Report

## Our Stakeholder Inclusion and Materiality

### Stakeholder Engagement

ONGC firmly believes that stakeholder involvement is the key to harmonious operations, igniting collaborations and a lively exchange of ideas throughout the ecosystem to amplify Company's growth and operational efficiency. By interacting with the stakeholders, the Company can understand, track, and bring out solutions to address their requirements and create value ensuring sustainable growth. This approach not only gets ONGC's objectives in sync with long-term goals but also sets the stage for a

performance of result-driven procedures.

ONGC passionately engages in a responsible dialogue with stakeholders, seeking to capture their unique perspectives and map the same to align Company objectives with long-term goals. Our aim is to create a vibrant ensemble, where collaborations flow freely, ideas are discussed upon, and result-driven procedures take the spotlight throughout our operations. Based on their impact and influence levels, Company have identified six major stakeholder groups: shareholders and investors, customers, suppliers, contractors, employees, local communities and NGOs, and regulatory authorities.

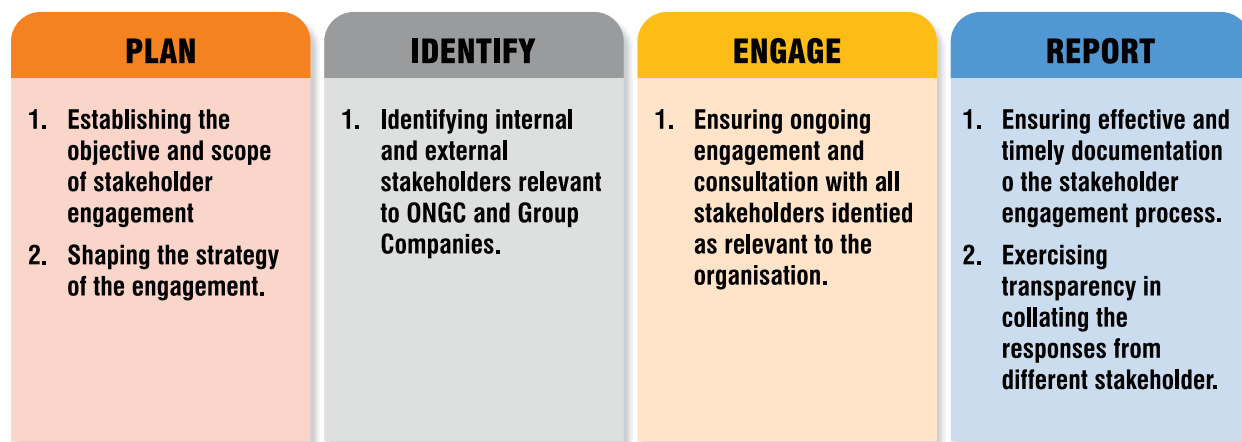


## Stakeholder Engagement Process

The process of engaging stakeholders is well-integrated at ONGC. To determine the needs and expectations of stakeholders, it makes use of both formal and informal ways of conversation. There are four major stages to this process:

At ONGC, our stakeholder engagement process

is comprehensive and incorporates both formal and informal methods of communication. Our engagement channels include investor and analyst meets, annual general meetings, conferences, group meetings, and external stakeholder interactions. For each stakeholder group, ONGC address key topics and concerns through four major stages to this process:



## Stakeholder Engagement Framework

| Stakeholder Group                          | Objective of the engagement                                                                      | Expectation of the engagement                                                                                                                     | Engagement channels                                                                                                                                                                                                                    | Key topics and concerns of stakeholders                                                                                                                                                                                |
|--------------------------------------------|--------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Shareholders and Investors</b>          | To create and distribute wealth for the share-holder while delivering impact and value addition. | Enhanced dividends and returns<br>Business growth and stability<br>Corporate reputation<br>Transparent corporate Governance process and practices | <ul style="list-style-type: none"> <li>• Investor and Analyst meets</li> <li>• Annual General Meeting</li> <li>• Dissemination of information through Corporate website, Stock Exchanges and media.</li> </ul>                         | <ul style="list-style-type: none"> <li>• Financial and operational performance</li> <li>• Risk Management</li> <li>• Corporate governance policies and practices</li> </ul>                                            |
| <b>Customers</b>                           | To ensure customer satisfaction and value for money.                                             | <ul style="list-style-type: none"> <li>• Ethical and fair marketing</li> <li>• Product quality</li> </ul>                                         | <ul style="list-style-type: none"> <li>• Structured engagement through Crude Oil Sales Agreement (COSA) and Gas Sale Agreement (GSA)</li> <li>• Regular/ periodic meetings with B2B partners and external stakeholders meet</li> </ul> | <ul style="list-style-type: none"> <li>• Prompt resolution of customer complaints</li> <li>• Quality and pricing of products</li> </ul>                                                                                |
| <b>Suppliers, Contractors, and Vendors</b> | To create better partnerships and better quality at work.                                        | <ul style="list-style-type: none"> <li>• Fair and accountable transactions</li> <li>• Transparency in tendering process</li> </ul>                | <ul style="list-style-type: none"> <li>• Pre-bid conference</li> <li>• Vendor Meets</li> <li>• Contract agreement</li> <li>• Training and awareness programmes</li> <li>• Expression of Interest (EOI)</li> </ul>                      | <ul style="list-style-type: none"> <li>• Pricing, quality, and safety of services</li> <li>• Issues related to human rights</li> <li>• On-time payments</li> <li>• Preference towards local suppliers/MSMEs</li> </ul> |



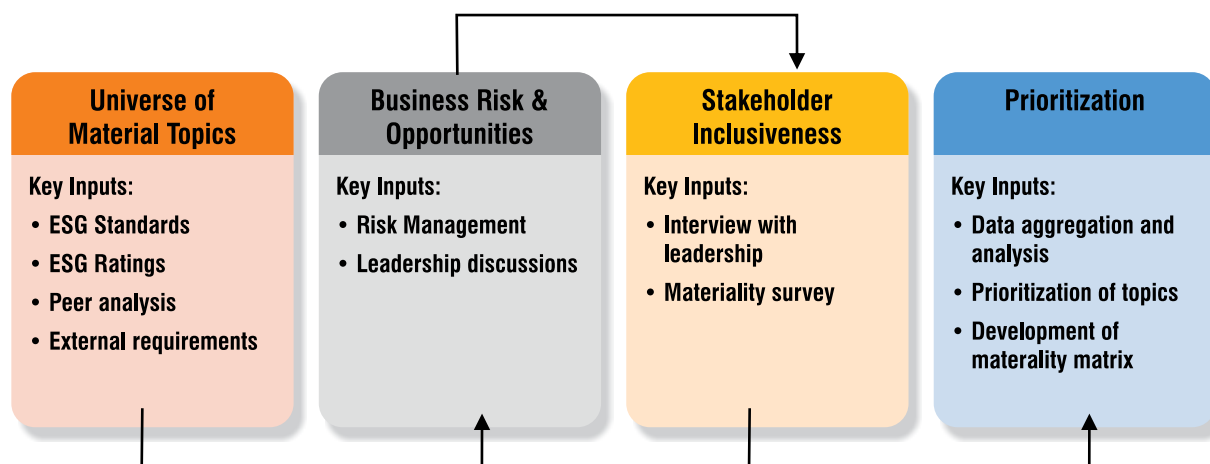
|                                    |                                                                    |                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                 |
|------------------------------------|--------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Employee / Contract Workers</b> | Workforce development, satisfaction and enhance work culture       | <ul style="list-style-type: none"> <li>• Perks, benefits, and facilities</li> <li>• Training and Development</li> <li>• Transfers and postings</li> <li>• Career growth</li> </ul>                                  | <ul style="list-style-type: none"> <li>• Vichar Manthan, Vichar Dhara, Vichar Vishleshan, Mantrana</li> <li>• Open House</li> <li>• Coffee-Connect</li> <li>• Employee Web portals</li> <li>• Corporate emails</li> <li>• MySpace</li> <li>• Grievance Mechanisms</li> <li>• Welfare Associations such as WDF, RWAs, EWCs</li> <li>• Regular bilateral meetings with employee unions and associations</li> <li>• Safety training and the Sahayog scheme</li> </ul> | <ul style="list-style-type: none"> <li>• Health and Safety</li> <li>• Human Rights</li> <li>• Welfare measures</li> </ul>                                                                       |
| <b>Local Communities and NGOs</b>  | To develop strong and healthy relationships with local communities | <ul style="list-style-type: none"> <li>• Minimum environmental impact on the communities</li> <li>• Recruitment of people from the local community</li> <li>• Supporting the local economy</li> </ul>               | <ul style="list-style-type: none"> <li>• Participating in collaborative activities with NGOs</li> <li>• Roundtable conferences with residents</li> <li>• Inviting local communities to ONGC's events</li> </ul>                                                                                                                                                                                                                                                    | Social concerns of communities in the operational areas <ul style="list-style-type: none"> <li>• Expenditure of CSR for infrastructure development and community upliftment</li> </ul>          |
| <b>Regulatory Authorities</b>      | To comply with all the regulations and timely responses.           | <ul style="list-style-type: none"> <li>• Compliance with applicable Acts, Rules and Regulations</li> <li>• Participation in framing of laws/ regulations by providing suggestions in consultation papers</li> </ul> | <ul style="list-style-type: none"> <li>• Structured engagement through meetings with administrative representatives, MoPNG, DPE, HI&amp;PE, DGH, DGMS, OISD, OIBD, SEBI, Stock Exchanges, etc.</li> <li>• Meetings with the Central and State Pollution Control Boards, MoEF&amp;CC</li> <li>• Public hearings</li> </ul>                                                                                                                                          | <ul style="list-style-type: none"> <li>• Regulatory compliance</li> <li>• Operational efficiency</li> <li>• Development of communities</li> <li>• Management of Environmental Impact</li> </ul> |
| <b>Joint Venture Partners</b>      | To achieve business growth through diversification                 | <ul style="list-style-type: none"> <li>• Business growth and stability</li> </ul>                                                                                                                                   | <ul style="list-style-type: none"> <li>• Newsletter</li> <li>• Magazines</li> <li>• Meetings organised at regular intervals</li> </ul>                                                                                                                                                                                                                                                                                                                             | <ul style="list-style-type: none"> <li>• Managing business challenges with business partners</li> </ul>                                                                                         |

## Materiality

Materiality assessments play a fundamental role in determining the ESG strategy and focus of the Company. ONGC conducted an in-depth materiality assessment to identify and update material issues that may have potential implications for the Company and its stakeholders. The materiality assessment was conducted in the previous year, following a rigorous process.

## Materiality Assessment Process

ONGC has adopted a 4-step materiality assessment process,



ONGC's continual identification and assessment of impacts are associated with the initial stages of the process for determining material topics. The Company engaged an independent consulting firm to conduct interviews and surveys with stakeholders, complemented by secondary research on suppliers and peer companies. Throughout these steps, the

organisation regularly evaluated its impacts as part of routine operations and while interacting with pertinent stakeholders and experts. Through these ongoing actions, the Company actively acknowledges and manages its evolving effects, including the emergence of new ones.



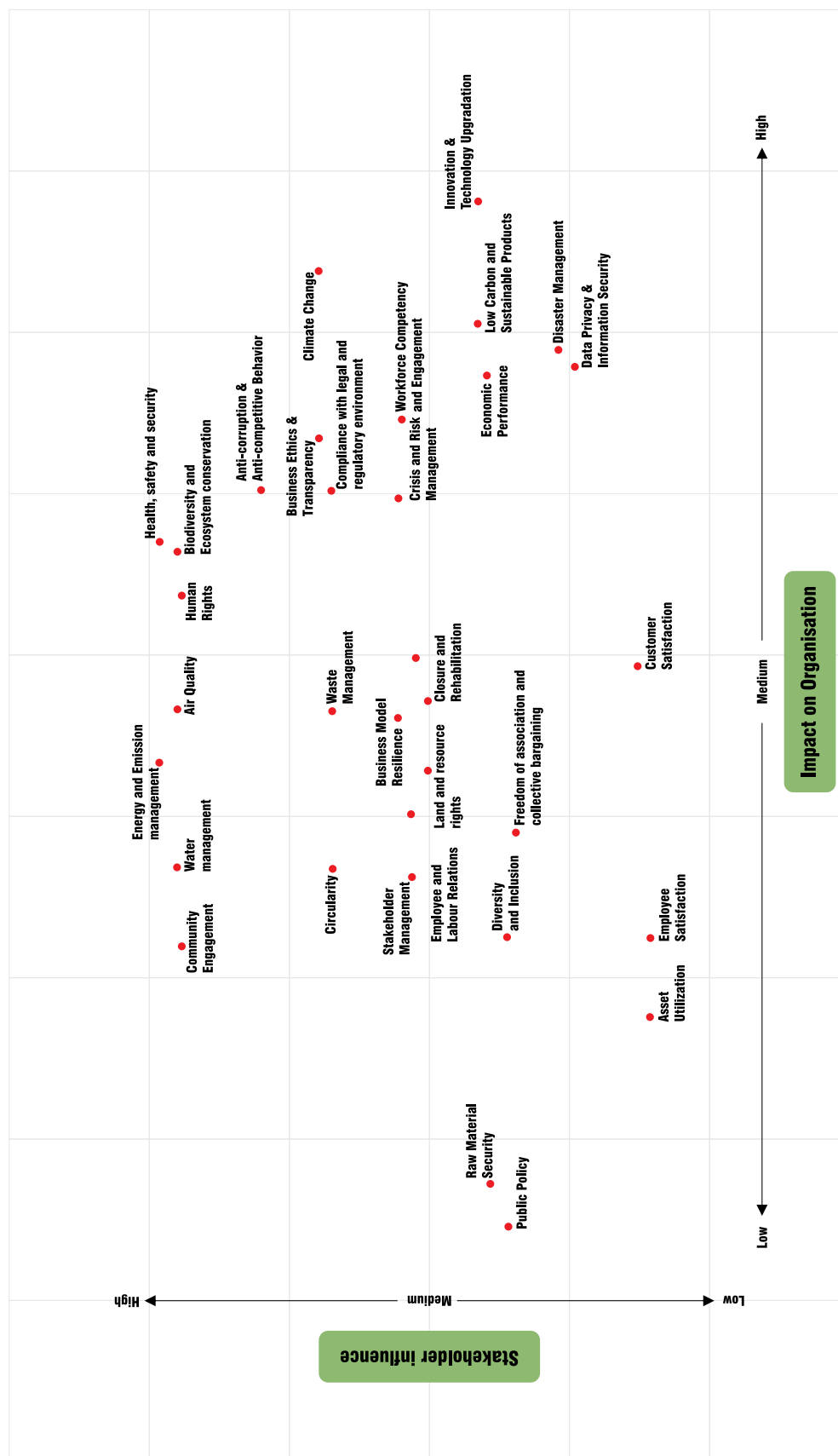
Hon'ble Minister of Petroleum & Natural Gas Hardeep Singh Puri (left) on ONGC's 'Sagar Samrat', launching its conversion into a Modular Offshore Production Unit (MOPU) on 28 January 2023; ONGC Chairman Arun Kumar Singh (center) and Director (Technology & Field Services) O P Singh also seen.



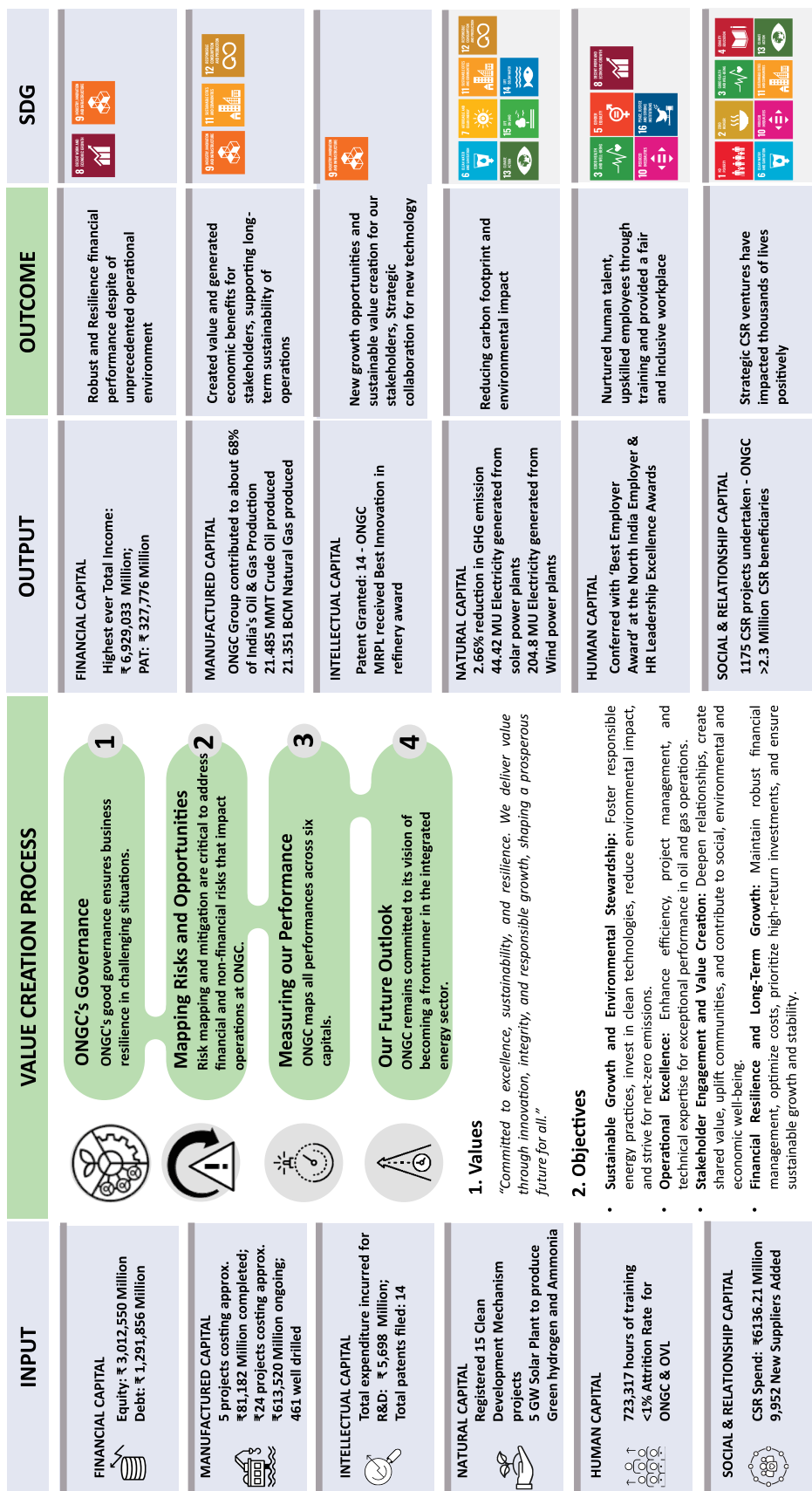


## Materiality Matrix

ONGC's materiality matrix is prioritized based on high, medium and low material topics. The material topics coming in the low priority do not necessarily equate with the level of importance the Company gives to that topic.



## Value Creation Model





## Manufactured Capital

### Introduction

ONGC recognizes the crucial role that manufactured capital plays in creating value and delivering economic benefits to its stakeholders. In this section, ONGC provides a comprehensive overview of its tangible assets, including their composition, value, and management. By offering transparency and insight into its manufactured capital, ONGC demonstrates its commitment to responsible business practices.

As India's largest energy Company, ONGC

operates across the integrated oil and gas sector, encompassing exploration, production, processing, and the development of Value-Added Products (VAPs) such as Liquefied Petroleum Gas (LPG), Naphtha, Ethane, Propane, Butane, and Superior Kerosene Oil. ONGC has been one of the most profitable and dividend-paying organizations in the sector. With a goal of becoming an integrated energy provider, ONGC has expanded its activities and strengthened its presence across the entire hydrocarbon value chain. This includes building forward linkages and pursuing downstream value additions beyond exploration and production (E&P) activities.

### Key Highlights

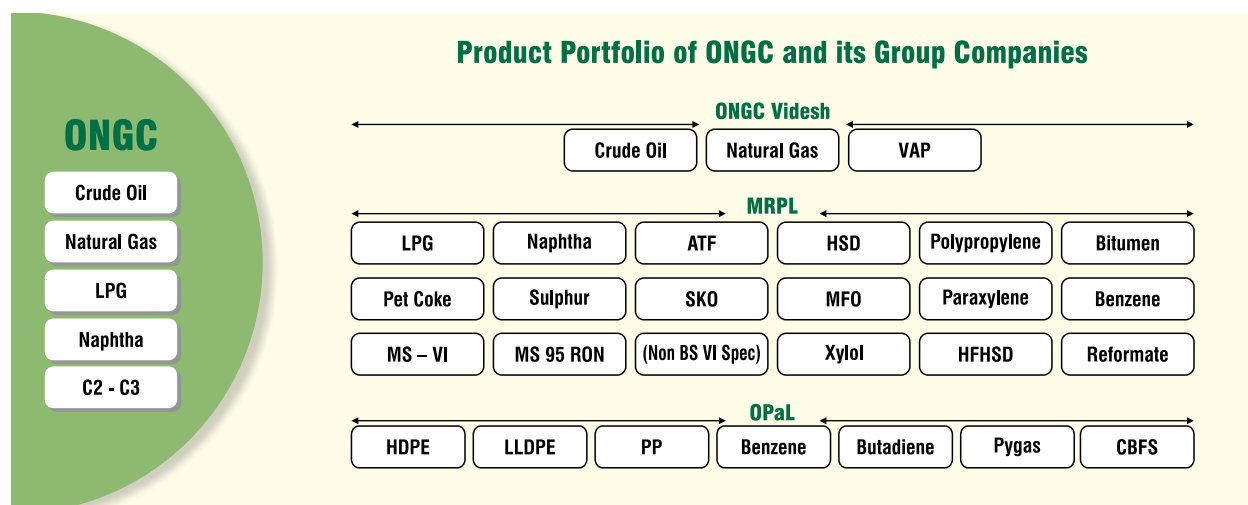
| ONGC Group contributed ~ 71% to India's Oil and Gas Production                                       |                                                                    |
|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| <b>21.485 MMT</b> Crude Oil produced                                                                 | <b>21.351 BCM</b> Natural Gas produced                             |
| <b>2,598 KT</b> Value Added Products                                                                 | First gas producer to sell domestic gas on the Indian Gas Exchange |
| Discoveries Made - <b>8</b>                                                                          | Discoveries Monetized - <b>3</b>                                   |
| Well Drilled: <b>461</b> wells (85 exploratory wells, 319 development wells and 57 side-track wells) |                                                                    |

### Management Approach

ONGC acknowledges the significance of effectively managing its manufactured capital to ensure operational sustainability and generate value for stakeholders. The Company has implemented maintenance schedules and procedures to monitor the condition of physical assets, consistently seeking opportunities for improvement. ONGC's investment decisions are guided by sustainability objectives, reflecting its commitment to long-term. The Company actively addresses the environmental and social impacts linked to its operations, taking measures to mitigate and manage these effects.

ONGC conducts regular assessments and risk management activities to address potential risks associated with its operations and tangible assets. These risks encompass factors such as equipment failure, supply chain disruptions, and natural disasters. The Company has established robust risk management processes and contingency plans to minimize the potential impact of these risks on its operations.

By diligently managing its manufactured capital, considering sustainability objectives, and proactively addressing risks, ONGC aims to sustain its operations, protect stakeholders' interests, and foster long-term value creation.



| Parameters                         | ONGC       | MRPL       | OVL     | OPaL      |
|------------------------------------|------------|------------|---------|-----------|
| Total Production for Sale (Tonnes) | 32,964,000 | 15,231,333 | 782,220 | 1,581,000 |
| Value Added Products (KT)          | 2,598      | 13,989     | 106     | -         |

### Key Projects and Initiatives for FY'23: ONGC

As of March 2023, twenty-four (24) projects costing ₹1,000 Million and above are under implementation in ONGC. Summary of these projects is as under:

| Serial No. | Description                             | Projects |         |       |
|------------|-----------------------------------------|----------|---------|-------|
|            |                                         | Offshore | Onshore | Total |
| I          | Field Development Projects              | 2        | 4       | 6     |
| II         | Redevelopment Projects                  | 2        | 3       | 5     |
|            | A. Improved Oil Recovery (IOR) Projects |          |         |       |
|            | B. Enhanced Oil Recovery (EOR) Projects | 0        | 3       | 3     |
| III        | Infrastructure Projects                 | 4        | 6       | 10    |
| Total      |                                         | 8        | 16      | 24    |

**ONGC's Sagar Samrat rededicated as mobile offshore production unit:** ONGC is expected to see an uptick in production in 2023 with the commencement of projects including the Krishna-Godavari (KG) basin and Sagar Samrat. Union Minister of Petroleum and Natural Gas and Minister for Housing and Urban Development rededicated Oil and Natural Gas Corporation's (ONGC) iconic jack-up drilling rig Sagar Samrat, as a Mobile Offshore Production Unit (MOPU), which will handle up to 20,000 barrels per day of crude oil, with a maximum export gas capacity of 2.36 Million cubic meters per day.

**IDT inks MOU with Denmark's RelyOn Nutec for knowledge sharing, compliance management:** The Institute of Drilling Technology (IDT), Dehradun, signed a memorandum of understanding (MoU) with RelyOn Nutec, Denmark, for collaboration in areas of training, knowledge-sharing, competency and compliance management. The objective of this MoU is to synergize the capabilities of IDT and RelyOn Nutec through mutual exchanges and sharing of knowledge/products/services.

ONGC has collaborated with global petroleum





**giant ExxonMobil for deep-water exploration** in India's eastern and western coasts represents a significant milestone.

ONGC has notified Eight (8) discoveries in 2022-23 including Five (05) New Pools and Three (03) New Prospects. New pools are Mandapeta-60 (MDEL), Malleswaram-22 (MS-22) and Karugorumilli-1 (KML-1) in KG Onland Basin; GS-15-22 and Kesanapalli West Deep 7 (KWD-7) in KG Offshore Basin. New Prospects are Kankpul-1 in Bengal Onland, MBS171HAA-1 (AMRIT) in Mumbai Offshore and Hatipoti-1 (NGAE) in Assam & Assam-Arakan Basin.

Additionally, ONGC has established commercial hydrocarbon in 3 more wells viz. Gas find in well SD-4-6 insuring extension of Daman sand-30 towards eastern part of the PML, Oil & Gas find in well B-57N-2A through regional study approach opens a new way for exploration and Oil find around the mature Neelam find helps in field growth.

**First Ever in-house High Tonnage HF in Malleshwaram, Rajahmundry:** Success was achieved in stimulation of high-temperature and high-pressure reservoirs of Rajahmundry asset when HF campaign was carried out in tight and high-temperature reservoir Malleshwaram through outsourcing. The campaign has led to a turnaround of Malleshwaram field as it resulted in production gain of more than 500 percent.

**Assam Well Services executes largest ever in-house Monobore Fracturing in Geleky:** Team WSS of Well Services Assam has successfully carried out the

first-ever hydraulic fracturing in 5 ½" casing monobore well of matured Geleky field of largest-ever size of 80 MT.

**ONGC acquired first 3D Seismic Broadband data in Andaman Offshore:** ONGC has recently pioneered in the implementation of Isometrix technology in the first 3D Broadband seismic data acquisition in Andaman Offshore in two OALP Blocks AN-UDWHP-2020/1 & AN-UDWHP-2020/2

## OTPC

**OTPC inks MOU with APDCL to develop 250 MW battery energy storage system in Assam:** ONGC Tripura Power Company Limited (OTPC) signed a Memorandum of Understanding (MoU) with Assam Power Distribution Company Limited (APDCL). This is intended to develop the Battery Energy Storage System Project of capacity up to 250 MW with an investment of ₹20,000 Million in Assam through incorporating a Joint Venture Company.

## Way Forward

Looking to the future, ONGC is committed to sustainability and value creation. The Company will actively manage environmental and social impacts, striving for net-zero emissions and investing in renewable energy sources. Through technology and innovation, ONGC aims to optimize operations and enhance efficiency. The goal is to transform into a sustainable organization that delivers value while addressing environmental challenges.



Hon'ble Minister of State, Petroleum & Natural Gas, Rameswar Teli after reviewing strategic business pursuits of ONGC and its subsidiary ONGC Videsh Limited.

## Human Capital

### Introduction

Human capital is a vital component of the ONGC organization, and it is dedicated to cultivate a positive workplace environment that nurtures the professional and personal growth of its employees. This section provides a comprehensive overview of its approach to human capital management, encompassing its policies, programs, and initiatives aimed at attracting, retaining, and developing exceptional talent. An overview of ONGC's performance and progress towards its human capital objectives is also provided, highlighting key metrics and accomplishments.

### Key Highlights

| 25,993 strong Workforce – for ONGC                                 |                                                                                                                                      |
|--------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|
| Women Employees:<br><b>2,032 or 7.8%</b> of the workforce-for ONGC | ONGC conferred with the prestigious<br><b>'Best Employer Award'</b><br>at the North India Employer & HR Leadership Excellence Awards |
| <b>&lt;1 %</b> attrition rate- for ONGC and OVL                    |                                                                                                                                      |

### Management Approach

ONGC's policies and procedures are designed to attract, retain, and develop top talent while promoting a culture of diversity, equity, and inclusion. The Company believes that investing in its human capital is critical to achieving long-term strategic goals and creating sustainable value for stakeholders. Through its people initiatives, ONGC aims to foster a culture of collaboration, innovation, and continuous improvement while enhancing the skills and capabilities of its employees.

### Human Capital Management

#### Learning and Development

**723,317 hours**

of training for various training programmes organised during FY'23

Employees are the key asset of ONGC, and it is critical for the Company to invest in their continuous development. Capacity building and learning of development of employees is ensured through training and awareness programmes. The various types of trainings covered under these include Skill Based Training, Occupational Health and Safety Training, Mine Vocational Training, First Aid Training, Fire Fighting Training, Human Rights Training, Behaviour Based Training, New Technology Induction, Harvard Manage Mentor (HMM), Abroad Training, etc.

- ONGC is conducting many training programs through credible organizations like IIM Calcutta, IIT Bombay, etc. that form basic skill-building programs for employees. The annual assessment of employees also takes into consideration their contribution and commitment towards the ESG goals.

- ONGC has collaborated with TERI and formed a Company "ONGC TERI Biotech Limited" that works in bioremediation areas. "National program for technology enhanced learning" is another initiative where 7-8 IITs have collaborated and ONGC can get inputs on the key ESG challenges.

| Training Hours | ONGC     | MRPL   | OVL   | OPaL   | OTPC  |
|----------------|----------|--------|-------|--------|-------|
|                | 6,44,560 | 53,896 | 4,616 | 16,713 | 3,532 |

**URJASVINI** - Developing Women Leaders, leadership program started in FY'22. The first batch of 25 high-potential women executives completed their six-month journey in March 2022.

The Voice of Oil Women (VOW) program conducts monthly online sessions for knowledge sharing, learning, and networking among female employees.

At ONGC Videsh Training is crucial for organizational development and success. It is fruitful for both employers and employees of an organization. ONGC Videsh provides training and conducts development programmes to imbibe the necessary skills required to operate in international environment. Employee



training programmes help improve the knowledge and skills of employees to match the various changes in the industry.

ONGC Videsh has provided many trainings to Executives conducted by DPE through premier institutes like IIT, IIMs etc. for Capacity Building.

The programmes included training on Corporate Governance, Behaviour based training, Building competencies, MDP, Strategic Leadership, Project Planning and Monitoring, Risk Management etc.

## Health and Safety

ONGC prioritizes health, safety, and the environment (HSE) in line with our vision and mission. Internal Safety Audits (ISAs) are being conducted by multi-disciplinary teams, External Safety Audits were conducted by Oil Industry Safety Directorate (OISD), Directorate General of Mines Safety (DGMS), Oil Industry Safety Directorate (OISD), etc. to check the conformity of activities and processes with existing management system. ONGC takes preventive measures by reporting of Near Miss and timely actions to reduce the accidents in operations. ONGC has launched an award scheme to encourage the employees to be more safety conscious in operations and improve the safety culture.

Various safety related trainings are conducted on a regular basis such as firefighting, first-aid trainings, and behaviour-based trainings. Mock drills are being 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. ONGC has implemented SAP based E-PTW (Electronic Permit to Work), which removes physical approvals and maintains system-based checks and balances.

## Safety performance by ONGC and Group Companies for FY'23:

|                                | ONGC   | MRPL | OVL  | OPaL | OTPC |
|--------------------------------|--------|------|------|------|------|
| Total Recordable Incident Rate | 0.59   | 0.00 | 0.42 | 0.65 | 0.22 |
| Near Miss                      | 14,389 | 54   | 303  | 747  | 8    |

## Project Parivartan

'Project Parivartan' aims to comprehensively assess the safety management system and its implementation within our operations, identify gaps, evaluate the overall safety culture, and benchmark our safety standards against global best practices in the oil and gas sector. The project's primary objective is to propose effective actions to address these gaps, improve the safety culture, and ensure alignment of strategies, actions and resource utilization. The project consists of 3 phases (recommendation, implementation, monitoring and handholding phase). The project seeks to ensure that the planning of strategies, aligning of actions and utilization of resources is done in best possible manner. The scheduled completion date for 'Project Parivartan' is May 2027. ONGC would be monitoring the status of achievements every quarter. Achievements of the Project has been monitored on quarterly basis.

## Human Rights

ONGC ensures fairness, accountability, responsibility, and transparency through its strong corporate governance practices. The Company has implemented effective mechanisms such as an Online Grievance Management

System and a Whistle-blower Policy/Vigil Mechanism. Adherence to labour laws, health and safety regulations, non-discrimination, freedom of association, collective bargaining, human rights, contract management, and prevention of sexual harassment (POSH) is mandatory.

ONGC introduced a dedicated  
**Human Rights Policy** in FY'23.

The Company has delegated financial powers to its executives through the Book of Delegated Powers. Further, it has formulated various guidelines, manuals and policies confirming to statutory requirements and these documents undergo regular reviews. Employee conduct is regulated by the Employees Conduct, Discipline, and Appeal Rules, as well as Standing Orders. The Company has an independent Chief Vigilance Officer who reports to the Government of India's Chief Vigilance Commission, ensuring independent oversight, and robust monitoring systems are in place and also to ensure compliance with labour regulations.

ONGC is committed to equal treatment of all members of the ONGC Group, including labour, contractors, manufacturers, and suppliers. The Company fulfils its legal wage obligations by providing fair compensation, meeting at least the minimum wage required by regulations or the prevailing salary, whichever is higher. ONGC diligently complies with various acts, such as the Payment of Wages Act, 1936; Minimum Wages Act, 1948; Equal Remuneration Act, 1976; Industrial Dispute Act, 1947; Employees' State Insurance Act, 1948; and Employees' Provident Funds and Miscellaneous Provisions Act, 1952, among others.

### Diversity and Inclusion

**ONGC introduced an Equal Opportunity Policy, 2023 to create an inclusive workplace**

ONGC, firmly believes in creating a workplace where discrimination has no place and actively fosters Diversity and Inclusion (D&I) to build trust, commitment, and an agile workforce. ONGC's commitment to cultural diversity is highlighted in its policies which are designed to support the growth of women employees, and their operations across different regions.

ONGC provides opportunities to Persons with Disabilities (PwD) and provides them disable friendly environments. These include preferential recruitment, suitable job assignments for backward classes, SC and ST candidates, assistive devices, flexible transfers, accessible accommodation, special leave, and a barrier-free workplace. The Company has taken dedicated efforts towards creating an inclusive and diverse environment that enables everyone to contribute and succeed. ONGC has made significant efforts to ensure inclusivity within the organization.

To encourage women in leadership and support their development, ONGC has launched a special program in collaboration with SHRM (Society for Human Resource Management). Approximately 30 women were identified and selected for this program, which aims to empower women in their professional growth. During FY'23, ONGC organized various programs focused on empowering women talent within the organization. These initiatives included events such as WILL Agile Women Leaders: 2020, Enabling Working Women, and Virtual Women in the Energy Sector, all aimed at supporting and empowering women employees in their careers at ONGC.

### Employee Satisfaction

ONGC invests significantly on ensuring that its workforce is provided with a cordial work environment and given the right training to strengthen their personal and professional competencies. In addition, ONGC also follows an efficient employee management strategy to improve employee retention, productivity, and overall engagement. ONGC has been certified as a great place to work consecutively for the last three years.

ONGC offers multiple leave benefits to its employees including paid Maternity Leave, Paternity Leave, Child-Care Leave, Adoption Leave, Leave for Higher Education, and Quarantine Leave, amongst others. It has also made arrangements for crèche facilities across work centres. These crèches are in or around the office premises. Employees are encouraged to avail these benefits and ensure work-life balance.

|                | ONGC and OVL | MRPL  | OPaL   | OTPC  |
|----------------|--------------|-------|--------|-------|
| Attrition Rate | 0.30%        | 4.19% | 12.33% | 9.45% |





## Key Highlights for FY'23:

### OVL

- ET Ascent National Awards for Excellence in PSUs 2022 for:
  - Best Growing Oil and Gas Company of the Year and
  - E&P Company of the Year.
- ONGC Videsh received the 'India Risk Management Award 2022', constituted by ICICI Lombard & CNBC-TV18 in master of Risk-PSU, Large Cap category
- CEO with HR orientation under North India Best Employer Brand Award & HR Leadership Excellence Award from the World HRD Congress to the Managing Director (MD).
- CEO's Consistent HR innovators from the World HRD Congress to Managing Director (MD).

### MRPL

- Gender Sensitisation Training programs for Employees are organized during the year by MRPL through its Training Centre.
- MRPL Bagged the prestigious FICCI - GIZ Gold award.
- Karnataka State Safety Award for Aromatic Complex.

### OPaL

- OPaL has implemented Excellence Award and

Suggestion Scheme Awards for employees.

- Total 186 Suggestions received vide Online Portal from employees in FY'23 bringing in Ideas to improve Safety, Quality, Productivity, Cost Saving aspects etc. at Workplace.

### OTPC

- OTPC secured Gold & Platinum awards for Training and Human Resource respectively, by Green Crest.

### Way Forward

Looking ahead, ONGC is dedicated to the continuous development of its employees, nurturing their skills and capabilities to support their career growth and enhance their contributions. The Company conducts its training and development programs through the ONGC Academy, aligning itself with strategic goals and equipping employees with new competencies to adapt to emerging trends and technologies. Recognizing the value of a diverse workforce, ONGC remains committed to fostering a culture of diversity, equity, and inclusion across all levels of the organization. Employee well-being and work-life balance will be prioritized, while effective communication and collaboration channels will be strengthened to keep employees informed and engaged in business strategy and initiatives. By focusing on employee development, diversity, and inclusion, ONGC aims to enhance the value of its human capital and positively impact the well-being of its employees and the communities it operates in.



## Intellectual Capital

### Introduction

ONGC has invested significantly in building its intellectual capital over the years, through various initiatives such as research and development, technology innovation, and employee training and development programs. Its skilled workforce and technical capabilities have enabled the Company to operate in challenging environments and achieve operational excellence, which has contributed to its success in the oil and gas industry. Overall, ONGC's intellectual capital plays a vital role in its ability to adapt to changing market conditions, identify new growth opportunities, and drive sustainable value creation for its stakeholders.

### Key Highlights

|                                            |                                                       |
|--------------------------------------------|-------------------------------------------------------|
| <b>11</b> patents application filed - ONGC | <b>14</b> patents granted + <b>1</b> Copyright - ONGC |
| <b>₹5,698 Million</b> R & D expenditure    |                                                       |

### Management Approach

ONGC approach towards managing intellectual capital centres on fostering a culture of innovation and continuous learning. The Company leverage intellectual assets to drive growth and competitiveness. With robust Research and Development capabilities, it introduces distinctive products in the market and reduce the country's dependence on import. As part of their strategic objective, ONGC prioritize the intellectual capital management to drive innovation and growth.

### ONGC Energy Centre

The ONGC Energy Centre operates as an independent agency associated with ONGC, managed by the ONGC Trust. The centre focuses on projects related to renewable energy (RE) such as Green Hydrogen and Geothermal:

- The first phase of the geothermal project has begun in Puga, Ladakh but has faced challenges related to logistics and extreme temperatures. The second phase of this project entails drilling two wells, including a 1000-meter well, and installing a steam turbine with a capacity of 1 MW.
- For hydrogen (H<sub>2</sub>) generation, OEC has developed 3 Cycles.

**a) Copper Chlorine thermochemical cycle:** This thermochemical cycle has been developed in collaboration with Institute of Chemical Technology (ICT) Mumbai operating at 550°C. Hydrogen generation @25Lph in Closed-loop metallic facility is operational at ICT Campus. Scaling up @100Lph at

IPSHEM Goa is under process.

#### **b) Iodine-Sulphur closed loop thermochemical cycle:**

The I-S closed loop thermochemical cycle has been developed in collaboration with IIT Delhi operating at 900°C. H<sub>2</sub> generation @5Lph by Closed-loop operation in quartz/glass set is operational at IIT Delhi campus. Planning for scale up in metallic facility is in progress.

#### **c) Iodine-Sulphur open loop thermochemical cycle:**

The open loop I-S cycle has been developed in collaboration with IIP Dehradun operating at 550°C. Proof of concept in quartz/glass set up is completed. Planning for scale up in metallic facility to produce 100 LPH by integration of components is in progress before setting up the commercial plant at MRPL

- **Advanced Effluent Water Treatment:** A technology has been developed by ONGC Energy Centre in collaboration with BARC Mumbai for conversion of ex-Effluent Treatment Plant (ETP) water into potable grade water, suitable for agricultural/ industrial usage. The green technology is based on advanced oxidation process for dissolved oil removal and reverse osmosis for dissolved salts removal. Mehsana Asset produces around 6500 m<sup>3</sup>/d of crude oil along with 28000 m<sup>3</sup>/d of produced water. The pilot-scale plant of capacity 5000 LPH is under installation at South Santhal, at Mehsana to validate the technology in industrial settings. Successful demonstration of this technology will be a game changer in handling the produced water pan ONGC. The Pilot Plant capacity is 10m<sup>3</sup>/day with the product water capacity of 5 m<sup>3</sup>/day.



Copper Chlorine Cycle Mini Pilot Plant at ICT, Mumbai



Geothermal drilling site at Puga, Ladakh



I-S closed loop cycle facility



Open loop I-S cycle facility

ONGC's intellectual capital is a key driver of its competitiveness and sustained value creation

### Shareholder Value

Utilizing the IP portfolio, R&D aims to leverage its assets for a competitive edge.

### Customer Value

R&D endeavors to foster customer value by supporting a wide range of technologies in both short-term and long-term projects

### Societal Value

Through sustainable product development, R&D will assist businesses in reaching all segments of society, promoting inclusivity<sup>1</sup>



## Innovative Culture

ONGC has a strong focus on innovation and has invested in research and development activities to develop cutting-edge technologies and processes to improve its operations and reduce costs. ONGC has also established partnerships with various organizations, including universities and research institutes, to leverage their expertise and resources.

### 1. Collaboration for Technology up-gradation

- ONGC signed MoU with Equinor ASA in April 2022 for collaboration in the areas of upstream E&P, midstream, downstream, and clean energy options, including CCS/CCUS.
- OEC has signed a memorandum of agreement with CSIR - Indian Institute of Petroleum (IIP) and Engineers India Limited (EIL) in January 2023 for recovery of Helium from Natural Gas.
- OEC has a collaborative agreement with Centre for High Technology, High Energy Batteries Ltd. (HEBL) and New trace Limited has been signed to develop affordable technology for green hydrogen production through indigenous membrane-less electrolyzer and its storage using lower-cost materials having a minimal environmental impact.
- MRPL R&D has collaborations with various organizations such as CSIR-NCL, CIPET, CSIR-IICT, IITG, NITK, NMAMIT, etc.

### 2. R&D and Innovation

ONGC believes that research and development (R&D) and innovation are key drivers for its long-term growth. The Company considers innovation to be at the heart of its core values, as it enables the Company to generate value for all stakeholders. Also, ONGC, significantly emphasis on investments in research and development (R&D) to foster innovation.

## ONGC

### Intellectual property management

ONGC has a robust internal Intellectual Property (IP) governance framework that ensures that research patents are in close alignment with the organization's business objectives which helps ONGC to achieve greater success and growth in the oil and gas industry. Additionally, having an IP governance framework helps ONGC to meet compliance requirements in areas such as confidential information management, third-party engagement management, and regulatory requirements across the globe, among others. ONGC is actively investing in research and development and is exploring new ideas and innovations that potentially benefit the Company's business in the long term. In FY'23 a total of 14 patents were granted to ONGC and 11 new patent applications were filed in various fields.

### Patent Awards

- During the year 2022-23, 14 Patents and 01 Copyright were granted to ONGC and 1 Patent granted to MRPL by the Intellectual Property India, Government of India. The details of IPRs obtained by ONGC during FY 2022-23 are as follows:

| Work Centre    | Title                                                                                                     |
|----------------|-----------------------------------------------------------------------------------------------------------|
| <b>Patents</b> |                                                                                                           |
| KDMIPE         | Method of evaluating Physio-Chemical Conditions and Events During Diagenesis of Sedimentary Rocks         |
|                | Microbiological Method of prospecting for Hydrocarbon Exploration                                         |
|                | A system and method for quantitative estimation of thermal maturity of crude oil                          |
| GHRTC          | Novel Equipment for the dissociation of gas                                                               |
|                | Method for producing gas hydrates using cyclopentyl methyl ether                                          |
|                | A method for the dissociation of gas hydrates                                                             |
| IOGPT          | Composition and Method for preparation of a fracturing fluid                                              |
|                | Recovery of Heater Treater Gas For Fuel Gas Purpose                                                       |
| INBIGS         | A process for removing hydrogen sulphide and gainfully recovering carbon dioxide from waste gas           |
| IDT            | Cement composition with improved properties for Oil and Gas wells                                         |
| WSS            | Innovative low temperature breaker system suitable for fracturing ultra-low temperature Indian reservoirs |





| Work Centre      | Title                                                                              |
|------------------|------------------------------------------------------------------------------------|
| OEC              | Strategic enhancement of lignite bio-methanation by fungal pre-treatment           |
|                  | A self-cleaning coating solution and confocal dual-spray coating process           |
| IEOT             | Method for reassessment of fixed offshore platforms                                |
| MRPL             | Isobutyl benzene and a process for synthesis of Isobutyl benzene by using catalyst |
| <b>Copyright</b> |                                                                                    |
| IOGPT            | SAS (system analysis of sucker rod pump)                                           |

## R&D focus area

### • Bio-Innovations & Affordable and Clean Energy:

ONGC Energy Center has developed an indigenous bioprocess to convert unrecovered oil into methane, enhancing energy recovery. The process stimulates indigenous microbes in oil reservoirs through tailored nutrients. Pilot testing is underway in Ankleshwar, Western Onshore Basin. Another bioprocess inhibits the growth of Sulphate reducing bacteria (SRB) and H<sub>2</sub>S production in well-fluid lines of unmanned production platforms.

• **Circularity & Industry Innovation:** The Advanced Effluent Water Treatment Plant (AEWTP) with a capacity of 500 Litre per Hour (LPH) treats water for agricultural use, reducing TOC and TDS levels. The treated water meets desired quality parameters, and the plant operates at 15.5 kW power with a capacity of 10 m<sup>3</sup>/day.

• **Industry Innovation and Infrastructure:** ONGC Energy Center is building its Hydrogen Ecosystem, integrating R&D activities in Solid Oxide Cells, Membranes, Molten salts, Materials of construction, and more. The aim is to achieve the nation's Green Hydrogen mission through pilot demonstrations.

• **Advanced Effluent Water Treatment Plant (AEWTP):** Collaborating with BARC, ONGC Energy Center has developed a technology for treating oil-contaminated effluent in Mehsana.

• **CBM Energy Recovery:** ONGC Energy Center has successfully tested biotechnology-based processes in CBM wells to recover energy from low-grade, unminable coal resources. The tailored nutrient recipe improves CBM well productivity, reduces carbon footprints, and contributes to achieving net zero emissions.

• **Helium Recovery:** ONGC Energy Center, in collaboration with Engineers India Limited (EIL) and CSIR - IIP Dehradun, is working on recovering Helium from natural gas to produce Helium Grade A. This

initiative aims to establish an indigenous resource for the strategic element used in medical equipment, rockets, and nuclear reactor.

## MRPL

• Proof of Concept completed for Design and Optimization of Distributor and Flow Distribution of a Multiphase Trickle Bed Reactor using 3D CFD Modelling.

• Mini-pilot scale studies for “Design and Development of New Lubricity Improvers for Ultra Low Sulphur Diesel” has been completed.

• Best Innovation in Refinery 2021-22 by the Centre for High Technology, Ministry of Petroleum and Natural Gas, for their advancements in real-time prediction models for polypropylene reactors and optimization of power and steam generation in the captive power plant in August, 2022.

• MRPL intends to have a significant portion of its power requirement met through grid. The project to augment Grid Power Infrastructure is initiated that will enable import of Renewable Power. It is presently estimated that at least 40% of the Refinery Power would be met through Green sources.

## OPaL

OPaL is having PARC (Product applications and research centre). PARC is part of Marketing group and mainly involved in Application based research activities and technical support for OPaL Products and customers.

## R&D focus area

• In PP plant, In-house Innovative N<sub>2</sub>/O<sub>2</sub> (reaction stabilization gas) injection at specific zones in reactor-1 & Reactor-2 for stable operation and improved yield.

- Continuous grade transition from F2002A (film grade) to T3804 (Roto moulding) successfully established, eliminating non-moving grade E2507 (Lamination).
- In-house DBN project of 3rd Slurry Cooler at Reactor-2 in HDPE plant for improving HDPE plant operation

#### **Major Innovation Project taken in FY'23**

- In-line filter installation in PP plant to avoid plant slowdown in case of choking of filters.
- Erection & commissioning of C4 Hydrogenation unit for improving yield of furnace and de-risking in case of any disturbance in butadiene extraction unit or butadiene supply chain

#### **Way forward**

As the Company forge ahead, ONGC remains dedicated to enhancing and broadening its operations in order to ensure long-term sustainability and value generation. ONGC maintain a steadfast commitment to managing and mitigating any potential environmental and social impacts arising from the activities. The Company transformation into a sustainable organization is marked by its unwavering pursuit of green portfolios and its ambitious goal of achieving net-zero emissions. ONGC actively investing in renewable energy sources and deploying energy-efficient technologies to significantly reduce its environmental footprint. By fostering innovation, driving research and development, and embracing cutting-edge technologies, it will continue to position the Company at the forefront of the energy industry, leading the way towards a more sustainable future.



ONGC holds regular strategic brainstorming sessions with Ministry of Petroleum & Natural Gas. The recent meeting was held in June 2023 with Secretary, Additional Secretary and Joint Secretaries of the Ministry to outline strategic roadmap of ONGC.



## Financial Capital

ONGC is committed to the prudent utilization of its financial resources and maximizing value for its shareholders and investors. The Company carefully evaluates investment opportunities and allocates capital towards research and development, fostering inclusive growth, and promoting new business ventures. When making new investments, ONGC prioritizes national and global objectives, including environmental and social targets. Moreover, it recognizes the importance of investing in sustainable and energy-efficient operations. ONGC is dedicated to achieving long-term objectives such as integrated growth, technological advancements, and infrastructure improvements. The Company's impressive financial performance can be attributed to its strategic focus on expanding operations, increasing reserves and production levels, and maintaining cost control and efficiency. With a strong financial position and a steadfast commitment to sustainable growth, ONGC is well-positioned for a promising future.

### Key Highlights

|                                           |                                        |
|-------------------------------------------|----------------------------------------|
| <b>₹6,929,033 Million</b> - Total Income  | <b>₹327,776 Million</b> - PAT          |
| <b>₹836,011 Million</b> - EBITDA          | <b>₹1,291,856 Million</b> - Total debt |
| <b>₹4,304,406 Million</b> - Total Capital | <b>1.6x</b> - Debt/EBITDA              |

### Management Approach

ONGC's management approach to financial capital centres around maximizing shareholder value, sustainable growth, and maintaining financial stability. The Company implements a strong financial management system that includes effective risk management, efficient capital allocation, and transparent financial reporting. ONGC's capital allocation strategy is driven by its long-term growth objectives and investment priorities, ensuring a balanced mix of debt and equity financing. The Company adheres to accounting standards and provides regular financial reports to stakeholders,

covering revenue, expenses, profit margins, and free cash flow. ONGC recognizes that a strong balance sheet and positive free cash flows are vital for delivering long-term value, benefiting not only investors but all stakeholders involved.

### Business Performance

ONGC's diverse range of businesses caters to various sectors. Its exceptional performance was supported by agile operations that rapidly adjusted to market dynamics, ensuring optimal utilization levels across all business segments.

| Economic Performance Highlights of ONGC Group FY'23 |                         |                         |
|-----------------------------------------------------|-------------------------|-------------------------|
| Parameter                                           | FY'23<br>(₹ in Million) | FY'22<br>(₹ in Million) |
| Total Income (Revenue + Other Income)               | 6,929,033               | 5,392,303               |
| EBITDA                                              | 836,011                 | 873,113                 |
| PAT                                                 | 327,776                 | 492,941                 |
| Total Debt                                          | 1,291,856               | 1,077,758               |
| Total Equity (includes minority interest)           | 3,012,550               | 2,833,278               |
| Total Capitalisation                                | 4,304,406               | 3,911,036               |
| Debt/Total Capitalisation                           | 30.01%                  | 27.56%                  |
| Debt / EBITDA                                       | 1.6X                    | 1.2X                    |

## Economic Performance Highlights for ONGC and Group Companies

In order to achieve steady development and financial stability, ONGC places a strong emphasis on making optimal use of its resources. By managing working capital effectively, getting rid of unused or ineffective fixed assets, and making wise investments in growth-oriented markets, the Company aims to increase revenues to the greatest extent possible.

- ONGC achieved a significant revenue growth of 41% in FY'23, reaching ₹1,555,173 Million compared to ₹1,103,454 Million in FY'22. With a 23% increase in PBT, the Company distributed its highest-ever dividend of ₹11.25 per share.
- ONGC Videsh Limited (OVL) generated revenues of ₹125,584 Million in FY'23, with a PAT of ₹17003 Million. The economic value retained was ₹29,118 Million. OVL's overseas production was affected by factors such as the Russia-Ukraine conflicts.

- Mangalore Refinery and Petrochemicals Limited (MRPL) achieved an Economic Value Generated of ₹1,249,477 Million in FY'23, an increase from ₹861,972 Million in FY'22. MRPL added 31 Retail Outlets, reaching a total of 63, and achieved a record net throughput of 17.14 MMT due to increased demand.

- ONGC Petro-additions Limited (OPaL) has achieved revenues of ₹145,930 Million in FY'23 compared to ₹160,475 Million in FY'22. The Company completed its first major turnaround and commissioned a 100 KTPA Naphtha unloading Gantry.

- ONGC Tripura Power Company Limited (OTPC) earned a revenue of ₹16,315 Million with a PAT of ₹2,059 Million in FY'23, marking an increase from ₹12,640 Million and PAT of ₹1,169 Million in FY'22. OTPC's two power units of 363.3 MW each were fully operational, and power generation rose to 4,936 MU in FY'23.

| Economic Performance Highlights for ONGC & Subsidiaries FY'23      |                |               |               |                 |               |
|--------------------------------------------------------------------|----------------|---------------|---------------|-----------------|---------------|
| Economic Performance FY'23<br>(₹ in Million)                       | ONGC           | ONGC Videsh   | MRPL          | OPaL            | OTPC          |
| <b>Direct economic value generated (A)</b>                         |                |               |               |                 |               |
| Revenues — net sales, revenue from investments, and sale of assets | 1,631,439      | 125,584       | 1,249,477     | 146,284         | 16,704        |
| <b>Economic value distributed (B)</b>                              |                |               |               |                 |               |
| Operating costs                                                    | 249,219        | 55,735        | 1,028,409     | 156,043         | 13,031        |
| Employee wages and benefits                                        | 106,207        | 5,701         | 6,978         | 1,433           | 207           |
| Payments to providers of capital                                   |                |               |               |                 |               |
| Dividend                                                           | a) 176,125     | a) 4,800      | a) -          | a) 0.0          | a) 784        |
| Finance Cost (as per PL both short term and long term)             | b) 26,996      | b) 18,537     | b) 12,853     | b) 27,548       | b) 1,012      |
| Payments to government<br>(Contribution to Exchequer)              | 746,402        | 11,694        | 158,799       | 31,404          | 408           |
| Community investments                                              | 4,517          | -             | 50            | -               | 35            |
| <b>Economic Value Retained (A - B)</b>                             | <b>321,973</b> | <b>29,118</b> | <b>42,389</b> | <b>(70,143)</b> | <b>14,259</b> |





## Financial Resilience

ONGC is actively expanding into new business sectors, such as renewable energy, aligning with its Energy Strategy 2040. The Company's investment focus revolves around building a resilient future model by intensifying exploration campaigns, allocating dedicated capital expenditure budgets, aggressively diversifying into renewables, and exploring new pathways through venture play. ONGC actively seeks international collaborations with renowned global industry leader. Simultaneously, the Company's internal programs concentrate on re-exploring Mature Basins, consolidating Emerging Basins, and investigating Emerging and New Basins.

## Way Forward

ONGC is committed to creating long-term value for its stakeholders by focusing on strengthening its financial capital and following a balanced approach that includes cost optimization, diversification, and strategic partnerships. By prioritizing financial discipline, ONGC can tackle economic challenges that may arise in the future, which can help protect the interests of its stakeholders, including shareholders, customers, employees, and the communities where it operates. This strategy aligns with the global trend toward sustainability and the transition to a low-carbon economy.



## Natural Capital

### Introduction

Within ONGC's integrated report, the natural capital section highlights the Company's unwavering commitment to environmental responsibility and its proactive stance in addressing the formidable challenges presented by climate change. ONGC recognizes the critical importance of preserving and enhancing natural resources and has identified key focus areas to guide its sustainability efforts.

These focus areas include decarbonization, aiming to reduce carbon emissions and transition towards cleaner energy sources. Additionally, ONGC places a strong emphasis on energy efficiency, striving to optimize resource utilization and minimize energy wastage. Water management is also a key priority, with ONGC implementing sustainable practices to conserve and responsibly manage water resources. Furthermore, waste management initiatives are undertaken to minimize environmental impact through effective waste reduction, recycling, and disposal.

Finally, ONGC actively engages in ecosystem conservation, promoting biodiversity preservation and the integration of sustainable principles into its operations. Through these focused initiatives, ONGC demonstrates its unwavering commitment to safeguarding natural capital and fostering a sustainable future.



### Management Approach

ONGC has an established Carbon Management and Sustainability Group (CM&SG) that bears responsibility to steer ONGC towards sustainability through establishing policies, strategies, and targets in the short, medium, and long term. It operates in strong synergy with the Corporate Health, Safety and Environment (HSE) department and the Corporate Social Responsibility (CSR) department, which are concurrently undertaking multiple initiatives in the realm of environmental stewardship.

Additionally, ONGC adheres to an extensive set of policies, including the Integrated Quality, Health, Safety and Environment Policy and E-Waste Policy, which undergo regular reviews and updates. The Company ensures compliance with the regulations prescribed by the respective State Pollution Control Boards (SPCBs), Central Pollution Control Board and MoEFCC.

### Climate Change

Climate change poses a major challenge and ONGC is committed to combating it through robust initiatives. ONGC's ambitious objective is to achieve net-zero carbon emissions for its scope 1 and scope 2 emissions by 2038. This commitment underscores ONGC's dedication to mitigating environmental impact and promoting a greener future. The organisation has set forth its commitment to the energy transition by proposing a significant investment of ₹1 Trillion by the year 2030. This substantial financial undertaking aims to support various projects associated with the transition to cleaner and sustainable energy sources.

With a strong focus on environmental responsibility, ONGC is actively developing a roadmap to guide its actions and strategies in attaining this milestone. The Company recognizes the importance of reducing greenhouse gas emissions and is dedicated to implementing innovative technologies, adopting renewable energy sources, and enhancing energy efficiency across its operations.

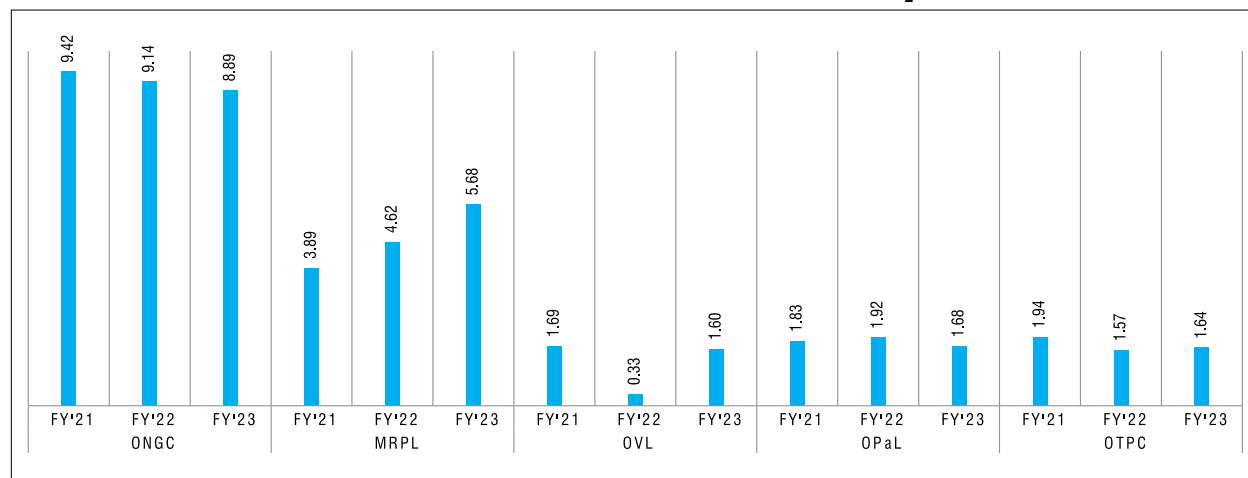


## Targets:

- Achieve a Renewable Capacity of 10 GW by the year 2030.
- To set-up 1 Million tonne per annum green ammonia plant at Mangalore.

The Company's Scope-1 and Scope-2 emissions during the FY'22 amounted to 9.14 MMTCO<sub>2</sub>e. In FY'23, the greenhouse gas (GHG) accounting revealed emissions of 8.89 MMTCO<sub>2</sub>e, reflecting a reduction of about 2.66% in comparison to the FY'22.

**Scope 1 and Scope 2 Emissions in MMTCO<sub>2</sub>**



In FY'23, ONGC has implemented several pivotal initiatives, which include:

**Carbon Capture, Utilization and Storage (CCUS):** ONGC entered an MoU with Indian Oil Corporation Limited (IOCL) for CO<sub>2</sub> based Enhanced Oil Recovery (EOR). Under this initiative, the CO<sub>2</sub> 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 sequestering 5 to 6 Million TCO<sub>2</sub> by the year 2040.

**Clean Development Mechanism:** ONGC has so far registered 15 Clean Development Mechanism (CDM) projects with United Nations Framework Convention on Climate Change (UNFCCC). The combined CER generation capacity from the above mentioned 15 CDM projects = 2,205,022 CERs (one CER = one tonne of CO<sub>2</sub>e) per year.

**Global Methane Initiative:** ONGC was the first non-American oil Company to enter a collaboration (MoU) with the US-EPA. During FY'22 survey was conducted at Ankleshwar Asset and C2-C3 Plant. During FY'23, leak detection survey was carried out in Hazira and Uran plant.

## GHG Mitigation through reduction of Natural Gas/HSD consumption:

**Uran Plant:** The Flare Gas Recovery Unit resulted in a total gas savings of 46.65 Million standard cubic meters (MMSCM). Additionally, the implementation of 3 Waste Heat Recovery Boilers led to a gas savings of 69.35 MMSCM.

**Hazira Plant:** In the Cogen Plant, a total of 230 steam traps were replaced, resulting in a significant increase in Return Condensate (RC) recovery from 74.57% to 79.24%.

**Heera Platform:** The implementation of the LP Flare Gas Recovery system resulted in a gas savings of 4 MMSCM during FY'23.

- Dynamic Gas Blending (DGB), the dual fuel technology, is a smart solution that enables engines of onshore drilling rigs on a mix of diesel and natural gas as fuel. The method was first implemented in three Drilling Rigs of Ankleshwar Asset (E-1400-VII, E-1400-III & EV-2000-II rigs) and observed about 45 % reduction in Diesel consumption has been recorded, with significant reduction in stack emissions. Currently,

13 rigs are deployed with DGB kits and also all 18 new Drilling Rigs are coming with inbuilt DGB kits.

- Micro turbines are basically very small gas turbines, ranging from 25 KW to 500 KW, which can use low-pressure natural gas to generate power. A successful pilot project was done for flare gas reduction by installing a 65 KW micro turbine generator at Linch GGS in Mehsana. The turbine utilises about 20,000 SCMD of low pressure gas, for power generation, which was otherwise being flared. This success story was emulated in Geleky GGS-I, Nazira, Assam Asset, by installing a 200 KW Micro Turbine for captive power generation. Now a total of 07 Micro turbines are installed across ONGC work centres with installed Capacity of 725 KW.

- Captive power plants are established at several locations to replace the grid energy with clean energy using natural gas as fuel, total installed capacity of 329.73 MW and 52.10 MW is under commissioning.

## Energy Management

ONGC recognizes that its business operations heavily rely on energy consumption. As a leading Maharatna Company in the Oil and Gas sector, the organization is aware of its responsibility towards managing climate-related risks and prioritizes the pursuit of energy efficiency.

### Key Highlights for ONGC:

|                                                                                                        |                 |
|--------------------------------------------------------------------------------------------------------|-----------------|
| Total installed wind power capacity in ONGC                                                            | <b>153 MW</b>   |
| Electricity generated from wind power plants during FY'23                                              | <b>204.8 MU</b> |
| Total installed solar power during FY'23                                                               | <b>5.22 MW</b>  |
| Total installed solar power capacity in ONGC                                                           | <b>36.52 MW</b> |
| Electricity generated from solar power plants during FY'23                                             | <b>44.42 MU</b> |
| Energy Audits carried out in rigs/ installations across ONGC through in-house energy auditors in FY'23 | <b>312</b>      |

ONGC is actively driving energy efficiency through a range of initiatives, transforming their offices into green spaces and implementing LED lighting solutions across their facilities. Notably, in FY'23, the Company has implemented several pivotal initiatives, which include:

### ONGC

- ONGC has entered a partnership with the Government of Rajasthan to establish a 5 GW Solar Plant, with the intention of producing green hydrogen and Green Ammonia.
- ONGC has established a MoU with Equinor. This partnership entails joint exploration of opportunities in CCUS, as well as the development of offshore wind and/or solar/solar hybrid projects within India and collaborating on advancing technologies related to green and blue hydrogen, as well as ammonia production.

- ONGC plans to sign a new MoU for geothermal energy in other areas, besides the ongoing Puga Project in Ladakh, with ISOR (Icelandic Governmental consulting and research institute in field of geothermal sciences and utilization).

- The Company has ensured that all its major installations and plants are certified under ISO 50001 for the effective management of energy usage.

- More than 1000 Sucker Rod Pump locations in Ahmedabad are currently being powered by solar energy in conjunction with the grid for real-time control (RTC), while the feasibility of implementing battery backup systems is being investigated.

- Significant investments are being allocated to the development and extraction of Coal Bed Methane (CBM).





## MRPL

- The project to augment Grid Power Infrastructure has been initiated that will enable import of Renewable Power. It is presently estimated that at least 40% of the Refinery Power would be met through green sources.
- Achieved total energy savings of 9506 SRFT/annum in FY'23 by energy improvement measures

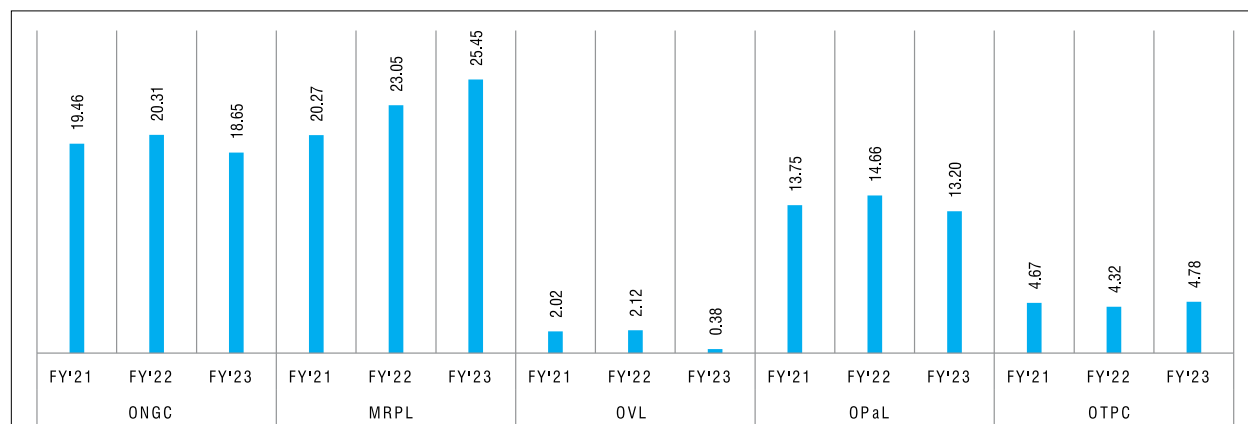
## OPaL

- OPaL achieved significant cost savings in FY'23 through the installation of LED lighting solutions.
- Energy saved due to energy conservation efforts: 5014525.6 GJ.

## Water Management

ONGC's core business activities, which encompass the extraction of crude oil and exploration and production of natural gas, are heavily reliant on water resources. In recognition of the significant impact of these operations on the environment, the Company has made substantial investments in sustainable water management practices over the past decade. These practices are designed to facilitate the efficient recycling and reuse of treated water, while also mitigating the potential risks and impacts associated with water security at individual sites. ONGC's investment in water management represents a strategic and forward-thinking approach to environmental stewardship, as the Company strives to balance its operational needs with its commitment to sustainability and social responsibility.

**Water Consumption within the organisation in Billion Litres**



Select initiatives taken by the ONGC group in FY'23 for sustainable water management are outlined below:

## MRPL

### From Scarcity to Security: MRPL's Seawater Desalination Plant in Karnataka, India

Mangalore Refinery and Petrochemicals Limited (MRPL) located in Karnataka, India, was dependent on the Netravathi River for its water needs. Due to increased demand for drinking water in Mangalore City and industrial activity, the river's water was scarce, leading to partial shutdowns of the refinery. To combat this, MRPL commissioned a 30 MLD capacity seawater desalination plant, costing ₹.6770 Million. The plant can be expanded to 70 MLD and reduces TDS from 32,000-38,000 mg/L to less than 10 mg/L. It provides social, economic, and environmental benefits such as surface and groundwater conservation, water security for domestic needs, and reduced dependency on freshwater and meets SDG-6, SDG-9, SDG-12, SDG-13 goals. The plant has also improved the water regime of the refinery.



### OPaL

- Gujarat Industrial Development Corporation (GIDC) has taken a significant step towards ensuring a reliable water supply by participating in the establishment of a 100 Natural litres per Day (MLD) desalination plant. This initiative aims to diversify water sources beyond the current reliance on the Narmada River and Sardar Sarovar canal.
- OPaL is dedicated to implementing efficient water

management practices, and to further enhance these efforts, they have installed a flow meter on raw water pipeline. This technology enables accurate measurement and reconciliation of raw water usage at our facility.

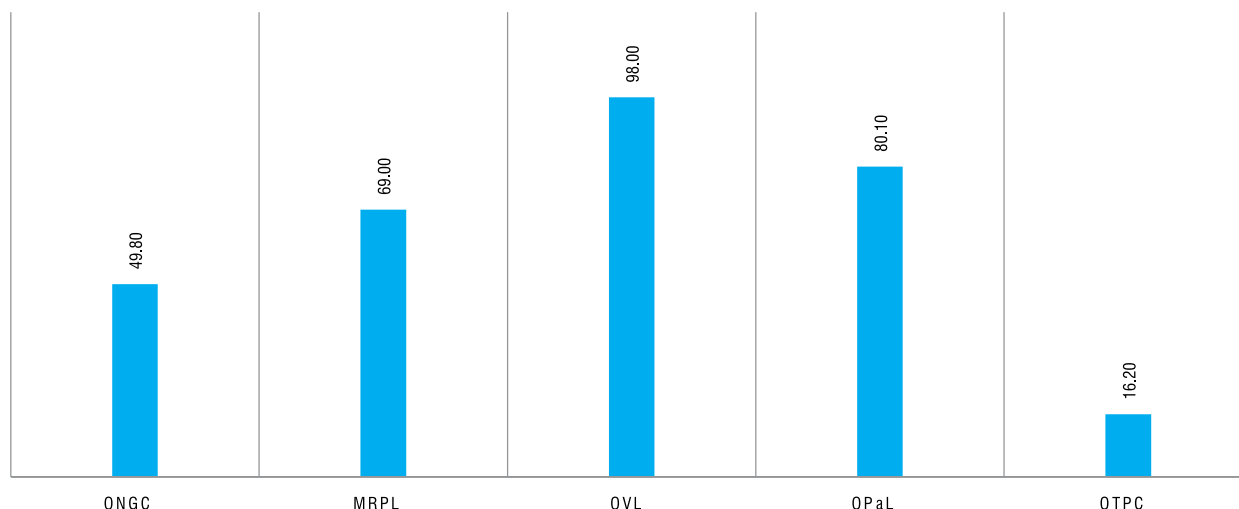
### OTPC

- Rainwater harvesting project installed inside the plant and it is maintained in operation with a capacity of 1267 Million litre per annum.

## Wastewater Management

In its ongoing efforts to mitigate the environmental impact of its operations and reduce reliance on freshwater sources, the Oil and Natural Gas Corporation (ONGC) is making significant investments in wastewater management. The Company recognizes the challenges in the effective treatment and safe disposal of produced water. Nonetheless, ONGC views these challenges as opportunities to explore innovative solutions for recycling and reusing this valuable resource.

**% of wastewater recycled/reused FY' 23**





To achieve this objective, ONGC relies on the expertise of highly skilled operators, who employ advanced treatment methods to produce high-quality effluent that meets or exceeds regulatory standards set by the Central and State Pollution Control Boards (CPCB & SPCB). The Company is committed to going above and beyond these prescribed limits, as it seeks to continuously improve its wastewater treatment processes and ensure the sustainable use of water resources.

### Preparation of Workover Fluid with Drill site Effluent Treated Water

ONGC's study on water management reveals important findings regarding the treatment and utilization of drill site waste/effluent water. The analysis suggests that after appropriate treatment with Soda Ash, Biocide, Oxygen Scavenger, Corrosion Inhibitor, and Caustic soda, this water can be effectively used for the preparation of completion/workover/testing fluids. The study also involved the formulation of different viscous fluids using Mobile-ETP water and additives such as HEC and XC Polymer as viscosifiers. Similarly, different formulations of non-viscous fluids using Mobile-ETP water from Ankleshwar with Potassium Chloride, Sodium Chloride and Calcium Chloride were found to be compatible and can be used as per the requirements of wells during completion/workover and testing operations. These formulations exhibited compatibility and stability, even after undergoing hot rolling for 16 hours at temperatures up to 110°C. Overall, these findings contribute to ONGC's efforts in efficient water management and resource optimization.

ONGC's wastewater management measures are outlined below:

- ONGC has 41 number of Effluent Treatment Plants across onshore work centres to treat approx. 104,000 m<sup>3</sup>/day of water produced during E&P operations and dispose as per statutory guidelines.
- 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 onshore & offshore facilities.
- An ongoing initiative is underway to develop effluent water treatment systems capable of converting both produced and effluent water into potable water. The project aims to achieve a recovery factor of 60%.
- The Plant at Dahej is a Zero discharge Plant. There is no generation/discharge of the industrial effluent from manufacturing process and other ancillary industrial operations.
- ONGC aims to implement rainwater harvesting and water recycling for horticulture in its office premises and residential areas.
- Produced Water Treatment Plants (PWTP) will be established at the following locations, with a total capacity of 7,000 m<sup>3</sup>/d. These plants aim to treat produced water to meet surface disposal standards.
- Noth Kadi PWTP: Capacity of 3,000 m<sup>3</sup>/day

- Sobhasan PWTP: Capacity of 1,500 m<sup>3</sup>/day
- Bechraji PWTP: Capacity of 2,500 m<sup>3</sup>/day
- Reverse Osmosis (RO) plants will be established at five locations, with a combined capacity of 900 m<sup>3</sup>/d:
- North Santhal PWTP: Capacity of 500 m<sup>3</sup>/day
- Balol Main: Capacity of 100 m<sup>3</sup>/day
- Sobhasan ETP: Capacity of 100 m<sup>3</sup>/day
- Bechraji ETP: Capacity of 100 m<sup>3</sup>/day
- South Santhal ETP: Capacity of 100 m<sup>3</sup>/day

### MRPL

- Preventive maintenance practices to ensure plant availability.
- Monitoring (in house and third party) to ensure water quality.
- Monitoring of influent quality parameters
- Phase III wastewater treatment plant is built with covered sumps and VOC handling system.
- Phase III wastewater treatment plant is adopted with advanced technology like SBR/ MBR/ UF/ RO.

### Waste Management

ONGC maintains a robust waste management system that ensures the effective handling and disposal of waste materials. Recognizing the

environmental impact of waste and the necessity for sustainable practices, ONGC implements comprehensive strategies to manage waste throughout its operations.

The Company prioritizes the adoption of innovative technologies and best practices to minimize waste generation, maximize recycling and reuse, and mitigate any potential adverse effects on the environment. The organization adheres to all pertinent laws governing waste management, encompassing its handling, storage, transportation, and disposal.

Some of the measures taken by the ONGC in FY'23 are as follows:

**Hazardous Waste-** The measures for handling and treatment/ disposal of hazardous waste generated in ONGC is given below:

- **Used Oil** – Used Oil generated at the drilling site/ production installation in ONGC is sent to authorised recyclers for disposal.
- **Sludge Containing Oil:** 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.
- Empty Barrels/ Containers contaminated with Hazardous chemicals/ wastes- Sent to authorised recyclers for disposal.
- Chemical Sludge from ETPs- Sent to authorised TSDF for disposal.

**Electronic Waste** - ONGC has developed an e-waste policy that ensures the responsible disposal of all electronic equipment and accessories that have reached the end of their useful life. Under this policy, ONGC engages either approved recyclers or designated take-back service providers to dispose of e-waste in an environmentally responsible manner. In cases where equipment is donated, ONGC requires the beneficiary organization to provide a certificate attesting to their commitment to safe and proper disposal at the end of the equipment's life cycle.

**Construction and Demolition Waste** – ONGC reports that it generates relatively little of this waste stream

on a regular basis. When such waste is produced, it is collected and segregated into different categories, such as concrete, soil, and other materials. The disposal of this waste is carried out in compliance with the Construction and Demolition Waste Management Rules of 2016, in accordance with local regulations and notifications.

During FY'23, about 93,151 MT of Oil contaminated soil/ Oily Sludge was bio-remediated across ONGC.

### MRPL

- Instead of resorting to conventional co-processing methods via cement industries, MRPL has opted for in-house utilization of oily sludge in our DCU (Delayed Coking Unit) operations.
- 1273.01 MT of Oily Sludge and 1428.44 MT of PFCC Spent catalyst have been Co-processed in SPCB authorized cement industries.

## Biodiversity and Ecosystem Conservation

The ONGC Group has consistently led the way in safeguarding and preserving nature, flora and fauna, and biodiversity. The organization employs a systematic approach, utilizing smart tools, digitalization, and environmentally friendly concepts to assess risks and their impact. This commitment to operational excellence has helped to protect the biodiversity and local habitats from harm.

As part of its commitment to compliance with the Wildlife Protection Act of 1972, ONGC prepares and submits a comprehensive conservation plan for Schedule-I species found in its operational areas, along with the requisite earmarked funds, to the relevant State Wildlife Division prior to seeking environmental clearance from the Ministry of Environment, Forests & Climate Change.

During the pre-operation phase, ONGC conducts detailed environmental impact assessment studies, allocating funds under its Environment Management Plan to address a range of mitigation measures aimed at preserving and enhancing biodiversity.

### OVL

- Conservation and Monitoring of flora and fauna through Bio-sensors in MECL, Colombia Project Area





## MRPL

- In the process of establishing a Biodiversity Park in 41 acres of marshy land.
- As a part of the sustainability activity, MRPL utilises organic waste by setting up 3 Vermi-composting units at Refinery and Township. These units serve the cause of converting organic waste like cut grass, fallen leave into Vermi-compost and thus delivering dual benefits of addressing waste management and creating wealth from waste which serves as manure for plants and horticulture.
- **Compensatory Afforestation:** Green Belt development in 50 acres of Land at Pilikula, Manglore, Karnataka and 25 acres at Bengre, Near Thannirbhavi sea shore, Manglore, Karnataka.

## OPaL

- OPaL has successfully undertaken the plantation of 49,320 trees along the periphery of its complex.

Furthermore, OPaL has entered into an agreement with M/s. GSFDC (Gujarat State Forest Development Corporation) to plant an additional 31,000 trees during FY'23.

## OTPC

- Over 76 acres of Green Belt has been developed in OTPC premises.

## Future Outlook

ONGC is currently embarking on a transformation that is marked by a steadfast commitment to achieving Net Zero status by 2038. Furthermore, it has also been working to revamp its business model, which was once heavily reliant on fossil fuels, and shift towards alternative forms of energy. Over the next decade, ONGC has planned to make significant investments in renewable energy, all the while collaborating with strategic partners to help India and the world at large transition towards sustainability.



## Social and Relationship Capital

### Introduction

The organization generates value by cultivating trustworthy associations with its business partners, customers, regulators, non-governmental organizations, and communities. The initiatives undertaken by ONGC are devised to broaden the influence of its sustainability efforts by elevating environmental awareness and augmenting social impact.

### Key Highlights

|                                                                                                                                                                       |                                            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|
| <b>₹6,136.21 Million</b> CSR Expenditure                                                                                                                              | <b>1175</b> CSR Projects undertaken - ONGC |
| ONGC conferred with Swachhta Pakhwada Award 2022 for spending more than <b>₹10 Million</b> for FY'23 for furthering Hon'ble Prime Minister's vision of Swachh Bharat. |                                            |
| <b>₹1,000 Million</b> contribution to PM Cares Fund                                                                                                                   | <b>&gt;2.3 Million</b> beneficiaries       |

### Management Approach

The CSR Committee is responsible for overseeing the Company's community development initiatives and supervising thorough scrutiny, evaluation, and impact tracking. The CSR policy creates a framework for implementing programs that align with the ONGC's vision, mission, and priority areas for community development, and is regularly assessed to accommodate changing community needs and comply with legislative amendments.

### Community Engagement

ONGC is a responsible corporation that addresses issues related to people, planet, and profit. They aim for sustainable business and inclusive growth of marginalized and deprived sections of society through their CSR initiatives in India. They supplement government efforts and make independent efforts in their operational areas. ONGC aims to enhance the quality of life of its communities by addressing Education, Healthcare, Nutrition, Drinking Water in Onshore areas and Coastal Community, Marine, and Coastal Ecology in Offshore areas through its CSR efforts.



### Key CSR Case Studies

#### ONGC

#### Education

#### ONGC and Ramakrishna Mission's Awakened Citizen Program makes a positive impact on Indian schools

The Awakened Citizen Program (ACP) was implemented in 1,500 schools across India by Oil and

Natural Gas Corporation (ONGC) and Ramakrishna Mission, New Delhi. A total of 2,630 teachers were trained for all categories of schools, and over 95% of schools were physically visited. Despite pandemic-related challenges, 3,696 class observations were made, and the program had a significant impact on schools. Overall, the ACP helped in fostering values, ethics, and social-emotional learning in students and was received positively by teachers as well as students.



### **Bridging the Education Gap: Trikuta Seva Sansthan's CSR Initiative in Varanasi District**

Trikuta Seva Sansthan, backed by ONGC's CSR initiative, is addressing the issue of social inequality by providing education and training to poor and needy children in Varanasi district through Madhav Shiksha Sanskar Kendra. The project aimed to establish 30 learning centres and provide quality education to 1,500 students, but over 2,000 students are currently benefiting from the initiative. The centres conduct various activities such as community awareness sessions, distribution of stationery and books, computer classes, counselling sessions, and regular classes for 2 hours in the morning and evening. Additionally, the project has successfully enrolled students in mainstream schools and conducted annual assessments. The project has had a significant impact on bridging the education gap for socially deprived children.



ONGC and Ramakrishna Mission's Awakened Citizen Program makes a positive impact on Indian schools.

### **Healthcare**

#### **ONGC Foundation's advanced ambulances augment healthcare facilities in Assam**

The ONGC Foundation has provided 9 advanced lifesaving ambulances to medical colleges in Assam, which will cater to medical emergencies covering neonatal support, trauma, maternity, and accident cases. ONGC has extended support of ₹4.38 Crore for these ambulances, including a four-year annual maintenance contract. The Hon'ble Chief Minister of Assam and the Hon'ble Minister of State praised ONGC's CSR initiative, emphasizing the importance of quality healthcare for the common people. The ambulances come equipped with pre-hospital care equipment and will be managed by several medical colleges and hospitals. These advanced lifesaving ambulances will help to improve access to critical medical care for the people of Assam, especially those in remote and underserved areas, potentially saving countless lives.



ONGC Foundation's advanced ambulances strengthen healthcare facilities in Assam.



## Community Development

### ONGC initiative brings drinking water to 500 families in Magasanitippa, Andhra Pradesh

ONGC inaugurated a drinking water facility in Magasanitippa, providing clean water to 500 families in Brahmasamedyam village, Katrenikona Mandal. The village faced a water crisis since the 2004 Tsunami, with saline groundwater. ONGC invested ₹9 Million from its KG-DWN 98/2 project's development fund to lay a pipeline from Balusutippa, constructing a 40 KL tank and pumping main. This initiative improved living conditions, inspiring similar projects in 80 other villages.

### Developing 75 Anganwadi Centres in the States of Andhra Pradesh, Jharkhand, Assam and Nagaland

The project focuses on developing 75 Anganwadi Centres and upskilling workers in Jharkhand, Nagaland, Assam, and Andhra Pradesh, benefiting over 38,000 beneficiaries. It has raised awareness about nutrition, healthcare, and pre-school education, with a baseline survey completed and community collaboration for grassroots impact. Recognizing the crucial role of Anganwadi workers, the initiative contributes to better infant health rates and controls child mortality, particularly in vulnerable communities.

## Infrastructure

### River Front Development at Shri Badrinath Dham

ONGC has undertaken the responsibility of riverfront redevelopment in Badrinath temple, aiming to counter the adverse effects of unplanned development and overcrowding. This CSR project intends to create a spiritual smart hill town, improving infrastructure and transportation for tourists. By addressing issues like unplanned development and inadequate infrastructure, the project will have a positive

environmental impact, aligning with SDGs such as Life on Land and Climate Action, while also fostering economic growth and generating job opportunities for locals, thereby boosting the regional economy.

## Environment and Sustainability

### Ecological Management of Paddy Straw

The Ecological Management of Paddy Straw project tackles stubble burning, a pressing environmental issue, by educating farmers, promoting machinery usage, and enabling efficient straw management. It reduces pollution, offers income opportunities through straw sales, and fosters organic farming while preserving livelihoods.

## ONGC Videsh Ltd.

**South Sudan:** ONGC Videsh, through the Community Development and Corporate Affairs (CDCA) department, of the JVs, has been instrumental, in carrying out socio-economic works by extending help and support in the areas of health, education, sports and infrastructures. CDCA Department is active in provision of clean drinking water, hospitals and medicines to the local communities and livestock, educational support services which includes provision of transportation, textbooks, teaching/ learning aids, supporting teachers, construction of schools, offering of scholarships, provision of sport items etc. The local communities are being benefited through these efforts.

**Myanmar:** ONGC Videsh, through the operator in the producing blocks, is involved in numerous Projects related to setting up of schools, provision of teaching aids, provision of trainings and provision of disaster relief during natural calamities, focusing on sectors like health, infrastructure, social, water supply and environment care. The projects have been supporting electrification of some localities/areas in Myanmar.



Delivery of essential equipment to Centro Vida Cabuyaro Home.



Hematology Equipment.





**Home for the elderly:** ONGC Videsh, Colombia facilitated the delivery of essential equipment to Centro Vida Cabuyaro Home, prioritizing the well-being and dignity of the elderly. This voluntary social investment, in coordination with the Office of Municipal Mayor, included 140 items such as washing machines, beds, waste disposal implements, and wheelchairs, contributing to a healthier and empowered life for the elderly beneficiaries.

**Hematology Equipment:** ONGC Videsh, Colombia has recently donated state-of-the-art hematology analyzer to Cabuyaro Hospital which will enable the hospital's clinical laboratories to perform accurate hemograms on blood samples. In an endeavour to provide adequate medical facilities to all strata of society, ONGC had undertaken this project. The installation of this machine will go a long way in speeding up the diagnostic process.

### OPaL

OPaL has contributed of ₹1 Million to Vidhya Bharti Gujarat Pradesh, a renowned non-governmental organization (NGO). This donation is specifically intended to support the construction of the Sainik School, named "Netaji Subhash Chandra Bose Military Academy," located in Silvassa.

### OTPC

Construction of Bio Toilets at SDMO Udaipur: OTPC has taken the initiative to construct bio toilets at SDMO (Sustainable Development Management Organization) Udaipur. This project is focused on addressing sanitation challenges and promoting hygienic practices in the region. Fishery Development Program at Gomati, Tripura: OTPC has launched a fishery development program in Gomati, Tripura, with the aim of supporting local communities and promoting sustainable livelihoods. The program focuses on enhancing fishery activities, such as pisciculture and aquaculture, in the Gomati region.

### Supply Chain Management

ONGC's diversified supply chain encompasses various tiers of suppliers, contractors, and joint venture partners involved in its business operations. The Company adheres to a strict approach to ensure conformity with labour practice regulations, including those pertaining to human rights and child labor concerns, at all levels of its supply chain. All service contracts with suppliers follow relevant legal and Health, Safety and Environment (HSE) standards throughout the execution process. In FY'23, the

Company received only thirteen complaints from suppliers, nine of which were successfully resolved.

### Transparent and Robust Process for Identification and Evaluation of Suppliers

ONGC adopts a multi-pronged approach to select its suppliers, which includes inviting tenders on GeM, an e-procurement portal, and requesting proposals through advertisements or direct requests. The Company has added 9,952 new suppliers in FY'23. All suppliers comply with the Supplier Code of Conduct to ensure fair business practices, enhanced governance, and transparency across the value chain. In its efforts towards sustainability, the Company endeavours to sensitize its suppliers on Environment, Social and Governance (ESG) performance parameters to encourage them to improve their non-financial performance.

ONGC is compliant with all community engagement regulations to ensure that its activities do not adversely affect local communities. Moreover, the Company provides purchase preference to Micro, Small and Medium Enterprises (MSME) bidders. Total procurement from MSEs FY'23 was 47% of annual eligible procurement including 1.3% from Women MSEs and 0.73% from SC/ST MSEs.

### Customers

ONGC engages with its B2B customers on a regular basis to obtain their views on product quality and pricing, which not only enhances customer satisfaction but also facilitates the identification and resolution of their issues.

### Way Forward

ONGC will continue to strengthen its relationships with business partners, customers, regulators, NGOs, and communities to generate value. Initiatives to enhance environmental awareness and social impact will be expanded, with the CSR Committee overseeing thorough evaluation and impact tracking. The CSR policy will be regularly assessed to meet changing community needs and comply with regulations. Stakeholder engagement will guide the development of outcome-based projects. Environmentally sustainable practices, inclusive growth, and effective organizational oversight will be prioritized. ONGC will advocate for CSR adoption among business partners, supporting sustainable development and the well-being of communities.

## Interlinkages

| Interplay of Capitals                  | Natural Capital                                                                                                                                   | Human Capital                                                                                       | Manufactured Capital                                                                                                                          | Intellectual Capital                                                                                                                                | Financial Capital                                                                                                                              | Social and Relationship Capital                                                                                                                              |
|----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Natural Capital</b>                 |                                                                                                                                                   | OPal has successfully undertaken the plantation of 49,320 trees along the periphery of its complex. | ONGC has so far registered 15 Clean Development Mechanism (CDM) projects with United Nations Framework Convention on Climate Change (UNFCCC). | The CO2 captured from the IOCI's Koyali refinery will be utilized for Enhanced Oil Recovery from the depleting oil fields of ONGC in Gandhar field. | The organisation has set forth its commitment to the energy transition by proposing a significant investment of ₹ 1 Trillion by the year 2030. | MRPL commissioned a 30 MLD capacity seawater desalination plant that can be expanded to 70 MLD and reduces TDS from 32,000-38,000 mg/L to less than 10 mg/L. |
| <b>Human Capital</b>                   | Employee participation in tree plantations across locations and Upskilling and exposure to technologies for environmental conservation            |                                                                                                     | 7,23,317 hours of training conducted for OHs, enhancement of skills, etc.                                                                     | Implementation of SAP S/4 HANA to improve productivity                                                                                              | Increased HSE expenditures to provide adequate training to employees                                                                           | More than 23,00,000 beneficiaries from 1175 CSR projects undertaken by ONGC                                                                                  |
| <b>Manufactured Capital</b>            | MoU with Greenko to explore opportunities in renewables, green hydrogen, green ammonia, etc. to achieve renewable energy targets                  | Project Pariwartin to comprehensively assess the safety management system and its implementation    |                                                                                                                                               | Absorption of new technologies such as Seisnetics, Automatic Imbibometer, PEBUL Software, Tachyus, RTDMM, Auto-Driller, etc.                        | 24 projects costing approx. ₹ 613,520 Million. ongoing and 5 projects costing approx. ₹ 81,182 Million completed                               | MRPL commissioned a 30 MLD capacity seawater desalination plant to meet increasing drinking water demands, thereby reducing dependency on river Netravathi   |
| <b>Capital</b>                         | Collaboration with BARC to developed a technology for treating oil-contaminated effluent which is used for irrigation, promoting water recycling. | ONGC has partnered with University and Research Institutes to train its employees in technical role | Design and Optimization of the Distributor and Flow Distribution of a Multiphase Trickle Bed Reactor using 3D CFD Modelling                   |                                                                                                                                                     | Developed an indigenous bioprocess to convert unrecovered oil into methane, enhancing energy recovery.                                         | R&D initiative align with Nation's Green Hydrogen mission through pilot demonstrations.                                                                      |
| <b>Financial Capital</b>               | MRPL commissioned a 30 MLD capacity seawater desalination plant, costing INR 6770 Million.                                                        | ₹ 29,07,479 median remuneration for female employees                                                | Investment in 2 power units of 363.3 MW each (operational, and power generation around 4,936 MU at OTPC                                       | Investment of ₹ 5,698 Million for R&D to enhance technological solutions for climate change and its mitigation                                      |                                                                                                                                                | ₹ 6136.21 Million: CSR Expenditure                                                                                                                           |
| <b>Social and Relationship Capital</b> | ONGC is taking charge of river front redevelopment in Badrinath temple to counter the negative effects of unplanned development and overcrowding. | ₹ 1000 Million contribution to PM Care Fund                                                         | Purchase preference towards MSME bidders (up to 25% of the total procurement)                                                                 | OTPC has taken the initiative to construct bio toilets at SDMO (Sustainable Development Management Organization) Udaipur.                           | ₹ 219.38 Million Expenditure: CSR projects in aspirational districts.                                                                          |                                                                                                                                                              |





## 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 30<sup>th</sup> Annual Report of Oil And Natural Gas Corporation Limited (ONGC/ the Company) and its Audited Financial Statements for the year ended 31 March 2023 (FY'23), together with the Auditors' Report and Comments on the Financial Statements by the Comptroller and Auditor General (CAG) of India.

After three tumultuous years, the pandemic's and geopolitical disruptions' extensive effects are finally showing tapering signs coupled with slow recovery in the world economy. Strong economic growth has been apparent and inflation appears to have decreased in a number of nations, largely as a result of the implementation of strict monetary policies. On the other hand, the evolving energy challenges are complex and include not only natural gas but also oil, coal, electricity, food security, and climate change. It appears that constant unpredictability and potential volatility continue to characterize the oil and gas industry.

Your Company has been working to improve the value proposition for all stakeholders while maintaining the pace of capital spending and project execution, sustaining production, and cost-optimizing operations. The country's expanding energy needs can be met while also generating value for all our stakeholders if we consolidate from here and continue to grow sustainably.

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.

Your Company's standalone production during FY'23 was 40.212 Million Metric Tonnes of oil and oil equivalent gas (MMTOE) (against FY'22 production of 40.453 MMTOE).

Highlights of production during FY'23 are as under:

- Crude oil production, including share of JV production, was 21.485 Million Metric Tonnes (MMT) during FY'23 against 21.707 MMT during FY'22.
- Natural gas production, including share of JV production, was at 21.351 Billion Cubic Metres (BCM) during FY'23 against 21.680 BCM during FY'22.

- Value Added Products (VAPs) production during FY'23 was 2.598 MMT against 3.089 MMT during FY'22.

Backed by an intensive and continuous exploration programme, your Company declared eight oil and gas discoveries (five on-land and three offshore) during FY'23.

During FY'23, accreted 40.62 MMTOE of 2P reserves from ONGC operated areas in India. Reserve Replacement Ratio (RRR) 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 17<sup>th</sup> 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 of FY'23

- Revenue from operations in FY'23 stood at ₹1,555,173 Million against ₹1,103,454 Million in FY'22.
- Net profit in FY'23 was ₹388,289 Million against ₹403,057 Million during FY'22 mainly due to higher realisation on Crude Oil, Natural Gas and VAPs which was partly offset by exceptional item amounting to ₹92,351 Million during FY'23.
- Your Company has notified 8 new hydrocarbon discoveries (3 New Prospects & 5 New Pool discoveries) in its operated acreages including one discovery in OALP block, 1 in NELP block and 6 discoveries in nomination blocks.
- Three hydrocarbon discoveries (Mandapeta-60, Kesanapalli West Deep-7 & Hatipoti-1), notified during the FY'23 with cumulative 2P reserves (EUR) of 0.244 MMTOE were monetized during the year itself.
- Your Company has notified first prospect discovery "Amrit" (MBS171HAA-1) in OALP Block MB-OSHP-2017/1 awarded under OALP-I bid round in Mumbai Offshore.
- One exploratory well has been drilled during FY'23





for exploration of new Mesozoic Play in Cambay Basin.

**vii.** During the year, with an objective to consolidate and realize reserves from unconventional reservoirs, completed the drilling of 4 High Pressure High Temperature (HP-HT) wells spreading over KG Basin (02 wells) and Mumbai Offshore (02 wells) and 3 wells with Basement Play as an objective – One each in Cambay Basin, Assam Shelf and Mumbai Offshore (SW).

**viii.** During the year, 85 exploratory wells were drilled, out of which, 54 wells were concluded and from concluded wells, 30 wells were proved to be hydrocarbon bearing. Besides 23 wells of previous years were concluded out of which 16 wells proved to be hydrocarbon bearing.

**ix.** Success ratio in exploratory drilling achieved considering total wells tested/concluded including those of previous year's wells was 1:1.67 (59.74%) - (Total 77 wells concluded out of which 46 wells were proved to be hydrocarbon bearing).

**x.** A total of 809.58 LKM of 2D and 13696.49 SKM of 3D seismic was acquired during FY'23. Out of this quantum, a total of 658.83 LKM 2D and 10,959.85 SKM of 3D seismic data was acquired in Open Acreage Licensing Policy (OALP) blocks.

**xi.** An airborne DHI technique (Airborne Hydrocarbon Sensing System "AHSS") based on measurement of micro-seepages concentration to de-risk existing prospects and prioritize exploration areas, has been inducted for the first time in India in A&AA Basin. The survey started on 20 January 2023 and completed on 6 February 2023 in Baramura & Barjala Areas of Tripura covering an area of about 1,488 SKM.

**xii.** Six contract areas awarded to ONGC under DSF-III. Three of these are located in western offshore (2 in N&H, 1 in MH), while three are in Eastern Offshore.

**xiii.** Your Company incurred ₹5,698.46 Million on Research & Development activities and another ₹4,108.65 Million on various innovative initiatives during FY'23. These initiatives resulted in improved operational efficiencies and cost optimization for your Company.

**xiv.** During FY'23, 14 Patents and 01 Copyright were granted to your Company by the Intellectual Property India, Government of India.

**xv. Great Place to Work:** ONGC was recognized as one of the best employers in India among other nation-builders by the Great Place to Work (GPTW) on 14 June 2022. The Energy Maharatna also featured on GPTW's 'Wall of Fame' for its commitment to maintaining the energy security of the nation.

**xvi. Best Employer Award:** ONGC was conferred with the prestigious 'Best Employer Award' at the North India Best Employer & HR Leadership Excellence Awards organized by World HRD Congress on 22 December 2022.

## 2. Global Recognitions

Your Company has been recognized 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 eight 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            | Mandapetta-60 (MSDL)              | Mandapeta PML                | Pool           | Gas              |
| 2      | KG Onland            | Malleswaram-22 (MSAD)             | Malleswaram PML              | Pool           | Gas              |
| 3      | KG Onland            | Karugorumilli-1 (KML-AA)          | Godavari Onland PML (7 Year) | Pool           | Gas              |
| 4      | Bengal Onland        | Kankpul-1 (WBON5-4-NA-E)          | NELP: WB-ONN-2005/4          | Prospect       | Gas              |
| 5      | KG Offshore          | Kesanapalli West Deep-7 (KWD-AC)  | Vainateyam PML               | Pool           | Oil & Gas        |
| 6      | KG Offshore          | GS-15-22 (GS-15-AU)               | Vainateyam PML               | Pool           | Gas              |
| 7      | Assam Shelf          | Hatipoti-1 (NGAE)                 | Mekeypore-Santak-Nazira PML  | Prospect       | Oil & Gas        |
| 8      | Mumbai Offshore (SW) | MBS171HAA-1 (MBS171HAA-A) "Amrit" | OALP: MB-OSHP-2017/1         | Prospect       | Gas              |

Out of eight new discoveries made during the financial year, three discoveries viz. Mandapetta-60, Kesanapalli West Deep-7 and Hatipoti-1 were monetized. Gain from discoveries monetized during FY'23 was 0.03 MMTOE.

#### 4. Reserve Accretion and Reserve Position

During FY'23, accreted 40.62 MMTOE of 2P reserves from ONGC operated areas in India Reserve Replacement Ratio (RRR) from domestic fields was 1.01 with respect to 2P reserves. The position of 2P Reserve established as on 01 April 2023 by ONGC in its operated areas and in non-operated (JV share) was as follows:

| Position of Reserves as on 01 April 2023 (MMTOE) |          |                  |             |        |
|--------------------------------------------------|----------|------------------|-------------|--------|
| As per PRMS <sup>1</sup> #                       | Category | Company Operated | JV Operated | Total  |
| Reserves                                         | 2P       | 716.09           | 13.74       | 729.83 |

<sup>1</sup>#PRMS: Petroleum Resource Management System. ONGC adopted PRMS w.e.f. 1 April 2019.

#### 5. Award of Blocks/New Acreages taken for Exploration

During the year, Revenue Sharing Contracts (RSC) for 21 OALP Blocks (18 OALP-VI & 3 OALP-VII) covering total of area 43,493.94 Sq.km. were executed on 27 April 2022 and 28 June 2022 respectively.

Currently, all the awarded OALP blocks are in exploratory phase. As on 01 April 2023, a total 3706.49 LKM of 2D seismic data and 19929.26 SKM of 3D seismic data has been acquired and two exploratory wells drilled in OALP Blocks.

Additionally, Revenue Sharing Contracts (RSC) for 6 DSF Contract Areas, measuring 2,656.14 Sq.km. and 2 CBM blocks measuring 1,506.89 Sq.km. area under Special CBM Bid Round-2021 (SCBM 2021) were executed. As a result of the above total New Acreages taken for exploration during the year was 47,657 SKM.

#### 6. EOR Proposals

Your Company has been consistently expanding its Enhanced Oil Recovery (EOR) portfolio. Under the Enhanced Recovery (ER) policy, fields of ONGC located in onshore and offshore areas were considered for screening. 33 ER Pilots/Preliminary Screening reports submitted to DGH till date for Oil Fields. 17 ER Pilots already approved (Phase-I), 3 are not approved and 11 Under Approval (Phase-II). 2 ER Pilots notified to DGH (Gandhar GS-9 Miscible CO<sub>2</sub> injection, Gandhar GS-11 Miscible CO<sub>2</sub> injection) are under feasibility study. During the year ONGC's offshore asset MH executed 1 EOR pilot low salinity water injection and Onshore assets Ahmedabad executed Sanand ASP pilot and Mehsana executed Nandasan Polymer, Bechraji commercial polymer & North Kadi surfactant pilot EOR.

#### 7. Major Projects Completed

During the FY'23 following 5 major projects with an investment value of around ₹81,182 Million were completed:

| Sl. No | Project Name                                         | Completion Date | Actual Cost (₹ Million) |
|--------|------------------------------------------------------|-----------------|-------------------------|
| 1      | Redevelopment of Nandasan Field- Mehsana Asset       | 22.11.2022      | 4,277                   |
| 2      | Gas compressor Project at Ankleshwar Asset (GCP-ANK) | 31.03.2023      | 1,194                   |
| 3      | Mumbai High South Redevelopment Phase-IV (MHSRD-IV)  | 08.05.2022      | 36,396                  |
| 4      | Cluster-8 Development Project                        | 31.12.2022      | 23,590                  |
| 5      | WO-16 Cluster Development Project(MOPU)              | 23.12.2022      | 15,725                  |



## 8. CAPEX

During the year, total capital expenditure of your company including its subsidiaries was ₹476,408 Million (comprising ONGC - ₹302,084 Million, HPCL - ₹140,840 Million, OVL - ₹27,232 Million and MRPL - ₹6,252 Million).

## 9. Drilling of Wells

Your Company drilled 461 wells during FY'23 against 434 wells drilled during FY'22. 85 of these wells were exploratory wells, while the balance 376 wells were development wells including side-track wells. Land Acquisition (LAQ) issues in Coal Bed Methane, Bokaro (CBM) and Karaikal impacted the drilling activities of your Company. The major highlights of Drilling operations during the year were as under:

- The overall exploratory and development cycle speed and commercial speed stood at 1013 M/RM and 1611 M/RM respectively. The cycle speed achieved during the year is highest ever since inception (Previous best: 997 M/RM during the year 2017-18) whereas commercial speed stood at 2<sup>nd</sup> best since inception (Previous best: 1,616 M/RM during the year 2017-18).
- Well #NGAE\_SBS (Exp.) (TD 4,179 m) was drilled in 111 days against plan of 122 days with commercial speed of 1,145 M/RM. Well #NGAE\_SBS (Exp.) (TD 4179 m) was drilled in 111 days against plan of 122 days with commercial speed of 1,145 M/RM. During testing the exploratory object (BCS-1 object) yielded an average production of 125 m<sup>3</sup>/d of Oil and 29,502 SCMD Gas with less than 1% water cut. However the well was completed in object-IV (BCS-3). The success of this well in Hatipoti field gives a new lead for exploration and realization of YTF potential.
- Successfully tested exploratory well no. Hatta#03 in Son Valley of MP (Vindhyan Basin) and established commercial gas presence in India's 9<sup>th</sup> Commercial Hydrocarbon Basin. Well flowed gas @ 62,044 m<sup>3</sup>/d thru 6 mm bean at FTHP -1700 psi, CHP – 1800 psi.
- Till FY'23 Eastern offshore Asset (EOA) successfully completed (11) Eleven sub-sea wells [Oil Wells (9) and Water injection wells (2)] of KG-DWN-98/2 Field.



## 10. Oil, Gas & VAP Production

Details of production, sales quantity and VAPs product wise during FY'23 (inclusive of JV Share) in comparison of FY'22 were as under:

| Description                        | Unit          | Production Qty |              | Sales Qty    |              | Value (₹ in Million) |                  |
|------------------------------------|---------------|----------------|--------------|--------------|--------------|----------------------|------------------|
|                                    |               | FY'23          | FY'22        | FY'23        | FY'22        | FY'23                | FY'22            |
| Crude Oil                          | (MMT)         | 21.49          | 21.71        | 19.19        | 20.29        | 1,030,076            | 836,612          |
| Natural Gas                        | (BCM)         | 21.35          | 21.68        | 16.68        | 16.75        | 374,168              | 124,414          |
| <b>Value Added Products (VAPs)</b> |               |                |              |              |              |                      |                  |
| Liquefied Petroleum Gas            | 000 MT        | 883            | 882          | 884          | 883          | 55,543               | 46,752           |
| Naphtha                            | 000 MT        | 932            | 932          | 921          | 964          | 49,614               | 50,640           |
| Ethane-Propane                     | 000 MT        | 119            | 315          | 119          | 315          | 4,909                | 9,078            |
| Ethane                             | 000 MT        | 281            | 499          | 281          | 500          | 13,311               | 10,815           |
| Propane                            | 000 MT        | 150            | 199          | 147          | 197          | 8,713                | 10,637           |
| Butane                             | 000 MT        | 81             | 116          | 81           | 116          | 4,668                | 6,185            |
| Superior Kerosene Oil & MTO        | 000 MT        | 9              | 23           | 3            | 23           | 263                  | 1,086            |
| Others*                            | 000 MT        | 143            | 123          | 80           | 62           | 6,276                | 3,404            |
| <b>Sub Total (VAP)</b>             | <b>000 MT</b> | <b>2,598</b>   | <b>3,089</b> | <b>2,516</b> | <b>3,060</b> | <b>143,297</b>       | <b>138,597</b>   |
| <b>Total</b>                       |               |                |              |              |              | <b>15,47,541</b>     | <b>10,99,623</b> |

\*Others include ATF, LSHS and HSD

## 11. Production from Overseas Assets - ONGC Videsh Ltd.

Your Company's overseas E&P operations are carried out through its wholly owned subsidiary, ONGC Videsh Limited (OVL), which in turn conducts its operations either directly or through its subsidiaries. Production from the overseas assets during FY'23 was 10.171 MMTOE in comparison to 12.330 MMTOE during FY'22. Oil production during FY'23 was 6.349 MMT as compared to 8.099 MMT during FY'22 and Gas production during FY'23 was 3.822 BCM as compared to FY'22 production of 4.231 BCM. Key factors affecting overseas production included natural decline, Russia-Ukraine conflict leading to declaration of Force Majeure with effect from 21 April 2022 in Sakhalin-1 project, FPSO shutdown in BC-10; expiry of Nare Association Contract in MECL Colombia with effect from 4 November 2021; heavy floods in GPOC South Sudan; and Block 06.1 Vietnam project nearing end of field life.

## 12. Other Exploration Initiatives/Activities

### a) Acquisition of 2D Seismic Data for appraising offshore area up to EEZ:

Your Company was entrusted as nodal agency for EEZ survey under Government-funded program

(To appraise the unappraised offshore areas upto Exclusive Economic Zone - EEZ), a total of 70,000 LKM of state-of-the-art 2D high fidelity broadband seismic data (API) has been planned to be acquired in three sectors namely West Coast, East Coast and Andaman offshore. The initial target was subsequently revised to acquiring 82,353 LKM of seismic data. Against that revised target of 82,353 LKM, as on 1 April 2023, a total of 65,271.55 LKM of 2D seismic data has been acquired by ONGC, which was 80% of the total target.

### b) Basement Exploration:

As a part of concerted exploration efforts for Basement Play, a total of 3 wells having basement as an objective were drilled, this includes Padra-168 in Cambay Basin, Tengahola-1 in Assam Shelf and BH-87 in Mumbai offshore. The well Padra-168 proved hydrocarbon bearing in Basement.

### c) 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 FY'23, eight exploratory HP-HT wells namely Bantumilli South-5, South Penumadam-1 & North Veeravasaram-1 in KG Onland, Baramura-37 in AAFB, Tripura, GS-71-3 & GS-21-4 in KG Offshore (SW), MBS171HAA-1 and D-33-9 in Mumbai Offshore were taken up for drilling. Well MBS171HAA-1 in Mumbai offshore OALP block was found to be gas bearing and notified as new prospect discovery. Well GS-21-4 also proved gas bearing.

### 13. Exploration and Production from Unconventional Sources

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

Your Company was awarded 9 blocks in CBM bidding rounds including nomination, out of which it has 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.

Recently, in the Special CBM Bid Round 2021, ONGC has been awarded two CBM Blocks i.e. BP-ONHP(CBM)-2021/2 in Rajmahal Coalfield of Jharkhand and SR-ONHP (CBM)-2021/5 in Sohagpur Coalfield of Madhya Pradesh.

#### b) Gas Hydrate Exploration Program

Your Company has been an active contributor to gas hydrate exploratory research under the National Gas Hydrate Program (NGHP) of Government of India. ONGC has played a significant role in G&G studies for the identification of sites for NGHP-01 and NGHP-02. After the success of the NGHP-02 expedition, ONGC has set up a dedicated R&D institute for Gas hydrate study at Panvel.

During FY'23, your Company obtained 3 patents in the field of gas hydrates and published research papers in reputed journals and conferences. Gas

hydrate R&D team carried out projects to identify gas hydrate prospects in Mahanadi and Cauvery offshore, performed simulation studies for gas hydrate production and developed in-house machine learning based software-HYDRATEMIND for prediction of gas hydrate zones.

Your Company has MoUs with Skolkovo Institute of Science and Technology (Skoltech), Moscow, and IOCL for gas hydrate R&D studies.

### 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) Casing While Drilling:** In view of safety prospect in 30" conductor piling issues and further drilling for 20" casing, implemented Casing While Drilling (CWD) in six wells of Mumbai on pilot basis. The technology has proven to be a safer and faster for vertical exploratory wells, achieved using casing as drill string for both phases. It turned out to be solution for surface seepage losses and associated complications for initial well phases.

**b) Auto-Driller:** Automatic bit feeding system (eWildcat TM 2.0) implemented in 5 drilling rigs (Type-II & above rigs of ONGC) for one year on pilot basis results in enhancement of the drilling efficiency.

**c) Liner While Drilling:** Under the Pilot project, out of planned 4 wells, 2 wells Trident-XII (SN#8Y), GD Chitra (HSD#4Z) have been completed using Liner While Drilling Technology in 8 ½" phase. The technology has provided benefit in drilling through unstable (shale) formation and further through depleted reservoir in same drilling phase, facilitating simultaneous liner casing and cementation of drilled sections without any issues. Technology has proven for minimising formation damage due to drilling fluid loss management.

**d) Mechanical Pipe Cutter (MPC) and Echo meter:** Introduction of wire-line MPC tools reduces the side track preparation time for the wells producing through depleted reservoir. It allows to cut the completion string in under balance condition after adjudging the liquid level in well bore. This resulted in reducing the time for curing the losses and further damaging the reservoir.

**e) Under Reamer services:** It allows to mitigate the well bore complications and enhance the hole cleaning in High Angle/ ERD wells in larger hole

sizes. Drilling through the multi-layered formation, sailing at hi angle and sustain the well bore stability is a challenge to reach the desired subsurface target. Under reamer services used on recently wells in 12 ¼" hole where sailing angle was 81 deg. Hole was enlarged to 13" and observed excellent hole clean-up and elimination of back reaming. This is planned to be used in 6" section wherein losses are prominent and ECD plays an important role enlarging the hole to 7", thereby helping in cased well bore with 5" liner and cementation.

**f) RTDMA for the Rig performance evaluation:**

Real time monitoring and benchmarking the drilling different activities captured by Real Time Data Management and Analytics (RTDMA) leads to evaluate the performance of each ONGC hired and owned rigs. It results in creating the sensitive, responsible and enhanced working culture among the crew rig providers and service providers. It also creates the alert on operations deviations.

**g) Oriented Coring:** To enhance the understanding on the orientation of sedimentation and its fractures, recently a core was taken in the exploratory well at well bore angle of 60 deg.

**h) Drilling Fluid for depleted reservoir:** In house developed drilling fluids like Energised Micro Bubble System (EMBS) and Mixed Metal Oxide (MMO) for the highly depleted reservoir are used in recently for the multi-layered reservoir. It reduces the Non Productive Time (NPT) for the loss control time.

**i) Under Balance Drilling** is a tool for drilling through depleted reservoir with real reservoir assessment. Implementation in the drilling of drain hole section in 7 wells of Neelam Heera Asset under progress.

**j) Introduced new technology of anchoring** i.e. Midline Buoy System for floater for deployment of anchor moored rigs in complicated subsea architecture fields.

## 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:

- Twenty seven (27) drilling rigs are being replaced by new generation hi-tech rigs in phased manner.

During FY'23 another four new generation hi-tech drilling were commissioned (7 rigs commissioned till 31 March 2023) and 2 more rigs were commissioned during Apr-May 2023.

- 5 Rigs out of 20 Automated Hydraulic Workover rigs were commissioned at Mehsana, Ahmedabad, Assam, Ankleshwar and Agartala.
- Acquisition of new 36 new Well Stimulation units in progress.

## 16. Information Technology

Your Company has carried out several Business Process improvements in the field of IT in FY'23. Major Process improvements were as follows:

- A state-of-the-art Network Operation Centre (NOC) has been established for 24X7 monitoring, analysis and response against any unwarranted activity on ONGC Enterprise Network. The NOC functions have been very ably augmented with latest Network Access Control (NAC) tools for maintaining a "Zero Trust Network Architecture (ZTNA)" and new generation firewalls on the Network periphery to further strengthen the cyber security posture of ONGC network & information systems.
- Enterprise Production SCADA Upgrade Project successfully completed on 30 April 2022 covering 146 Tier-1 locations, 1.7 lakh sensor tags. Production SCADA upgrade covering all onshore & offshore installations with optimised architecture is completed. The Production SCADA system is upgraded to provide analytical capabilities using industry-standard OSI PISoft software.
- ONGC's SAP-ECC ERP Systems successfully upgraded to latest SAP-S/4 HANA digital platform having faster in-memory computing for improved system performance and advanced data analytics features.
- "Common Analytics Platform" project completed on 30 January 2023. This system will provide a common platform for cross-domain Analytics.
- As a part of Data Center Consolidation, Disaster Recovery Data Centre (DRDC) successfully migrated and shifted enterprise e-mail DR from Mumbai to Vadodara on 23 March 2023. Data center consolidation and migration is targeted towards physically consolidating Corporate Infocom & ICE Data centers for achieving operational efficiencies



within ONGC's IT landscape and to actively reduce the resources that data center needs.

- Communication to Sagar Samrat, converted from a Jack-up Rig to a MOPU (Mobile Offshore Production Unit) – ONGC's jewel crown, bolstered with the commissioning of High Throughput Satellite (HTS) connectivity, for the first time in offshore.

## 17. Financial Highlights:

Your Company earned Profit After Tax (PAT) of ₹388,289 Million, down by 3.66% over FY'22 (₹403,057 Million) mainly due to exceptional item amounting to ₹92,351 Million in FY'23 and registered Revenue from Operations of ₹1,555,173 Million, up by 40.94% over FY'22 (₹1,103,454 Million).

### Highlights – Standalone Financial Statements

- Revenue from Operations : ₹1,555,173 Million
- Profit After Tax : ₹388,289 Million
- Contribution to Exchequer : ₹746,402 Million
- Return on Capital Employed : 38.79%
- Debt-Equity Ratio : 0.03:1
- Earnings/ Share : ₹30.86
- Book Value/ Share : ₹205

| Particulars                                       | ₹ in Million     |                  |
|---------------------------------------------------|------------------|------------------|
|                                                   | 2022-23          | 2021-22          |
| Revenue from operations                           | 1,555,173        | 1,103,454        |
| Other Income                                      | 76,266           | 65,156           |
| <b>Total Revenue</b>                              | <b>1,631,439</b> | <b>1,168,610</b> |
| Profit Before Interest Depreciation & Tax (PBITD) | 791,252          | 609,456          |
| Profit Before Exceptional items and Tax (PBT)     | 596,304          | 410,400          |
| Exceptional items* -Income/ (expenses)            | (92,351)         | -                |
| Profit Before Tax (PBT)                           | 503,953          | 410,400          |
| <b>Profit After Tax</b>                           | <b>388,289</b>   | <b>403,057</b>   |
| Transfer to General Reserves                      | 212,164          | 288,576          |

\* Your Company reviewed the entire issue of disputed Service tax and GST on royalty and decided to make a provision towards these disputed taxes as a prudent and conservative practice in respect of the nominated fields and in JV blocks where there are no disputes amongst the JV partners. Accordingly, during the quarter and year ended 31 March 2023, the Company has provided ₹92,351 Million towards disputed taxes

for the period from 1 April 2016 to 31 March 2022 together with interest thereon up to 31 March 2023 towards the ST/GST on Royalty and disclosed being an exceptional and material item.

Further, a similar provision of ₹28,723 Million was also made during the quarter and year ended 31 March 2023 for disputed taxes for the financial year 2022-23.

The above adjustments have adversely impacted the profitability for FY'23. However, the Company shall continue to contest such disputed matters before various forums based on the legal opinion as per which the Service Tax/GST on Royalty in respect Crude oil and Natural gas is not applicable.

## 18. Change in Share Capital:

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

## 19. Dividend

Your Company has paid interim dividend of ₹6.75 per share of ₹5 each (@135%) in November 2022 amounting to ₹84,917 Million and ₹4.00 per share of ₹5 each (@80%) in February 2023 amounting to ₹50,321 Million. The Board of Directors has recommended final dividend of ₹0.50 per share of ₹5 each (@10%) amounting to ₹6,290 Million subject to approval of shareholders. The total dividend pay-out for FY'23 would be ₹141,528 Million with pay-out ratio of 36.45%.

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

## 20. Financial Accounting and Secretarial Standards

The Financial Statements of the Company for FY'23 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.

## 21. 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.

## 22. 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'23.

## 23. Credit Rating of Securities:

Details of the Credit Ratings of Debt Securities of the Company as on 31 March 2023:

| 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) [Including for Issuer Rating]                                                                    | BBB- (Stable) [Including for Issuer Rating]                                                                             | BBB- (Stable)* [Including for Issuer Rating]                                                                            | [ICRA]A1+, CARE A1+                                                                                                                                                  | [ICRA] AAA (Stable), IND AAA (Stable)                                                                                                                                 | [ICRA] AAA (Stable), 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 and annual surveillance thereon every year.                                                                   | 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: 23.07.2020 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                                         | Not Applicable                                                                                                          | Not Applicable                                                                                                          | No change in rating however rating outlook was upgraded to Stable from Negative on 14 <sup>th</sup> June, 2022          | 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.





## **24. 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.

## **25. Related Party Transaction**

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

## **26. Subsidiaries:**

### **A. ONGC Videsh Limited**

ONGC Videsh Ltd, the wholly-owned subsidiary of your Company for carrying out E&P activities outside India, has participation in 32 oil and gas projects spread across 15 countries. ONGC Videsh portfolio comprises of 14 producing, 4 discovered/ under development, 11 exploration and 3 pipeline projects. ONGC Videsh is Operating 16 of the 32 projects, solely or in association with partners.

Gross consolidated revenue of ONGC Videsh for FY'23 was ₹116,763 Million (against ₹173,220 Million during FY'22) and the PAT attributable to owners registered was ₹17,003 Million during FY'23 as against ₹15,892 Million during FY'22

### **Significant events in the area of Exploration & Operations:**

#### **a. CPO-5 Block:**

The Block ended FY'23 with JV production levels of 19,000 barrels of oil per day (bopd), making it a significant drill bit success for the company. Drilling of 6 wells was also completed successfully during the year. Two Development wells Indico-6 & Indico-7 have been drilled during FY'23 and will be brought on production after approval of surface facilities by the Colombian regulator.

#### **b. Lower Zakum Concession:**

In FY'23, average JV production rate was about 388,000 bopd. The project envisages production of 450K bopd by 2025 and 520K bopd by 2028. To evacuate the gas, execution of 34" subsea New Main Gas Line (85km) project is underway and expected to be commissioned by Dec'2024.

#### **c. ACG Azerbaijan:**

During FY'23, average JV, oil production rate was about 404,000 bopd and gas production rate was about 9 MMSCMD. A total of 16 Wells viz. 11 Producers, 4 Water Injectors & 1 Non-Associated Gas (NAG), were completed in the year. Construction of Azeri Central East (ACE) New Platform with 48 slots, at Capital Cost of USD 3.3 Billion was 86% complete as on Mar'23. The platform will cater to Incremental oil production of 300 MMBBLS till end of contracts in 2049. First oil from the ACE platform is expected by March'24.

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

Average JV, oil production rate for FY'23 was about 37,000 bopd. Drilling of Infill wells commenced in Nov 2022 and results were encouraging. Out of the 4 wells drilled, 2 wells were producing 1,900 bopd and the remaining 2 wells were under completion. The project has received 2 years extension for exploration period of blocks 1, 2 and 4 effective from 26 February 2023.

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

Development Plan (DP) and Production Individualization Agreement (AIP) have been submitted to the Regulator (ANP) on 1 November 2022. The Operator has commenced the bidding process for shared FPSO and development activities to meet the target of first oil & gas in calendar year 2028.

#### **f. Sakhalin-1 Project**

The year commenced with Sakhalin-1 JV producing about 210,000 bopd in accordance with the planned production profile. However, following the Russia-Ukraine conflict, erstwhile Operator ENL started production curtailment and declared Force Majeure on 21 April 2022. Production was altogether stopped in September 2022. On 7 October 2022, President of Russian Federation (RF) issued Decree and RF Government issued Resolution dated 12 October 2022, transferring all rights & obligations of Sakhalin-1 Consortium to a newly formed entity; Sakhalin-1 LLC. As required by the decree, ONGC Videsh submitted its notice of consent to retain its stake in the project on 8 November 2022. The Government of Russian Federation, approved for ONGC Videsh to retain its existing participating interest in the project, subject to fulfilling obligations towards the transfer of accumulated abandonment funds to Sakhalin-1 LLC's current account.

As of 31 March 2023, the project production levels

were back to normal levels of approx. 200K bopd and drilling activities have also resumed. Furthermore, ONGC Videsh has received the accumulated Abandonment Funds in its account at SBI, GIFT City, Gandhinagar, India on 5 April 2023 to further comply with the said condition precedent.

#### **g. Rovuma Area-1:**

Following deterioration of security situation in Palma district since March 2021, the Operator evacuated all personnel from the site and subsequently, on 11 May 2021, declared Force Majeure (FM). Recently, the operator has reported alignment of understanding with Government of Mozambique (GoM) on security matters while acknowledging significant improvement in security situation and believes if the progress continues in the same trajectory, restart of project activities is possible in near future. In anticipation of the restart, the Area 1 consortium has already commenced some preparatory works at the project site.

#### **h. Myanmar A1 & A3**

Average JV, gas production rate of the project for FY'23 was about 15 MMSCMD. Phase II Development of the projects was successfully completed in Aug 2022 and production from additional 7 wells was started, with this the Project is expected to maintain production of contracted quantity of 500 MMSCFD till 2026 or early 2027.

#### **i. Vietnam Block 06.1**

Average JV, gas production rate for FY'23 was about 4 MMSCMD. Although the block is nearing its end of life and production from the block has fallen substantially, the Consortium with an objective to continue production from the existing fields and to explore the clastic areas, applied for extension of the Production Sharing Contract (PSC). The host Government has granted 16 years extension of the PSC, with effect from 19 May 2023.

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

Your Company held 54.90% equity shares in HPCL on 31 March 2023 and HPCL is a Schedule 'A', Maharatna, and listed entity operating for 100 years with Pan India presence. Government of India had transferred its 51.1% equity in HPCL to ONGC in 2018. HPCL owns and operates 2 major refineries – one at Mumbai (9.5 Million metric tonnes per annum - MMTA) and the other one at Visakhapatnam (8.3

MMTA). HPCL has 19.14% domestic market share in petroleum products. 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'23, HPCL refineries at Mumbai and Visakhapatnam achieved combined refining throughput of 19.09 MMT. HPCL achieved highest ever sales volume of 43.45 MMT compared to previous year's sales of 39.14 MMT. During the year, HPCL crossed a key milestone of 21,000 Retail Outlets with commissioning of 1,161 Retail outlets during FY'23 taking the total Retail Outlets to 21,186. Further, 40 new LPG distributorships were commissioned during the year taking the total number of distributors to 6,283 as of 31 March 2023.

The combined Gross Refining Margin (GRM) for HPCL Refineries for FY'23 worked out to USD 12.09 / bbl compared to USD 7.19 /bbl in the corresponding previous year.

HPCL had 21,186 retail outlets, 17 cross country pipelines covered length of 5,132 kms (making HPCL second largest Petroleum product pipeline Company in India), 55 LPG plants, 6,283 LPG distributors; 43 Petroleum, Oil & Lubricants (POL) terminals & 72 POL depot, 1387 CNG dispensing station, 54 aviation services facilities; 2037 EV charging facilities as on FY'23.

During FY'23, HPCL recorded Loss After Tax of ₹89,740 Million as compared to Profit After Tax of ₹63,826 Million for the previous year. Revenue from operations for the FY'23 was ₹4,661,924 Million as compared to ₹3,738,967 Million during the previous year.

### **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 MMTA 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'23 increased by almost 13.8 % to 17.14 MMT against 15.05 MMT during FY'22.

In FY'23, GRM for MRPL was USD 9.88 /bbl against USD 8.60/ bbl during FY'22. During the year the company has added 31 Retail Outlets making total retail outlets to 63 as on 31 March 2023.

In a remarkable turnaround, MRPL registered a standalone turnover of ₹1,247,360 Million (₹860,944 Million in FY'22) and recorded profit of ₹26,384 Million (against Profit of ₹29,553 Million in FY'22) during FY'23.

#### **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 3.894 MMT in FY'23 against 2.841 MMT in FY'22 and reported total income of ₹1,683 Million in FY'23 (₹1,282 Million in FY'22) and recorded a net profit (PAT) of ₹847 Million in FY'23 (₹603 Million in FY'22).

#### **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 2023.

Company has successfully completed its first major turnaround (MTA) in FY'23. During FY'23, Revenue from operations of OPaL was ₹145,930 Million (₹160,475 Million in FY'22) and posted loss of ₹41,555 Million against loss of ₹5,347 Million in FY'22.

##### **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 2023.

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'23 was about 77% against 64% in FY'22 and power generation increased from 4,124 Million Units (MU) in FY'22 to 4,741 MU in FY'23.

Revenue from operations during FY'23 was ₹16,315 Million (₹12,640 Million in FY'22) and Profit After Tax (PAT) was ₹ 2,011 Million during FY'23 (₹1,066 Million during FY'22). OTPC has declared total dividend of ₹1.30 Per share in FY'23 including proposed final dividend of ₹0.60 per share.

##### **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. The company has paid maiden dividend @ 10% of the paid up share capital, amounting to ₹25 Million during the FY'23.

Revenue from operations of OTBL during FY'23 was ₹370 Million (₹188 Million in FY'22) and Profit After Tax (PAT) was ₹192 Million during FY'23 (₹86 Million during FY'22).

##### **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'23 was ₹757 Million (provisional) against ₹666 Million in FY'22 (audited) and PAT was ₹381 Million during FY'23 (provisional) against ₹470 Million (audited) during FY'22.

##### **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.

Revenue from operations of MSEZ during FY'23 was ₹2,036 Million (₹1,924 Million in FY'22) and Profit After Tax of ₹72 Million during FY'23 (Net loss of ₹199 Million during FY'22).

#### **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 a fleet of 43 helicopters.

#### **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 supply of LNG, 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'23, PLL recorded revenue from operations of ₹598,994 Million and Profit After Tax (PAT) of ₹32,399 Million. PLL paid a special dividend of ₹7 per share and has proposed a final dividend of ₹3.00 per share for FY'23.

#### **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 70.01% has been achieved till 31 March 2023 with a cumulative financial expenditure of ₹42,186 Million.

#### **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'23**

- a) Companies which has become subsidiaries: NIL.
- b) Companies which has ceased to be subsidiaries: NIL.
- c) Companies which has become a joint venture or associate: NIL.
- d) Companies which has ceased to be a joint venture or associate: NIL.

#### **27. 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.

ONGC has been able to localize 18 products through 23 successful development orders, another 14 products/services are in development by 16 Indian manufacturers.

#### **28. 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 23 start-ups with applications in energy sector. The financial commitment to these Start-Ups was ₹757.70 Million as on 31 March 2023.

#### **29. Procurement through Government e-Marketplace (GeM)**

In line with directives of Government of India, your Company has been making all efforts to enhance procurement of goods and services through GeM portal. During FY'23 ONGC's total procurement through GeM was ₹71,783.70 Million. ONGC's efforts were also recognised by Ministry of Commerce during "GeM Kreta Vikreta Samman Samaroh 2023" wherein ONGC was awarded Gold buyer award under Highest Service procurement category for FY'23.





### 30. Facilitation for payment of invoices through TReDS Portal

In line with the initiatives of Government of India, your Company is registered on TReDS platform with M/s RXIL, M/s MYND Solution (M1xchange) and M/s A TReDS Ltd. (Invoice Mart), to help MSME vendors get immediate access to liquid fund based on Buyers (i.e. ONGC's) credit rating by discounting MSMEs trade receivables through an auction mechanism where multiple financiers can participate and bid. MSME vendors can avail this benefit by registering themselves with any of the exchanges providing e-discounting/ electronic factoring services on TReDS platform where ONGC is also participating in such TReDS Platform as a Buyer. Such exchanges with participation of ONGC are being notified from time to time.

The details of invoices discounted through TReDS system during FY'23 were as under:

| Name of TReDS Platform      | No. of Invoices discounted through TReDS | Value of invoices discounted (₹ in Million) |
|-----------------------------|------------------------------------------|---------------------------------------------|
| MYND Solution (M1xchange)   | 77                                       | 401.60                                      |
| RXIL                        | 22                                       | 37.80                                       |
| A TReDS Ltd. (Invoice Mart) | Nil                                      | Nil                                         |

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

ONGC accords topmost priority to the Health, Safety and Environment (HSE) management by carrying out its operations ensuring zero harm to the people and 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. Multi-disciplinary Teams conducted 293 Internal Safety Audits (ISAs) in 2022-23. The overall compliance status of ISA observations as on 31 March 2023 was 93.43 per cent.

ii. OISD, conducted audits at 110 Installations in 2022-23. The overall compliance status of the observations raised by OISD as on 31 March 2023 was 87.54 per cent.

iii. DGMS, carried out inspections at 164 Installations in 2022-23. The overall compliance status for the contraventions raised by DGMS as on 31 March 2023 was 96.87 per cent.

b) An expert consultant was engaged by ONGC to carry out gap analysis of existing systems and practices of ONGC and assist in improving safety culture. To further strengthen the Safety culture of the organization Project 'Parivartan' is being implemented across the organization. Under Project 'Parivartan' the following 10 Strategic HSE Goals have been finalized:-

- Achieve culture of leadership excellence with an average score of 90% for the leadership process by 2025;
- Significantly improving management system culture by achieving average safety rating 7 out of 10 across all installations by 2025;
- Transformation of prevailing Bureaucratic System Culture to a Learning Organization Culture by 2027;
- Building Risk Competency based on Training Needs Analysis by 2025;
- Ensure Total Safety of the asset through a systematic implementation of Asset Integrity Management by 2027;
- Ensure Risk based Contractor Management System is fully embedded into the Project Management by 2023;
- Sustain and / or improve on Loss Time Injury Frequency Rate Loss Time Injury Frequency Rate (LTIFR) by achieving result better than an average Industry Rate by 2027;
- Design, Create and Implement Safety Management System Benchmarking (Internal & External) by 2025;
- Resorting to Green initiatives for Zero Emission Pathway in backdrop of climate crisis and Fast-tracking of Forest clearances through adopting

proactive approach; and

- Elimination and mitigation of occupation related health impacts and introduction of new initiatives for health improvement.

These strategic goals are being implemented through Syndicates, consisting of Key Executives and Senior HSE officials. The progress is reviewed by Higher Management at regular basis to ensure time bound achievement of the targets.

**c)** During FY'23, 18,995 mock drills were conducted, including 18,971 ERP (Emergency Response Plan), 16 Onsite DMP (Disaster Management Plan), 6 Offsite DMP and 2 RCP (Regional Contingency Plan) mock drills.

**d)** 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 3,218 personnel (1,110 Company Employees and 2,108 Contract Personnel) in 2022-23.

**e)** The Near Miss reporting and timely closure is being emphasized through advisories, awareness programs and competency building exercises. Monthly Near Miss Analysis and Reports are being issued for sensitization and actions in this regard. In order to further encourage the work centres to report the Near Miss in SAP and close them by taking required action, best performers are being recognized.

**f)** Every quarter, Safety Champion and Safe Installation awards are being declared by Assets/ Plants/ Basins and the winners are being duly recognized as motivation for commendable safety performance by all.

**g)** 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.

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

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

**j)** To address any unsafe act or unsafe condition, Stop Card program has been implemented which

empowers any personnel to use Stop Card to stop a work if it is noticed that the risk associated with any job is unattended or a person is doing work in unsafe manner. The system enables immediate action on the risk through prompt actions.

**k)** Corporate Disaster Management Plan (CDMP) has been revised, incorporating DMP-2020 of MoPNG, NDMP-2019, MoPNG guidelines on COVID-19 & cyclone Tauktae and High Level Committee's recommendations on cyclone Tauktae.

**l)** Dedicated webinars and workshops are being conducted through online platforms, covering ONGC and contract personnel, on specific HSE topics through domain experts.

**m)** In order to enable the workforce to readily access the HSE related information, guidelines, standards, manuals, documents, circulars etc., on their fingertips, a dedicated HSE website and App has been introduced. The same is accessible anytime to all ONGC employees posted at various work centers.

**n)** Environmental Clearances: ONGC received 18 Environment Clearances (ECs) for drilling of 106 exploratory wells, 115 development wells and construction of 1 production facility.

#### **o) 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. 1,04,000 m<sup>3</sup>/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.** Hazardous Waste Management: The Hazardous 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 2022-23, 93,151 Metric Tons of oily sludge/oil



contaminated soil has been bio-remediated.

**iii.** Recovery from Waste: During the process of restoration of oil spillage area, about 6,523 m<sup>3</sup> of Oil has been recovered from the oil contaminated soil during 2022-23 which was sent back to the production installations.

**p)** A project for conservation of bio-diversity which aims to plant mangroves in an area of 10 ha and protection of the Endangered Olive Ridley Turtle in the Karaikal District of Puducherry has been taken up. The project commenced in August 2022 with various activities planned in 3 years duration.

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

ONGC is having 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. ONGC has a MoU for oil spill response co-operation with Mumbai Port Trust, Jawaharlal Nehru Port Trust and Participating Oil Companies for maintaining Tier-I oil spill response facility & services in Mumbai Harbour.

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.

## **32. 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'23 was 8.897 MMTCO<sub>2</sub>e a reduction of about 2.66% from the previous year.

### **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'23 leak detection survey was carried out in Hazira and Uran plant.

### **Solar and Wind energy initiatives:**

The total installed capacity of renewable energy as on 31 March 2023 was 189.52 MW (Solar: 36.52 MW and Wind: 153 MW).

### **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 a 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'23, ONGC installed 4,344 LED lights making a total of 355,344 LED lights installed so far.

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

Carbon Capture, Storage and Utilization (CCSU) is a critical CO<sub>2</sub> emission abatement technology that can prevent large quantities of CO<sub>2</sub> from being released into the atmosphere. Considering its benefits, ONGC entered into a MoU with Indian Oil Corporation Limited

(IOCL) for CO<sub>2</sub> based Enhanced Oil Recovery (EOR). Under this initiative, the CO<sub>2</sub> captured from the IOCL's Koyali refinery will be utilized for EOR in the depleting oil fields of ONGC in Gandhar field, near Vadodara. The project has the potential for sequestering 5 to 6 Million TCO<sub>2</sub> by the year 2040.

### 33. 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 along with the Financial Statements.

### 34. 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**.

### 35. Business Responsibility and Sustainability Report

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

### 36. Management Discussion and Analysis Report

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

### 37. 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.

### 38. Human Resource Development

Employees are our most valuable resource driving the Company to unparalleled excellence in the energy business. As a strategic business partner, your Company's HR practices are in alignment with its vision to be global leader in the integrated energy business. Our 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.

As on 31 March 2023, there were 25,993 employees on the rolls of ONGC. Your Company empowers these dedicated energy soldiers through its HR strategies focused on workforce planning, talent acquisition, performance management, learning & development, career growth, succession planning, leadership development and on enhancing employee experience and engagement by extending best of employee facilities, welfare benefits and work environment.

**Capacity building** of strong workforce of 25,993, to cater to both current and future work requirements is a major thrust area. The challenging and transitioning E&P business environment calls for accelerated development of employee knowledge, skills and competencies. Your Company therefore, has dedicated Institutes providing focused and relevant learning & development opportunities to employees. With a view to build a leadership pipeline and providing healthy balance of both academic and field exposure to its energy professionals, ONGC has tied up with a number of national & international institutions, agencies and business schools. During FY'23, 19,846 executives and 5,506 non-executives were imparted training in relevant domains, spanning 66,806 executive and 13,764 non-executive training days.

**Learning Management System:** During the year, ONGC Academy, on-boarded Learning Management Software of Ministry of E&IT and National Programme on Technology Enhanced Learning (NPTEL) developed by seven Indian Institutes of Technology,





with the objective of enhancing knowledge and skills of executives. Various components of the system have been successfully tested and rolled out.

**Leadership Development:** Your Company has structured and strategic learning and development initiatives focused at nurturing the right technical and managerial abilities at all executive levels to build energy leaders of tomorrow.

**Harvard Manage Mentor** program is one such initiative being offered to 3,100 executives, involving self-paced, anywhere anytime learning, assessments and real time personal guidance. The program covers E2 to E4 level executives under the buckets Managing Yourself, E5 to E6 – Managing others & E7 & above under Managing the Business.

**Employee Engagement:** In FY'23, ONGC implemented a gamut 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:

i. A 2-day **Youth Meet** was organized in August 2022, to bring together about 250 young officers from different work centres in a live and energetic physical setup for experiencing, first-hand, the ONGC corporate ethos. During the 2019 -21, all new joinees underwent virtual on-boarding on account of the pandemic restrictions. This Youth Meet allowed them to initiate organizational friendships, expand social network and improve batch camaraderie. The youth meet created an opportunity for the new joinees to interact with ONGC Executive Committee, hear leadership perspectives and understand their Company's journey, energy transition, corporate strategies and its national impact. The Youth Meet saw a confluence of young ideas emerge through power packed discussions with top management. The event included a series of competitions, live Energy and Business Management Quiz, Youth Executive Committee meeting and interactions with national youth icons such as Virender Sehwag and Chetan Bhagat.

ii. In ONGC the formal **mentoring initiative** was introduced in 2008. ONGC management reintroduced the mentoring framework in 2021 with a perspective to create an informal social learning opportunity that allowed for knowledge transfer, professional and personal development of young officers who joined the organization during the pandemic outbreak. In FY'23 approximately 650 new mentors and around 600 mentees have been initiated into the mentoring

program. The mentee and mentors are also being given mentoring handbooks to capture their discoveries, reflections and document their learnings.

iii. With a focus on connecting with the younger generation, more than **30 People Connect Sessions** were conducted across work centres for improved engagement & interaction of key executives and seniors with work teams.

iv. **Annual ONGC Business Games** was successfully conducted to hone competencies such as strategic thinking, business acumen, entrepreneurial learning, decision making, critical thinking and collaboration in a competitive scenario under simulated business constraints. During FY'23, a total of 217 teams and 868 executives participated in these games.

v. **Fun Team Games** were also conducted for E0 and below level employees as a capacity building and employee engagement initiative to enhance coordination, cooperation, communication, planning, result orientation, mental/physical dexterity among the participants, wherein more than 380 nos. of employees participated in the event.

vi. A special **executive presence program** was conducted for senior level executives. The program was held over a four-week duration, in a hybrid module combining both in-person sessions and online learning sessions on LMS. The program focused on the journey of personal transformation that reflects in a person's brand and the high intrinsic value that he/she adds to the organization through their presence, knowledge and individual contribution.

**Digitization of HR Processes:** In line with your Company's HR vision of continuous innovation and adopting best-in class practices, a number of digital initiatives were taken up towards improved employee processes, HR workflows etc. During the FY'23, ONGC has digitized the Loans and Advances process and the nomination process for various Trusts.

#### **Employee Recognition:**

Your Company observed its Annual Awards 2022 with great enthusiasm on 19 February 2023, in Jaipur, to recognize its promising employees in different categories. This gala award ceremony was conceptualized to engage and inspire the employees of the organization to achieve greater heights and contribute to the organization and the nation altogether. The idea was to connect to the employees by applauding their achievements and making them feel recognized as great assets to the organization.

**Employee Welfare:** Your Company introduced new policies and such as paternity leave to male employees on adoption of a child, medical facilities for dependent parents of retired employees, additional financial support in case of death/disablement due to accident on duty, payment of ex-gratia to secondary workforce who succumbed to Covid-19, and reviewed existing policies leading to enhancement of ad-hoc payment under ONGC Composite Social Security Scheme and revision of guidelines for home nursing care.

**Work- Life Balance:** ONGC focuses on employee well-being by promoting healthy work-life balance. Enhancing employee experience is a priority and your Company achieves this through well-developed facilities like gymnasiums, clubs, sports facilities and music rooms in its townships. Facilities for gym, sports, yoga, library, etc. are also offered in ONGC's offshore living quarters.

Your Company also recognizes and supports Collectives and other groups like Officers' Club, Women Development Forum, Employee Welfare Associations, Resident Welfare Association, etc. in each of its work centres. These Collectives and affinity groups organized various sports, cultural and community events, which brought employees together and built a sense of camaraderie and collective belonging.

**'ONGC Himalayan Association'** has continued to foster the spirit of adventure and oneness with nature in its employees by organizing activities like mountaineering, trekking and water rafting.

**Health and Wellbeing:** Wellness Centres have been set up at various work centres of ONGC to provide consultations/ counselling to employees and their dependent family members, especially on issues related to mental health and well-being.

#### **Employee Welfare Trusts:**

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

- Employees Contributory Provident Fund (ECPF) is an exempted PF Trust established by your company under EPF&MP Act 1952. The Trust manages the Provident Fund of the employees.
- 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 has been established for payment of gratuity as per the provisions of the Gratuity Act.
- ONGC Post-Retirement Medical Benefits (PRMB) Trust has been established during the year 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.
- The **'Sahyog Trust'** has also been set up by your Company for its Sahyog Yojana aimed at providing ex-gratia financial grant for sustenance, medical assistance and treatment, rehabilitation, education, marriage of female dependent and alleviation of any hardship or distress to workforce and their kin, who lack other means of support. Under this scheme, support is offered to casual, contingent, daily rated, part-time, ad hoc, contract appointees, and tenure-based employees, apprentices and trainees engaged by your Company besides regular and past employees.
- The **Asha Kiran Scheme** is also in place to meet the emergency needs of the ex-employees retired prior to 1 January 2007. The scheme was launched as per DPE guidelines with a corpus of 1.5% of profit before tax.

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

ONGC recognizes its responsibility towards welfare of SC and ST communities and complies with the Government directives in this regard. The percentage of Scheduled Castes (SC) and Scheduled Tribe (ST) employees were 15.4 percent and 11.3 percent respectively as on 31 March 2023.

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

**i. Annual Component Plan:** An allocation of ₹200 Million is made every year under the Annual Component Plan. Of this, ₹60 Million is allocated to work centres for taking up welfare activities for local communities in operational areas. The remaining ₹140 Million is managed centrally, and is earmarked for taking up welfare initiatives (education, training, community development, medical and healthcare)



for the welfare of areas/persons belonging to SC/ST communities.

**ii. Scholarship to meritorious students:** To support higher education of meritorious SC & ST students, 1000 scholarships are offered annually to SC & ST students for pursuing Engineering, MBBS, Geosciences and MBA courses. An amount of ₹48,000/- per student per year is offered, subject to fulfilment of conditions under the scheme.

**Diversity & Inclusion:** ONGC is an equal opportunity employer. ONGC adheres to constitutional and government guidelines on creating opportunities for employees and promotes employee development, irrespective of their caste, creed, race, gender, specially-abled status etc. Employees are empowered with best in industry support and opportunities, enabling them to excel in their professional and personal lives. Sufficient representation in terms of diversity, as per government guidelines, is ensured.

**Women Development:** Women employees constituted 7.8 per cent of ONGC's workforce as on 31 March 2023. Your Company has been a pioneer in promoting inclusive workplaces practices that support career growth of women and enhance leadership capabilities of women. A focused programme on Women Leadership Development **Urjasvini-NextGen**, was launched for a batch of 25 young women executives at E2 – E4 level by ONGC during FY'23, to mentor and develop high-potential women executives for middle management roles, laying the foundation for furthering their leadership aspirations as future leaders of ONGC.

As part of an initiative called Voice of Oil Women (VOW) which was started in January 2022, ONGC's Women Development Forum (WDF) Chapters, continued to organize online sessions every month for knowledge sharing, learning and networking amongst the women fraternity.

Inclusion of **Persons with Disabilities (PwD):** Your Company's infrastructure and facilities provide an enabling environment to Persons with Disabilities, supporting them to effectively discharge their duties. Due consideration is provided to PwD employees in matters of recruitment, job assignments, transfers, accommodation and leaves. In an effort towards creating an equitable environment where PwDs can connect, play sports and build sense of community, your Company organizes the ONGC Para Games. ONGC is the only public sector enterprise to organize Para Games to promote sporting talent of Persons

with Disabilities.

The Hon'ble Minister of Petroleum and Natural Gas inaugurated the 4th ONGC Para Games in Thyagaraj Sports Complex in Delhi on 2 August 2022. 275 specially-abled employees from eight central oil and gas public enterprises participated in the 4<sup>th</sup> ONGC Para Games being held during 2 to 4 August 2022. 192 ONGCians were among the participants.

**Disclosure under the Sexual Harassment:** ONGC has complied with the provisions under the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013. As per the provisions under the Act, Internal Complaints Committees (ICC) have been constituted for dealing with complaints of sexual harassment of women at workplace. The members of the ICC have been provided training programs to equip them with relevant knowledge and tact for enquiring into such complaints.

Following is a summary of sexual harassment complaints:

| Financial Year | Number of complaints received | Number of complaints disposed-off | Pending complaints as at 31 March 2023 |
|----------------|-------------------------------|-----------------------------------|----------------------------------------|
| 2022-23        | 6                             | 4                                 | 2                                      |

### 39. Industrial Relations

Harmonious Industrial Relations were maintained in your Company throughout the year. Man-days loss due to internal industrial action was reported as 'NIL' for FY'23.

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

A well-defined mechanism is in place to deal with RTI applications received under the Right to Information Act 2005. A senior level officer has been designated as 'Nodal Officer' for fulfilling the requirements under RTI Act 2005. 23 executives have been designated as 'Central Public Information Officers' (CPIOs) in various work centres across the Company to process RTI applications.

The corporate website of your Company, [www.ongcindia.com](http://www.ongcindia.com), has important Information relating to Right to Information Act, 2005 for convenience of general public.

During FY'23, your Company received 1,519 applications (including 58 transferred by other Public Authorities). Against these applications, information

as sought were provided in 1,386 applications, 13 applications were rejected and 35 applications were transferred to other public authorities, 2 were returned to applicants in accordance with the provisions of the RTI Act 2005. There were 247 first appeals, 226 were disposed-off during the period. Total pending requests were 21 as on 31 March 2023.

#### 41. Implementation of Official Language Policy

In FY'23 your Company took all efforts to promote and implement Official Language Policy. As per the Directives of Parliamentary Committee on Official Language, inspection of the work centers across ONGC were carried out. Paperless office has been made bilingual for effective implementation of Official Language policy. For enabling bilingual working, Unicode has been installed in SAP platform. 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.

To encourage the employees to do their work in official language, various incentive schemes have been introduced in ONGC such as Best work center Award, Hindi Sevi Karmik Award and Special Hindi Incentive Scheme. A bilingual handbook has also been prepared and uploaded on ONGC's internal portal or.net for ready reference on Official Language policy.

Besides, ONGC has also conducted Hindi workshops at regular intervals in all work centres. Hindi technical seminars/Webinars, Kavi Goshties, Kavi Sammelan and Hindi plays have been organized at various work centres. The **Rajbhasha Fortnight** was organized from 14 to 18 September 2022, during which, various competitions, programs and events were conducted. On the occasion of Vishva Hindi Divas, local litterateurs were honoured at the headquarters and other work centres of ONGC.

Hindi Teaching Scheme of Government of India was implemented effectively at all regional work centres of the Company. Besides, Hindi E-magazines are being published to promote paperless Office by all work centres of ONGC. An E-Roster of Employees with working knowledge of Hindi has also been put in place.

#### 42. Sports

As a responsible Maharatna PSU, ONGC strongly supports the promotion of sports and sportsmen by

offering employment opportunities and scholarships to sportspersons. Your Company's sponsorship of various sporting associations, federations and events as well as support to develop sporting infrastructure has supported many sportspersons in bringing in accolades to the nation and the organization.

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

(i) Five ONGC sports persons represented country and won medals in Commonwealth Games 2022 at Birmingham (UK):

- Table Tennis players G. Sathiyam & Harmeet Desai won Gold Medal in team event
- Badminton Player Ashwini Ponappa won Silver medal in Mix team event.
- Hockey players Gurjant Singh, Mandeep Singh secured a Silver Medal in Men's Hockey Team

(ii) Badminton player H. S. Prannoy was conferred with **Arjuna Award** for the year 2022 by President of India.

(iii) The total number of National Awardees in the organization stands at 61:

- Padma Bhushan – 1
- Khel Ratna – 2
- Padma Shri – 6
- Arjuna Award – 50
- Dhyanchand Award – 2

#### (iv) Other Highlights

- Badminton player H S Prannoy was part of the Thomas Cup winning team at Bangkok in May 2022
- Pankaj Advani won the IBSF World Billiards Championship in Kuala Lumpur, Malaysia in October 2022.
- Rashmi Kumari became the World Champion by winning 8<sup>th</sup> World Carrom Championship in Langkawi, Malaysia in October 2022. She is 3<sup>rd</sup> time World Champion and 11<sup>th</sup> time National Champion.
- Grandmaster K Sasikiran won the Liffre International Open Chess Tournament, France in October 2022.
- Shiva Thapa won Silver Medal in Light weight





category at ASBC Asian Boxing Championship, Jordan in November 2022. He consecutively won sixth medal in Asian Boxing Championship 2013, 2015, 2017, 2019, 2021, 2022.

- Sports scholarships in 22 sports were awarded to 214 budding talents
- To encourage and support women in sports, sports scholarships were also awarded to women in Kabaddi, Wrestling, Boxing, Hockey, Archery etc.

### 43. 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**.

### 44. Regulatory or Courts order

During FY'23, 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.

### 45. Material changes and commitments affecting financial position between the end of the financial year and date of the report

There have been no material changes and commitments which affect the financial position of the Company that have occurred between the end of the financial year to which the financial statements relate and the date of this report.

### 46. 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:

- In the preparation of the annual accounts, the applicable accounting standards were followed and there was no material departures from the same;
- 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 at 31 March 2023 and of the profit of the Company for the year ended on that date;
- 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.

### 47. 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>

### 48. 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.

### 49. Audit Committee

In compliance with Section 177(8) of the Companies Act, 2013 and 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'23, where the Board had not accepted any recommendation of the Audit Committee.

### 50. 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 unpublished 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>

### 51. 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.

Details of vigilance cases are provided as under:

| Nature of cases | Details of cases                                    |                                   |
|-----------------|-----------------------------------------------------|-----------------------------------|
|                 | Penalty imposed during the financial year (2022-23) | Cases Pending as on 31 March 2023 |
| Major penalty   | 16                                                  | 8                                 |
| Minor penalty   | 19                                                  | 3                                 |

### 52. Reporting of Fraud:

During FY'23, the Company has reported an instance of fraud by way of misappropriation of funds through payment made against fictitious medical bills by one regular and one contractual ONGC Doctor in collusion with a vendor. The relevant details (refer Note 24.5 of stand-alone financial statements) are provided as under:

- Nature and Description of fraud: Payment against fictitious medical bills;
- Amount involved: ₹2.41 Million identified till date;
- Parties involved, if remedial action not taken: Not applicable; and
- Remedial action taken – Based on internal departmental enquiry process, the regular ONGC Doctor involved in the reported fraud has been dismissed from the services of ONGC. Further, services of contractual Doctor have also been

terminated. The empanelment of vendor involved in the fraud, has also been terminated by ONGC. The matter has also been referred to CBI for investigation and criminal prosecution, if any.

In order to prevent recurrence of such instance and to strengthen the internal control mechanism, Internal Audit carried out special audit of medical process and recommended various control measures including empanelment of chain pharmacies, fast track implementation of ONGC Clinical Referral e-system (ONGCares), strengthening of system controls over medical cards for all beneficiaries, stringent compliance of Segregation of Duties (SoD) in medical process, robust communication and acknowledgement mechanism for medical services which are under implementation.

### Steps towards streamlining the Medical Services:

Following measures have already been put in place so that such incidence does not recur:

- The details of medical treatment advice / medicines prescribed are being sent by SMS at the registered mobile number of the beneficiary employee – regular and separated.
- Randomised bill checking: Checking of bills of one work centre by other work centre.
- Internal Audit has completed the system study and the suggested changes are being implemented.

### 53. 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.

### 54. Auditors

The Statutory Auditors of your Company are appointed by the Comptroller and Auditor General of India (CAG). There were 5 Practicing Chartered Accountants firms namely M/s SARC & Associates, M/s Kalani & Co., M/s R.G.N. Price & Co. M/s S. Bhandari & Co. LLP and M/s J Gupta & Co. LLP who were appointed as Joint Statutory Auditors of the Company for FY'23.

The Statutory Auditors have been paid a total remuneration of ₹55.08 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'23. There is no qualification in the Statutory Auditors Reports on the Financial Statements of the Company for FY'23. Further, Comptroller & Auditor General of India (C&AG) in its Supplementary Audit under Section 143(6) read with Section 129(4) of the Companies Act, 2013, has provided "Nil" comments in Consolidated and Standalone Financial Statements for FY'23. The comments of Comptroller & Auditor General of India (C&AG) form part of this Report and is attached as **Annexure – F**.

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

The C&AG conducts audits of various nature viz. Performance Audit, Thematic Audit, Compliance Audit, Follow-up Audits, etc.

As on 31 March 2023, there are twenty five published C&AG reports/paras of previous years, pending at various stages. These are related to Payment of Stagnation Relief, Non-recovery of Perquisite Tax, Payment towards Encashment of Half Pay Leave/ Earned Leave, IT Audit on FI-CO Module of SAP, Loss of Interest due to Inordinate Delay in Receipt of Share of Gas Transportation Charges, 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, Avoidable Extra Expenditure due to Delay in Procurement of Casing Pipes, Failure to obtain the Share of Cost of Immediate Support Vessels purchased by ONGC for Security of Offshore Assets from private Exploration and Production (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, Water Injection Operations in Western Offshore, Loss due to Flaring of High Pressure Gas, Management of Spectrum assigned on administrative basis to Government Departments/ Agencies, etc.

These Audit Paras have been suitably replied and the same are under review of MoPNG or C&AG.

### 56. Cost Audit

There were 6 cost accountants firms, namely M/s ABK & Associates, M/s Sanjay Gupta &

Associates, M/s Rao, Murthy & Associates, M/s Shome and Banerjee, M/s Dhanajay V Joshi & Associates and M/s Dewanji & Co. appointed by the Board as Joint Cost Auditors of the Company for FY'23. 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.

### 57. Secretarial Audit

Your Company had engaged M/s JMC & Associates, Practicing Company Secretaries as Secretarial Auditors for FY'23. 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:

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. There was shortage of one Independent Director during intermittent period, i.e. 13 July to 31 August 2022 and 7 December 2022 to 28 February 2023, due to completion of tenure of one Independent Director in the first instance and appointment of one whole-time director in other case. The Company was fully compliant as on 31 March 2023.

#### Availing working capital loans for short periods on a rolling basis against lien on Term deposits from nationalized banks:

The Company did not register charges for loan against Term Deposit Receipts from Banks. The Banks stated that no charge was required to be registered for the loans against Term deposits as the original of Term Deposit receipts were kept with banks under lien. The Company accords priority to compliance requirements and matter is under examination in consultation with legal practitioner.

### 58. 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:

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

- Shri Arun Kumar Singh has been appointed as the Chairman w.e.f. 07.12.2022 and Chief Executive Officer (CEO) of the Company w.e.f. 24 January 2023. He also holds the additional charge of post of Director (Strategy & Corporate Affairs) w.e.f. 1 August 2023.
- Dr. Alka Mittal, ceased to be Chairman & Managing Director (Addl. Charge) and Director (HR) of the Company w.e.f. 01.09.2022.
- Smt. Sushma Rawat has been appointed as Director (Exploration) of the Company w.e.f. 1 January 2023.
- Shri Rajesh Kumar Srivastava ceased to be Director (Exploration) on the Board w.e.f. 1 January 2023.
- Shri Anurag Sharma ceased to be Director (Onshore) on the Board w.e.f. 1 March 2023.
- Shri Manish Patil has been appointed as Director (HR) of the Company w.e.f. 5 May 2023.
- Shri Parveen Mal Khanooja, IAS, Additional Secretary in the Ministry of Petroleum & Natural Gas has been appointed w.e.f. 23 September 2022 as the Government Nominee Director vice Shri Srinivas Gudey, the then Additional Secretary & Financial Advisor.

The Board places on record its appreciation for commendable contribution made by Dr. Alka Mittal, Shri Rajesh Kumar Srivastava, Shri Anurag Sharma and Shri Srinivas Gudey during their tenure on the Board of your Company.

## 59. Declaration by Independent Directors:

The Company has received 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.

## 60. 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 and 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 to ensure that the Company continues to sustain, grow and excel.

On behalf of the Board of Directors

Place: New Delhi  
Date: 4 August 2023

Sd/-  
**Arun Kumar Singh**  
**Chairman & CEO**





## Annexures to the Board's Report



## **Awards and Accolades**

### **1. Fortune Global 500 list 2022**

ONGC has been ranked 190<sup>th</sup> globally & 4<sup>th</sup> in India in Fortune Global 500 list 2022.

### **2. Platt's Top 250**

ONGC has been ranked 14<sup>th</sup> among global energy majors in the coveted Platt's Top 250 Global Energy Company Rankings 2022.

### **3. Forbes 2000 list 2023**

ONGC has been ranked 226<sup>th</sup> globally & 5<sup>th</sup> in India in Forbes Global 2000 list 2023.

### **4. Great Place to Work**

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

### **5. Golden Peacock Award for risk management**

ONGC has received the 'Golden Peacock Award for Risk Management' at the London Global Convention on Corporate Governance & Sustainability organized by the Institute of Directors.

### **6. ONGC has been conferred with Best Overall Performance Award**

ONGC has been conferred with the 'Best Overall Performance Award' in 'Upstream/Midstream Sector' for oil and gas conservation activities for Saksham-2021 at the inaugural ceremony of Saksham-2022 by Petroleum Conservation Research Association under the aegis of Ministry of Petroleum and Natural Gas.

### **7. Green Ribbon Champions Award**

In recognition of ONGC's commitment to sustainability and consistent efforts in protecting biodiversity surrounding its operational areas, CNBC, Network18 Group conferred 'The Green Ribbon Champions Award' to ONGC.

### **8. ONGC conferred with the high procurement value award in GeM**

In recognition of ONGC's efforts to enhance procurement through Government e-Marketplace (GeM), ONGC has been conferred with "GeM Top Buyer Award" for 3<sup>rd</sup> highest procurement by value during FY'22.

### **9. ET Energy Leadership Awards**

ONGC bagged the "Energy Company of Year" (Large Cap) Award & adjudged runners-up in the Star PSU of Year Award. Dr Alka Mittal former Director (HR) and CMD (Addl. Charge) was conferred "Energy Woman of the Year" Award.

### **10. ONGC conferred with National CSR Award**

ONGC adjudged winner in "Environment, Sustainable Development and Solar Energy" category of 'National CSR Award 2020' conferred by Ministry of Corporate Affairs.

### **11. Best Employer Brand Award**

ONGC received the Best Employer Brand Award at National Best Employer Brand Awards.

### **12. ONGC bagged WCDM-DRR Awards**

ONGC won the "World Congress on Disaster Management- Disaster Risk Reduction"- (WCDM-DRR) Award for excelling in the field of Disaster Management by "bringing new practices, improving the existing ones, upgrading the tools & skills and innovating new areas".

### **13. ONGC's Corporate HSE bestowed with Energy and Environment Foundation Global Environment Award 2022**

Corporate HSE has been awarded by the prestigious Energy and Environment Foundation Global Environment Award 2022 in Platinum Category for outstanding achievement in operational excellence and environment conservation.

### **14. Institute of Drilling Technology, ONGC bags 'Golden Peacock National Training Award 2022'**

In recognition of excellence in training practices of Institute of Drilling Technology, Dehradun, "Golden Peacock National Training Award 2022" conferred by Institute of Directors. IDT is a leading training and R&D institute in the field of Drilling, Well Control, Cementation, Drilling Fluid, and Completion Fluid Engineering.

### **15. ONGC Conferred with 'Finance Transformation Award'**

ONGC bagged the 'Finance Transformation Award' for "Comprehensive Digital Transformation of





Entire Finance Process” at the SAP Achievement in Customer Excellence Awards (SAP ACE Awards) 2022.

#### **16. ONGC Videsh received Golden Peacock Award for Risk Management**

ONGC Videsh has been conferred by ‘Golden Peacock Award for Risk Management’ for the year 2021 for its ability to thrive in ever changing risk environment.

#### **17. ONGC Videsh Colombia recognized for ‘Zero-labor Accidents’ for 2 consecutive years**

ONGC Videsh Limited Sucursal Colombian has been recognized for completing two years with ‘Zero Labour Accidents’ in CPO-5 block of Llanos Basin in Colombia. A Certificate of Recognition for the same was presented to ONGC Videsh, Colombia office, by ARL SURA, a government-authorized entity in charge of administration, advice and prevention of labour risks.

#### **18. ONGC Videsh bestowed with two India Risk Management Awards**

ONGC Videsh Limited received award for ‘Best Risk Management Framework and Systems – PSU Category’ and ‘Masters of Risk in Risk Technology - Large Cap category’ at the India Risk Management Awards constituted by ICICI Lombard & CNBC-TV18.

#### **19. IIIE PERFORMANCE EXCELLENCE AWARD 2022**

ONGC bagged Indian Institution of Industrial Engineering (IIIE) performance excellence award 2022 in the Organization Category at the CEOs conference.

#### **20. Indian Red Cross Special Award**

Hon'ble Gujarat Governor gave the ‘Indian Red Cross Special Award’ to ONGC for its CSR support for COVID-19 testing in Ahmedabad.

#### **21. ONGC has been conferred with Global safety Awards 2022**

ONGC has been conferred with ‘Global Safety Awards 2022’ in Platinum Category for its outstanding performance in practicing excellent work culture.

#### **22. Swachhta Pakhwada Award 2022 in ‘Above ₹1000 cr’ category’**

ONGC received ‘Swachhta Pakhwada Award 2022’ in ‘above ₹1000 crore’ category for the financial

year 2022-23 for furthering vision of ‘Swachh Bharat Abhiyan’.

#### **23. Global Oil Spill Management Award 2022**

ONGC conferred with the Energy and Environment Foundation's Global Oil Spill Management Award 2022 during the World Oil Spill Technology Conference 2022 (WPTC) for it's outstanding achievement in the field of Oil Spill Management.

#### **24. Award for Global Sustainability Leadership Award**

ONGC bagged the ‘Global Sustainability Leadership Award’ by World Sustainability under the ‘Environment Sustainability Programme’ in recognition of the it's exemplary performance towards ensuring sustainable E&P operations.

#### **25. Award for Best Security Practices in Energy Sector**

In recognition of ONGC's efforts in Information Security, ONGC was conferred with the ‘Best Security Practices in Energy Sector’ by the Data Security Council of India during the Annual Information Security Summit 2022.

#### **26. Best Risk Management & Risk Assessment Award**

ONGC received the ‘Best Risk Management & Risk Assessment’ Award at India HSE & Awards Summit.

#### **27. Governance Now 9th PSU Award**

ONGC conferred with ‘Governance Now 9<sup>th</sup> PSU Award’ under the category “Nation-Building” for its multifaceted contributions to Nation-Building & “Communication Outreach” award for it's versatile outreach.

#### **28. Sportstar Aces Award 2023**

ONGC won ‘Sportstar Aces Award 2023’ under the category- Best PSU for promotion of Sports.

#### **29. Greentech International EHS Award 2023**

ONGC won the ‘Greentech International EHS Award 2023’ for it's exemplary performance in Environmental Leadership.

## 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'23

| SI no. | (a) Name(s) of the related party and nature of relationship | (b) Nature of contracts/arrangements/transactions | (c) Duration of the contracts / arrangements/ transactions | (d) Salient terms of the contracts or arrangements including the value, if any | Transaction value (₹ in Million) | (e) Justification for entering into such contracts or arrangements or transactions | (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<br>Relationship                                        |                                                   |                                                            |                                                                                |                                  |                                                                                    |                                      |                                      |                                                                                                                       |
| NIL    |                                                             |                                                   |                                                            |                                                                                |                                  |                                                                                    |                                      |                                      |                                                                                                                       |

### 2. Details of material contracts or arrangement or transactions at arm's length basis

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

Sd/-  
**Arun Kumar Singh**  
Chairman & CEO





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

### A. Conservation of Energy

#### a) The steps taken or impact on conservation of Energy

- 312 Energy Audits were carried out in various rigs/installations across ONGC through in-house energy auditors in FY'23.
- 4,344 LED lights installed during FY'23 from EESL across various work centres of ONGC under implementation of LED lighting program. Total of 355,344 LED lights have been installed in ONGC so far. This realizes into an annual Electrical energy savings of around 76.7 Million units (MU) and monetary savings to the tune of ₹536 Million.
- 1,083 activities were organized across ONGC with a participation of about 25 Lakh people under a Fortnight-long Saksham 2023 campaign for creating awareness on Oil & Gas Conservation and Clean & Green Energy.
- At Uran Plant total gas saved due to Flare Gas Recovery Unit is 46.65 MMSCM in FY'23. Monetary benefit of ₹886.6 Million (₹19/SCM) along with environmental benefits. Also due to working of 3 Waste Heat Recovery Boilers total Gas saved is 69.35 MMSCM. Monetary benefit of ₹1,317 Million (₹19/SCM) along with environmental benefits.
- At Hazira Plant, Total 230 Nos. of Steam traps replaced during the year in Cogen Plant, thus significantly increasing Return condensate (RC) recovery from 74.57% to 79.24% resulting in savings of ₹23.3 Million.
- At Heera Platform, Total low pressure gas saving in FY'23 is 4 MMSCM due to Flare Gas Recovery system. Monetary benefit of ₹76 Million (₹19/SCM) along with environmental benefits.
- Total HSD saved at EV-2000-5 Rig at Assam asset is 251,482 ltrs (47.14% substitution achieved) due to Dynamic Gas Blending (DGB) kit used for power pack. Monetary benefit of ₹20 Million (₹80/ltr).

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

- Total installed wind power generation capacity in ONGC is 153 MW. During FY'23, total 205.2 Million

unit electricity was generated from these wind power plants.

- The Total solar energy installed during FY'23 is 5.22 MW. The Total installed solar power generation capacity in ONGC stands at 36.52 MW till FY'23. During 2022-23, total 44.34 Million unit electricity was generated from solar power.

#### c) Capital investment on energy conservation equipment:

Total capex on solar-based power plants commissioned during FY'23 was ₹260.9 Million. The details are as under-

- 5 MW solar plant at Hazira Plant: ₹248 Million.
- 0.16 MW Solar Plant at Jodhpur: ₹9.3 Million
- 0.06 MW Solar plant at ONGC Noida Colony: ₹3.6 Million.

### B. Technology Absorption

Efforts made for absorption of new technologies and benefits derived during FY'23 were:

**a. Gamma Detector System (GDS):** This new system will be used for measurement of gamma activity of irradiated samples for recently established Ar-Ar dating facility. With this, the Lab is fully equipped to take Ar-Ar dating work.

**b. SPECTRALL:** Yet another cutting-edge research facility has been added as part of Remote Sensing & Geomatics domain in the form of a field portable spectroradiometer. The facility will help undertake multiple new initiatives and leverage the interpretive confidence of spectral classification being undertaken presently with the help of standard library spectra.

**c. Gas Hydrate Cell:** Gas Hydrate cell is used for studying thermodynamic and kinetic changes during gas hydrate formation and dissociation. This instrument has application in flow assurance and other various aspect of gas hydrate.

**d. Laser Diffraction Particle Size Analyzer:** Laser Diffraction Particle Size Analyzer measures grain size of sediments through Dry and Wet mode. The instrument can measure from 2000 micrometer upto 10 nanometers in a matter of 1 minute using Class-I Laser Light. This instrument will be used for better gas hydrate/ conventional reservoir characterisation and for depositional environment interpretation.

**e. Fishbone acid jetting stimulation technique** of M/s Fishbones AS, Norway at in two wells of Neelam Heera Asset. Fishbone technology is one type of an innovative stimulation, creates more uniform drainage pattern in the reservoir because of the lateral placement of the jets. The technique has been successfully implemented in well R-12-6A and under implementation for the other well. The other well B-173-AC2Z was completed with fishbone technology by March, 2023. Needle jetting by stimulation job was carried out. However some challenges were faced due to suspected packer leakage. Fish basket was lowered successfully till bottom and left out needle were recovered as per plan. Fishbone needle penetration is 14%.

**f. Expandable Cement Slurry (ECS) - Tripura:** An innovative low-cost indigenous expanding additive (Dead Burnt Magnesite) is mixed with cement which imparts expanding characteristics in the cement column thereby improving the cement bond and preventing micro channelling issues. ECS is being used in all intermediate casing cementation (if pay zones are available) and production casing cementation jobs. Till date, Tripura Asset has carried out 14 cementation jobs (12 jobs in FY 2022-23) with ECS with very good results.

**g. Chemical Free Tiny-Bubble Technology based ETP (300 KLD) - Cambay:** Next generation technology for treatment of the effluent water produced to meet the statutory norms without need of any chemical for treatment of the produced water, with a set of equipment and designed processes for this purpose. This design consists of few main components like Tilted Plate Inceptor (TPI), Tiny Bubble generator (TBG), Silica carbide Ceramic Membrane Separation System (Sic.CMS), with other components in a certain way to treat the inlet effluent water to meet the statutory guidelines of Effluent disposal.

**h. Water Shut-off JOB using nano-silica gel technology:** WSO JOB using nano-silica gel technology was suggested by IRS and KDMIPE to enhance longevity of the conventional WSO. Nano-silica based water shut-off job has been carried out in two wells in Ankleshwar Asset.

**i. Hydraulic Pumping Unit:** Hydraulic Pumping Unit, an alternative to conventional SRP, has been installed in 16 wells of Mehsana Asset. The system has numerous technological advantages like Remote control, Auto-Echo metering, Dyna-card generation, Variable Upstroke / Downstroke speed and Pause at

Top/Bottom for increased pump efficiency etc.

**j. Self-Assisted Plunger Lift (SAPL):** Self-Assisted Plunger Lift is a technology for automatic de-liquifaction 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 20 wells of Agartala Dome, Konaban & Sundalbari fields.

**k. Digital Oil Field:** (Pilot Project in Laipringaon field) in 18 wells of Assam Asset to Centralized surveillance of surface well parameters, Gas lift optimization, superior HSE management, sharing data across enterprise. The project was commissioned in the month of February 2023.

**l. OIMS-Assam:** Onshore Innovation & Monitoring Sphere (OIMS), is set up with the physical infrastructure (Collaboration screens, servers, etc..) at Deendayal Urja Bhavan- New Delhi, to facilitate the implementation of co-developed solutions leading to ease of decision making and reflection on pain points with the Asset team and solution prototype specifically developed to address the same. This will facilitate quick access to Subject Matter Expert (SME), Co-location of SMEs in desirable locations, remote from the production facility and vendor SME support at a short notice. On pilot basis a prototypes was developed for Sand Influx Mitigation for 10 wells of Rudrasagar field of Assam Asset.

**m. Casing while drilling (CWD):** Wells of Mumbai offshore have been facing Non Productive Time (NPT) in surface sections due to short landing of conductor and surface casing. Non Productive Time (NPT) is mainly on account of pile hammer failure issues/ safety, and unconsolidated formations. 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 all 06 Wells. The technology has proven to be a safer and faster for vertical exploratory wells, achieved using casing as drill string for both phases. It turnout to be solution for surface seepage losses and associated complications for initial well phases.

**n. 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.

**o. Liner While Drilling (LWD):** Liner drilling is an integrated services solution that can shorten drilling time and costs, reduce non-productive time (Non Productive Time (NPT)), lower the risk of drilling through trouble zones, and help ensure that the liner reaches total depth. Approved for LWD in 8 ½" phase for 4 development wells in MH, NH and B&S Assets of Mumbai Offshore. LWD successfully carried out at 02 Wells namely SN#8Y & HSD#4Z.

**p. 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.

**q. Real Time Data Management and Monitoring (RTDMM) - Assam:**

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. It consolidates and creates the high and low frequency data bank.

**r. 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.

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

- **Seistelligence:** Improved version (2.0) of this software was released correcting bugs & incorporating user suggestions. This is now available in CLAP for utilization across PAN-ONGC work-centers.
- **Automated Discontinuity Tracker:** An indigenously developed Python-based Artificial Intelligence/ Machine Learning (AI/ML) application that helps in mapping/picking faults using seismic data and Deep Learning (DL) techniques. It is planned to be integrated into in-house developed software "Seistelligence" and would be rolled out in Seistelligence version 2.1 across ONGC work centers very soon. The application has already been submitted for Copyright.
- **HYDRATEMIND:** An in-house developed machine learning algorithm-based software that helps to identify gas hydrate zones using G&G data and is already submitted for Copyrights.

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

| Sl. No. | Name of the Technology                                     | Year of import | Whether technology fully absorbed | If not fully absorbed, areas where absorption has not taken place and the reason thereof |
|---------|------------------------------------------------------------|----------------|-----------------------------------|------------------------------------------------------------------------------------------|
| 1       | Gamma Detector System (GDS)                                | 2022-23        | Yes                               |                                                                                          |
| 2       | SPECTRALL                                                  | 2022-23        | Yes                               |                                                                                          |
| 3       | Eclipse Black Oil Simulator + InterSect Enabler            | 2022-23        | Yes                               |                                                                                          |
| 4       | Petrel on Access Rights                                    | 2022-23        | Yes                               |                                                                                          |
| 5       | DSG Suite on Access Rights                                 | 2022-23        | Yes                               |                                                                                          |
| 6       | NMR based Saturation height modelling for LR-LC reservoirs | 2022-23        | Yes                               |                                                                                          |
| 7       | Liner While Drilling                                       | 2022-23        | Yes                               |                                                                                          |
| 8       | Fishbones acid jetting stimulation                         | 2022-23        | Yes                               |                                                                                          |

| Sl. No. | Name of the Technology                                                                                         | Year of import | Whether technology fully absorbed | If not fully absorbed, areas where absorption has not taken place and the reason thereof |
|---------|----------------------------------------------------------------------------------------------------------------|----------------|-----------------------------------|------------------------------------------------------------------------------------------|
| 9       | Digital oil Field for Laplingaon Assam Asset*                                                                  | 2022-23        | Yes                               |                                                                                          |
| 10      | Onshore Innovation & Monitoring Sphere (OIMS)*                                                                 | 2022-23        | Yes                               |                                                                                          |
| 12      | Cable conveyed ESP in B&S asset                                                                                | 2022-23        |                                   | Under implementation                                                                     |
| 13      | Installation of in situ Marine growth preventor in western offshore                                            | 2022-23        |                                   | Under implementation                                                                     |
| 14      | Fishbone acid jeting stimulation technique in NH asset                                                         | 2021-22        | Yes                               |                                                                                          |
| 15      | DIAL (Digital Intelligent Artificial Lift) in MH Asset                                                         | 2021-22        | Yes                               |                                                                                          |
| 16      | e-Wildcat 2.0 Automated Drilling Systems                                                                       | 2021-22        | Yes                               |                                                                                          |
| 17      | Casing While Drilling                                                                                          | 2021-22        | Yes                               |                                                                                          |
| 18      | Data physics optimisation software by Tachyus Corporation                                                      | 2021-22        | Yes                               |                                                                                          |
| 19      | Reservoir Analogue Software by IHS Markit                                                                      | 2021-22        | Yes                               |                                                                                          |
| 20      | tNavigator software                                                                                            | 2021-22        | Yes                               |                                                                                          |
| 21      | Seisnetics (1 processing & 5 visualization Licenses)                                                           | 2021-22        | Yes                               |                                                                                          |
| 22      | Petrosys on access rights basis (20 Licenses)                                                                  | 2021-22        | Yes                               |                                                                                          |
| 23      | Global Navigation Satellite System (Model Leica GS16) with RTKplus and SmartLink for topographical positioning | 2020-21        | Yes                               |                                                                                          |
| 24      | ASP and SP flooding using Novel chemicals                                                                      | 2020-21        | Yes                               |                                                                                          |
| 25      | Heavy Oil Operating System (HOOS)                                                                              | 2020-21        | Yes                               |                                                                                          |
| 26      | Tubing Rotator                                                                                                 | 2020-21        | Yes                               |                                                                                          |
| 27      | StimGun Propellant technology with TCP(Tubing Conveyed Perforation)                                            | 2020-21        | Yes                               |                                                                                          |
| 28      | Managed Pressure Drilling (MPD)                                                                                | 2020-21        | Yes                               |                                                                                          |





### Expenditure incurred towards Innovation/Innovative Technologies during FY'23:

| Sl. No. | Name of Innovation and/or Technology                                                                      | Actual Expenditure (Capex + Opex) |
|---------|-----------------------------------------------------------------------------------------------------------|-----------------------------------|
|         |                                                                                                           | (in ₹Million)                     |
| 1       | Gas Hydrate Cell                                                                                          | 4.71                              |
| 2       | Laser Diffraction Particle Size Analyzer                                                                  | 5.96                              |
| 3       | Tight Carbonates evaluation using calibrated Geo-mechanical properties (Triaxial measurements) from cores | 1.50                              |
| 4       | NMR based Saturation height modelling for LR-LC reservoirs                                                | 1.03                              |
| 5       | Plunger Lift System in Rajahmundry Asset                                                                  | 7.66                              |
| 6       | Gas Sand Anchor with Artificial Lift in Tripura Asset                                                     | 4.78                              |
| 7       | SRP Hydraulic Surface Drive in Tripura Asset                                                              | 8.43                              |
| 8       | Use of PLA based Particulate Pill in Tripura Asset                                                        | 0.52                              |
| 9       | Installation of in situ Marine growth preventor in western offshore-B&S                                   | 224.77                            |
| 11      | High Efficient Chemical Free Tiny-Bubble Technology based ETP in Cambay Asset                             | 1.92                              |
| 12      | SRP unit Online Monitoring Device in Cambay Asset                                                         | 0.23                              |
| 13      | Petrolize HTO-A enzyme system in Assam Asset                                                              | 0.85                              |
| 14      | Real Time SRP Monitoring System in Assam Asset                                                            | 0.38                              |
| 15      | Exothermic Wax removal technology                                                                         | 0.13                              |
| 16      | Digital Oil Field-Assam                                                                                   | 37.84                             |
| 17      | Radial drilling-Cauvery                                                                                   | 73.10                             |
| 18      | Ultrasonic Gas Leak Detection System-Cauvery                                                              | 3.86                              |
| 19      | Plunger Lift-Tripura                                                                                      | 44.56                             |
| 20      | Auto Driller System (ADS)-Tripura                                                                         | 10.00                             |
| 21      | Radial Jet Drilling technology - Tripura                                                                  | 66.50                             |
| 22      | Hiring of Services for RTMS in SRP & PCP Wells - Mehsana                                                  | 69.20                             |
| 23      | Hiring of Services for RTMS in Gas Lift Wells - Mehsana                                                   | 64.90                             |
| 24      | Rate Contract for molding & installation of molds in Sucker Rods - Mehsana                                | 130.60                            |
| 25      | Rod Rotators (190) -Mehsana                                                                               | 4.66                              |
| 26      | Tubing Rotators (5 units) -Mehsana                                                                        | 2.37                              |
| 27      | Tubing Rotator-Ahmedabad                                                                                  | 2.69                              |
| 28      | Sucker Rod Rotator-Ahmedabad                                                                              | 1.57                              |
| 29      | MURAG-20 (II) -Ahmedabad                                                                                  | 0.53                              |
| 30      | HOOS (Heavy Oil Operating System) - Ahmedabad                                                             | 3.43                              |
| 31      | Hydraulic Tubing Anchors-Ahmedabad                                                                        | 2.92                              |
| 32      | Sliding Sleeve with Hydraulic Packer for HF wells & Expansion joint-Ahmedabad                             | 9.12                              |
| 33      | Monobore HF-Ahmedabad                                                                                     | 10.40                             |
| 34      | Slug Bioremediation-Ahmedabad                                                                             | 9.10                              |
| 35      | Advanced Scraping-Assam                                                                                   | 106.00                            |
| 36      | Reinforced Thermoplastic Pipe (RTP) flow lines at Mori and Gopavaram ( 1.8 kms) -Rajahmundry              | 17.00                             |
| 37      | New Cased hole Logging unit along with Tools , Logging services, Rajahmundry                              | 17.94                             |
| 38      | Plunger Lift-Rajahmundry                                                                                  | 7.66                              |
| 39      | Electronic Time Cycle Controllers (ETCC) for Gas Lift wells - Rajahmundry                                 | 3.82                              |

| Sl. No.      | Name of Innovation and/or Technology                                                                             | Actual Expenditure (Capex + Opex) |
|--------------|------------------------------------------------------------------------------------------------------------------|-----------------------------------|
|              |                                                                                                                  | (in ₹Million)                     |
| 40           | Digitalised Level Measurement systems for Oil Storage tanks-Rajahmundry                                          | 31.20                             |
| 41           | Exothermic chemical Reaction For wax removal in tubing (1.5/job) -Rajahmundry                                    | 3.00                              |
| 42           | Monobore HF in tight Reservoirs (13.0/job) -Rajahmundry                                                          | 104.00                            |
| 43           | Velocity string (3.0/job) -Rajahmundry                                                                           | 6.00                              |
| 44           | Innovative use of cooling pad for HF in high temperature reservoirs (12.0/job) -Rajahmundry                      | 12.00                             |
| 45           | Data physics optimisation software by Tachyus Corporation-Neelam Heera                                           | 50.00                             |
| 46           | Fishbone acid jetting stimulation technique-Neelam Heera                                                         | 52.30                             |
| 47           | Liner While Drilling-Neelam Heera                                                                                | 50.87                             |
| 48           | Water Shut off JOB using nano-silica gel technology-Ankleshwar                                                   | 7.78                              |
| 49           | Auto-Driller system at Drilling rigs-Ankleshwar                                                                  | 10.10                             |
| 50           | PULSAR logging-Ankleshwar                                                                                        | 41.80                             |
| 51           | MDT logging with Dual Packer-Ankleshwar                                                                          | 6.03                              |
| 52           | Magnetic tomography method for integrity assessment of pipelines-Ankleshwar                                      | 56.80                             |
| 53           | Installation of in situ Marine growth preventor in western offshore-Bassein & Satellite                          | 224.77                            |
| 54           | Innovative methodology of modification of PGC in Bassein & Satellite                                             | 858.80                            |
| 55           | Up gradation of Anti surge controller and anti-surge graph of PGC at BPA, BPB and B-193-ATSM-Bassein & Satellite | 300.00                            |
| 56           | Casing While Drilling                                                                                            | 30.84                             |
| 57           | Liner While Drilling                                                                                             | 1.30                              |
| 58           | Under Balance Drilling                                                                                           | 44.67                             |
| 59           | Auto Drill                                                                                                       | 41.00                             |
| 60           | RTDMM (Onshore)                                                                                                  | 21.16                             |
| 61           | RTDMA (Offshore)                                                                                                 | 74.00                             |
| 62           | Fish Bone Technology                                                                                             | 63.00                             |
| 63           | SAP S/4 HANA                                                                                                     | 391.30                            |
| 64           | Common Platform & Data Analytics Solution                                                                        | 199.80                            |
| 65           | Geothermal                                                                                                       | 105.90                            |
| 66           | Hydrogen & CO <sub>2</sub> Valorisation                                                                          | 40.70                             |
| 67           | Bio-Technology for Energy                                                                                        | 10.00                             |
| 68           | Uranium                                                                                                          | 0.10                              |
| 69           | Helium                                                                                                           | 2.70                              |
| 70           | Kinetic Hydro                                                                                                    | 0.40                              |
| 71           | Solar Thermal & PV                                                                                               | 3.80                              |
| 72           | Research Advisory Unit (RAU) : Patents, sponsorships                                                             | 10.70                             |
| 73           | Total Laboratory Facilities (Capital + Stores & Spares + AMC)                                                    | 0.20                              |
| 74           | Total ASU (Administrative Support Unit)                                                                          | 28.10                             |
| 75           | Renewable Energy                                                                                                 | 260.90                            |
| <b>Total</b> |                                                                                                                  | <b>4,108.65</b>                   |



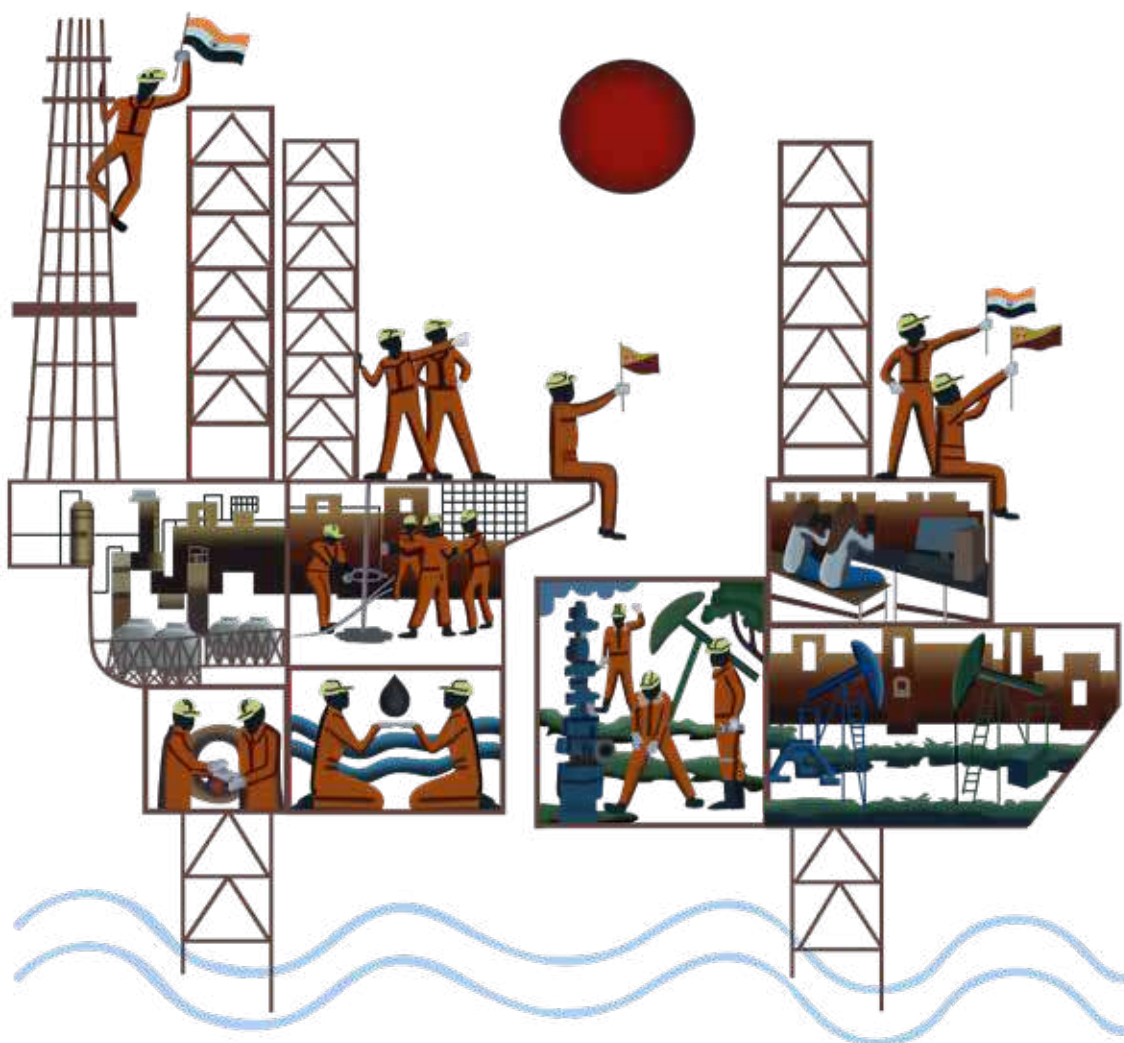
### C. Foreign exchange earnings and outgo

| Particulars       | FY'23 (₹ in Million) | FY'22 (₹ in Million) |
|-------------------|----------------------|----------------------|
| Total Expenditure | 1,94,328.01          | 1,67,683.88          |
| Total Earnings    | 4,714.87             | 1,905.87             |

### D. R&D Expenditure:

Details of expenditure incurred on Research & Development during FY'23 was as under:

| Particulars                        | FY'23 (₹ in Million)                                | FY'22 (₹ in Million)                                |
|------------------------------------|-----------------------------------------------------|-----------------------------------------------------|
| Research & Development Expenditure | 5,698.46<br>(Revenue: 5,424.25<br>Capital: 274.21 ) | 5,315.88<br>(Revenue: 5,133.08<br>Capital: 182.80 ) |











# Business Responsibility & Sustainability Report



## **BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT**

### **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,       |
| 5  | Corporate address                                     | Vasant Kunj, New Delhi-110070, India                              |
| 6  | E-mail                                                | secretariat@ongc.co.in                                            |
| 7  | Telephone                                             | 011-26753055                                                      |
| 8  | Website                                               | <a href="http://www.ongcindia.com/">http://www.ongcindia.com/</a> |
| 9  | Financial year for which reporting is being done      | FY'23                                                             |
| 10 | Name of the Stock Exchange(s) where shares are listed | National Stock Exchange & BSE                                     |
| 11 | Paid-up Capital                                       | ₹ 62,901.39 Million                                               |
| 12 | <b>Contact Person</b>                                 |                                                                   |
|    | Name of the Person and Designation                    | Shri Pratap Choudhury, General Manager (Production)               |
|    | Telephone                                             | +91 11 26753055                                                   |
|    | Email address                                         | chief_cmsg@ongc.co.in                                             |
| 13 | <b>Reporting Boundary</b>                             |                                                                   |
|    | Type of Reporting- Select from the Drop-Down List     | ONGC Standalone                                                   |

#### **II. Product/Services**

| 14 | Details of business activities | Sl. No. | Description of Main Activity | Description of Business Activity  | % Turnover of the Entity |
|----|--------------------------------|---------|------------------------------|-----------------------------------|--------------------------|
|    |                                | 1       | Exploration and Production   | Crude Oil Production= 21.485 MMT  | 47.29                    |
|    |                                | 2       |                              | Natural Gas Production=21.351 BCM | 46.99                    |
|    |                                | 3       |                              | VAP Production=2.598 MMT          | 5.72                     |

| 15 | Products/Services sold by the entity | Sl. No. | Product/Service        | NIC Code | % of Total Turnover contributed |
|----|--------------------------------------|---------|------------------------|----------|---------------------------------|
|    |                                      | 1       | Crude Oil Production   | 061      | 63.14                           |
|    |                                      | 2       | Natural Gas Production | 062      | 22.93                           |
|    |                                      | 3       | Liquid Petroleum Gas   | 192      | 3.40                            |
|    |                                      | 4       | Other Products         | -        | 10.53                           |



### III. Operations

| 16 | Number of locations where plants and/ or operations/offices of the entity are situated:     | Location                                                                                                                        | Number of plants                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | No. of Offices | Total |
|----|---------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-------|
|    |                                                                                             | National                                                                                                                        | Details of Assets, Basins, Plants and Institutes of the Company are mentioned at Para No. 19 of the Corporate Governance Report.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                |       |
|    |                                                                                             | International                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                |       |
| 17 | Market served by the entity                                                                 | Locations                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                |       |
|    | a. No. of Locations                                                                         | National (No. of States)                                                                                                        | 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.<br><br>ONGC Videsh has participation in 32 oil and gas projects in 15 countries either directly or through Wholly owned subsidiaries/ Joint Venture (JV) companies viz. Azerbaijan (2 projects), Bangladesh (2 projects), Brazil (2 projects), Colombia (4 projects), Mozambique (1 Project), Myanmar (6 projects), Russia (3 projects), South Sudan (2 projects), UAE (1 project), Venezuela (2 projects), and Vietnam (2 projects), Others (5 Projects). |                |       |
|    |                                                                                             | International (No. of Countries)                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                |       |
|    | b. What is the contribution of exports as a percentage of the total turnover of the entity? | 4.08%                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                |       |
|    | 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

| 18. Details as at the end of Financial Year: |                                |           |         |         |         |         |
|----------------------------------------------|--------------------------------|-----------|---------|---------|---------|---------|
| Sl. No.                                      | Particulars                    | Total (A) | Male    |         | Female  |         |
|                                              |                                |           | No. (B) | % (B/A) | No. (C) | % (C/A) |
| a. Employees (including differently abled)   |                                |           |         |         |         |         |
| 1                                            | Permanent Employees            | 25,993    | 23,961  | 92.18   | 2,032   | 7.82    |
| 2                                            | Other than Permanent Employees | 536       | 524     | 97.76   | 12      | 2.24    |
| 3                                            | Total Employees                | 26,529    | 24,485  | 92.30   | 2,044   | 7.70    |
| b. Differently abled employees               |                                |           |         |         |         |         |
| 4                                            | Permanent Employees            | 467       | 400     | 85.65   | 67      | 14.34   |
| 5                                            | Total Employees                | 467       | 400     | 85.65   | 67      | 14.34   |



| 19. Participation/Inclusion/Representation of women |                                             |           |                      |         |
|-----------------------------------------------------|---------------------------------------------|-----------|----------------------|---------|
| Sl. No.                                             | Category                                    | Total (A) | No. and % of females |         |
|                                                     |                                             |           | No. (B)              | % (B/A) |
| 1                                                   | Board of Directors- Whole-time Directors    | 5         | 2                    | 40.00   |
| 2                                                   | Board of Directors- Non-Executive Directors | 7         | 1                    | 14.30   |
| 3                                                   | Key Management Personnel- Company Secretary | 1         | 0                    | 0.00    |

## 20. Turnover rate for permanent employees and Workers

| Category                                         | FY'23  |        |        | FY'22  |        |        | FY' 21 |        |        |
|--------------------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
|                                                  | Male   | Female | Total  | Male   | Female | Total  | Male   | Female | Total  |
| Separated Employees                              | 1,726  | 108    | 1,834  | 1,907  | 128    | 2,035  | 1,972  | 127    | 2,099  |
| Permanent Employees as on 01 <sup>st</sup> April | 25,015 | 2,035  | 27,050 | 26,249 | 2,113  | 28,362 | 27,768 | 2,201  | 29,969 |
| Turnover Rate (in %)                             | 6.9    | 5.3    | 6.8    | 7.3    | 6.1    | 7.2    | 7.1    | 5.8    | 7.0    |

## V. Holding, Subsidiary, and Associate Companies (including joint ventures)

### 21 a). Names of holding / subsidiary / associate companies / joint ventures

Complete details of holding / subsidiary / associate companies / joint ventures is at Note No. 4 of Consolidated Financial Statement.

## VI. CSR Details

|    |                                                                         |                    |
|----|-------------------------------------------------------------------------|--------------------|
| 22 | a. Whether CSR is applicable as per section 135 of Companies Act, 2013: | Yes                |
|    | Turnover of ONGC - FY'23                                                | ₹1,555,173 Million |
|    | Net worth of ONGC - As on 31 <sup>st</sup> March, 2023                  | ₹2,578,458 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 |                                                 |                                                                                                                                 |                                                                   |                                                                        |                                                  |                                                                        |
|--------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|------------------------------------------------------------------------|--------------------------------------------------|------------------------------------------------------------------------|
| Stakeholder group from whom the complaint is received                                                                                | Grievance Redressal Mechanism in Place (Yes/No) | If Yes, then provide web-link for the grievance redress policy                                                                  | FY'23                                                             |                                                                        | FY'22                                            |                                                                        |
|                                                                                                                                      |                                                 |                                                                                                                                 | Number of complaints filed during the year FY'23                  | Number of complaints pending resolution at the close of the year FY'23 | Number of complaints filed during the year FY'22 | Number of complaints pending resolution at the close of the year FY'22 |
| Communities                                                                                                                          | Yes                                             | <a href="https://grievance.ongc.co.in">https://grievance.ongc.co.in</a>                                                         | Public Opening: 16<br>Received: 119                               | Closed: 104<br>Pending: 31                                             | Public Opening: 1<br>Received: 22                | Closed: 07<br>Pending: 16                                              |
| Investors                                                                                                                            | Yes                                             | <a href="https://ongcindia.com/web/eng/investors/investor-contact">https://ongcindia.com/web/eng/investors/investor-contact</a> | Details provided at Para No. 3.5.5 of Corporate Governance Report |                                                                        |                                                  |                                                                        |





| Stakeholder group from whom the complaint is received | Grievance Redressal Mechanism in Place (Yes/No) | If Yes, then provide web-link for the grievance redress policy           | FY'23                                            |                                                                        | FY'22                                            |                                                                        |
|-------------------------------------------------------|-------------------------------------------------|--------------------------------------------------------------------------|--------------------------------------------------|------------------------------------------------------------------------|--------------------------------------------------|------------------------------------------------------------------------|
|                                                       |                                                 |                                                                          | Number of complaints filed during the year FY'23 | Number of complaints pending resolution at the close of the year FY'23 | Number of complaints filed during the year FY'22 | Number of complaints pending resolution at the close of the year FY'22 |
| <b>Employees and workers</b>                          | Yes                                             | <a href="https://grievance.ongc.co.in">https:// grievance.ongc.co.in</a> | Employees<br>Opening: 16<br>Received: 21         | Closed: 29<br>Pending: 8                                               | Employees<br>Opening: 0<br>Received: 17          | Closed: 1<br>Pending: 16                                               |
| <b>Customers</b>                                      | Yes                                             | -                                                                        | Customers<br>Opening: 0<br>Received: 45          | Closed: 41<br>Pending: 4                                               | Customers<br>Opening: 02<br>Received: 48         | Closed: 48<br>Pending: 0                                               |
| <b>Value Chain Partners</b>                           | Yes                                             | <a href="https://grievance.ongc.co.in">https:// grievance.ongc.co.in</a> | Vendor<br>Opening: 38<br>Received: 13            | Closed: 46<br>Pending: 5                                               | Vendor<br>Opening: 33<br>Received: 5             | Closed: 0<br>Pending: 38                                               |
| <b>Other (ex-employee)</b>                            | Yes                                             | <a href="https://grievance.ongc.co.in">https:// grievance.ongc.co.in</a> | Ex-employees<br>Opening: 42<br>Received: 25      | Closed: 53<br>Pending: 14                                              | Ex-employees<br>Opening: 1<br>Received: 50       | Closed: 9<br>Pending: 42                                               |

#### 24. Overview of the entity's material responsible business conduct issues

| Material Issue Identified            | Indicate whether risk or opportunity | The 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) |
|--------------------------------------|--------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| Climate Change and Energy Transition | Risk/ Opportunity                    | Climate change is the most important strategic issue faced by the oil and gas industry in recent years. The risks associated with climate change require a coordinated global effort to reduce greenhouse gas emissions, transition to renewable energy sources, and implement measures to adapt to the changing climate. Given this threat, governments are increasingly enacting policies to mitigate greenhouse gas emissions, and investors in companies are putting increasing pressure on management to show how they will navigate an energy system in transition. | <ol style="list-style-type: none"> <li>ONGC has been preparing strategy to address climate change through the transition to renewable energy and roadmap to achieve Net Zero status for Scope-1 and Scope-2 emission by 2038.</li> <li>ONGC has been investing in R&amp;D for innovation and technology.</li> <li>Collaboration with global and domestic experts, and industries.</li> <li>ONGC's decarbonization strategy is under preparation.</li> </ol> | Negative                                                                                       |

| Material Issue Identified           | Indicate whether risk or opportunity | The 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) |
|-------------------------------------|--------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
|                                     |                                      | Climate-related major physical risks arise from rising sea levels and more frequent extreme weather such as cyclones, heat waves, floods, and changing seasonal patterns that adversely impact the company's assets, disrupt the supply chain, and economic performance, and altered consumer demand.                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                |
| Energy and Emission Management      | Opportunity                          | The oil and gas industry facing strategic challenges of increasing pressure to decarbonize its value chain to maintain its social license to operate. ONGC makes a continuous effort towards reducing energy consumption, improving efficiency, and reducing carbon emissions to provide sustainable and low-carbon products to their customers. Failure to do so may result in reputational damage, lost revenue, regulatory penalties, etc. | <ol style="list-style-type: none"> <li>1. ONGC has adopted comprehensive measures and advanced technology for energy and emission management.</li> <li>2. ONGC is focusing on the reduction of flaring by installation of gas compressors.</li> <li>3. ONGC has installed energy-efficient LEDs across its establishments.</li> <li>4. Regular maintenance and technology up-gradation has improved energy efficiency.</li> <li>5. ONGC has SOPs in place to arrest Pipeline leakages, if any.</li> </ol> | Positive                                                                                       |
| Waste Management                    | Risk/<br>Opportunity                 | Waste management is a critical issue and moving towards a circular economy can be an alternative. To address any statutory requirement. It is imperative for ONGC to persistently innovate its procedures to actualize its objective of expanding the reuse of its resources and optimizing circularity throughout the supply chain.                                                                                                          | <ol style="list-style-type: none"> <li>1. Adhere to statutory requirements for storage, handling, transport, and disposal of hazardous and non-hazardous waste.</li> <li>2. E-waste and hazardous waste management plan.</li> <li>3. E-waste policy contains provision for channeling e-waste through collection center or Recycler or through Designated Service Provider.</li> </ol>                                                                                                                    | Negative/<br>Positive                                                                          |
| Low Carbon and Sustainable Products | Opportunity                          | ONGC is in process of developing a robust climate change strategy and is working on a roadmap that will assist the Company in transitioning to a low-carbon entity.                                                                                                                                                                                                                                                                           | <ol style="list-style-type: none"> <li>1. Prioritizing sustainable products in the supply chain</li> <li>2. Emphasis on Carbon Management in operations</li> </ol>                                                                                                                                                                                                                                                                                                                                        | Positive                                                                                       |



| Material Issue Identified               | Indicate whether risk or opportunity | The 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) |
|-----------------------------------------|--------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| Water Management                        | Risk                                 | Water management is a key concern for ONGC. Being a responsible company ONGC needs to map and manage the water used across its operations and ensure that the consumption is socially equitable and environmentally sustainable. | <ol style="list-style-type: none"> <li>1. Investment in sustainable water management practices.</li> <li>2. Recycling of water across all the operations, wherever feasible.</li> <li>3. Treatment and disposal of produced water from operations, produced water is re-used and recycled, wherever feasible.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                  | Negative                                                                                       |
| Air Quality                             | Risk                                 | Air quality emissions and their reductions are crucial to achieve.                                                                                                                                                               | <ol style="list-style-type: none"> <li>1. Baseline monitoring of air quality around drill sites, production installations, and other plants.</li> <li>2. Monitoring of fugitive emissions/hydrocarbon emissions/VOC emission.</li> <li>3. Reduction in flaring.</li> <li>4. Cleaner fuel for captive power requirements.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                       | Negative                                                                                       |
| Biodiversity and Ecosystem Conservation | Risk                                 | Ecosystem and biodiversity loss can have a significant impact on a Company's reputational risk through activities such as land use for exploration, natural resource extraction amongst others.                                  | <ol style="list-style-type: none"> <li>1. ONGC submits its conservation plan to the State Wildlife Division, along with designated funds before applying EC to MOEF&amp;CC wherever applicable.</li> <li>2. The Company conducts Environmental Impact Assessment (EIA) studies prior to initiating operations, and sets aside funds for biodiversity conservation as part of its Environment Management Plan, which includes mitigation measures.</li> <li>3. ONGC has been consistently making conscious endeavors to uphold the appropriate conservation of flora and fauna throughout its operations.</li> <li>4. Environment conservation is one of the thrust areas of the Company, which includes ecosystem restoration.</li> </ol> | Negative                                                                                       |

| Material Issue Identified           | Indicate whether risk or opportunity | The 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) |
|-------------------------------------|--------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| Human Rights                        | Risk                                 | With extensive supplier footprint spread across the Company's operational facilities, it is important for ONGC to address the issues of quality, safety, environmental, and social aspects such as human rights and fair wages.                                                                                                                                                                                                     | <ol style="list-style-type: none"> <li>Human rights policy and multiple mechanisms like appeals and grievance committees for addressing employee issues.</li> <li>ONGC enters into contractual obligations with specific clause related to Human Rights</li> </ol>              | Negative                                                                                       |
| Workforce Competency and Engagement | Opportunity/<br>Risk                 | <p>Employees are the key asset of ONGC, and it is critical for the Company to invest in their continuous development.</p> <p>Skilled employees enhance the organization's human capital and contribute to employee satisfaction, which correlates strongly with improved performance.</p>                                                                                                                                           | <ol style="list-style-type: none"> <li>Capacity building and up-grading knowledge and skill of employees through regular training programs.</li> <li>Human rights policy and multiple mechanisms like appeals and grievance committees &amp; addressing such issues.</li> </ol> | Positive/<br>Negative                                                                          |
| Health, safety and security         | Risk                                 | ONGC is exposed to a range of HSE risks due to the geographical location and technical complexity of its operations. It has an impact on the company's reputation, financial position, and health and safety of employees, contractors, and communities. ONGC's major HSE risks are threats to life and property due to accidents/ incidents in operating areas and breaches of safety norms/ environmental statutory requirements. | ONGC has a comprehensive Risk management system in place to manage these risks and ensure compliance with regulatory requirements. The mitigating actions are:                                                                                                                  | Negative                                                                                       |





| Material Issue Identified | Indicate whether risk or opportunity | The 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) |
|---------------------------|--------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
|                           |                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <ol style="list-style-type: none"> <li>ONGC has launched the Project Parivartan initiative which is related to improvement in safety culture resulting in employee engagement and better risk management practices.</li> <li>ONGC provides HSE training to all employees.</li> <li>All workplaces across its operation plants are ISO 9001, 14001 and 45001 certified.</li> <li>ONGC conducts audits regularly to verify the effectiveness of the HSE Management System.</li> <li>ONGC follows safe industry standards and local and international regulations (PNGRB).</li> <li>PME is mandatory for all employees.</li> </ol> |                                                                                                |
| Disaster Management       | Risk                                 | <p>With the severity of the effects of climate change demonstrated through unpredictable weather phenomena such as cyclones, droughts, and heavy rainfall, it is imperative for ONGC to persist in its efforts to plan, organize, coordinate and implement measures for the prevention and mitigation of disasters.</p> <p>Oil industry is also prone to disasters such as blowout, fire explosion in production installation, oil spillage etc.</p> | <ol style="list-style-type: none"> <li>Disaster Management Plan;</li> <li>Emergency response plan; and</li> <li>Oil spill response plan.</li> </ol>                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Negative                                                                                       |

| Material Issue Identified            | Indicate whether risk or opportunity | The 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) |
|--------------------------------------|--------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| Community Engagement                 | Opportunity                          | <p>The Company has been implementing CSR projects through a dedicated team, which is focused on assessing the needs of the community around its operational areas.</p> <ol style="list-style-type: none"> <li>1. Public Consultation;</li> <li>2. Address their grievance through RTI and written consent; and</li> <li>3. Compensation.</li> </ol>                                                                                                                                                                                                   | ONGC focusses on socio-economic development of communities through its CSR activities.                                                                                                                                                                                                                                                                                                                                                                                                                        | Positive                                                                                       |
| Innovation & Technology Up-gradation | Opportunity                          | <p>Innovation and technological up-gradation play significant roles in the oil and gas industry. The process of innovation not only affects the financial performance of individual companies but also has a substantial impact on the economy of the nation. Innovation is a core part of ONGC's internal culture and the company's mission. ONGC's main challenge lies in identifying and acquiring the appropriate talent, forging strategic partnerships, and establishing relevant metrics to assess the progress of its innovation efforts.</p> | <p>ONGC has a strong focus on innovation and has invested in research and development activities to develop cutting-edge technologies and processes to improve its operations and reduce costs.</p> <ol style="list-style-type: none"> <li>1. ONGC Energy Centre (OEC) has collaborative agreements with major universities and research institutes and other external agencies.</li> <li>2. ONGC always tries to ensure that its technology is cost-effective and compliant with all regulations.</li> </ol> | Positive                                                                                       |
| Business Ethics and Transparency     | Opportunity                          | ONGC has consistently upheld ethics and integrity as its core values, which have facilitated the establishment of stakeholder confidence and a robust reputation.                                                                                                                                                                                                                                                                                                                                                                                     | ONGC ensures fairness, accountability, responsibility, and transparency through its strong corporate governance practices. The company has implemented effective mechanisms such as an Online Grievance Management System and a Whistle-blower Policy/Vigil Mechanism. Adherence to labour laws, health and safety regulations, non-discrimination, freedom of association, collective bargaining, human rights, contract management, and prevention of sexual harassment (POSH) is mandatory.                | Positive                                                                                       |



| Material Issue Identified                        | Indicate whether risk or opportunity | The 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) |
|--------------------------------------------------|--------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| Compliance with legal and regulatory environment | Risk                                 | Adapting changes in the regulatory environment, licensing processes, and timelines poses challenges for businesses, especially with regard to maintaining compliance and avoiding legal violations. To ensure that ONGC meets the necessary standards and stays within regulatory boundaries, the company aligns its performance objectives with the compliance requirements. | By implementing measures, ONGC mitigates compliance risks and operates in a more ethical and responsible manner. <ol style="list-style-type: none"> <li>1. ONGC has a robust compliance management system that includes policies, procedures, and guidelines.</li> <li>2. ONGC's commitment to ethical and responsible business practices enhances the company's reputation and attracts new customers and investors.</li> <li>3. ONGC focuses on meeting the requirements of compliance.</li> <li>4. ONGC conducts third-party audits to assess the company's compliance with stipulated laws and regulations.</li> </ol> | 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 robust Risk Management system. The effective risk framework and Risk portfolio are periodically monitored by the Risk Management Committee, Audit Committee, and the Board. Also identify any new risks that may impact its ability to create value over the long run.                                                                                                                                                                                                                                                                                                                                   | Negative                                                                                       |

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

The National Guidelines for Responsible Business Conduct (NGRBCs) as prescribed by the Ministry of Corporate Affairs advocates the following nine principles referred to as P1 to P9.

**P1** - Business should conduct and govern themselves with Ethics, Transparency and Accountability;

**P2** - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle;

**P3** - Businesses should promote the wellbeing of all employees;

**P4** - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized;

**P5** - Businesses should respect and promote human rights;

**P6** - Business should respect, protect, and make efforts to restore the environment;

**P7** - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner;

**P8** - Businesses should support inclusive growth and equitable development; and

**P9** - Businesses should engage with and provide value to their customers and consumers in a responsible manner.

| Disclosure Questions                   |                                                                                                                                                                                                                                                            | P1                                                                                                                                                                                                                                                                                                                         | P2  | P3  | P4  | P5  | P6  | P7 | P8  | P9  |
|----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----|-----|-----|-----|----|-----|-----|
| <b>Policy and Management Processes</b> |                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                            |     |     |     |     |     |    |     |     |
| 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                                                                                                                                                                                                                  | <a href="https://www ONGC India.com/wps/wcm/connect/en/investors/policies/">https://www ONGC India.com/wps/wcm/connect/en/investors/policies/</a>                                                                                                                                                                          |     |     |     |     |     |    |     |     |
| 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, OHSAS, 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, ISO 37001:2016                                                                                                                                                                                                                                  |     |     |     |     |     |    |     |     |
| 5                                      | Specific commitments, goals, and targets set by the entity with defined timelines, if any.                                                                                                                                                                 | ONGC proposes to spend ₹1 trillion on green initiatives by 2030 to reduce carbon footprint as part of a broader effort to achieve net zero (Scope-1 and Scope-2) emissions by 2038, ONGC plans to augment Renewable Energy portfolio of 10 GW by 2030 and 1 Million tonnes per annum capacity of green ammonia production. |     |     |     |     |     |    |     |     |





|                                              |                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 6                                            | Performance of the entity against the specific commitments, goal, and targets along with reasons in case the same are not met.                                          | The total installed capacity of renewable energy as on 31 March 2023 was about 189.53 MW (Solar: 36.53 MW and Wind: 153 MW). Towards the above goal, the Company is continuously increasing its presence in Renewable Energy. Also, suitable locations are being identified at various work centers, 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. The company has signed a MoU for renewable energy projects of 5 GW in Rajasthan and is scouting for another project with the same capacity.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Governance, Leadership, and Oversight</b> |                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 7                                            | Statement by Director responsible for the business responsibility report, highlighting ESG-related challenges, targets, and achievements                                | <p>ONGC, as a leading organization in the energy sector, recognizes the importance of environmental, social, and governance (ESG) aspects and is dedicated to the betterment of its stakeholders. With a strong commitment to becoming a Net Zero organization by 2038, ONGC has already taken significant strides towards sustainability. However, the energy transition poses challenges, and the company is actively working on a roadmap to strengthen its commitment to a greener future. ONGC has set ambitious targets to drive its sustainability efforts, including achieving an installed renewable energy (RE) capacity of 10 gigawatts (GW) by 2030. Additionally, the Company aims to source 50% of its energy from renewable sources by 2030, demonstrating its dedication to cleaner and more sustainable energy solutions.</p> <p>To support its sustainability goals, ONGC has developed an internal hydrogen roadmap and actively seeks opportunities in the field of renewable energy. The Company is also prioritizing Carbon Capture, Utilization, and Storage (CCUS) as a major lever for decarbonization. By exploring partnerships and initiatives related to CO2 storage and enhanced oil production from mature fields, ONGC aligns its operations with sustainable practices and strengthens its competitive edge. These efforts not only contribute to environmental stewardship but also position ONGC as an industry leader driving the energy sector towards a greener future.</p> <p>Looking ahead, ONGC remains committed to investing in cutting-edge technology and innovation to optimize operations and enhance the efficiency of its manufactured capital. The Company's proactive approach to sustainable growth ensures that it remains at the forefront of the industry, solidifying its position as a leader while contributing to a greener and more sustainable future.</p> |
| 8                                            | Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).                                              | Mr. Arun Kumar Singh - Chairman & Chief Executive Officer (CEO)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 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. | ONGC has a dedicated Carbon Management & Sustainability Group, which is headed by Director (Exploration).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

| <b>10 Details of Review of NGRBCs by the Company:</b>                                                                                                                     |                                                                                                        |   |   |   |   |   |    |   |   |                                                                                                                                                                      |   |   |   |   |   |   |   |   |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|---|---|---|---|---|----|---|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|---|---|---|---|
| Subject for Review                                                                                                                                                        | Indicate whether review was undertaken by<br>Director / Committee of the Board/ Any other<br>Committee |   |   |   |   |   |    |   |   | Frequency (Annually/ Half yearly/<br>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<br>policies and follow up action                                                                                                                | Y                                                                                                      | Y | Y | Y | Y | Y | -- | Y | Y | Periodically                                                                                                                                                         |   |   |   |   |   |   |   |   |
| Compliance with statutory<br>requirements of relevance to the<br>principles, and, rectification of<br>any non-compliances                                                 | Y                                                                                                      | Y | Y | Y | Y | Y | -- | Y | Y | Periodically                                                                                                                                                         |   |   |   |   |   |   |   |   |
| 11 Has the entity carried out independent assessment/ evaluation of the<br>working of its policies by an external agency? (Yes/No). If yes, provide name of<br>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<br>all policies in real working conditions.<br>ONGC operations are audited annually<br>by both internal and external agencies. |   |   |   |   |   |   |   |   |

## 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 programs 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 social, 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 programs organized are available at web-link: <https://www.ongcindia.com/wps/wcm/connect/en/investors/independent-director/>

| Segment                                                      | Total number<br>of training and<br>awareness<br>programmes held | Topics/principles covered under the<br>training and its impact                                                                  | %age of persons in<br>respective category<br>covered by the awareness<br>programmes |
|--------------------------------------------------------------|-----------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| <b>Board of Directors (BODs)<br/>– Independent Directors</b> | 2                                                               | Orientation & Familiarisation Programs &<br>Corporate Governance                                                                | 100.00                                                                              |
| <b>Employees other than<br/>BODs</b>                         | 926                                                             | Skill Based Trainings, Mines Vocational<br>Training, First Aid Training, Fire Fighting<br>Training, Health and Safety Trainings | 97.53                                                                               |



**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.**

Refer to Note No. 24.4 of Standalone Financial Statements.

**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.**

Yes, ONGC has an anti-bribery 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 applicable guidelines and policies of the Govt. of India.

The Company has following policies or guidelines which aid Ethics, Transparency and Accountability in conduct of its operations:

- Code of Conducts for Directors and Senior Management Personnel;
- Book of Delegated Powers;
- Manuals, such as, Integrated Materials Management Manual, Finance Manual, CSR Manual, etc.
- Risk Policy containing risk framework and register containing identified risk areas and its mitigation plans, managed and monitored by an independent Enterprise Risk Management Cell (ERM)

The Company has Audit Committee which has Terms of Reference, which inter-alia, includes review the findings of any internal investigations by the internal auditors or the findings of statutory auditors/ any other agency into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and report the same to the Board.

The Company has vigil mechanism independently managed by Vigilance department, headed by a Senior Government of India official, who reports to an independent statutory body. The department has 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 and Directors

to report genuine concerns about unethical behaviour, actual or suspected fraud within the organization.

In addition, the Company is signatory to the Integrity Pact (in association with Transparency International) which is signed with bidders (prospective vendors) 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.

Above details and related information is suitably placed at the ONGC Internal portal <https://reports.ongc.co.in/>

**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'23.

| Category  | FY'23 | FY'22 |
|-----------|-------|-------|
| 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 any director, KMPs, Employees and worker in FY'23.

| Topic                                                                                        | FY'23  | FY'22  |
|----------------------------------------------------------------------------------------------|--------|--------|
|                                                                                              | Number | Number |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | Nil    | Nil    |
| Number of complaints received in relation to issues of Conflict of Interest of KMPs          | Nil    | Nil    |

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable

**LEADERSHIP INDICATORS**

**1. Awareness programs conducted for value chain partners on any of the Principles during the financial year:**

The Company conduct various programs to create awareness for value chain partners and to strengthen the integration of sustainability into its business practices. These include Customer and Employee Feedback Surveys, Annual General Meeting (AGM), Investor Meetings, Marketing Meets, Vendor Meets, and ESG Engagements.

**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 is governed by the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, which has provisions w.r.t. Related Party Transactions and the Company complied with these provisions. Further, 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 also provide for conflict, which may arise during its business activities. According to the Code of Conduct, the Board is required to scrupulously avoid 'conflict of interest' with the company. It states to "use their prudent judgment to avoid all situations, decisions or relationships which give or could give rise to conflict of interest or appear to conflict with their responsibilities within the Company". Further, Directors also submit





their declaration(s) providing details of relatives/ related parties as per requirements of the Companies Act, 2013.

## **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'23<br>(₹ in Million) | FY'22<br>(₹ in Million) | Details of improvement in social and environmental aspects                                                                                                                                                                |
|---------------------------------------------|-------------------------|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Research &amp; Development (R&amp;D)</b> | 5,424                   | 5,133                   | ONGC R&D is focusing on emerging technological solutions to climate change and its mitigation -hydrogen generation, solar power, helium extraction from natural gas, biotechnology, geothermal, and more are focus areas. |
| <b>Capital Expenditure (CAPEX)</b>          | 302,084                 | 277,413                 | ONGC Capex is focused on technological advancement, energy efficiency, safety features, and innovation.                                                                                                                   |

**2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

No

**b. If yes, what percentage of inputs were sourced sustainably?**

Not Applicable

**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                                  | Process to safely reclaim the product                                                                                                                                                                                                                       |
|------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>a. Plastics (including packaging)</b> | 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.                                        |
| <b>b. E-Waste</b>                        |                                                                                                                                                                                                                                                             |
| <b>c. Hazardous Waste</b>                | E-Waste: ONGC has corporate E-waste policy accordingly e-waste is handled.<br>Hazardous Waste: Hazardous waste such as oily sludge, oil recovery followed by bioremediation is done, spent oil and burnt oil is sold to authorized recyclers/re-processors. |
| <b>d. Other Waste</b>                    | All Non-hazardous wastes are properly stored and sold to recyclers.                                                                                                                                                                                         |

**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 the manufacturing industry) or for its services (for the service industry)? If yes, provide details in the following format.**

| NIC code | Name of Product/ Service | % of total Turnover contributed | The boundary for which the Life Cycle Perspective/ Assessment was conducted | Whether conducted by an independent external agency (Yes/ No) | Results communicated in the public domain (Yes/ No)<br>If yes provide web-link |
|----------|--------------------------|---------------------------------|-----------------------------------------------------------------------------|---------------------------------------------------------------|--------------------------------------------------------------------------------|
| 061      | Crude Oil                | 63.14                           | -                                                                           | No                                                            | No                                                                             |
| 062      | Natural Gas              | 22.93                           |                                                                             |                                                               |                                                                                |
| 192      | Liquefied Petroleum Gas  | 3.40                            |                                                                             |                                                               |                                                                                |
| -        | Other Products           | 10.53                           |                                                                             |                                                               |                                                                                |

**2. If there are any significant social or environmental concerns and/or risks arising from the 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.**

Life Cycle Assessment to identify list of environmental & social concerns / risks is yet to be carried out.

**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:**

|                                       | FY'23                                                                                                                                                                                                                |          |                 | FY'22  |          |                 |
|---------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|-----------------|--------|----------|-----------------|
|                                       | Reused                                                                                                                                                                                                               | Recycled | Safely Disposed | Reused | Recycled | Safely Disposed |
| <b>Plastics (including packaging)</b> | 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. |          |                 |        |          |                 |
| <b>E-waste</b>                        |                                                                                                                                                                                                                      |          |                 |        |          |                 |
| <b>Hazardous waste</b>                | There are numerous types of waste and disposal of waste is carried through authorized recyclers. The data of the same is captured in BO Module of SAP.                                                               |          |                 |        |          |                 |
| <b>Other waste</b>                    |                                                                                                                                                                                                                      |          |                 |        |          |                 |
|                                       | 93,151 MT of oil sludge & oil mix soil was bio-remediated to convert into non-hazardous waste for safe disposal.                                                                                                     |          |                 |        |          |                 |

**5. Reclaimed products and their packaging materials (as a 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 employees:

| Category                       | % of employees covered by |                  |         |                    |        |                    |        |                    |        |                     |        |
|--------------------------------|---------------------------|------------------|---------|--------------------|--------|--------------------|--------|--------------------|--------|---------------------|--------|
|                                | Total (A)                 | Health Insurance |         | Accident Insurance |        | Maternity Benefits |        | Paternity Benefits |        | Day Care Facilities |        |
|                                |                           | No. (B)          | % (B/A) | No. (C)            | %(C/A) | No.(D)             | %(D/A) | No. (E)            | %(E/A) | No. (F)             | %(F/A) |
| Permanent Employees            |                           |                  |         |                    |        |                    |        |                    |        |                     |        |
| Male                           | 23,961                    | 23,961           | 100     | 23,961             | 100    | 0                  | NA     | 23,961             | 100    | 23,961              | 100    |
| Female                         | 2,032                     | 2,032            | 100     | 2,032              | 100    | 2,032              | 100    | NA                 | NA     | 2,032               | 100    |
| Total                          | 25,993                    | 25,993           | 100     | 25,993             | 100    | 2,032              | 7.80   | 23,961             | 92.20  | 25,993              | 100    |
| Other than Permanent Employees |                           |                  |         |                    |        |                    |        |                    |        |                     |        |
| Male                           | 524                       | 524              | 100     | 524                | 100    | 0                  | NA     | NA                 | NA     | NA                  | NA     |
| Female                         | 12                        | 12               | 100     | 12                 | 100    | 12                 | 100    | 0                  | NA     | NA                  | NA     |
| Total                          | 536                       | 536              | 100     | 536                | 100    | 12                 | 2.24   | NA                 | NA     | NA                  | NA     |

ONGC has in-house medical facilities at its Health Centres/Hospitals for all regular employees. ONGC also has empanelled doctors and hospitals at all the work-centres. Therefore, separate health insurance policy has not been obtained.

As part of ONGC Composite Social Security Scheme (CSSS), additional financial support is extended in case of work-related accident while on duty.

Maternity leave up to 26 weeks is allowed in ONGC. In addition to the maternity leave of twenty six weeks, leave of the kind due and admissible (including leave not due and commuted leave not exceeding 60 days without production of medical certificate) for a period up to one year or till such time the child is one year old, whichever is earlier can be granted. A female employee who legally adopts a child below the age of three months or a commissioning mother is entitled to maternity leave for a period of twelve weeks from the date the child is handed over to the adopting mother or the commissioning mother, as the case may be.

In ONGC, a male employee with less than two surviving children is granted paternity leave for a period of 15 days during the confinement of his wife. Paternity leave is granted up to 15 days before, or up to six months from the date of delivery of the child. Paternity leave is also given to a male employee with less than two surviving children, on valid adoption of a child below the age of one year, for a period of 15 days within a period of six months from the date of valid adoption.

Crèche facilities (Day Care Facility) in ONGC is provided for employees, male and female, having pre-school or primary school going children at office premises or near office premises

#### 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 Gol. As per the report of the actuary, overall interest earnings and cumulative surplus is more than the statutory interest payment requirement.

### Defined contribution plans

Employee Benefit under defined contribution plans comprising Contributory Provident Fund (CPF), Post Retirement Benefit Scheme (PRBS), Employee Pension Scheme-1995 (EPS), Composite Social Security Scheme (CSSS) etc. is recognized based on the undiscounted number of obligations of the Company 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. 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.

| Benefits              | FY'23                                              |                                               |                                                      | FY'22                                              |                                               |                                                      |
|-----------------------|----------------------------------------------------|-----------------------------------------------|------------------------------------------------------|----------------------------------------------------|-----------------------------------------------|------------------------------------------------------|
|                       | No. of employees covered as a % of total employees | No. of workers covered as a % of total worker | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total worker | Deducted and deposited with the authority (Y/N/N.A.) |
| PF                    | 100                                                | -                                             | Y                                                    | 100                                                | -                                             | Y                                                    |
| Gratuity              | 100                                                | -                                             | Y                                                    | 100                                                | -                                             | Y                                                    |
| ESI                   | -                                                  | -                                             | -                                                    | -                                                  | -                                             | -                                                    |
| Others-Please Specify | -                                                  | -                                             | -                                                    | -                                                  | -                                             | -                                                    |

## 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.

Except in locations of Hazardous operations, all other areas which are considered safe for differently abled persons, have been made accessible for persons with disability by incorporating adequate infrastructure as per norms.

## 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.

Equal Opportunity Policy of ONGC, in accordance with The Rights of Persons with Disabilities Act, 2016, has been approved by the Competent Authority. The Policy has been submitted for registration. Further, the Company has implemented a number of women friendly and PWD oriented policies and facilities. 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.

| Gender                     | Return to work rate (in %) | Retention Rate (in %) |
|----------------------------|----------------------------|-----------------------|
| <b>Permanent Employees</b> |                            |                       |
| Male                       | 100                        | 100                   |
| Female                     | 100                        | 100                   |
| <b>Total</b>               | <b>100</b>                 | <b>100</b>            |

#### 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

| Category                             | Yes/No | Details of the mechanism in brief                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|--------------------------------------|--------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Permanent Employees</b>           | Yes    | Yes. A structured four tier Grievance Management System is in place in the Company to address employee grievances related to policy/ policies. Employee(s) concerned have rights to submit grievance to the 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. |
| <b>Other than permanent Employee</b> |        | ONGC has also introduced E-Grievance handling mechanism for quick redressal of grievances, which can be assessed with the link <a href="https://grievance.ongc.co.in/">https://grievance.ongc.co.in/</a>                                                                                                                                                                                                                                                                                                                              |

#### 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. Oil & Natural Gas Corporation (WOU) Karmachari Sanghatana, Mumbai
- ii. ONGC Employees Association, Kolkata
- iii. Petroleum Employees Union, Chennai
- iv. Petroleum Employees Union, Karaikal
- v. Petroleum Employees Union, Rajahmundry
- vi. Petroleum Employees Union, Ahmedabad
- vii. ONG Mazdoor Sangh, Ankleshwar
- viii. ONGC Employees Mazdoor Sabha, Mehsana
- ix. ONGC Purbanchal Employees' Association, Sivasagar/Jorhat
- x. ONGC Staff Union, Dehradun
- xi. ONGC Employees' Union of Tripura, 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.

| Category                         | FY'23                                                |                                                                                                |           | FY'22                                                |                                                                                                |         |
|----------------------------------|------------------------------------------------------|------------------------------------------------------------------------------------------------|-----------|------------------------------------------------------|------------------------------------------------------------------------------------------------|---------|
|                                  | Total employees / Workers in respective category (A) | No. of employees / Workers in respective category, who are part of association(s) or Union (B) | % (B / A) | Total employees / Workers in respective category (C) | No. of employees / Workers in respective category, who are part of association(s) or Union (D) | % (D/C) |
| <b>Total Permanent Employees</b> | 25,993                                               | 23,561                                                                                         | 90.64     | 27,165                                               | 24,718                                                                                         | 90.99   |
| <b>Male</b>                      | 23,961                                               | 21,682                                                                                         | 90.49     | 25,121                                               | 22,864                                                                                         | 91.02   |
| <b>Female</b>                    | 2,032                                                | 1,879                                                                                          | 92.47     | 2,044                                                | 1,854                                                                                          | 90.70   |

#### 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.

| a. Details of Skill training given to employees and workers.                | Category            | FY'23                                                |                                                                                                   |         | FY'22                                                |                                                                                                   |        |
|-----------------------------------------------------------------------------|---------------------|------------------------------------------------------|---------------------------------------------------------------------------------------------------|---------|------------------------------------------------------|---------------------------------------------------------------------------------------------------|--------|
|                                                                             |                     | Total employees / workers in respective category (A) | No. of employees / workers in respective category, who received Skill Training (B)                | % (B/A) | Total employees / workers in respective category (C) | No. of employees / workers in respective category, who received Skill Training (D)                | %(D/C) |
|                                                                             | Permanent Employees |                                                      |                                                                                                   |         |                                                      |                                                                                                   |        |
|                                                                             | Male                | 23,961                                               | 14,438                                                                                            | 60.26   | 25,121                                               | 14,767                                                                                            | 58.78  |
|                                                                             | Female              | 2,032                                                | 1,619                                                                                             | 79.68   | 2,044                                                | 1,604                                                                                             | 78.47  |
|                                                                             | Total               | 25,993                                               | 16,057                                                                                            | 61.77   | 27,165                                               | 16,371                                                                                            | 60.27  |
| b. Details of training on Health and Safety given to employees and workers. | Category            | FY'23                                                |                                                                                                   |         | FY'22                                                |                                                                                                   |        |
|                                                                             |                     | Total employees / workers in respective category (A) | No. of employees / workers in respective category, who received training on Health and Safety (B) | % (B/A) | Total employees / workers in respective category (C) | No. of employees / workers in respective category, who received training on Health and Safety (D) | %(D/C) |
|                                                                             | Permanent Employees |                                                      |                                                                                                   |         |                                                      |                                                                                                   |        |
|                                                                             | Male                | 23,961                                               | 8,909                                                                                             | 37.18   | 25,121                                               | 7,099                                                                                             | 28.26  |
|                                                                             | Female              | 2,032                                                | 386                                                                                               | 18.99   | 2,044                                                | 87                                                                                                | 4.26   |
|                                                                             | Total               | 25,993                                               | 9,295                                                                                             | 35.76   | 27,165                                               | 7,186                                                                                             | 26.45  |



## 9. Details of performance and career development reviews of employees and worker:

| Category                   | FY'23                                                |                                                                                     |         | FY'22                                                |                                                                                     |        |
|----------------------------|------------------------------------------------------|-------------------------------------------------------------------------------------|---------|------------------------------------------------------|-------------------------------------------------------------------------------------|--------|
|                            | Total employees / workers in respective category (A) | No. of employees / workers in respective category, who had a performance review (B) | % (B/A) | Total employees / workers in respective category (C) | No. of employees / workers in respective category, who had a performance review (D) | %(D/C) |
| <b>Permanent Employees</b> |                                                      |                                                                                     |         |                                                      |                                                                                     |        |
| <b>Male</b>                | 23,961                                               | 23,961                                                                              | 100     | 25,121                                               | 25,121                                                                              | 100    |
| <b>Female</b>              | 2,032                                                | 2,032                                                                               | 100     | 2,044                                                | 2,044                                                                               | 100    |
| <b>Total</b>               | 25,993                                               | 25,993                                                                              | 100     | 27,165                                               | 27,165                                                                              | 100    |

## 10. Health and safety management system:

|                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No) What is the coverage of such system?</b> | <p>Yes, the Company has a comprehensive Health, Safety, and Environment (HSE) strategy in line with its vision and mission. To ensure that the plants and equipments are safe, dependable, secure, and efficient to operate so 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.</p> <p>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 and PME Policy. Across all its facilities, ONGC has empanelled hospitals that are manned with doctors 24x7, trained nursing staff and a panel of specialist consultants.</p> <p>Coverage: 100%</p> |
| <b>b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?</b>               | <p>The procedure for identification of work related hazards, evaluation of the risk, identification of the control and structured documentation of the result in form of Risk Register is carried out broadly in accordance with guidelines of ISO 17776: 2000. The exercise of Hazard identification, Risk assessment and development of the Risk Register is an ongoing process which is carried out by a group of personnel having requisite knowledge and experience of the working of operations as well as the Hazard Identification and risk assessment techniques at all work centres.</p>                                                                                                                                                                                                                     |
| <b>c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)</b>                  | Yes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)</b>                             | Yes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

**11. Details of safety related incidents, in the following format:**

| Safety Incident/Number                                                                   | Category  | FY'23 | FY'22 |
|------------------------------------------------------------------------------------------|-----------|-------|-------|
| <b>Lost Time Injury Frequency Rate (LTIFR)<br/>(per one Million-person hours worked)</b> | Employees | 0.285 | 0.435 |
|                                                                                          | Workers   | 0.303 | 1.807 |
| <b>Total recordable work-related injuries</b>                                            | Employees | 0.603 | 0.501 |
|                                                                                          | Workers   | 0.587 | 1.840 |
| <b>No. of fatalities</b>                                                                 | Employees | 4     | 1     |
|                                                                                          | Workers   | 2     | 87    |
| <b>High consequence work-related injury or ill-health (excluding fatalities)</b>         | Employees | Nil   | Nil   |
|                                                                                          | Workers   | Nil   | Nil   |

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

The very nature of oil and gas handling, storage and transportation involved during E&P operations in the upstream sector tend to increase the risk of exposure to various hazards leading to a situation of risk and uncertainty in our day to day business activities. This calls for a co-ordinated and continuous effort towards reduction of potential losses and optimizing of revenue through the effective functioning of a Health and Safety Management System. The system aims at protection of the organization's most valuable resources – People, Equipment and Environment. To achieve this ONGC, had initiated the journey of 'Project PARIVARTAN with M/s DNV. As a part of this PARIVARTAN journey the existing safety systems at ONGC are being scrutinised to check fit for purpose and will be subsequently enhanced and / or new systems / processes introduced as per international best practices.

**Project PARIVARTAN**, which kickstarted with Organization wide Safety Perception Survey to quantitatively measure employees' feel about current safety policies, procedures and safety culture. Based on the study, gap analysis was carried out for improvement and suggested roadmap to achieve recommendations thus provided. As these recommendations have been developed into syndicates having Key Executives as its members, there is a timeline to complete these recommendations. Every quarter a HSE review meet is being held to review the progress of the Project PARIVARTAN.

ONGC has built necessary skills and knowledge to carry out implementation of recommendations, holding hands with interactive capacity building workshops and seminars. The Consultant shall train around 200 officers across the organization who will further be able to monitor and suggest improvements in future. This implementation shall be on war footing to gear up for bring the paradigm change in safety culture.

Further, 3000 employees to be trained which includes Top management, Middle Management and Frontline Management along with employees trained in Safe Behaviour Management. Safe Behaviour Management is described as a bottom-up approach (frontline employees), with top-down support from safety leaders. ONGC is moving towards behaviour-based safety approach which promotes interventions that are people-focused and often incorporate one-to-one or group observations of employees performing routine work tasks, setting goals carefully and giving timely feedback on safety-related behaviour, coaching and mentoring. The initiatives have a proactive focus, encouraging individuals and their work groups to consider the potential for incident involvement, (accidents) and to assess their own behaviour as safe or unsafe always.

Safety Management system of ONGC is guided by HSE Management Manual which encompasses 'best practices approach' towards occupational health risks, occupational safety risks, process safety risks, environmental risks, business processes risks and task risks, and management activities including leadership, planning, human resources, statutory compliance, training and competence, communication and HSE promotion, asset integrity management, contractor HSE management, emergency preparedness, incident reporting and investigation and management review of results.

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 and PME policy. 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.

## LEADERSHIP INDICATORS

### 1. Does the entity extend any life insurance or any compensatory package in the event of death of employees (Y/N) –

Yes, under Composite social security scheme which is contributory in nature, beneficiaries are entitled to avail compensation in the event of death.

### 2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

(i) ONGC ensures payment of wages and contribution towards social security scheme as envisaged by the applicable laws. ONGC ensures that the contractor pays its workmen applicable minimum wages, plus additional wage as applicable under settlement/understanding or orders by competent labour authorities.

(ii) ONGC has drafted a 'Model Tender and Agreement' document which inter alia has provisions for ensuring the compliance of various statutory provisions of the Contract Labour (R&A) Act, 1970 and other applicable laws. The Principal Employers have been sensitized through special Workshops which are organised periodically at work-centre and HQ level to ensure compliance of statutory provisions of the law.

(iii) Detailed guidelines have been issued and copies provided to each Principal Employer clearly explaining the responsibilities, statutory obligations of Contractors and the Do's and Don'ts while managing outsourced operations.

(iv) Guidelines have been issued to ensure that wage payment is made through cheques or direct bank credit through NEFT/RTGS. This has ensured that wages are paid in full and in time. The Contractor is required to supply a photo copy of the transaction endorsed by the Bank concerned to the Principal Employer along with the monthly bill. The minimum wages notified by the Government every six months is provided to the Principal Employers and through them to the Contractors for compliance.

(v) Contractors providing services to ONGC are required to possess independent PF Code No and ESI Code No. (wherever applicable) before they bid for the tender. It is a mandatory requirement as part of the Bid Evaluation Criteria (BEC) in ONGC.

(vi) Regular internal HR/IR Audits at establishments/work centres are carried out to monitor compliances of labour laws.

### 3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

| Category  | Total no. of affected employees/ workers |       | No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment |       |
|-----------|------------------------------------------|-------|---------------------------------------------------------------------------------------------------------------------------------------------------|-------|
|           | FY'23                                    | FY'22 | FY'23                                                                                                                                             | FY'22 |
| Employees | Nil                                      | Nil   | Nil                                                                                                                                               | Nil   |
| Worker    | Nil                                      | Nil   | Nil                                                                                                                                               | Nil   |

### 4. 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)

Yes, All employees undergoing retirement are given training on Planning for Superannuation.

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all their stakeholders**

**ESSENTIAL INDICATORS**

**1. Describe the processes for identifying key stakeholder groups of the entity:**

There are majorly four steps to identify key stakeholders:

- i. Listing of all probable stakeholders
- ii. Determining the impact on operations/business of ONGC
- iii. By understanding their need and purpose in relation to operations/business of ONGC
- iv. Prioritize and identify key Stakeholders

The Company has following major identified internal and external stakeholders:

- Government of India and states government, where ONGC operates
- Statutory bodies and regulators
- Shareholders and investors
- Employees
- Suppliers and value chain partners
- Joint venture and subsidiaries companies
- Local communities in operational areas
- Business associations like CII, FICCI etc.

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.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:**

| Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other                                                                                                                                                               | Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement                           |
|-------------------|----------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|
| Employees         | No                                                             | <ul style="list-style-type: none"> <li>• Employee Web portals</li> <li>• Corporate emails</li> <li>• MySpace</li> <li>• Grievance Mechanisms</li> <li>• Welfare Associations such as WDF, RWAs, EWCs</li> <li>• Regular bilateral meetings with employee unions and associations</li> </ul> | As and when required                                                                 | <ul style="list-style-type: none"> <li>• Health and Safety</li> <li>• Human Rights</li> <li>• Welfare measures</li> </ul> |



| Stakeholder Group        | Whether identified as Vulnerable & Marginalized Group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other                                                                                                                                                              | Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement                                                                                                                                                                                    |
|--------------------------|----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Customers</b>         | No                                                             | <ul style="list-style-type: none"> <li>Engagement Meets;</li> <li>Structured engagement through Crude Oil Sales Agreement (COSA) and Gas Sale Agreement (GSA);</li> <li>Regular/ periodic meetings with B2B partners and external stakeholders meet.</li> </ul>                            | Regular as well as need based engagements                                            | <ul style="list-style-type: none"> <li>To convey disruptions in supply, Gas Nominations, new tenders, addressing concerns raised by customers, information of new policies;</li> <li>Prompt resolution of customer complaints</li> <li>Quality and pricing of products.</li> </ul> |
| <b>Suppliers</b>         | No                                                             | <ul style="list-style-type: none"> <li>Group meetings/Vendor Meet</li> <li>Corporate website</li> <li>Press releases/press</li> <li>conference</li> </ul>                                                                                                                                  | As and when required                                                                 | <ul style="list-style-type: none"> <li>Entry into new markets;</li> <li>Corporate governance and anti-corruption;</li> <li>On-time payments</li> <li>Preference towards local suppliers/MSMEs.</li> </ul>                                                                          |
| <b>Investors</b>         | No                                                             | <ul style="list-style-type: none"> <li>Investor and Analyst meets</li> <li>Annual General Meeting</li> <li>Investor Conferences</li> <li>Corporate website</li> <li>Press releases/press conference</li> </ul>                                                                             | As and when required                                                                 | <ul style="list-style-type: none"> <li>Financial performance;</li> <li>Risk Management;</li> <li>Corporate governance and anti-corruption;</li> <li>ESG performance.</li> </ul>                                                                                                    |
| <b>Regulatory Bodies</b> | No                                                             | <ul style="list-style-type: none"> <li>Structured engagement through meetings with administrative representatives MoPNG, DPE, HI &amp; PE, DGH, DGMS, OISD, OADB, SEBI, Stock Exchanges etc.</li> <li>Meetings with the Central and State Pollution Control Boards, MoEF&amp;CC</li> </ul> | As and when required                                                                 | <ul style="list-style-type: none"> <li>Obtaining statutory clearances/approvals and submission of compliances.</li> <li>Audits and site visits</li> <li>Investigations of incidents</li> </ul>                                                                                     |
| <b>Community</b>         | Yes                                                            | <ul style="list-style-type: none"> <li>Participating in collaborative activities with NGOs</li> <li>Roundtable conferences with residents</li> <li>Inviting local communities to ONGC's events</li> </ul>                                                                                  | As and when required                                                                 | <ul style="list-style-type: none"> <li>Social concerns of communities in the operational areas</li> <li>Expenditure on CSR for infrastructure development and community upliftment</li> <li>Need assessment</li> </ul>                                                             |

## 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.**

ONGC has always prioritized 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 organization'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 & Analyst meetings, Marketing Meets, Vendor Meets, and ESG Engagements. In order to ensure effective consultation between stakeholders and the Board on economic, environmental, and social topics, ONGC employs a process where feedback from consultations is provided to the Board through delegation, and the key issues and takeaways of stakeholder discussions are communicated to the Board for consideration and decision-making.

### **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, stakeholder consultation is utilized by ONGC to support the identification and management of environmental and social topics. Inputs received from stakeholders on these topics are incorporated into the policies and activities of the company through various mechanisms such as public consultations, stakeholder engagement forums, and collaborative partnerships. ONGC values the perspectives and concerns raised by stakeholders and strives to integrate them into decision-making processes, ensuring a more inclusive and sustainable approach to environmental and social management. Stakeholder meet held on 16th- 17 March 2023 to ascertain ESG materiality issues.

### **3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

ONGC CSR policy covers CSR Projects / Programs 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:**

During FY23, 42 training program was conducted on Human Right Issues, total 1309 officers participated in the training program.





## 2. Details of minimum wages paid to employees and workers, in the following format:

| Category             | FY'23     |                        |           | FY'22     |                        |           |
|----------------------|-----------|------------------------|-----------|-----------|------------------------|-----------|
|                      | Total (A) | More than Minimum Wage |           | Total (D) | More than Minimum Wage |           |
|                      |           | No. (C)                | % (C / A) |           | No. (F)                | % (F / D) |
| Employees            |           |                        |           |           |                        |           |
| Permanent            |           |                        |           |           |                        |           |
| Male                 | 23,961    | 23,961                 | 100       | 25,121    | 25,121                 | 100       |
| Female               | 2,032     | 2,032                  | 100       | 2,044     | 2,044                  | 100       |
| Other than Permanent |           |                        |           |           |                        |           |
| Male                 | 524       | 524                    | 100       | 558       | 558                    | 100       |
| Female               | 12        | 12                     | 100       | 15        | 15                     | 100       |

## 3. Details of remuneration/salary/wages, in the following format:

Details of remuneration paid to Directors (including Independent Directors) are provided at para 3.5 of the Corporate Governance Report and details of other than Directors are provided below:

|                                         | Male                                                                                                                                                     |                                                                | Female |                                                         |
|-----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|--------|---------------------------------------------------------|
|                                         | Number                                                                                                                                                   | Median remuneration/salary/wages of respective category (in ₹) | Number | Median remuneration/salary/wages of respective category |
| <b>Board of Directors (BoD)</b>         | Please refer para 3.5 of the Corporate Governance Report containing remuneration of whole-time directors and sitting fees paid to Independent Directors. |                                                                |        |                                                         |
| <b>Key Managerial Personnel (CS)</b>    | 01                                                                                                                                                       | 6,608,512                                                      | -      | -                                                       |
| <b>Employees other than BoD and KMP</b> | 23,960                                                                                                                                                   | 3,078,152                                                      | 2,032  | 2,907,479                                               |

## 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)

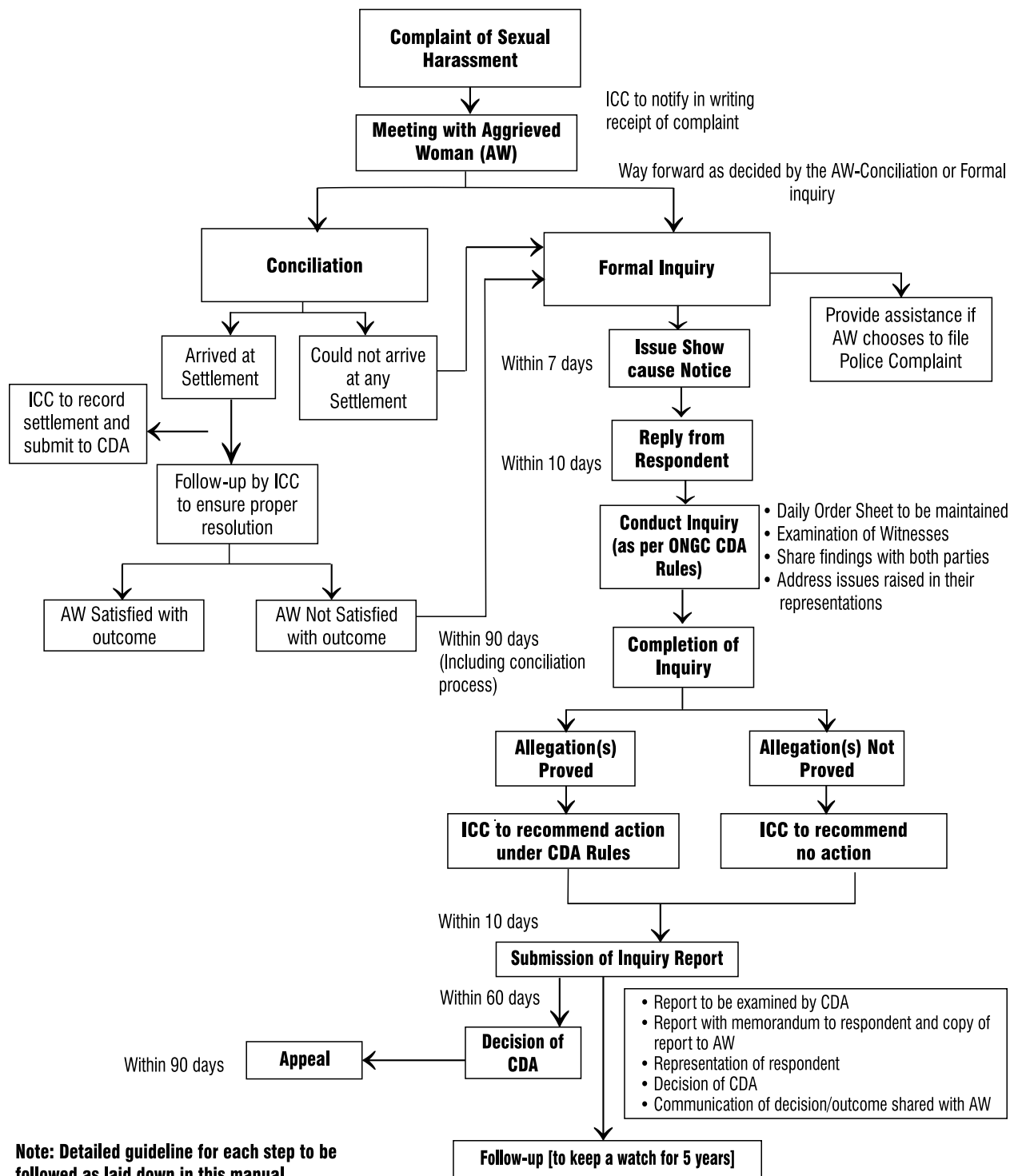
Yes, across ONGC Group, systems and processes are in place in a manner that minimizes human rights violations in operations as well as supply chain. ONGC also promote the provision of effective grievance mechanisms by business partners, including suppliers and contractors and has an independent Chief 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.

Appropriate systems and mechanisms with time bound process for redressal, such as Grievance Management System, Safety Committees, Internal Complaints Committee, Whistle-blower Policy etc. are in place to allow for resolution of the issues raised under Human Rights policy.

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. There is dedicated mechanism in ONGC for POSH. Details for the mechanism are as follows:

## Mechanism in ONGC for POSH





#### 6. Number of Complaints on the following made by employees and workers:

|                                          | FY'23                 |                                       | FY'22                 |                                       |
|------------------------------------------|-----------------------|---------------------------------------|-----------------------|---------------------------------------|
|                                          | Filed during the year | Pending resolution at the end of year | Filed during the year | Pending resolution at the end of year |
| <b>Sexual Harassment</b>                 | 06                    | 02                                    | 04                    | 0                                     |
| <b>Discrimination at workplace</b>       | -                     | -                                     | -                     | -                                     |
| <b>Child Labour</b>                      | -                     | -                                     | -                     | -                                     |
| <b>Forced Labour/Involuntary Labour</b>  | -                     | -                                     | -                     | -                                     |
| <b>Wages</b>                             | -                     | -                                     | -                     | -                                     |
| <b>Other human rights related issues</b> | -                     | -                                     | -                     | -                                     |

#### 7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Special Leave can be granted upto 90 days to an aggrieved female employee during the pendency of the inquiry under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The leave so granted is not debited against the leave account.

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. There is dedicated mechanism in ONGC for POSH. Refer to Question No. 5 of Principle 5 for mechanism.

#### 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.

#### 9. Assessments for the year:

|                                    | % of your plants and offices that were assessed (by entity or statutory authorities or third parties)                |
|------------------------------------|----------------------------------------------------------------------------------------------------------------------|
| <b>Child labor</b>                 | The Company ensures compliance with applicable labour practice laws, including child labour and human rights issues. |
| <b>Forced/involuntary labor</b>    |                                                                                                                      |
| <b>Discrimination at workplace</b> |                                                                                                                      |
| <b>Wages</b>                       |                                                                                                                      |
| <b>Others</b>                      |                                                                                                                      |

#### 10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

Not Applicable

## 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. This policy applies to ONGC and ONGC Videsh (herein collectively referred to as "Company"). This policy shall act as an advisory for the independent contractors and business partners, who are associated with the 'Company', to uphold and adopt the principles enshrined in this policy.

#### Coverage:

- Equal Opportunity, Non-Discrimination, Diversity and Inclusion.
- Prevention of Harassment
- Freedom of Association
- Labour Standards
- Safe and healthy workplace
- Prohibition of Child Labour and Forced Labour
- Right to Privacy
- Anti-Corruption
- Local Community / Stakeholder engagement
- Right to Development

### 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?

Except in locations of Hazardous operations, all other areas which are considered safe for differently abled persons, have been made accessible for persons with disability by incorporating adequate infrastructure as per norms.

### 4. Details on assessment of value chain partners:

|                             | % of value chain partners (by value of business done with such partners) that were assessed                                                       |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| Child labour                | The Company ensures compliance with applicable labour practice laws, including child labour and human rights issues, throughout its supply chain. |
| Forced/involuntary labour   |                                                                                                                                                   |
| Sexual harassment           |                                                                                                                                                   |
| Discrimination at workplace |                                                                                                                                                   |
| Wages                       |                                                                                                                                                   |
| Others                      |                                                                                                                                                   |

### 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'23       | FY'22       |
|---------------------------------------------------------------------------------------------------------|-------------|-------------|
| Total electricity consumption (A) GJ                                                                    | 1,076,013   | 877,968     |
| Total fuel consumption (B) GJ                                                                           | 132,541,670 | 140,827,880 |
| Energy consumption through other sources (C) GJ                                                         | 350,733     | 351,648     |
| Total energy consumption (A+B+C) GJ                                                                     | 133,968,416 | 142,057,496 |
| Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees) (GJ per Million ₹) | 82.12       | 128.74      |

**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.

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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.

Given the nature of business, this indicator is not applicable

3. Provide details of the following disclosures related to water, in the following format:

| Parameter                                                                                     | FY'23      | FY'22*     |
|-----------------------------------------------------------------------------------------------|------------|------------|
| <b>Water withdrawal by source (in kilo-litres)</b>                                            |            |            |
| (i) Surface water                                                                             | 7,940,772  | 4,855,611  |
| (ii) Groundwater                                                                              | 4,349,644  | 3,547,865  |
| (iii) Third party water                                                                       | 5,647,082  | 5,537,211  |
| (iv) Seawater / desalinated water                                                             | 196,522    | 256,085    |
| (v) Others (including Rainwater storage & Packaged Water)                                     | 523,349    | 6,111,659  |
| <b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>               | 18,657,369 | 20,308,431 |
| Total volume of water consumption (in kilolitres)                                             | 18,657,369 | 20,308,431 |
| Water intensity per rupee of turnover (Water consumed / turnover) (kl per crore ₹ of revenue) | 114.36     | 184.04     |

\*Data for FY'22 restated.

**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.

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**4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

No

**5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

| Parameter                           | Please specify unit | FY'23                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | FY'22 |
|-------------------------------------|---------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| NOx                                 | mg/m <sup>3</sup>   | Ambient Air Quality Monitoring as per NAAQ standard is undertaken as stipulated in EC conditions of the project of concerned work center is submitted six monthly to the concerned Integrated regional Office, MoEFCC by Work-centers. Uran, Hazira & C2-C3 Plants are having online continuous air quality monitoring system in place and the monitored data is being uploaded to CPCB and SPCB servers.<br><br>Details of air emissions (Other than GHG emissions) are not quantified. |       |
| SOx                                 | mg/m <sup>3</sup>   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |       |
| Particulate matter (PM)             | mg/m <sup>3</sup>   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |       |
| Persistent organic pollutants (POP) | NA                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |       |
| Volatile organic compounds (VOC)    | NA                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |       |
| Hazardous air pollutants (HAP)      | mg/m <sup>3</sup>   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |       |
| 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'23     | FY'22     |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|-----------|-----------|
| <b>Total Scope 1 emissions</b><br>(Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) | tCO <sub>2</sub> e               | 8,545,142 | 8,920,000 |
| <b>Total Scope 2 emissions</b><br>(Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) | tCO <sub>2</sub> e               | 351,444   | 210,000   |
| <b>Total Scope 1 and Scope 2 emissions per Ton of production</b>                                                                                                                | tCO <sub>2</sub> e/ ton of O+OEG | 0.21      | 0.21      |

**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:**

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**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. Moreover, ONGC proposes to spend ₹1 trillion on green initiatives by 2030 to reduce carbon footprint as part of a broader effort to achieve net zero (Scope-1 and Scope-2) emissions by 2038. ONGC plans to augment Renewable Energy portfolio of 10 GW by 2030 and 1 Million tonnes per annum capacity of green ammonia production. Example: 4861 tCO<sub>2</sub>e/year estimated emission reduction from a 5 MW solar plant installed in Hazira.



**8. Provide details related to waste management by the entity, in the following format:**

| Parameter                                                                                                                                      | FY'23                                                                                                                | FY'22         |
|------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|---------------|
| <b>Total Waste generated (in metric tonnes)</b>                                                                                                |                                                                                                                      |               |
| E-waste (A)                                                                                                                                    | 97.7                                                                                                                 | 56.7          |
| Other Hazardous waste. Please specify, if any. (B)                                                                                             | 93,151                                                                                                               | 26,360        |
| Other Non-hazardous wastegenerated (C). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)             | 17,601                                                                                                               | 20,352        |
| <b>Total (A+B+C)</b>                                                                                                                           | <b>110,850</b>                                                                                                       | <b>46,769</b> |
| <b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b> |                                                                                                                      |               |
| Category of waste                                                                                                                              |                                                                                                                      |               |
| Other recovery operations                                                                                                                      | 6,523 m <sup>3</sup> of Oil has been recovered from the spillage area and sent back to the production installations. | -             |

**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.

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**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.**

ONGC 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.

**Wastewater 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 m<sup>3</sup>/day of wastewater 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.

**Hazardous Waste-** The measures for handling and treatment/ disposal of hazardous waste generated in ONGC is given below:

**i. Used Oil** – Used Oil generated at the drilling site/ production installation in ONGC is sent to authorized recyclers for disposal.

**ii. Sludge Containing Oil:** 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.

**iii. Empty Barrels/Containers contaminated with Hazardous chemicals/wastes-**Sent to authorized recyclers for disposal.

**iv. Chemical Sludge from ETPs-** Sent to authorized TSDF for disposal.

**Electronic Waste-** ONGC is having widespread operations uses significant quantity of electronic machines and their accessories which after the end of their life cycle become disposable e-Waste. To address the disposal of e-waste, ONGC has a robust e-Waste policy. The e-waste is either being disposed through approved recycler or through designated take back service provider of the producer. In case of donation of equipment, ONGC obtains certificate from beneficiary organization that the organization will ensure safe disposal at the end of their life cycle.

**Construction and Demolition Waste** – In ONGC there is no regular generation of Construction and Demolition Waste. In the instances, the waste is collected, segregated into concrete, soil & others and disposed as notified by the concerned local authority in consonance with Construction and Demolition Waste Management Rules, 2016.

**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:**

| S. No. | Location of operations/offices     | Type of operations                                                             | Whether the conditions of environmental approval / clearance are being complied with? (Y/N)<br><br>If no, the reasons thereof and corrective action taken, if any. |
|--------|------------------------------------|--------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1      | Jorhat Asset, Assam                | Development Drilling and Production of Crude oil and Natural Gas               | Yes                                                                                                                                                                |
| 2      | Assam & Assam arakan Basin, Jorhat | Exploratory Drilling of Crude oil and Natural Gas                              | Yes                                                                                                                                                                |
| 3      | Tripura Asset                      | Development Drilling and Production of Crude oil and Natural Gas               | Yes                                                                                                                                                                |
| 4      | Eastern Offshore Asset             | Development Drilling and Production of Crude oil and Natural Gas               | yes                                                                                                                                                                |
| 5      | KG Basin                           | Development Drilling and Production of Crude oil and Natural Gas               | Yes                                                                                                                                                                |
| 6      | Frontier Basins, Dehradun          | Exploratory Drilling of Crude oil and Natural Gas                              | Yes                                                                                                                                                                |
| 7      | Exploratory Asset, Silchar         | Exploratory & Development Drilling and Production of Crude oil and Natural Gas | Yes                                                                                                                                                                |
| 8      | Assam Asset                        | Development Drilling and Production of Crude oil and Natural Gas               | Yes                                                                                                                                                                |
| 9      | Tripura forward Base               | Exploratory Drilling of Crude oil and Natural Gas                              | Yes                                                                                                                                                                |
| 10     | CBM Asset Boakro                   | Development Drilling and Production of Coal Bead Methane.                      | Yes                                                                                                                                                                |
| 11     | Ahmedabad Asset                    | Development Drilling and Production of Crude oil and Natural Gas               | Yes                                                                                                                                                                |
| 12     | Ankleshwar Asset                   | Development Drilling and Production of Crude oil and Natural Gas               | Yes                                                                                                                                                                |





**11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

| Name and brief details of project                                                                                                                                                                                              | EIA Notification No.   | Date                   | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|-------------------------------------------------------------|--------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Onshore Development & Production from 105 wells in 12 nomination PML blocks in Sipahijala, West Tripura and Gomati districts of Tripura and 10 wells and Khubal GCS in NELP PML of North Tripura districts, Tripura            | EIA Notification, 2006 | EIA Notification, 2006 | Yes                                                         | Yes                                              | <a href="https://environmentclearance.nic.in/onlineSearchnewrk.aspx?autoid=41873&amp;proposal_no=IA/TR/IND2/134348/2019&amp;typep=EC">https://environmentclearance.nic.in/onlineSearchnewrk.aspx?autoid=41873&amp;proposal_no=IA/TR/IND2/134348/2019&amp;typep=EC</a><br><br>The above link pertains to Environment Clearance proposal for the project uploaded on PARIVESH 1.0.<br><br>EIA report is showing in the 'Attached Files Tab'                 |
| Onshore development and production of oil and gas from 15 Development wells and establishment of Quick Production Systems (QPS) in NELP VII block WB-ONN-2005/4 situated in North 24 Parganas and Nadia districts, West Bengal | EIA Notification, 2006 | EIA Notification, 2006 | Yes                                                         | Yes                                              | <a href="https://environmentclearance.nic.in/onlineSearchnewrk.aspx?autoid=44285&amp;proposal_no=IA/GJ/IND2/414546/2023&amp;typep=EC">https://environmentclearance.nic.in/onlineSearchnewrk.aspx?autoid=44285&amp;proposal_no=IA/GJ/IND2/414546/2023&amp;typep=EC</a><br><br>The above link pertains to Environment Clearance proposal for the project uploaded on PARIVESH 2.0.<br><br>EIA Report is visible in 'PART C' at point 21.1 under Enclosures. |
| Onshore Development and Production of oil & gas from 145 wells in 30 ML blocks in Bharuch, Surat and Vadodara districts, Gujarat                                                                                               | EIA Notification, 2006 | EIA Notification, 2006 | Yes                                                         | Yes                                              | <a href="https://environmentclearance.nic.in/onlineSearchnewrk.aspx?autoid=44156&amp;proposal_no=IA/WB/IND2/407038/2022&amp;typep=EC">https://environmentclearance.nic.in/onlineSearchnewrk.aspx?autoid=44156&amp;proposal_no=IA/WB/IND2/407038/2022&amp;typep=EC</a><br><br>The above link pertains to Environment Clearance proposal for the project uploaded on PARIVESH 2.0.<br><br>EIA Report is visible in 'PART C' at point 21.1 under Enclosures. |

**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, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Yes, ONGC is compliant with the applicable environmental law/ regulations/ guidelines in India.

| S. No. | Specify the law / regulation / guidelines which was not complied with | Provide details of the non-compliance | Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts | Corrective action taken if any |
|--------|-----------------------------------------------------------------------|---------------------------------------|-----------------------------------------------------------------------------------------------------------|--------------------------------|
| Nil    |                                                                       |                                       |                                                                                                           |                                |

## 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'23              | FY'22              |
|------------------------------------------------------------------------|--------------------|--------------------|
| <b>From renewable sources</b>                                          |                    |                    |
| Total electricity consumption (A) GJ                                   | 350,733            | 351,648            |
| Total fuel consumption (B) GJ                                          | -                  | -                  |
| Energy consumption through other sources (C) GJ                        | -                  | -                  |
| <b>Total energy consumed from renewable sources (A + B + C) GJ</b>     | <b>350,733</b>     | <b>351,648</b>     |
| <b>From non-renewable sources</b>                                      |                    |                    |
| Total electricity consumption (D) GJ                                   | 1,076,013          | 877,968            |
| Total fuel consumption (E) GJ                                          | 132,541,670        | 140,827,880        |
| Energy consumption through other sources (F) GJ                        | -                  | -                  |
| <b>Total energy consumed from non-renewable sources (D + E + F) GJ</b> | <b>133,617,683</b> | <b>141,705,848</b> |

**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.**

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ONGC supported the construction of multi-speciality Siu-Ka-Pha hospital at Sivasagar in Upper Assam, bringing world-class medical care in north-east India



**2. Provide the following details related to water discharged: 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.**

| Parameter                                                                     | FY'23             | FY'22             |
|-------------------------------------------------------------------------------|-------------------|-------------------|
| <b>Water discharge by destination and level of treatment (in kilo-litres)</b> |                   |                   |
| (i) To Surface water                                                          |                   |                   |
| - With treatment: Tertiary                                                    | 84,244            | 1,663,080         |
| (ii) To Groundwater                                                           |                   |                   |
| - With treatment                                                              | -                 | -                 |
| (iii) To Seawater                                                             |                   |                   |
| - With treatment: Tertiary                                                    | 17,247,779        | 15,076,938        |
| (iv) Sent to third-parties                                                    |                   |                   |
| - With treatment                                                              | -                 | -                 |
| (v) Others                                                                    |                   |                   |
| - With treatment : Tertiary                                                   | 16,598,837        | 13,634,289        |
| <b>Total water discharged (in kilolitres)</b>                                 | <b>33,930,860</b> | <b>30,374,307</b> |

**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.**

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**3. Water withdrawal, consumption and discharged in areas of water stress (in Kilolitres)**

**For each facility/plant located in areas of water stress, provide the following information:**

**(i) Name of the Area:** Gujrat, Maharashtra, Tamilnadu, Andra Pradesh, Telangana

**(ii) Nature of operation:** Exploration and Production of Oil and Gas

**(iii) Water withdrawal, consumption & discharge in the following format**

| Parameter                                                                                     | FY'23             | FY'22 *           |
|-----------------------------------------------------------------------------------------------|-------------------|-------------------|
| <b>Water withdrawal by source (in kilolitres)</b>                                             |                   |                   |
| (i) Surface water                                                                             | 6,578,312         | 4,813,202         |
| (ii) Groundwater                                                                              | 2,679,354         | 3,200,379         |
| (iii) Third party water                                                                       | 5,636,918         | 5,534,211         |
| (iv) Seawater / desalinated water                                                             | 196,520           | 256,084           |
| (v) Others (including Rainwater storage & Packaged Water)                                     | 378,908           | 6,307,518         |
| <b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>               | <b>15,470,012</b> | <b>20,111,394</b> |
| Total volume of water consumption (in kilolitres)                                             | 15,470,012        | 20,111,394        |
| Water intensity per rupee of turnover (Water consumed / turnover) (kl per crore ₹ of revenue) | 94.82             | 172.09            |

| Parameter                                                                                     | FY'23      | FY'22 *    |
|-----------------------------------------------------------------------------------------------|------------|------------|
| <b>Water discharge by source (in kilolitres)</b>                                              |            |            |
| (i) Surface water                                                                             | 6,578,312  | 4,813,202  |
| (ii) Groundwater                                                                              | 2,679,354  | 3,200,379  |
| (iii) Third party water                                                                       | 5,636,918  | 5,534,211  |
| (iv) Seawater / desalinated water                                                             | 196,520    | 256,084    |
| (v) Others (including Rainwater storage & Packaged Water)                                     | 378,908    | 6,307,518  |
| <b>Total volume of water discharge (in kilolitres) (i + ii + iii + iv + v)</b>                | 15,470,012 | 20,111,394 |
| Total volume of water consumption (in kilolitres)                                             | 15,470,012 | 20,111,394 |
| Water intensity per rupee of turnover (Water consumed / turnover) (kl per crore ₹ of revenue) | 94.82      | 172.09     |

\*Data for FY'22 restated.

Note: In ONGC, The Company follows water foot printing methodology adopted by WBCSD. In general aquifers from where fresh water is withdrawn are different from those where the water is discharged. Hence the quantity withdrawn is equal to water consumed. Since water is used only for operations, the consumption is equal to the discharged quantity. For this purpose, water evaporation, water seepage and consumption by colony have not been taken into account.

**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:**

M/s Bureau Veritas

**4. Please provide details of total Scope 3 emissions & its intensity, in the following format.**

The Company engaged consultant for a comprehensive carbon footprint study of ONGC, including Scope-1, Scope-2 and Scope-3 Emissions along with strategies and financial implications for emission reduction and Net Zero Emissions of ONGC. Total Scope-3 emission of ONGC is 24.3 MTCO<sub>2</sub>eq for FY'22 ONGC's Scope-3 emissions account for approximately 73% of the total emission inventory, with the processing of sold products accounting for maximum part of Scope 3 emissions.

**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

**5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Environment Impact Assessment has been carried out by QCI accredited consultant. The Consultant in its report have listed all the anticipated Environmental impact along with the mitigation measures. Subsequently, an Environment Management Plan for the project is prepared and based on the report, the statutory authority issues Environmental Clearance for the project.





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:

| Initiative undertaken    | Details of the initiative (Web-link, if any, may be provided along-with summary)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Outcome of the initiative                                                                        |
|--------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| <b>Water Recycling</b>   | ONGC operates Effluent Treatment Plants (ETPs) with designed capacity of handling more than 1,04,000 m <sup>3</sup> / day of effluent from onshore production installations/plants. With certain additional treatment, this water is further treated and reused for technical uses like injecting into the formation called 'Water Injection' for the purpose of maintaining reservoir pressure.                                                                                                                                                                                                                                    | Reduction of fresh water footprint = approx. 44,05,786.65 m <sup>3</sup>                         |
| <b>Waste management</b>  | Reduced waste generation from drilling fluid = 1,340.55 m <sup>3</sup><br>Reduced Waste generation from Brine = 21.80 m <sup>3</sup>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Reduction of chemical usages = approx. 1,362.35 m <sup>3</sup>                                   |
| <b>Energy Transition</b> | <b>Renewable Energy:</b> The Total solar energy installed during FY'23 is 5.22 MW.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 4861 tCO <sub>2</sub> e emission will be reduced per year                                        |
| <b>Emission Control</b>  | <b>Flare Gas Recovery at Uran Plant:</b> Total gas saved due to Flare Gas Recovery Unit was 46.65 MMSCM in FY'23. Monetary benefit of ₹886.6 Million (₹19/SCM) along with environmental benefits. Also due to working of 3 Waste Heat Recovery Boilers total Gas saved was 69.35 MMSCM. Monetary benefit of ₹1317 Million (₹19/SCM) along with environmental benefits.<br><br><b>Flare Gas Recovery Initiative at Heera Platform:</b> Total gas saving in FY'23 was 4 MMSCM due to LP Flare Gas Recovery system. Monetary benefit of ₹76 Million (₹19/scm) along with reduction of 8767.5 MT CO <sub>2</sub> e emission every year. | Reduction in GHG emission and proportional SO <sub>x</sub> , NO <sub>x</sub> suspended particles |

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

1) ONGC has well defined preventive, control and mitigation measures to handle emergency situations. There is three tier system of handling the emergencies depending on the severity of events-

i. Site specific ERP (Emergency Response Plan),

ii. Offsite & Onsite DMP (Disaster Management Plan) for onshore and RCP (Regional Contingency Plan) for offshore,

iii. CDMP (Corporate Disaster Management Plan)

2) To tackle blowout/uncontrolled flow related emergency situations, ONGC is having Crisis Management Teams (CMTs) at various levels- Central CMT, 4 Regional CMTs and work centre level CMTs.

3) Mock drills are conducted at regular intervals as per periodicity defined in respective emergency response plans to test their efficacy. The lessons learnt from the drills are used for strengthening the response mechanism by taking corrective measures and the plans are updated whenever gaps are identified.

4) To combat oil spills in offshore areas, ONGC has developed its own capacity as well as takes assistance from mutual aid partners and Indian Coast Guard. To address larger oil spill, ONGC has an Agreement with Oil Spill Response Limited (OSRL), UK, an expert agency in combating major oil spills.

5) ONGC has a “Energy Strategy 2040” plan that entails the intension of its activities till 2040. Also ONGC has declared that it will become a “Net Zero” company by 2038.

**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 several trade chambers and associations such as:

- i. United Nations Global Compact Network India (UNGCI)
- 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.

| Sl. 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 (UNGCI)            | 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

| Name of Authority | Brief of the case | Corrective action taken |
|-------------------|-------------------|-------------------------|
| Nil               |                   |                         |

### LEADERSHIP INDICATORS

#### 1. Details of public policy positions advocated by the entity

| S. No | Public policy advocated                                                                                                                   | Method resort for such advocacy                                                                        | Whether the information is available in public domain? (Yes/No) | Frequency of review by board (Annually/ Half yearly/ Quarterly/ Other-please specify) | Web Link, if available |
|-------|-------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|---------------------------------------------------------------------------------------|------------------------|
| 1     | Facilitation of international trade and collaboration                                                                                     | Though representations in various inter-governmental forums                                            | No                                                              | As and when needed                                                                    | -                      |
| 2     | Participation in various activities viz. Vision India @2047, growth and skill development, Make in India, promotion of in-house R&D etc., | Through interaction with government bodies like NITI Aayog, and various other governmental committees. | No                                                              | As and when needed                                                                    | -                      |



| S. No | Public policy advocated                                                               | Method resort for such advocacy                                                            | Whether the information is available in public domain? (Yes/No) | Frequency of review by board (Annually/ Half yearly/ Quarterly/ Other-please specify) | Web Link, if available |
|-------|---------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|-----------------------------------------------------------------|---------------------------------------------------------------------------------------|------------------------|
| 3     | a.) Atmanirbhar Bharat initiatives<br>b.) MSME development & Collaborative Management | Through representations to various Industrial bodies viz. CII, FICCI, ASSOCHAM, SCOPE etc. | No                                                              | As and when needed                                                                    | -                      |

## 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.

During FY'23, six Impact Assessment Studies were carried out in respect of major CSR projects approved by the Board of ONGC.

| S. No. | Name and brief details of projects                                           | SIA Notification No.     | Date of Notification | Whether conducted by independent external agency (YES/NO) | Results communicated in public domain (YES/NO) |
|--------|------------------------------------------------------------------------------|--------------------------|----------------------|-----------------------------------------------------------|------------------------------------------------|
| 1      | Construction of G+4 storied building in Olatpur, Cuttack, Odisha             | DLI/CSR/2022/CSR/1080009 | 06.04.2023           | YES                                                       | YES                                            |
| 2      | Construction for hostel for tribal girls at Jaleshpatta, Kandhamal, Odisha   | DLI/CSR/2022/CSR/1080009 | 06.04.2023           | YES                                                       | YES                                            |
| 3      | Cold chain logistic support during covid-19 pandemic for vaccination program | DLI/CSR/2022/CSR/1080009 | 06.04.2023           | YES                                                       | YES                                            |
| 4      | Merit scholarship since 2016-17 for SC/ST students                           | DLI/CSR/2022/CSR/1080009 | 06.04.2023           | YES                                                       | YES                                            |
| 5      | Merit scholarship since 2019-20 for OBC students                             | DLI/CSR/2022/CSR/1080009 | 06.04.2023           | YES                                                       | YES                                            |
| 6      | Merit scholarship since 2019-20 for EWS students                             | DLI/CSR/2022/CSR/1080009 | 06.04.2023           | YES                                                       | YES                                            |

#### 2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:

During FY'23 no such situation arisen.

### 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](http://www.ongcindia.com). The portal is a step further to empower each stakeholder including community to register their grievances through a single window on corporate web portal. Weblink for the portal <https://grievance.ongc.co.in>

Grievance may come from different quarters and may be of various natures. Hence, the redressal mechanism for each grievance may slightly differ but in general follow a broader structure. For example, any person / farmer affected due to operational activities of ONGC, approach to nearest Installation. The In-charge (I/C) of Installation issue claim form after scrutiny. The committee is constituted for assessment of any damage. The committee consists of member from user group (Surface/C&M/Drilling/Well Services), LAQ and Finance. The committee visit the site and assess / measure the affected area. The role of the committee is to assess the compensation i.e. standing crop loss, land damage or other damage. Subsequently the committee report is submitted to the Competent Authority. After approval, the compensation is paid to the affected person through ECS payment. The case is processed under BDP item no. 8.10 (a) and 8.10(b). If required, Revenue Authority is also empowered for assessment of damage and declared award for compensation.

For other grievances the general approach may be broadly outlines as

- Complainant may be an educated /illiterate person.
- An illiterate person may take help from local authorities or directly approach ONGC local land acquisition officer if the complaint is land related or he/she can approach Asset/Basin/Plant manager office.
- Any person can lodge a complaint online at ONGCs grievance Portal at [ongcindia.co.in](http://ongcindia.co.in).
- The complaint should mention the name and address of the complainant.
- The complaint is resolved after detailed negotiation with the complainant and ONGC.

### 4. Percentage of input material (inputs to total inputs by value) sourced from local or small-scale suppliers:

|                                                                     | FY'23         | FY'22         |
|---------------------------------------------------------------------|---------------|---------------|
| Directly sourced from MSMEs/ Small producers                        | 47.00%        | 36.79%        |
| Sourced directly from within the district and neighboring districts | Not Available | Not Available |







## LEADERSHIP INDICATORS

### 1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

There is no negative social impact identified in the social impact assessments.

### 2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

ONGC has spent its CSR funds in the aspirational districts as per the table below during FY 2022-23:

| S. No. | State             | Aspirational district | Amount spent (in Million ₹) |
|--------|-------------------|-----------------------|-----------------------------|
| 1      | Andhra Pradesh    | Vishakhapatnam        | 1.14                        |
| 2      | Tamil Nadu        | Virudhunagar          | 2.35                        |
| 3      | Jharkhand         | Ramgarh               | 15.38                       |
| 4      | Maharashtra       | Osmanabad             | 9.75                        |
| 5      | Jharkhand         | Bokaro                | 50.27                       |
| 6      | Gujarat           | Dahod                 | 6.66                        |
| 7      | Tripura           | Dhalai                | 0.74                        |
| 8      | Odisha            | Dhenkanal             | 5.80                        |
| 9      | Jharkhand         | Gumla                 | 23.97                       |
| 10     | Uttarakhand       | Haridwar              | 8.01                        |
| 11     | Jharkhand         | Hazaribagh            | 5.50                        |
| 12     | Jharkhand         | Khunti                | 20.23                       |
| 13     | Gujarat           | Narmada               | 29.56                       |
| 14     | Bihar             | Nawada                | 0.42                        |
| 15     | Odisha            | Nuapada               | 4.50                        |
| 16     | Maharashtra       | Jalgaon               | 0.62                        |
| 17     | Chhattisgarh      | Mahasamund            | 1.32                        |
| 18     | Haryana           | Nuh                   | 4.75                        |
| 19     | Bihar             | Purnia                | 1.06                        |
| 20     | Madhya Pradesh    | Rajgarh               | 0.75                        |
| 21     | Tamil Nadu        | Ramanathapuram        | 7.11                        |
| 22     | Jharkhand         | Ranchi                | 0.52                        |
| 23     | Uttarakhand       | Udham Singh Nagar     | 1.89                        |
| 24     | Madhya Pradesh    | Damoh                 | 4.12                        |
| 25     | Jammu And Kashmir | Baramulla             | 12.96                       |

A total of ₹219.38 Million has been spent in 25 Aspirational Districts of India.

### 3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? (Yes/No)

Yes. We are complying with the Public Procurement Policy for Micro & Small Enterprises (MSEs) including those from SC/ST & Women MSEs. Under the policy, MSEs are given purchase preference within 15% of prices quoted by lowest bidder in a tender in order to be eligible for award of contract if they don't emerge as the lowest bidder. In case of matching the lowest bidder price, MSEs are given minimum 25% of tendered quantity with eligible Women MSEs getting minimum 3% and SC/ST MSEs getting minimum 4% of tendered quantity.

#### (b) From which marginalized/vulnerable groups do you procure?

We are procuring from MSEs with special focus on SC/ST & Women MSEs.

#### (c) What percentage of total procurement (by value) does it constitute?

Total procurement from MSEs for the FY'23 was 47% of annual eligible procurement including 1.3% from Women MSEs and 0.73% 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.**

Nil

**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.**

Nil

**6. Details of beneficiaries of CSR Projects.**

A total of 1175 CSR projects implemented across the country in FY'23, positively impacting millions of citizens across the country including those belonging to economically and socially weaker section of the society.

**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.**

Consumer complaints, mostly on quality of products is received through email by Corporate Marketing. After receiving each complaints, Corporate Marketing/Concerned asset look into the complaint in detail and does the needful to reach for an amicable settlement.

**2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information.**

| Type                                                  | As a percentage to total turnover |
|-------------------------------------------------------|-----------------------------------|
| Environment and Social parameters relevant to product | Not Applicable                    |
| Safe and responsible usage                            | 100 %                             |
| Recycling and/or safe disposal                        | Not Applicable                    |

**3. Number of consumer complaints**

|                                | FY'23                    |                                       | FY'22                    |                                       |
|--------------------------------|--------------------------|---------------------------------------|--------------------------|---------------------------------------|
|                                | Received during the year | Pending resolution at the end of year | Received during the year | Pending resolution at the end of year |
| Data privacy                   | Nil                      | Nil                                   | Nil                      | Nil                                   |
| Advertising                    | Nil                      | Nil                                   | Nil                      | Nil                                   |
| Cyber-security                 | Nil                      | Nil                                   | Nil                      | Nil                                   |
| Delivery of essential services | Nil                      | Nil                                   | Nil                      | Nil                                   |
| Restrictive Trade Practices    | Nil                      | Nil                                   | Nil                      | Nil                                   |
| Unfair Trade Practices         | Nil                      | Nil                                   | Nil                      | Nil                                   |
| Others                         | 45                       | 4                                     | 44                       | Nil                                   |

**4. Details of instances of product recalls on account of safety issues**

|                   | Number | Reason for recall |
|-------------------|--------|-------------------|
| Voluntary recalls | Nil    | Not Applicable    |
| Forced recalls    | Nil    | Not Applicable    |

**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 have Information Security Policy on cyber security, however there is no provisions for risks related to data privacy.



Weblink of the Information security policies: [https://reports.ongc.co.in/group/reports\\_en/home/virtual-corporate/services/chief-information-security-office/isms-group](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/Refiners.

**LEADERSHIP INDICATORS**

**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

The tender/contract documents related for sale of any product contains relevant information on product sale. The buyers may access the same through [eps.buyjunction.in](http://eps.buyjunction.in); [igxindia.com](http://igxindia.com);

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

As the physical sale of products take place at marketing installation of the concerned Assets/Plants, therefore consumers are educated by the Asset/Plants through Material Safety Data Sheet (MSDS). Therefore, steps regarding the same may be sought from the concerned Assets/Plants.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

Email / Letters / Website / Phone / [ecms.ongc.co.in](http://ecms.ongc.co.in) Website /Industry Meetings are conducted, wherein customers are informed about planned shutdown.

**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)**

Customer survey is not a regular exercise because all the products are sold under quality parameters as set forth in the sale agreements/contracts. In case of any issue pertaining to quality, are raised by the customer; the same is addressed suitably.

**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.**

No reported instances of Data Breaches in FY'23

## **ANNUAL REPORT ON CSR FOR FY'23**

### **1. Brief outline on CSR Policy of the Company.**

Over the years, ONGC through its CSR Projects has been reaching out to marginalized and deprived sections of its local communities and bridging developmental gaps primarily in the thrust areas of Healthcare, Education, Skill Development, Promoting Art and Culture, 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 30.03.2021. 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.

ONGC CSR Policy outlines CSR Activities that can be undertaken by the company. The Policy also provides guidelines on planning of CSR initiatives, including CSR Budget and CSR Expenditure, preparation of Annual CSR Action Plan at beginning of 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](http://www.ongcindia.com)

### **2. Composition of CSR Committee:**

| Sl. No. | Name of the Director                                 | Designation / Nature of Directorship                                                                                                 | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|--------------------------------------------------------------|
| 1       | Ms. Reena Jaitly                                     | Independent Director & Chairperson                                                                                                   | 7                                                        | 7                                                            |
| 2       | Dr. Alka Mittal<br>(Superannuated:<br>31.08.2022)    | CMD (Additional Charge) & Director (HR)- Member                                                                                      | 3                                                        | 3                                                            |
| 3       | Shri Anurag Sharma<br>(Superannuated:<br>28.02.2023) | Director (Onshore)                                                                                                                   | 7                                                        | 5                                                            |
| 4       | Shri R.K. Srivastava                                 | Director (HR) – Member<br>Additional charge of Director (HR) was held by the Director (Exploration) during 01.09.2022 to 30.11.2022, | 2                                                        | 2                                                            |
| 5       | Ms. Pomila Jaspal                                    | Director (Finance), Member                                                                                                           | 6                                                        | 6                                                            |
| 6       | Dr. Prabhaskar Rai                                   | Independent Director                                                                                                                 | 7                                                        | 7                                                            |
| 7       | Dr. Madhav Singh                                     | Independent Director                                                                                                                 | 7                                                        | 7                                                            |
| 8       | Shri Pankaj Kumar                                    | Director (Offshore) & Director (HR)-additional charge                                                                                | 2                                                        | 2                                                            |





**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 on the corporate website of ONGC i.e. [www.ongcindia.com](http://www.ongcindia.com)

**4. Provide the executive summary along with web-link(s) 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 Company takes cognizance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 ("CSR Amendment Rules"). The details of the impact assessment studies of CSR projects are annexed at Annexure-I. The brief of Impact assessment carried out during 2022-23 is available at <https://ongcindia.com/web/eng/csr-annual-report>.

**5.**

|                                                                                                        |                      |
|--------------------------------------------------------------------------------------------------------|----------------------|
| a) Average net profit of the company as per sub-section (5) of section 135                             | ₹2,25,869.47 Million |
| b) Two percent of average net profit of the company as per sub-section (5) of section 135              | ₹4517.39 Million     |
| c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years | Nil                  |
| d) Amount required to be set-off for the financial year, if any                                        | ₹219.82 Million      |
| e) Total CSR obligation for the financial year [(b) + (c) - (d)]                                       | ₹4297.57 Million     |

**6.**

|                                                                                                                                                                                                                                     |                  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)                                                                                                                                               | ₹4536.77 Million |
| b) Amount spent in Administrative Overheads.                                                                                                                                                                                        | ₹222.15 Million  |
| c) Amount spent on Impact Assessment, if applicable.<br>*Impact Assessment of CSR projects carried out in FY'2022-23 through M/s Price Waterhouse Coopers International Ltd but payment of ₹4.5 Million shall be made in FY'2023-24 | Nil*             |
| d) Total amount spent for the Financial Year [(a) + (b) + (c)].                                                                                                                                                                     | ₹4758.92 Million |

**e) CSR amount spent or unspent for the Financial Year:**

| 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 (₹ Million)                                                     | Date of transfer | Name of the Fund                                                                                     | Amount | Date of transfer |
| 4758.92                                                   | 266.85                                                                 | 30.04.2023       | NA                                                                                                   | NIL    | NA               |

**f) Excess amount for set-off, if any:**

| Sl.   | Particular                                                                                                  | Amount (in ₹)     |
|-------|-------------------------------------------------------------------------------------------------------------|-------------------|
| (1)   | (2)                                                                                                         | (3)               |
| (i)   | Two percent of average net profit of the company as per sub-section (5) of section 135                      | ₹4517.39 Million  |
| (ii)  | Total amount spent (including set of previous FY, ₹ 219.82 Million) for the Financial Year                  | ₹4978.74 Million* |
| (iii) | Excess amount spent for the Financial Year [(ii)-(i)]                                                       | ₹461.35 Million   |
| (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)]                                     | ₹461.35 Million   |

\* including excess amount of ₹219.82 Million spent during previous FY 2021-22 carried forward.

**7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:**

| (1)    | (2)                          | (3)                                                                                          | (4)                                                                                      | (5)                                               | (6)                                                                                                                         |                  | (7)                                                               | (8)                |
|--------|------------------------------|----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|---------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|------------------|-------------------------------------------------------------------|--------------------|
| Sl.no. | Preceding Financial Year (s) | Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in ₹ Million) | Balance Amount in unspent CSR Account under subsection (6) of section 135 (in ₹ Million) | Amount Spent in the Financial Year (in ₹ Million) | Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of Section 135, if any |                  | Amount remaining to be spent in succeeding Financial Years (in ₹) | Deficiency, if any |
|        |                              |                                                                                              |                                                                                          |                                                   | Amount (in ₹ Million)                                                                                                       | Date of transfer |                                                                   |                    |
| 1      | 2019-20                      | NA                                                                                           | NA                                                                                       | NA                                                | NA                                                                                                                          | NA               | NA                                                                |                    |
| 2      | 2020-21                      | Nil                                                                                          | NA                                                                                       | NA                                                | Nil                                                                                                                         | NA               | NA                                                                |                    |
| 3      | 2021-22                      | 130.73                                                                                       | 77.81*                                                                                   | 52.92                                             | Nil                                                                                                                         | NA               | NA                                                                |                    |
| 4      | 2022-23                      | 266.85                                                                                       | NA                                                                                       | NA                                                | Nil                                                                                                                         | NA               | NA                                                                |                    |

\* Balance as on 31 March 2023

**Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No**

**If yes, enter the number of Capital assets created/ acquired: Nil**

**Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility:**

N.A.

**Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of Section 135:**

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 financial year. Hence, there is no unspent amount.

**Sd/-**  
**(Chairman CSR Committee)**

**Sd/-**  
**(Chairman, ONGC)**



## Annexure - I

### Impact Assessment Highlights

To understand the direct impact created by its CSR projects, ONGC Limited carried out comprehensive social impact assessments of 6 of its CSR projects through an independent agency (M/s Price Waterhouse Coopers International Ltd). This impact assessment study was conducted using a mixed-method approach involving one of or both the quantitative and qualitative research tools (as relevant for the individual project) for primary data collection along with the desk review of project documents which was available at the time of the study. The team also conducted quantitative and qualitative interactions (virtual and on-field) with the project beneficiaries and other relevant stakeholders based on the customized research tools prepared for each project.

The highlights of the Impact Assessment study for the six projects are as follows:

#### **Project 1: Financial assistance for Construction of G+4 storied building for Sushruta Swasthya Sahayata Kendra at Olatpur in Cuttack District of Odisha**

The highlights are as follows:

- This facility is a viable option for poor families as it provides a cost-effective accommodation for the patients and their attendants at a nominal cost of ₹100/- per day (non-BPL category) and ₹50/- per day (BPL category).
- Another vital aspect is the disability-friendly infrastructure considering the fact that almost all the patients coming in the Arogya Bhawan are suffering from orthopedic ailments which makes their mobility limited.
- The staff at the Arogya Bhawan ensures that the facility was always clean and hygienic.
- The facility was also secured with an outer gate and had the provision of 24\*7 power back-up.
- The complimentary attendant accommodation facility and the provision of a space for the attendant to cook for the patient sets the facility apart from those in the region.

#### **Project 2: Financial Support for Construction of hostel for tribal girls at Jaleshpatta in Kandhamal district of Odisha**

The highlights are as follows:

- Basis the interactions with these beneficiaries, potential impact of the new hostel several aspects such as increased safety of students, ease of access to basic amenities such as toilets and the dining hall and expanded enrolment.
  - 77% of the respondents stated that their old hostel did not have sufficient space in the dormitories and gave it an average rating of 1.83 on a scale of 1 to 3 (with 1 being the poor and 3 being the excellent).
  - Similarly, for washrooms and toilets, 72% respondents stated that the washroom and toilet facilities were not sufficient in the old hostel for their daily use and gave them an average rating of 1.67.
  - 77% respondents believed that the new hostel facility will potentially impact their ease of reaching classes, followed by an increase in their motivation to learn (65%).
  - The respondents also felt that the new hostel facility will also positively impact their focus on the studies.
  - The presence of the new facility has led to better accessibility, affordability, and availability of quality living conditions (such as the hostel) in the reach of the socially and economically weaker communities.
- #### **Project 3: Cold chain logistic support during COVID-19 pandemic for vaccination program**
- The highlights are as follows:
- The project contributed to improving the disaster response and vaccination preparedness with quick turnaround time (TAT) for receiving the equipment in a timely manner.
  - The project has helped in supporting and increasing the capacity of the vaccine storage for remote districts which were almost 8-10 hours away from the capital.
  - The refrigerated truck has been a boon to the state as reported by the State Immunization Officer as they could send additional vaccines to the district which had demand due to this technology. Without the truck, the team used to send multiple vehicles for the transportation which resulted in wastage of crucial time, money, and resources.
  - The State Cold Chain Officer and Vaccine &

Cold Chain Manager from Nagaland and Tripura respectively highlighted that before the ONGC Foundation's support the cold chain equipment was functional but were not sufficient for RI and also, it was insufficient for Covid 19 vaccination.

- This initiative has helped in supporting and increasing the capacity of the vaccine storage for remote districts which are almost 8-10 hours away from the capital and it used to take a lot of time, energy, and resources to transport vaccine there.

#### **Project 4: Merit Scholarship Scheme since 2016-17 for SC/ST students.**

The highlights of the project are as follows:

- It was observed that the project has been effective in bringing about the desired impact in the lives of the beneficiaries.
- 81% of the respondents considered that scholarship provided by the ONGC Foundation enabled them to access quality education leading to obtaining the adequate skill sets in line with the market requirements.
- 75% of respondents highlighted that scholarship programme also made the colleges more accessible and affordable.
- The Scholarship enabled 57% of the total respondents to complete their post-graduation courses which is the pre-requisite to get a white-collar job.
- 55% of the total respondents reported more focus on education due to the program while 39% mentioned about the reduced financial burden.
- Out of 33 candidates, 58% respondents were employed in a company showcasing the contribution made by the scholarship.
- 53% of respondents (n=23) were earning ₹2-3 lakh per annum and 11% of the respondents reported earning ₹5 Lakh or more than that on annual basis.

#### **Project 5: Merit Scholarship Scheme since 2019-20 for OBC students.**

The highlights of the project are as follows:

- It was observed that the major influencing factor was the reduced the financial burden, as expressed by 38% of the students.
- 29% of the students mentioned that the scholarship provided them an opportunity to access and afford

the quality institutes to pursue their education.

- 52% of the respondents are currently into the completing the higher education whereas 48% of the respondents highlighted that they are currently engaged in some other activities such as working professionals, preparing further for competitive exams (i.e., GATE, UGC NET etc.).
- 39% of the respondents (N= 31) have received employment after completing their courses with the support of the ONGC scholarship.
- Among the employed respondents (N=12), 42% of the respondents are earning an annual income of ₹5 lakhs and above whereas rest of 58% are earning below ₹5 lakhs.

#### **Project 6: Merit Scholarship Scheme since 2019-20 for EWS students.**

The highlights are as follows:

- As expressed by 90.63% of the respondents (n=64), the major factor that motivated them to apply for the scholarship is that it helped in reducing their financial burden.
- 64.06% of the respondents mentioned that the scholarship provided has helped them to focus on education.
- 45.31% of respondents shared that with the help of scholarship they have access to quality educational institutions.
- 55% of the students were able carry out their higher education in the field of engineering and medical fields.
- 82.35% of the respondents are currently employed, while 11.76% of the respondents are preparing for competitive exams to secure better job opportunities. Among the employed respondents (n=14), 42.86% of the respondents are earning an annual income of 5 lakhs.





## **Annexure - F**

### **COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF OIL AND NATURAL GAS CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2023.**

The preparation of financial statements of Oil and Natural Gas Corporation Limited for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with 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 26 May 2023.

I, on 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 2023 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.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143 (6) (b) of the Act.

**For and on behalf of the  
Comptroller & Auditor General of India**

**Sd/-  
C. M. Sane  
Director General of Commercial Audit, Mumbai**

**Place: Mumbai  
Date: 21 July 2023**

**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 31 MARCH 2023**

The preparation of consolidated financial statements of Oil and Natural Gas Corporation Limited for the year ended 31 March 2023 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 26 May 2023.

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 2023 under section 143 (6) (a) read with section 129 (4) of the Act. We conducted the supplementary audit of the financial statements of subsidiary/joint venture/associate company (Annexure-I) but did not conduct supplementary audit of the financial statements of subsidiary/joint venture/associate company (Annexure-II) for the year ended on that date. Further, section 139 (5) and 143 (6) (a) of the Act are not applicable to subsidiary/joint venture/associate company (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.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143 (6) (b) of the Act.

**For and on behalf of the  
Comptroller & Auditor General of India**

**Place: Mumbai  
Date: 21 July 2023**

**Sd/-  
C. M. Sane  
Director General of Commercial Audit, Mumbai**



## 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                              |
| 8 | Prize Petroleum Company Limited               |

### Joint Venture Entities

|   |                                                       |
|---|-------------------------------------------------------|
| 1 | ONGC Petro additions Limited                          |
| 2 | HPCL Rajasthan Refinery Limited                       |
| 3 | Bhagyanagar Gas Limited                               |
| 4 | Mumbai Aviation Fuel Farming Facility Private Limited |
| 5 | HPOIL Gas Private Limited                             |
| 6 | IHB Limited                                           |
| 7 | Indradhanush Gas Grid Limited                         |
| 8 | Aavantika Gas Limited                                 |

### Associates

|   |                            |
|---|----------------------------|
| 1 | GSPL India Gasnet Limited  |
| 2 | GSPL India Transco Limited |

## Annexure II Audit not conducted

### Subsidiaries : NIL

### Joint Venture Entities

|   |                                           |
|---|-------------------------------------------|
| 1 | Dahej SEZ Limited                         |
| 2 | Godavari Gas Private Limited              |
| 3 | Ratnagiri Refinery Petrochemicals Limited |

### Associates

|   |                         |
|---|-------------------------|
| 1 | Pawan Hans Limited      |
| 2 | Rohini Heliport Limited |

## 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 Allianceneftgaz                          |
| 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.  | Hindustan Colas Private Limited              |
| 10. | 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 Indovenzolana 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**

**For the financial year ended 31 March 2023**

[Pursuant to Section 204 of the Companies Act, 2013 read with Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014; Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010]

The Members,  
**OIL AND NATURAL GAS CORPORATION LIMITED,**  
(CIN: L74899DL1993GOI054155)  
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** (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.

**Auditor's responsibility**

Our responsibility is to express an opinion on compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by the Institute of Company Secretaries of India. The Auditing Standards require that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

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, we hereby report that in our opinion, the Company has, during the Financial year ended on 31 March 2023 (the Audit Period) 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, minutes books, forms and returns filed and other records maintained

by the Company for the Audit Period 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 there under;
- (iii) The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
- (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 (*to the extent applicable to the Company during the Audit Period*);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of 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) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR)");
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (e) 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*);
  - (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;





- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
  - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (*Not applicable to the Company during the Audit Period*);
  - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (*Not applicable to the Company during the Audit period*)
  - (j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- (vi) I further report that, having regards to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company:
- (a) The Petroleum Act, 1934;
  - (b) The Mines Act, 1952;
  - (c) The Oil Industry (Development) Act, 1974;
  - (d) The Petroleum and Natural Gas Regulatory Board Act, 2006;
  - (e) The Explosive Act, 1884;
  - (f) The Oil Fields (Regulations and Development) Act, 1948;
  - (g) The Petroleum and Mineral Pipelines (Acquisition of Right of User in land Act), 1962;
  - (h) The Offshore Areas Minerals (Development and Regulation) Act, 2002;
  - (i) The Mines and Minerals (Development and Regulation) Act, 1957; and
  - (j) The Merchant Shipping Act, 1958.

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

- (i) Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 issued by Department of Public Enterprises, Government of India (DPE Guidelines);
- (ii) Secretarial Standards issued by the Institute of Company Secretaries of India with respect to Board,

Committee(s) and General Meeting(s); and

- (iii) Listing Agreements entered into by the Company with BSE Limited and the National Stock Exchange of India Limited.

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)(b) of SEBI LODR and Para 3.1.4 of DPE Guidelines from 13 July, 2022 to 31 August 2022 and from 7 December 2022 to 28 February 2023, as the Company did not have requisite number of Independent Directors on its Board.*

**(b)** *The Company has availed certain working capital loans for short periods on a rolling basis against lien on Term deposits from nationalized banks. The charge on such loans, as required under Section 77 of the Companies Act, 2013 has not been registered / created by the Company with the Registrar of Companies. The Banks have confirmed that no charge is required by them to be registered for the loans against the Term deposits as the original term deposit receipts are kept with the Banks under lien.*

**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 on 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 its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit Period, the Government of India made an offer to eligible employees through Offer for Sale (OFS) and sold 20,37,177 equity shares representing 0.02% of the total equity share capital of the Company.

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

Date: 15 June 2023 PR No. 1965/2022  
Place: New Delhi UDIN: F010483E000493592

**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 record 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 representation about the compliance of laws, rules and regulations and happening of events etc.

**5.** The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of 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  
COP : 22307

Date: 15 June 2023 PR No: 1965/2022  
Place: New Delhi UDIN: F010483E000493592





# Management Discussion and Analysis Report





## Management Discussion and Analysis Report

In the period of 2022-23, the world witnessed a series of events that encompassed both optimistic as well as some unsettling developments. The pandemic and protracted war contributed to the increased instability on the world's energy and financial markets. Governments are under immense pressure to balance their spending while ensuring the provision of essential resources for their populations. The shifting power dynamics, geo-economic fragmentation, and crumbling institutional structures are contributing to significant transformations currently unfolding worldwide.

The global economy is now displaying signs of a gradual recovery from the far-reaching consequences of the pandemic and geopolitical disruptions. However, the path ahead remains uncertain, with numerous risks and uncertainties casting a shadow over global growth prospects. The upcoming years will serve as a critical test for the world's ability to effectively address these colossal challenges. In essence, the world is undergoing a profound period of change, with the ability to effectively navigate these complexities becoming increasingly vital for the global community.

### 1. Global Economy

Businesses and governments all over the world have been operating under the premise that economic and financial globalization will continue apace. Globalization, once perceived as an unstoppable force, is undergoing unforeseen transformations. Global supply chains, which have been linked together more and more since the 1990s, have, however, been seriously disrupted recently.

Disruptions in energy and food markets are diminishing, and supply chain challenges are gradually being resolved. Commodity prices have experienced a significant decline following their record-high levels in the previous year. After witnessing a 45 percent increase in 2022, commodity prices are projected to decrease by 21 percent this year and are anticipated to remain relatively stable in 2024<sup>1</sup>.

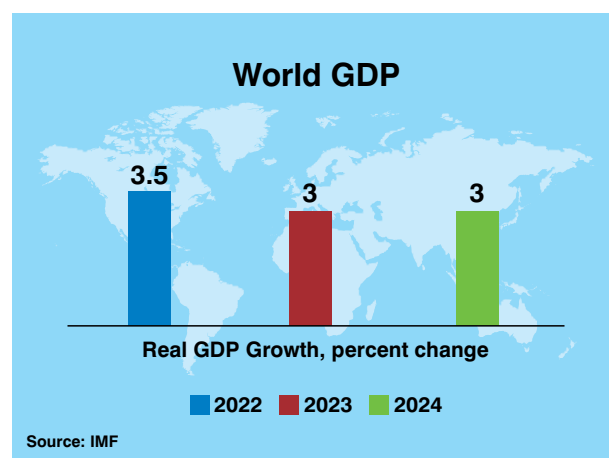
The expected decline in prices for 2023 as a whole represents the steepest decline since the pandemic. However, IMF, estimates that it is unlikely for inflation

to return to target before 2025 in the majority of cases, global headline inflation is predicted to decline from 8.7% in 2022 to 6.8 percent in 2023; however, underlying (core) inflation is predicted to decline more slowly<sup>2</sup>.

There has been a noticeable presence of robust economic growth, which can be attributed to the strength of labour markets, heightened business investments, and solid household consumption. Additionally, inflation seems to have abated in several countries, primarily due to the implementation of stringent monetary policies.

The global challenges of 2022, such as stringent monetary policies, high debt levels, increasing commodity prices, and economic fragmentation, are expected to persist throughout 2023. Many economies are expected to experience an increase in the cost of traded goods due to the anticipated rise in trade barriers, the appreciation of the US dollar, and its influential role in global trade. The combination of slowing global growth and monetary tightening could potentially lead to a financial contagion originating from advanced economies, particularly those with the highest increase in non-financial sector debt since the global financial crisis.

If the banking sector experiences more widespread stress or if inflationary pressures persist longer than expected, it is possible that these fragilities will lead to additional shocks that could have a significant impact on the world economy, businesses will find it more difficult to obtain loans and expand their economic activities.



The growth in volume of world trade is expected to decline from 3.5% in 2022 to 3% in 2023, mirroring the slowdown in demand around the world after two years of quick recovery from the pandemic induced

<sup>1</sup>Source: World Bank CMO April 2023

<sup>2</sup>Source: WEO July 2023





slowdown<sup>3</sup>. As per the IMF's July 2023, forecast, global growth is projected to fall from an estimated 3.5 percent in 2022 to 3.0 percent in both 2023 and 2024, whereas World Bank predicts that after growing 3.1 percent last year, the global economy is set to slow substantially in 2023, to 2.1 percent, amid continued monetary policy tightening to rein in high inflation, before a tepid recovery in 2024, to 2.4 percent.

The shift away from a highly integrated global economy is gaining momentum. Furthermore, there is a risk of global economic fragmentation into geopolitical blocs with differing technology standards, cross-border payment systems, and reserve currencies. This significant shift poses a grave threat to the rules-based international system that has governed economic and international relations for the past 75 years, thereby putting at risk the progress achieved over the past few decades.

Preserving financial institutions' resilience through effective regulation is crucial. However, increased uncertainty from recent financial sector turmoil poses downside risks, necessitating challenging trade-offs for policymakers to address inflation, sustain growth, and maintain financial stability. Enhancing trust and reducing the risks brought on by growing geopolitical fragmentation require action on fundamental areas of shared interest. By establishing fair and dependable rules for exchange, strengthening the multilateral trading system would aid in lowering the risks to growth and resilience posed by this fragmentation

## Indian Economy

India's economy maintains its position as one of the world's fastest-growing major economies, surpassing notable emerging and developing economies, such as China. Similar to the rest of the world, India also encountered an exceptional array of challenges; however, it managed to withstand them more effectively than the majority of economies. The Economic Survey has accurately stated that Indian Economy in FY'23, has nearly "recouped" what was lost, "renewed" what had paused, and "re-energised" what had slowed during the pandemic and since the conflict in Europe.

The government and RBI's coordinated efforts have finally succeeded in reducing retail inflation. In May,

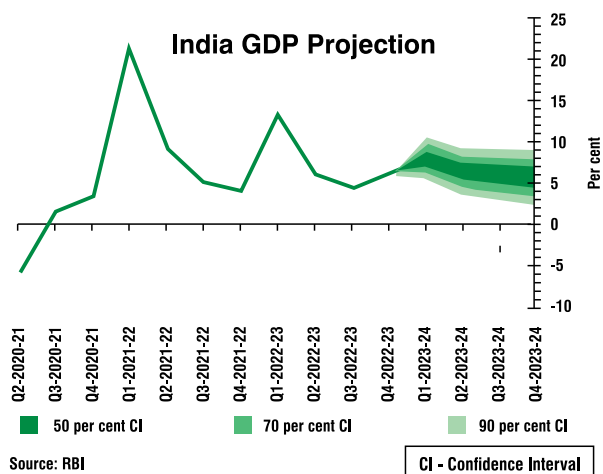
retail inflation eased to 4.25%, its lowest level in 24 months<sup>4</sup>.

The Goods and Services (GST) tax collection data conveys two important messages: first, the new indirect tax system has unquestionably matured; and second, the sustained growth of the tax collections demonstrates the Indian economy's resilience despite global headwinds. Positive economic indicators would give a sigh of relief to policy makers as aggressive tightening hasn't stifled growth, the Indian economy grew 7.2 per cent in 2022-23 as per latest provisional estimates of National Statistical Office (NSO).

Nonetheless, the challenge of the devaluation of the rupee, while still performing comparatively better than most other currencies, persists. The likelihood of the US Federal Reserve raising policy rates further adds to this concern. Moreover, the ongoing increase in global commodity prices and the strong growth of the Indian economy raise the possibility of a widening current account deficit. Additionally, exports are displaying weakness due to the subdued outlook for global trade in 2023.

The widening fiscal deficit resulting from increased government spending during the pandemic presents fiscal challenges that demand effective management to ensure long-term sustainability.

These developments have posed risks to the Indian economy's growth in FY'23, leading many global agencies to revise their growth forecasts for India downwards. World Bank has lowered India's growth forecast for the current fiscal year (2023-24) to 6.3% from its previous estimate of 6.6% made in January,



<sup>3</sup>Source: WEO July 2023

<sup>4</sup>Source: Ministry of Statistics and Programme Implementation (MOSPI) Press Release dated 12 June 2023;

whereas Reserve Bank of India (RBI) has projected the GDP growth rate for 2023-24 at 6.5 percent<sup>5</sup>. Despite the downward revision, the growth estimate for FY23 in India remains higher compared to most major economies.

The government has proposed a 33% increase in the capital expenditure target to ₹10 lakh crore for this fiscal year. This amount accounts for 3.3% of the country's economic output and aims to stimulate demand and consumption in the economy. It is crucial to strike a balance between stimulating economic recovery and maintaining fiscal discipline to avoid potential negative consequences on the overall economy.

The size of domestic consumption, as well as favourable demographics, an expanding tech ecosystem, and the quick digitization of the economy, are some of the tailwinds that could propel India's growth in the years to come.

## 2. Global Energy Sector

The current global energy scenario is a lot more complex & bigger than previous ones. The oil shocks of the 1970s presented policymakers with a reasonably straightforward task: lessen reliance on oil, particularly imports of oil. Contrarily, the evolving challenges in energy world is multifaceted, encompassing not only natural gas but also oil, coal, electricity, food security, and climate change.

The oil and gas sector seems to be characterized by constant unpredictability and potential volatility. Since their peak in 2022, energy prices have decreased significantly due to weaker prospects for global growth, milder-than expected winter in Europe & concerted effort to increase energy efficiency and conservation. The ensuing short-lived but significant increase in energy prices shifted the emphasis away from climate action toward supply security and affordability.

Energy price forecasts have been downgraded sharply. The energy price index is expected to fall by 26 percent in 2023 (much of that decline has already taken place) and remain broadly in 2024. Brent crude oil prices are forecast to average USD 84 per barrel in 2023. Weaker global demand has already caused them to drop 15 percent below the 2022 average, and they are projected to remain at that level through the end of 2024<sup>6</sup>.

<sup>5</sup>Source: Minutes of the Monetary Policy Committee Meeting

<sup>6</sup>Source: World Bank Commodity Market Outlook – April 2023.

Natural gas prices in Europe have fallen precipitously, with a 53 percent decline expected in 2023. However, it will continue to be elevated, comparable to average levels observed during 2015-19.

Energy access and equity are recognized as important factors in the evolving energy scenario, efforts are being made across the globe to extend sustainable energy services to masses. International agreements, like the Paris Agreement, act as the foundation for international cooperation and emission reduction initiatives, the majority of oil and gas companies have outlined the significance of a transparent near-term de-carbonization strategy.

In 2022, the oil and gas (O&G) sector saw record profits, which gave them plenty of cash flow to support their strategies in 2023. This might aid in addressing recent underinvestment and speeding up the energy transition. Environmental initiatives will still be a key indicator for the sector as a whole. In the upcoming years, it will become more significant as governments around the globe implement policies to reduce emissions and quicken the pace of the energy transition.

Governments are establishing goals for renewable energy production, putting in place carbon pricing systems, and offering financial incentives for clean energy investments. Technological innovations are a major force behind the evolving energy landscape. Through ongoing research and development efforts, renewable energy sources, energy storage technologies, and energy management systems are becoming more efficient and affordable.

At all levels, the industry must effectively communicate and broaden the story about energy. The industry's ability to garner public interest and address issues with environmental and social impacts is crucial to maintaining its social license.

### Oil Prices & Demand

The fundamentals of supply and demand determine price in every market, and the oil market is no different. When supply exceeds demand, upward price pressure builds; conversely, when supply falls short of demand, downward price pressure grows. The oil market differs from other markets in that non-fundamental factors, such as recessionary fears, geopolitical risk, and speculation, also affect the price. In fact, their effects are probably more pronounced in the oil market than in other markets.



Up until now in 2023, oil prices have fluctuated but have generally averaged around USD80 per barrel. In light of the uncertain global growth prospects, Saudi Arabia and other OPEC+ members decided to implement an additional reduction of 1.66 Million barrels per day (bpd) in oil output during early April 2023, on top of the 2 Million barrels per day reduction announced in October 2022<sup>7</sup>.

In June 2023, Saudi Arabia made additional efforts to stabilize the market by pledging to cut its output by an extra 1 Million bpd. Russia has also pledged to reduce its output by 0.5 Million bpd from August 2023. Considering all the reductions implemented so far, the total announced cut in oil output amounts to 5.16 Million barrels per day.

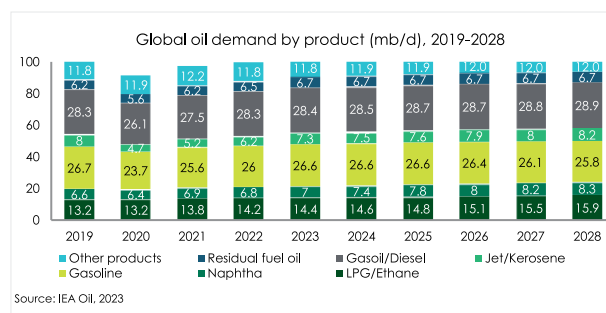
It's still on track for non-OPEC supply growth (excluding OPEC+ participants), driven by US gains, to roughly correspond to global oil demand growth in 2023. This helps explain the recent OPEC+ cut — and why further OPEC+ cuts may come about if China's demand growth disappoints. The increase in production reflects the rise in upstream spending since 2020.

OPEC and the International Energy Agency (IEA) forecast demand to grow by around 2.4 Million bpd, however the US Energy Information Administration (EIA) has it at 1.6 Million bpd. Lower energy prices may result if global demand falls below expectations, with prospects in China holding significant importance as it is projected to contribute over 50% of the global oil demand increase in 2023. On the positive side, potential risks to the price forecast include limited growth in U.S. oil production, insufficient spare capacity among OPEC members, and the potential for OPEC to opt for additional output reductions.

Without significantly altering volumes, Russia has switched the destination of its oil exports, the internationally coordinated price cap on its exports (currently set at USD 60/bbl), and the discount on the benchmark price paid for Russian oil against the Brent price has widened after the introduction of a price cap by the Group of Seven (G7) industrial countries. Also the Russian oil export volumes haven't been significantly impacted since the crisis started, but there's a chance that product exports,

export capacity restrictions, the price cap, and upstream investment could have a negative impact on oil flows from Russia at some point in 2023 or 2024.

Based on existing policy settings IEA estimates that, growth in world oil demand is set to slow markedly during the 2022-28 forecast period as the energy transition advances. While a peak in oil demand is on the horizon, continued increases in petrochemical feedstock and air travel means that overall consumption continues to grow throughout the forecast. IEA estimate that global oil demand reaches 105.7 mb/d in 2028, up 5.9 mb/d compared with 2022 levels<sup>8</sup>. Whereas Rystad Energy forecasts oil demand to peak at 105 Million barrels per day (bpd) in 2026 and then decline to 62 Million bpd by 2050<sup>9</sup>.



The general long-term price environment predicted by S&P Global is between USD 70 and USD 80 per barrel in real (constant dollar) terms, which seems sufficient to encourage a sufficient long-term supply. There is still a sizable amount of new oil production required, despite the fact that the peak crude demand is rapidly approaching. The majority of new supply volumes are required just to maintain global oil production at its current level, with the aggregate base declining by about 3% annually. It expects a Global peak demand for crude oil by 2026<sup>10</sup>.

The oil price and demand landscape continues to be characterized by volatility and uncertainty. Fluctuations in consumer demand, along with geopolitical factors, have a significant impact on oil prices. As a result, the oil industry is likely to experience ongoing unpredictability and risk in the foreseeable future.

## Gas & LNG

In 2022, the European and global gas markets faced a significant supply shock due to Russia's substantial reduction in pipeline gas deliveries to

<sup>7</sup>Source: WEP June 2023.

<sup>8</sup>Source: International Energy Agency (IEA): Oil 2023.

<sup>9</sup>Source: Rystad- Oil Transition Report – June 2023

<sup>10</sup>Source: S&P Global Fundamentals Crude Oil Markets Price Long-Term Outlook Second Quarter 2023

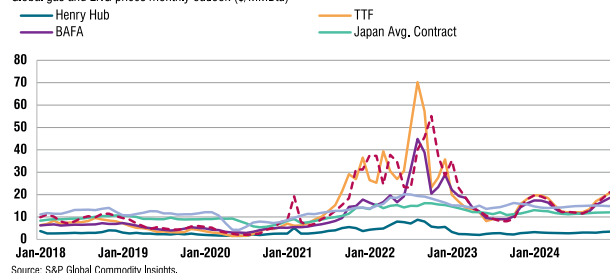
the European Union. Throughout the year, these deliveries were reduced by 80%, consequently leading to a global energy crisis.

Europe's TTF benchmark price saw peaks exceeding USD 90/MBtu in 2022, even as the European Union and its partners debate ways to reduce reliance on Russian gas and curtail its revenue from energy sales. Energy shortages have also resulted from the strains on the gas supply in several developing nations that depend on imported gas, particularly Pakistan and Bangladesh. Major growth markets for gas such as India and China have meanwhile sharply reduced their LNG imports in 2022<sup>11</sup>.

According to the most recent estimates, global gas consumption decreased by 1.5% in 2022, mirroring the decline that was seen in 2020 after the first wave of Covid-19 lockdowns. The main import markets in Europe and Asia saw the majority of demand reduction. Gas use was decreased in energy-intensive industries due to the sharp increase in gas prices, which also supported gas-to-coal switching dynamics in the power sector.

Since the beginning of 2023, pressure on the European and international gas markets has decreased as a result of favourable weather and timely policy changes. Between mid-December and the end of the first quarter of 2023, spot gas prices decreased by nearly 70% across the major northeast Asian, North American, and European markets, while storage locations finished the heating season significantly above their five-year averages. China's LNG imports declined by an unprecedented 20% in 2022, enabling higher LNG deliveries to the European market. China's LNG import growth recovered to double-digit growth in March 2023, supported by higher domestic gas demand.

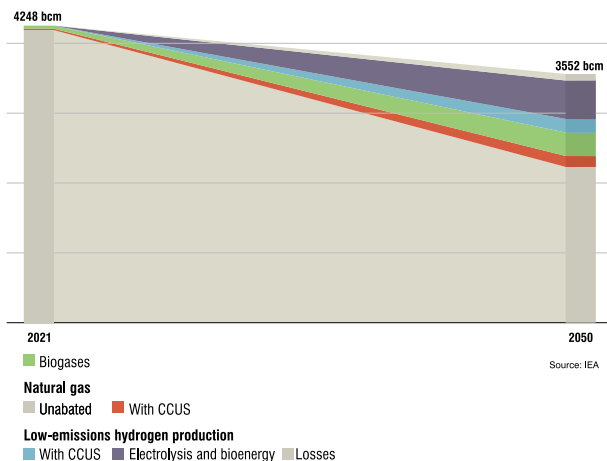
Global gas and LNG prices monthly outlook (\$/MMBtu)



European hub and Asian spot LNG prices at the end of Q1 2023 were lower than they had been in

<sup>11</sup>Source: IEA World Energy Outlook (WEO) 2022

<sup>12</sup>Source: IEA Gas Market Report Q2 2023



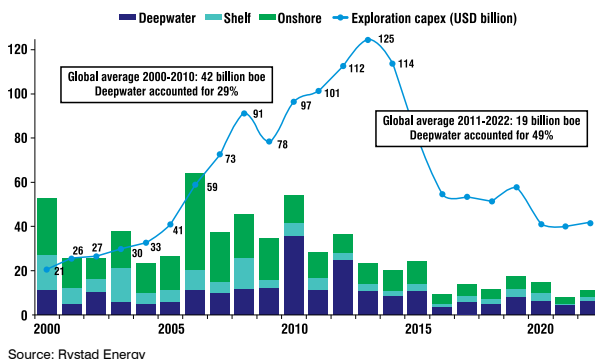
Supply gas trends after 2030 IEA in Advanced Pledge Scenario

the summer of 2021, despite still being significantly higher than their historical averages. Storage facilities ended the heating season with inventory levels that were significantly higher than the five-year average. This is anticipated to lower the demand for injection during the summer of 2023 and possibly improve market fundamentals<sup>12</sup>. There are grounds for cautious optimism for supply security given the eased market pressures and relatively well-stocked storage facilities.

The future of natural gas is dependent on the outcome of two important but conflicting trends: rising demand in emerging economies as they develop and industrialize, which is counterbalanced by a switch from natural gas to lower-carbon energy, led by the developed world. The rate of the energy transition determines how these conflicting trends will ultimately affect the world's gas demand.

### Exploration:

Over the past two decades, there has been a significant transformation in the distribution of discovered oil and gas resources. From 2000 to 2010, onshore finds held a dominant position. However, since 2010, there has been a monumental shift towards offshore discoveries. The annual







average of global discovered volumes during the period 2000-2010 was around 42 billion barrels of oil equivalent (boe).

However, in the following decade, there was a substantial decline in the global average of discovered volumes, which dropped to approximately 19 billion boe. Interestingly, offshore discoveries played a significant role in this period, representing around 50% of the cumulative discovered volumes. This indicates a growing prominence of offshore exploration activities and the increased importance of offshore resources in meeting global energy demands.

The sharp decline in crude prices starting in 2015 led to an overall reduction in exploration expenditure. Although there was a temporary uptick in 2019, the effects of the pandemic in early 2020 once again constrained spending. As a result, companies have adopted a more cautious approach, resulting in a decline in global exploration spending from over USD 100 billion per year at the beginning of the previous decade to approximately USD 42 billion in 2022.

Explorers have become more discerning in selecting prospects, focusing only on prominent and highly ranked opportunities with a relatively higher chance of success. Increase in oil prices from last year, which saw Brent crude surge past USD 100 per barrel before falling back to around USD 80, has not directly translated into a similar increase in exploration capital expenditure (capex).

Licensing activity this year is likely to stay on par with 2022. Rystad Energy is expecting 60 rounds that are expected to be completed, out of which three are concluded, around 16 are currently in the bid evaluation stage, another 16 are open for bidding, and the remaining 24 are still in the planning stage<sup>13</sup>.

The rounds that are yet to open have higher risk and could face delays in actual awards, with results potentially by next year. For some countries that have frequent round series – such as Brazil, Indonesia, US, Canada, Angola and the UAE – licensing will continue as scheduled. Hence, the number of licensing rounds to be completed this year is expected to be on par with the last year, which will also impact the level of awarded acreage. Most of the rounds that are likely to be completed

are in mature basins, hence smaller-sized blocks are expected to be awarded in 2023, in contrast to frontier areas where larger tracts are usually awarded for preliminary exploration.

Further splitting well activity by water depth, drilling is set to increase for both deep-water and ultra-deep-water targets in 2023. Only 15% of wells drilled last year were in extreme depths, whereas Rystad Energy expects this level will increase by nearly 4% this year. Some nations are reconsidering the case for issuing exploration permits for new domestic oil projects in light of the high price of oil and worries about energy security. The best candidates for filling any short-term supply gaps are projects with shorter lead times and quick payback periods, like tight oil and projects to increase production from existing fields.

### Investment

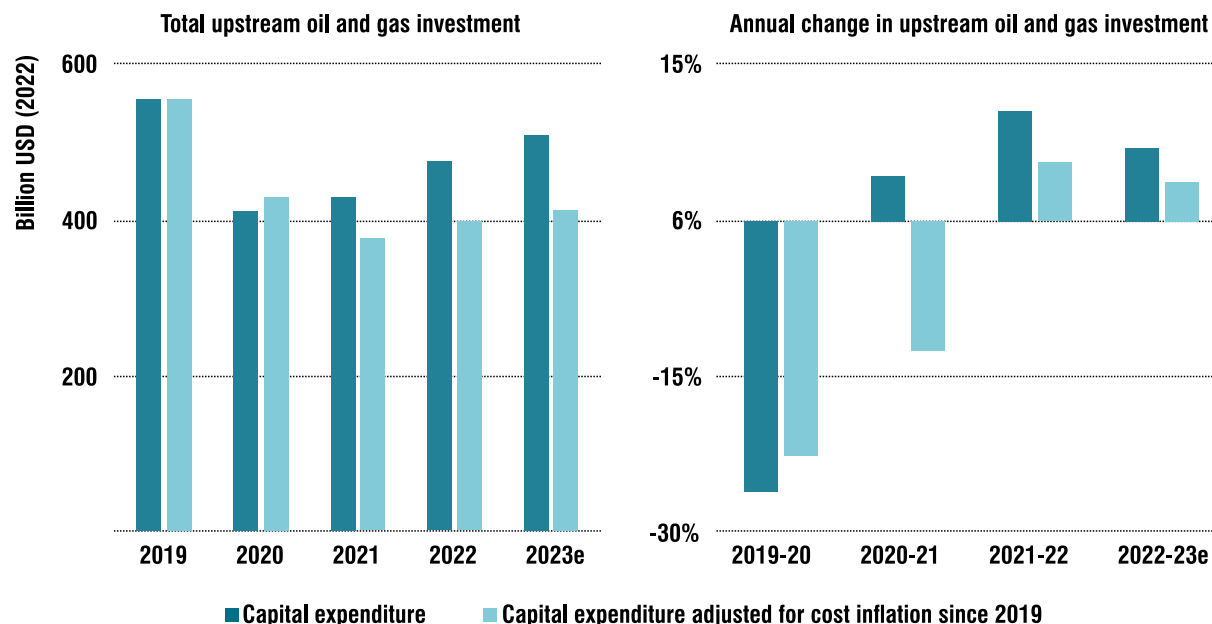
In 2014, global upstream investments reached a peak of nearly USD 900 billion. However, following the collapse of oil prices in 2015, investments declined and dropped to approximately USD 500 billion two years later. Another significant decrease occurred in 2020 when investments fell to USD 400 billion due to the impact of the pandemic and the subsequent decline in oil prices. However, there was a recovery in investments in the following year, the upstream oil and gas sector experienced a resurgence in 2022, with record cash flows bringing back confidence, and this encouraging development has inspired optimism for the coming year.

However, it is important to note the significant challenge posed by cost inflation. Upstream costs have seen a sharp increase, primarily driven by higher material costs. Also after years of relative stability, Capital spend in upstream oil and gas continues to recover, but the spectre of windfall taxes adds uncertainty to the cautious mind-set of oil and gas companies.

Also in an effort to combat skyrocketing inflation, interest rates have risen to their highest levels since the 2008–09 financial crisis. The tight monetary policy had a significant impact on asset allocation strategies, causing a shift away from riskier assets to safer ones, like cash and bonds, in the current environment marked by recessionary fears and even financial uncertainty.

According to Wood Mackenzie, the number of final investment decisions (FIDs) for oil and gas projects

<sup>13</sup>Source: Rystad Energy



Source: IEA: World Energy Investment 2023

in 2022 fell short of expectations. However, they predict that in 2023, there will likely be an increase in financial investment decisions (FIDs) in the upstream oil and gas sector. It is estimated that up to USD 185 billion will be committed to developing approximately 27 billion barrels of oil equivalent (boe). This indicates a potential uptick in investment activities and a focus on expanding production and exploration efforts in the industry.

Global investments in the upstream oil and gas industry are expected to rise by an estimated 11% to USD 528 billion in 2023 from USD 474 billion in 2022. This suggests that investment levels within the sector are continuing to rise, Middle Eastern NOCs are the only segment of the industry spending more than before Covid-19<sup>14</sup>.

In 2022, improvements in oil market conditions led to the sanctioning of projects that are expected to add 1.6 mb/d to global production by 2028. Brazil accounts for 20% of the sanctioned volumes, while the United States and Guyana each contribute 14% and Saudi Arabia provides 12%.

Companies are becoming more selective in their investment decisions, applying a stricter set of criteria. These criteria include the need for investments to be cost-competitive while also having low emission intensities. Deepwater projects

often meet these requirements, making regions like Guyana, the US Gulf Coast, Brazil, and emerging producers like Namibia particularly attractive to investors. Short development cycles have also become a priority, furthermore, geopolitical risk is gaining importance, particularly in the context of the geo-economic fragmentation.

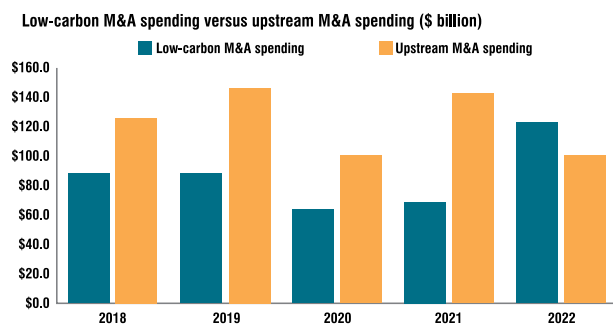
## M&A

In 2022, there was a notable decline in global upstream mergers and acquisitions (M&A) activities, coinciding with the accelerated energy transition. What stands out is that, for the first time ever, spending on low-carbon acquisitions surpassed spending on upstream acquisitions.

This shift indicates a growing trend towards investments in low-carbon and renewable energy sectors. Companies are increasingly recognizing the importance of diversifying their portfolios and embracing cleaner energy sources. As a result, more resources and capital are being directed towards acquiring assets and companies that contribute to the low-carbon transition.

At the same time, many stakeholders in the energy sector believe that a successful transition does not start with restricting and replacing the supply of fossil fuels, rather with shifting energy demand over to low-carbon energy sources.

<sup>14</sup>Source: IEA World Energy Investment May 2023 & Oil Market June 2023 June



Source: S&P Global Commodity Insights

Total global upstream M&A transaction value of USD 101.1 billion in 2022 decreased nearly 30% year over year, falling back to the 2020 pandemic low. Corporate upstream M&A deal activity in 2022 experienced a steep decline in terms of transaction value, falling 43% to USD 52.1 billion, the lowest total since 2017<sup>15</sup>. According to S&P Global Commodity Insights, the global upstream mergers and acquisitions (M&A) deal flow in 2023 is anticipated to remain below the longer-term average normalized levels.

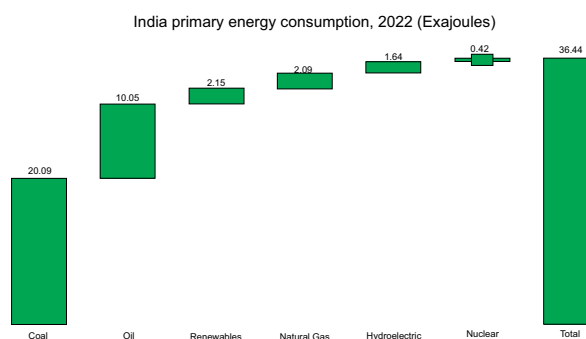
Several factors contribute to this projection. Geopolitical instability is one of the key factors impacting the commodity price outlook and creating uncertainty in the market. This instability leads to disagreements between potential buyers and sellers regarding valuations, making it challenging to reach mutually beneficial M&A agreements. Additionally, the accelerating energy transition and the adoption of lower-carbon corporate strategies by historically active upstream buyers have an impact.

### 3. India Energy Snapshot

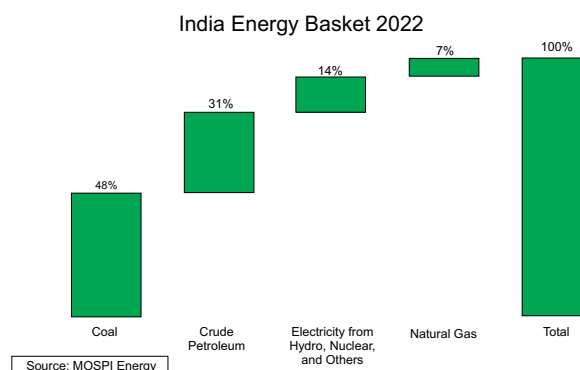
Energy and economic growth are inextricably linked: growth is impossible without access to energy, and economic expansion leads to increased energy use. India is likely to see the world's biggest rise in energy demand this decade, with demand climbing 3 per cent annually due to huge urbanisation and rapid industrialisation. As the world's third-largest energy consumer, the country faces the task of meeting its growing energy demands while striving for a sustainable and cleaner energy future.

There are significant differences in energy use and service quality between states and between rural and urban areas, and energy use on a per capita basis is well below half the global average. Coal and Oil-supply around 80% of India's energy

<sup>15</sup>Source: S&P Global Upstream MA Review 2023



Source: BP Statistical review of world energy, 2023



Source: MOSPI Energy

requirements, and the largest single fuel in the energy mix is still coal.

India heavily depends on imports to meet its needs for gas and oil. As the number of vehicles on the road has increased, so have oil consumption and imports. In order to maintain energy security, efforts are being made to diversify import sources, increase domestic exploration and production, and explore alternative fuels. India's energy scenario is characterized by a dynamic landscape of challenges and opportunities.

According to the BP Energy Outlook, renewable energy sources and, to a lesser extent, natural gas, will drive the rapid rise in primary energy. India has the fastest-growing energy demand of any nation, making up roughly 14% of the world's total primary energy consumption in 2050, up from just under 7% in 2019.

India has achieved significant progress in the renewable energy sector, establishing itself as a market leader in the worldwide renewable energy market. India has seen extraordinary increase in renewable energy capacity as a result of central government policies and efforts, technical improvements, and major international investment. India has set an ambitious target of 500GW by 2030. With about 173 GW of installed capacity, the

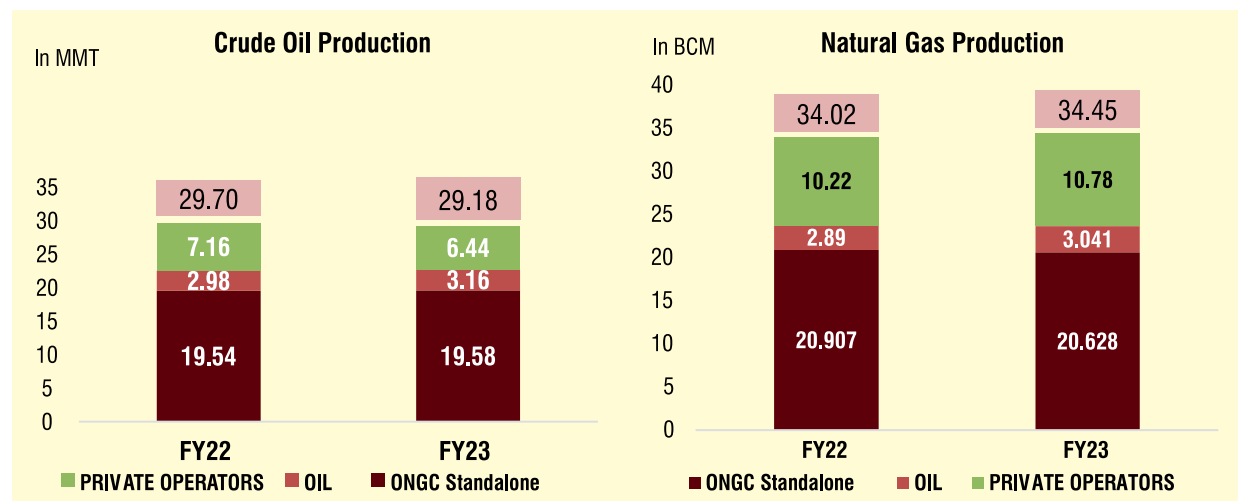
country has one of the largest renewable energy markets<sup>16</sup>. Overall, India's energy landscape is evolving, with the focus shifting to balancing the need for increased access to energy, economic development, and environmental sustainability.

### Crude Oil & Natural Gas production

As per Petroleum Planning and Analysis Cell (PPAC) data, Domestic crude oil production in FY'23 stood at 29.18 Million Metric Tonnes (MMT) versus 29.70

MMT during FY'22. ONGC's standalone production was 19.58 MMT versus 19.54 MMT in FY'22. Production from Oil India Ltd and PSC/ JVs was 3.16 MMT in FY'23 and 6.44 MMT in FY'22 respectively.

Natural Gas output in FY'23 was 34.45 Billion Cubic Metres (BCM), versus 34.02 in FY'22. ONGC's standalone domestic output stood at 20.63 BCM. Oil India produced 3.04 BCM and other private operators 10.78 BCM.



### Consumption of Petroleum Products

According to PPAC figures, domestic petroleum products consumption in FY'23 increased by over 10.2% percent to 222.3 MMT, as demand for transport fuels surged as the economic activity picked up. Except Naphtha, LDO, SKO, Lubricants & Greases & Bitumen, all petroleum products reported a growth in consumption during April-March 2023 compared to the same period of the previous year.

Petrol consumption was up 13.4 per cent at 34.9 Million tonnes in 2022-23 while diesel sales were up 12 per cent at 85.9 Million tonnes. Consumption of LPG was up 0.9 per cent at 28.5 Million tonnes. ATF demand soared 41 per cent to 7.4 Million tonnes mainly because full aviation services resumed during the period.

### Import and Export

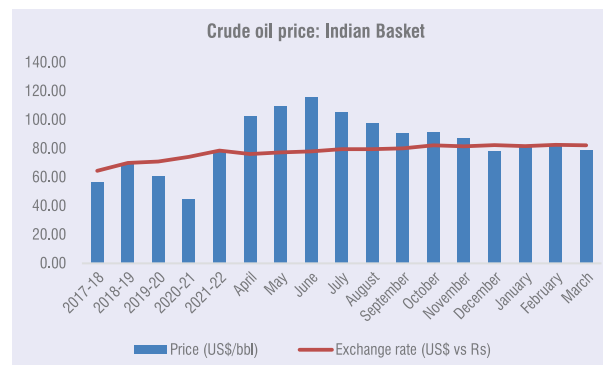
PPAC reported that Crude oil imports increased by 11percent in FY'23 to 232.7MMT. India's crude oil import bill expanded to USD 158 billion in 2022-23 from USD 121 billion in the previous year. The higher import bill may affect the forex reserves and

current account deficit.

The country's import dependence has increased owing to a steady decline in domestic output and surge in demand, above the pre-pandemic level of imports, which was 227 Million tonnes in 2019-20<sup>17</sup>. Petroleum product exports decreased to 61 MMT from 61.7 MMT in FY'23.

### Crude oil Price: Indian Basket

Crude oil price of the Indian basket averaged USD 93.15 per barrel during FY'23 compared to USD 79.18 per barrel in the previous fiscal. The rise in prices was the steepest in the month of June 2022 when the Indian basket averaged USD 116.01 per



Source: PPAC

<sup>16</sup>Source: CEA Installed Capacity Report May 2023

<sup>17</sup>Source: PPAC





barrel<sup>18</sup>. 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 so many products.

As crude oil prices experienced a surge, the government responded by introducing the Special Additional Excise Duty (SAED) on oil. Subsequently, the Government remained proactive in adapting the windfall tax to align with the fluctuations in crude prices. As a result of these measures, ONGC's earnings have consistently stayed at the targeted levels, with net realizations ranging between USD 70 and USD 75 per barrel. The 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 prices of domestic natural gas for H1 FY'23 were revised to USD 6.10 per MMBTU. In case of gas produced from discoveries from deep-water, ultra deep-water and HPHT fields, the ceiling price was revised to USD 9.92 per MMBTU.

During H2 FY'23 it was priced at USD 8.57/MMBTU, also the ceiling price for gas produced from more challenging fields was revised to USD 12.46 per MMBTU for October 2022 - March 2023.

| Ceiling Prices for Gas from HP-HT/Deep/Ultra Deep Water (on GCV basis) |                 |
|------------------------------------------------------------------------|-----------------|
| 1 <sup>st</sup> April 2020 to 30 <sup>th</sup> September 2020          | USD 5.61/MMBTU  |
| 1 <sup>st</sup> October 2020 to 31 <sup>st</sup> March 2021            | USD 4.06/MMBTU  |
| 1 <sup>st</sup> April 2021 to 30 <sup>th</sup> September 2021          | USD 3.62/MMBTU  |
| 1 <sup>st</sup> October 2021 to 31 <sup>st</sup> March 2022            | USD 6.13/MMBTU  |
| 1 <sup>st</sup> April 2022 to 30 <sup>th</sup> September 2022          | USD 9.92/MMBTU  |
| 1 <sup>st</sup> October 2022 to 31 <sup>st</sup> March 2023            | USD 12.46/MMBTU |

| APM Gas Prices (on GCV basis)                                 |                |
|---------------------------------------------------------------|----------------|
| 1 <sup>st</sup> April 2020 to 30 <sup>th</sup> September 2020 | USD 2.39/MMBTU |
| 1 <sup>st</sup> October 2020 to 31 <sup>st</sup> March 2021   | USD 1.79/MMBTU |
| 1 <sup>st</sup> April 2021 to 30 <sup>th</sup> September 2021 | USD 1.79/MMBTU |
| 1 <sup>st</sup> October 2021 to 31 <sup>st</sup> March 2022   | USD 2.90/MMBTU |
| 1 <sup>st</sup> April 2022 to 30 <sup>th</sup> September 2022 | USD 6.10/MMBTU |
| 1 <sup>st</sup> October 2022 to 31 <sup>st</sup> March 2023   | USD 8.57/MMBTU |

<sup>18</sup>Source: PPAC

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. 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.

The domestic natural gas pricing structure has changed over time, with India aiming to gradually transition from regulated pricing to pricing freedom. Recently the government has approved the revised domestic natural gas pricing guidelines for gas produced from nomination fields of ONGC/OIL, New Exploration Licensing Policy (NELP) blocks and pre-NELP blocks, where Production Sharing Contract (PSC) provides for Government's approval of prices.

The APM (Administered Price Mechanism) price of such natural gas shall be 10% of the monthly average of Indian Crude Basket and shall be notified on a monthly basis. A floor and ceiling price between USD 4 and USD 6.5 per MMBTU for the gas produced by ONGC & OIL from their nomination blocks shall apply to existing production wells. Gas produced from new wells or well interventions in the nomination fields of ONGC & OIL, would be allowed a premium of 20% over the APM price.

Given that the government plans to increase gas consumption from the current level of 6.5 percent to 15 percent in the primary energy mix by 2030, the new price regime would provide a much-needed boost towards a gas-based economy. Increased use of gas as a fuel in the economy is necessary for India to achieve its 2070 net-zero climate change goal. Under the new gas pricing regime, producers would also receive sufficient protection from unfavorable market fluctuations and incentives to boost production. 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 domestic upstream sector has witnessed significant policy changes and forward-thinking decisions over the past few years. The GOI has implemented a number of policy changes to boost exploration and production activities in India. The

National Seismic Project and Reassessment of Hydrocarbon Potential, among other initiatives, are moving forward quickly on the ground and at a rapid pace in policymaking, which will give the necessary support for increasing oil and 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 Discovered Small Field Policy (DSF) and Open Acreage Licensing (OALP) bid rounds will provide the much needed thrust to explore the prospectivity of the Indian Sedimentary Basins.

The Indian government wants to double its exploration acreage to 0.5 Million square kilometers by 2025 and 1.0 Million square kilometers by 2030. The “No Go” area has been successfully reduced by 99%, allowing for exploration of an additional 1 Million square kilometers of India’s EEZ. To fully utilize the nation’s hydrocarbon potential, this is a

crucial step.

Government also brought in policy to incentivize greater recovery from our hydrocarbon producing assets through the Enhanced oil recovery (EOR) Policy. Introduction of new pricing policy for domestic natural gas with linkage to international crude price is a progressive measure to attract investment in the domestic hydrocarbon industry. Some key issues that merit attention at this point are the moderation of OI D Cess and royalty rates and coverage of crude oil and natural gas under GST.

#### 4. Performance

For FY’23, Oil & Gas production of ONGC Group, including PSC-JVs and from overseas Assets has been 53 MMTOE (against 55.71 MMTOE during FY’22).

Oil and gas production profile from domestic as well as overseas assets during last five years are as given below:

| Oil and gas production              | FY’23        | FY’22        | FY’21        | FY’20        | FY’19        |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|
| <b>Crude Oil Production (MMT)</b>   | <b>27.83</b> | <b>29.80</b> | <b>31.04</b> | <b>33.11</b> | <b>34.33</b> |
| ONGC                                | 19.58        | 19.54        | 20.27        | 20.71        | 21.11        |
| ONGC’s share in JV                  | 1.901        | 2.16         | 2.26         | 2.64         | 3.12         |
| ONGC Videsh                         | 6.35         | 8.10         | 8.51         | 9.76         | 10.10        |
| <b>Natural Gas Production (BCM)</b> | <b>25.17</b> | <b>25.91</b> | <b>27.35</b> | <b>30.12</b> | <b>30.55</b> |
| ONGC                                | 20.63        | 20.91        | 22.10        | 23.85        | 24.75        |
| ONGC’s share in JV                  | 0.72         | 0.77         | 0.72         | 1.04         | 1.06         |
| ONGC Videsh                         | 3.82         | 4.23         | 4.53         | 5.23         | 4.74         |

#### Proved reserves

Position of proved reserves of your Company (including ONGC Videsh) is as below:

| Proved Reserves (MMtoe)             | FY’23  | FY’22  | FY’21  | FY’20  | FY’19* |
|-------------------------------------|--------|--------|--------|--------|--------|
| ONGC                                | 530.71 | 557.31 | 580.52 | 602.55 | 625.52 |
| JV share                            | 12.10  | 14.22  | 16.33  | 17.82  | 20.07  |
| ONGC Videsh                         | 264.09 | 274.34 | 273.59 | 340.45 | 345.78 |
| Estimated Net Proved O+OEG Reserves | 806.90 | 845.87 | 870.44 | 960.82 | 991.37 |

\*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'23            | FY'22            | % Increase/<br>(Decrease) |
|---------------------------------------|------------------|------------------|---------------------------|
| <b>Revenue:</b>                       |                  |                  |                           |
| Crude Oil                             | 1,030,076        | 836,612          | 23.12                     |
| Natural Gas                           | 374,168          | 124,414          | 200.74                    |
| Value Added Products                  | 143,297          | 138,597          | 3.39                      |
| Other Operating revenue               | 7,632            | 3,831            | 99.22                     |
| <b>Total Revenue from Operations:</b> | <b>1,555,173</b> | <b>1,103,454</b> | <b>40.94</b>              |
| Other Income                          | 76,266           | 65,156           | 17.05                     |
| EBIDTA                                | 791,252          | 609,456          | 29.83                     |
| Exceptional items-Income/(expenses)   | (92,351)         | -                | -                         |
| PBT                                   | 503,953          | 410,400          | 22.80                     |
| <b>PAT</b>                            | <b>388,289</b>   | <b>403,057</b>   | <b>(3.66)</b>             |
| EPS                                   | 30.86            | 32.04            | (3.68)                    |
| Dividend per share                    | 11.25            | 10.50            | 7.14                      |
| Net Worth **                          | 2,578,458        | 2,371,481        | 8.73                      |
| % Return on net worth                 | 15.06            | 17.00            | (11.41)                   |
| Capital Employed                      | 1,542,206        | 1,349,661        | 14.27                     |
| % Return on capital employed#         | 38.79            | 29.01            | 33.71                     |
| Capital Expenditure                   | 302,084          | 277,413          | 8.89                      |

\*\* includes reserve for equity instruments fair valued through other comprehensive Income.

# Return on capital employed is calculated without reducing exceptional item from PBIT. In case exceptional item is reduced from PBIT, ROCE would be 32.81% for 2022-23.

Details of Significant change in ratio (i.e. 25% or more from previous year):-

| Particulars                      | 2022-23 | 2021-22 | Change in % |
|----------------------------------|---------|---------|-------------|
| (i) Debtors Turnover (days)      | 26      | 32      | (18.75)     |
| (ii) Inventory Turnover          | 19.22   | 13.51   | 42.26       |
| (iii) Interest Coverage Ratio    | 194.88  | 142.18  | 37.07       |
| (iv) Current Ratio               | 1.29    | 0.98    | 31.63       |
| (v) Debt Equity Ratio            | 0.03    | 0.03    | -           |
| (vi) Operating Profit Margin (%) | 40.08   | 39.33   | 1.91        |
| (vii) Net Profit Margin (%)      | 24.97   | 36.53   | (31.65)     |
| (viii) Return of Net Worth (%)   | 15.06   | 17.00   | (11.41)     |

### Notes:

#### i. Change in Inventory Turnover Ratio

The Inventory Turnover ratio for FY 2022-23 is 19.22 against 13.51 in FY 2021-22 i.e. increase of 42.26%, which is mainly due to increase in revenue from operations by ₹451,719 Million and decrease in average inventory by ₹775 Million. The increase in

revenue from operations is mainly due to increase in crude oil revenue by ₹193,464 Million on account of increase in crude oil prices, increase in natural gas revenue by ₹249,754 Million on account of increase in natural gas prices, increase in value added products revenue by ₹4,700 Million and increase in other operating revenue by ₹3,801 Million.

## ii. Change in Interest Coverage Ratio

The Interest Coverage ratio for FY 2022-23 is 194.88 against 142.18 in FY 2021-22 i.e. increase of 37.07%, this is mainly due to increase in Profit Before Interest & Tax (PBIT) by ₹189,301 Million the same is partly offset by marginal increase in interest cost during the year by ₹146 Million. The increase in PBIT is mainly due to increase in revenue from operations by ₹451,719 Million which is partly offset by increase in statutory levies by ₹173,520 Million as the levies are charged on ad-valorem basis.

## iii. Change in Current Ratio

The Current ratio for FY 2022-23 is 1.29 against 0.98 in FY 2021-22 i.e. increase of 31.63%, this is cumulative impact of increase in Current Assets by ₹171,512 Million and increase in Current Liabilities by ₹45,485 Million. The increase in Current assets is mainly due to increase in Other bank balance by ₹213,707 Million, Other financial assets by ₹42,469

Million and Inventories by ₹4,581 Million which is partly offset by decrease in Other non-financial assets by ₹74,284 Million. The increase in Current liabilities is mainly due to increase in borrowings by ₹32,689 Million and Other financial liabilities by ₹33,395 Million which is partly offset by decrease in Provisions by ₹14,142 Million.

## iv. Change in Net Profit Margin

The Net Profit Margin for FY 2022-23 is 24.97% against 36.53% in FY 2021-22 i.e. decrease of 31.65%. This is cumulative impact of Increase in Revenue from operations by ₹451,719 Million and decrease in Profit After Tax (PAT) by ₹14,768 Million. The decrease in Profit After Tax (PAT) is mainly on account of Exceptional items of ₹92,351 Million during FY 2022-23 and also on account of increase in tax expenses by ₹108,321 Million due to adoption of lower tax regime as per section 115BAA of income tax act 1961 during FY'22.

## Financial performance: ONGC (Group)

(₹ Million)

| Particulars                                        | FY'23            | FY'22            | % Increase/<br>(Decrease) |
|----------------------------------------------------|------------------|------------------|---------------------------|
| <b>Revenue from Operations:</b>                    | <b>6,848,292</b> | <b>5,317,925</b> | <b>28.78</b>              |
| Other Income                                       | 80,741           | 74,377           | 8.56                      |
| EBIDTA                                             | 836,011          | 873,113          | (4.25)                    |
| PBT                                                | 430,508          | 540,911          | (20.41)                   |
| <b>Profit After Tax for the year</b>               | <b>327,776</b>   | <b>492,941</b>   | <b>(33.51)</b>            |
| - Profit attributable to Owners of the Company     | 354,405          | 455,221          | (22.15)                   |
| - Profit attributable to Non-Controlling interests | (26,629)         | 37,720           | (170.60)                  |
| EPS                                                | 28.17            | 36.19            | (22.16)                   |
| Net Worth *                                        | 2,806,473        | 2,595,029        | 8.15                      |
| % Return on net worth                              | 12.63            | 17.54            | (27.99)                   |
| Capital Employed                                   | 2,349,545        | 2,308,133        | 1.79                      |
| % Return on Capital employed#                      | 24.83            | 25.43            | (2.36)                    |

\*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 21.37% for 2022-23 and 24.52% for 2021-22.

## 5. Strengths & Weaknesses

India, being still under-explored country, also has vast frontier areas to explore and ONGC is ideally poised to reap this advantage. The Company also enjoys other strengths like increasing demand

for energy, a young population and growing urbanisation. ONGC is assured of a market for its primary products for at least two-three decades.

ONGC's strength lies in its integrated operations across the entire oil and gas value chain. The





company has established its presence in key areas such as exploration, production, refining, marketing, and distribution. ONGC possesses an extensive resource base including trained, dedicated and experienced manpower that forms a robust groundwork for its exploration and production endeavours.

In contrast, the country's limited prospectivity has been a persistent challenge for ONGC in terms of expanding its operations, and it remains a longstanding impediment. Additionally, ONGC encounters a range of challenges associated with mature fields, these challenges encompass declining production rates, elevated operating costs, intricate reservoir characteristics, environmental factors and technological advancements.

Similarly, the underdeveloped state of the oil field services sector and limited access to technology have acted as significant obstacles in advancing the oil industry within the country. However, ONGC maintains a strong belief that ongoing reforms and the substantial scale of India's energy market will surmount these challenges, leading to India becoming a thriving hub for the oil field services industry.

Throughout its existence, ONGC has cultivated considerable expertise across multiple domains within the oil and gas sector. The presence of MRPL and OPaL in our petrochemicals business further strengthens our downstream portfolio, adding substantial weight to our overall offerings. The Chemicals and Petrochemicals sector is expected to emerge as a significant catalyst for demand within the Oil industry in the next 10-15 years.

Furthermore, despite ONGC's efforts to diversify its operations into downstream activities like refining and petrochemicals, its level of integration in the downstream sector remains relatively limited. This constrained downstream integration can result in decreased value addition and expose the company to uncertainties and fluctuations in the market.

Moreover, ONGC's profitability and strategic decisions are heavily influenced by changes in regulations and pricing mechanisms. These factors have the potential to significantly impact ONGC's financial performance and shape its strategic choices in response to evolving market conditions.

## 6. Opportunities and Threats

The price of hydrocarbons on a global scale has long been cyclical, however, even by industry standards,

<sup>19</sup>Source: IEA Oil Market June 2023

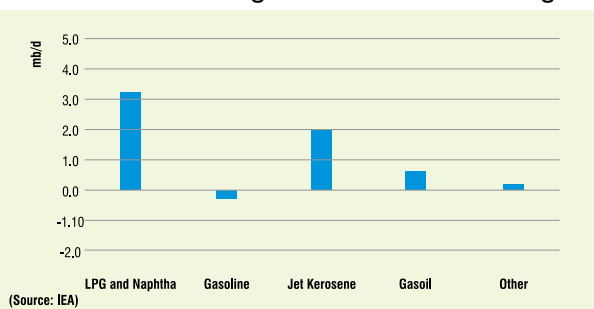
<sup>20</sup>Source: IEA : Oil 2023

the recent volatility has been unprecedented. Cycle times between highs and lows have shortened, and switching to fuels and energy sources with lower carbon emissions has added yet another level of complexity for oil and gas companies.

After rising supplies coincided with a noticeable slowdown in the growth of oil demand in advanced economies, benchmark crude oil prices are back at pre-war levels and refined product cracks have now fallen off all-time highs. Additionally, in 2022, two consecutive emergency stock releases by IEA member countries and an unprecedented reorganization of global trade flows allowed industry inventories to rebuild, reducing market tensions<sup>19</sup>.

According to IEA, in current policy settings, as the energy transition intensifies, growth in the global oil demand is predicted to significantly slow between 2022 and 2028. While there will soon be a peak in oil demand, there will still be growth in overall consumption due to rising petrochemical feedstock and air travel. The global oil demand will increase by 5.9 mb/d from 2022 levels to 105.7 mb/d in 2028<sup>20</sup>.

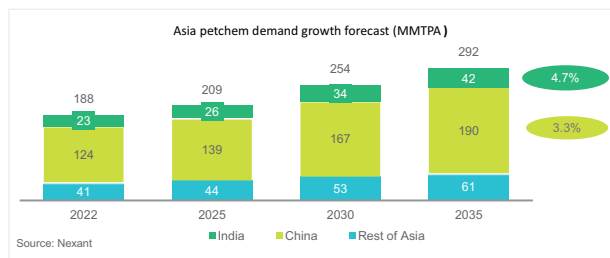
Current market dynamic places pressure on oil and gas producers to continue meeting the rising energy demand for oil and gas as well as to respond to investors' and consumers' desire to reduce investment risk and carbon footprints in order to address the escalating effects of climate change.



**Global cumulative oil demand growth by fuel, 2022-2028**

Over the coming years, natural gas has a great deal of potential to accelerate the switch to clean energy. The industry keeps making great strides toward lowering carbon and methane emissions from the extraction of natural gas. At the same time, an increasing number of LNG export facilities are being built and going online, allowing for greater global mobility of exports.

The petrochemical sector will remain the key driver of global oil demand growth, with liquified petroleum gas (LPG), ethane and naphtha accounting for more than 50% of the rise between 2022 and 2028 and nearly 90% of the increase compared with pre-pandemic levels. Petrochemicals will continue



to grow at a steady rate, unlike other industries, despite the fact that there are few opportunities to improve efficiency and that efforts to promote the circular economy only slightly slow the industry's growth.

According to Rystad Energy, petrochemicals accounts for around 16% of global oil demand. Of the total liquids consumed, around 40% is burnt while 60% is used as feedstock. Therefore, only a share of oil demand contributes to increasing CO<sub>2</sub> emissions. Even so, it remains one of the hardest sectors to decarbonize, due to the current lack of viable substitutes for ethane, liquefied petroleum gas (LPG) and naphtha feedstocks. Oil demand in the petrochemical sector is set to grow in the short and medium term before stabilizing and plateauing at around 18 Million bpd in Mean (1.9°C) scenario<sup>21</sup>.

Energy transition has also gaining momentum, 2022 has seen the largest increase in renewable energy capacity to date – the world added almost 295 gigawatts (GW) of renewables, increasing the stock of renewable power by 9.6% and contributing an unprecedented 83% of global power additions. By the end of 2022, renewables accounted for 40% of global installed power capacity.

The demand for effective charging infrastructure and energy storage solutions is being driven by the growing uptake of electric vehicles and electric heat pumps. According to Rystad Energy, EVs replaced 500,000 bpd of gasoline in 2022 and will account for 20% of all passenger vehicles by 2030, putting 4.5 Million bpd at risk. Oil demand for passenger vehicles will reach a peak of nearly 28.5 Million bpd in 2025 under the Base Case (1.9°C) scenario. In 2050, it rapidly declines to 7.5 Million bpd.

IEA has emphasized that Oil & Gas will remain crucial to the Indian economy over the following three decades despite the ongoing transition. India's petroleum consumption is currently about 5 Million barrels per day, which is growing higher than the average global growth rate. The demand for energy is anticipated to rise even more as India rushes to meet its economic objectives. The key to grow in the midst of a shifting energy landscape is, to explore quickly and produce quickly.

<sup>21</sup>Source: Rystad : Oil Market Transition Analytics

According to the most recent resource reassessment study, the combined resource potential from all category basins was estimated to be around 42 BTOE. Out of this, about 12 BTOE have already been discovered, with an estimated 30 BTOE still to be found. Through OALP and DSF, ONGC will have the chance to take the initiative in acquiring promising areas for oil and gas exploration and to increase the size of its reserve base. In order to identify such areas in various basins, ONGC has already started and is continuing its efforts in this area.

ONGC declared eight oil and gas discoveries (five on-land and three offshore) during FY'23. During FY'23, accreted 40.62 MMTOE of 2P reserves from ONGC operated areas in India. Reserve Replacement Ratio (RRR) 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 17th consecutive year.

ONGC has maintained its continued thrust on development of new fields and redevelopment of matured fields. As on today, twenty four major projects (over ₹1,000 Million) are under implementation with a total cost of around ₹61,3000 Million and envisaged lifecycle gain of ~94 MMTOE of oil and gas.

The government has agreed to reduce the 'No Go' area in Indian sedimentary basins, thereby unlocking an additional 1 Million sqkm of Indian basins for new exploration. This presents a significant opportunity for harnessing the hydrocarbon potential in these areas, and ONGC is highly ambitious about this prospect.

The year 2023 seems to hold both opportunity and uncertainty for the oil and gas industry. To deliver cost-effective and dependable energy sources, careful process automation and optimization, digital transformation, and continuous operation improvement will be essential. Finding a new equilibrium between safety, affordability, and sustainability is the focus of attention. Operational excellence, a cornerstone of oil and gas operations for years, will become even more crucial in the coming year. As labour remains scarce and investment is cautious, oil and gas companies will need to do more with their current assets, operations, and workforce while using fewer people.

The energy market has undergone a significant readjustment as a result of economic, geopolitical, trade, policy, and financial factors, underscoring the urgent need for increased investment and capital restraint.



## 7. Risks and Concerns

The global energy industry is currently experiencing a pivotal moment, as various sectors undergo a transition. However, one certainty is that the ongoing change is relentless, and the status quo will no longer be sustainable. Similar to how coal was displaced by oil and gas in the past, renewable energy sources and emerging clean technologies are poised to alleviate much of the reliance on fossil fuels in the coming years and decades.

In its recent Oil market report IEA has outlined that, growth in world oil demand is set to lose momentum over the 2022-28 forecast period as the energy transition gathers pace, with an overall peak looming on the horizon. Led by continued increases in petrochemical feedstocks, total oil consumption growth will remain narrowly positive through 2028 as usage rises to 105.7 mb/d, 5.9 mb/d above 2022 levels. Road transport fuel consumption growth, which has historically been the main driver of oil demand, is forecast to go into reverse from 2025 and will only narrowly surpass its pre-crisis high point.

Spending on exploration was more severely impacted by investment cuts than other areas. With less than 5 billion barrels discovered, conventional oil discoveries in 2021 were at their lowest level since 2016, nearly matching a 50-year low and falling short of the annual average over the previous ten years, according to Rystad Energy. Although discoveries in 2022 slightly increased to 6 billion barrels, they were still far below historical averages<sup>22</sup>.

The better outlook for gas markets in 2023 should not serve as a deterrent from taking steps to reduce potential risks because there is no assurance that there won't be future volatility. In 2023, the world's gas supply is expected to remain constrained, and an unusually wide range of uncertainties could affect the global balance.

Oil and gas operations currently account for 15% of the world's energy-related emissions and the industry is under pressure to play a bigger role in energy transitions. Over six-year forecast, the world's oil production is expected to grow by 5.8 mb/d while the Scope 1 and 2 emissions intensity of global upstream oil operations is set to fall by around 15%, leading to an absolute reduction in emissions of 11%.

The United States, the world's top oil producer, also accounts for the greatest share of emissions from oil operations. Last year it accounted for 16%

of global Scope 1 and 2 upstream emissions and 19% of supply. Recently introduced, US Inflation Reduction Act (IRA) and enabling policies has set the momentum towards low carbon systems. As a result, it is estimated that US upstream oil emissions will drop 40% even as production grows by 13% over the forecast period, mainly through reductions in methane emissions<sup>23</sup>.

ONGC is also concentrated on leveraging its vast experience in addressing enormous and complex challenges to advance solutions at scale in the economy's highest emitting sectors. By switching from conventional production to resource efficiency and cleaner energy, ONGC is quickening the transition to a clean and green future.

The company has been a pioneer in adopting various de-carbonization levers resulting in significant amount of emission reductions over the years. Your Company is presently in the process of creating a roadmap for opportunities in renewable energy and low-carbon sectors. Your Company has plans to significantly increase its spending on green initiatives to reduce its carbon footprint as part of a broader effort to achieve net-zero for Scope-1 and Scope-2 emissions by 2038. ONGC is also pursuing opportunities in Renewables, Green Hydrogen and Green Ammonia. The Company is actively integrating technology into every aspect of its operations to ensure greater energy efficiency, increased productivity, and improved safety performance.

Numerous factors, including the industry's growing emphasis on the energy transition, rising inflation, government regulations, geopolitical concerns, and more recently, a surge in commodity prices and an increased focus on energy security have an impact on oil companies' capital planning strategies. High oil prices increase the risk of less capital discipline, which lessens the focus on new opportunities and causes businesses to spend more on their core businesses.

ONGC, the leading E&P NOC, is actively pursuing exploration programs to expand its reserves and explore new hydrocarbon-bearing areas. However, environmental and regulatory issues pose risks of unexpected delays. Streamlining clearance processes can facilitate efficient resource utilization and timely outcomes in the oil and gas sector.

Operational safety remains a crucial concern, as accidents, spills, and incidents can result in significant reputational damage, legal consequences, and financial liabilities for companies operating in this sector. ONGC has implemented updated OISD Standards to enhance its contingency combat

<sup>22</sup>Source: IEA Oil Market

<sup>23</sup>Source: IEA Oil June 2023

capabilities, resulting in favourable insurance premiums for its offshore assets. Operational safety is crucial, especially with future operations involving challenging terrains and geologies. A strong HSE framework is essential to ensure safety in upstream operations. Project “Parivartan” was introduced in May 2022 as part of ONGC’s journey of CHANGE, which aimed to strengthen the organization’s safety culture and pursue strategic HSE goals in effective manner.

Risks related to the environment and regulations are also a major concern for the sector. Oil and gas companies must adapt and make investments in sustainable practices due to rising scrutiny and regulations relating to carbon emissions, climate change, and environmental preservation. In addition to its operational focus, ONGC is committed to making a positive impact through CSR initiatives. An example of this is the company’s community outreach and support efforts during the pandemic in its operational areas.

The E&P sector also faces challenges in retaining experienced professionals due to limited expertise and potential difficulty in attracting new talent. Diversification and technology integration can address these concerns and attract the younger generation by offering unique opportunities.

## 8. 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. ONGC is also in the process of sourcing new technologies and partnerships for harnessing these fields as it remains focussed on shorter business cycles. ONGC has inked MoUs with several organizations like ExxonMobil & Chevron for deep-water explorations, frontier areas and geologically challenging and difficult plays in Cat-I, II and III of Indian sedimentary basins.

Your Company had 1.62 lakh square kilometres of acreage, is looking to take the acreage to 5 lakh square kilometers by acquiring one lakh square km every year, spending ₹10,000 crore annually on exploration by 2025. In upcoming OALP bid rounds, ONGC is optimistic and believes it will receive a significant exploratory acreage.

ONGC aims to meet its objectives such as de-risking of portfolio against long term disruptions

and reducing carbon footprint. The company is planning to scale up electricity generation from renewable sources from 189 MW to 10 GW by 2030.

Petrochemicals are rapidly emerging as the primary driver of global oil consumption, with the industry projected to contribute over a third of the growth in oil demand by 2030, according to the International Energy Agency. ONGC aims to capitalize on this trend, with plans to substantially expand its chemical and petrochemical portfolio from the current 4.2 MMTPA to 8 MMTPA by 2030.

Your Company is well poised to expand its capacity through the expansion and green-field activities in progress at its subsidiary units. OMPL has successfully amalgamated in MRPL in order to increase synergy in downstream business. MRPL and OPaL are strongly engaged in the diversification plan from oil to the petro-chemical sector. ONGC is also partnering with players to explore opportunities in the Oil to Chemical (O2C) and Oil to Petrochemicals (O2P).

Your group Company has plans to expand its footprints in CGD & regas through group entities and has presence in 23 Geographical Areas (GA’s) across 12 states. A 5 MMTPA LNG regasification terminal at Chhara port (Gir Somnath District) has achieved mechanical completion.

## 9. Outlook

In spite of the difficult economic climate and business environment, ONGC delivered another outstanding performance, posting its highest-ever standalone PBT of ₹503,953 Million and PAT of ₹388,289 Million, the highest among India’s CPSEs. This would have been even higher, but during Q4 of FY 23, the Company reviewed the disputed Service tax (ST)/ GST on royalty and made a provision of ₹121,074 Million. Despite this, we are still one of the highest dividend paying companies in the nation, having paid our highest dividend ever for the fiscal year 2023 of ₹141,528 Million (₹11.25 per share).

The iconic ONGC “Sagar Samrat” offshore drilling rig was officially inaugurated as a Mobile Offshore Production Unit (MOPU) on December 23, 2022. Sagar Samrat MOPU is expected to increase ONGC’s oil production by 6,000 barrels per day over the next few years. The first oil from the WO-16 cluster began to flow into MOPU’s processing system, and dispatch to the onshore terminal was started.

Your Company had the largest exploratory acreage of 1,62,701 Km<sup>2</sup> in India as on 31 March 2023. Your Company have been making continuous efforts to create a commercial play in newer and frontier areas. In order to incorporate cutting-edge





technologies into its aggressive exploration push in India's deep-waters, your Company is in talks with major international oil companies for collaborations. Over the last few years, your Company has brought more and more discoveries into the production stream quicker as well as made solid contributions to national E&P missions.

Your Company is anticipating stronger growth on the global front. The Sakhalin-1 Project production levels were back to normal levels of approx. 200K bopd and drilling activities have also resumed. Also Colombia's CPO-5 Block was a significant drill bit success for the company in FY'23, with JV production levels of 19,000 bopd.

In terms of supplies, your Company has a strong pipeline of projects: green-field projects as well as brownfield redevelopment schemes. Further, it had been exploring opportunities in new energy as part of its transformation into a true energy behemoth.

ONGC is positioned well for further business avenues backed by steady cash flows and stand to a good position to consolidate from current status and continue to grow on a sustainable course, meeting the growing energy needs of the country while also adding value for all stakeholders.

Brief overview of exploration status as well as efforts in emerging areas and enhancement of production were as under:

### 9A. Exploration

As part of its "Future Exploration Strategy," your Company intended to ramp up and intensify its exploration activity with capital expenditure of about ₹3,10,000 Million in during three fiscal years FY'22 to FY'25. Your Company have adopted a three-pronged exploration strategy with a long-term outlook that includes re-exploring mature basins, consolidating & probing emerging basins.

While consolidating its reserves, your Company continues to make significant discoveries. The strategic change to play based concept is primarily to assess the maximum Yet-to-find (YTF) resource potential and enhance the reserve base of the Company. The primary goals of the strategic shift to a play-based concept are to evaluate the full potential of YTF resources and strengthen the company's reserve base.

ONGC has discovered the oil and gas deposits "Amrit", "Moonga" and "Moti" in OALP blocks MB-OSHP-2017/1, MB-OSHP-2018/2 and MS-OSHP-2018/1 respectively in the Mumbai offshore. These noteworthy results from OALP rounds I and III would enhance the reserve accretion. In FY'23,

85 exploratory wells were drilled, out of which, 54 wells were concluded and 30 wells proved to be hydrocarbon bearing. Besides 23 wells of previous years were concluded out of which 16 wells proved to be HC bearing. Success ratio in exploratory drilling achieved considering total wells tested/ concluded including those of previous year's wells is 1:1.67 (59.74%) - (Total 77 wells concluded out of which 46 proved to be hydrocarbon bearing). During FY'23, your Company has notified eight new discoveries in acreages operated by it.

An airborne DHI technique (Airborne Hydrocarbon Sensing System "AHSS") based on measurement of micro-seepages concentration to de-risk existing prospects and prioritize exploration areas, has been inducted for the first time in India in A&AA Basin. With an objective to consolidate and realize reserves from unconventional reservoirs, completed the drilling of 4 HPHT wells spreading over KG Basin (02 wells) and Mumbai Offshore (02 wells) and 3 wells with Basement Play as an objective – One each in Cambay Basin, Assam Shelf and Mumbai Offshore (SW).

A total of 809.58 LKM of 2D and 13696.49 SKM of 3D seismic was acquired during the FY'23. Out of this quantum, a total of 658.83 LKM 2D and 10959.85 SKM of 3D seismic data was acquired in OALP (HELP regime) blocks. 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 FY'23 Revenue Sharing Contracts (RSC) for 21 OALP Blocks (18 OALP-VI & 3 OALP-VII) covering total of area 43,493.94 Sq.km. were executed on 27 April 2022 (for 18 Blocks of Round-VI) and 28 June 2022 (for 3 Blocks of Round-VII) respectively. Additionally, Revenue Sharing Contracts (RSC) for 06 DSF Contract Areas, measuring 2,656.14 Sq.km. and 02 CBM blocks measuring 1,506.89 Sq.km area under Special CBM Bid Round-2021 (SCBM 2021) were executed. Currently, all the awarded OALP blocks are in exploratory phase. Cumulatively as on 1 April 2023, a total 3706.49 LKM of 2D seismic data and 19929.26 SKM of 3D seismic data has been acquired and two exploratory well drilled in OALP Blocks.

### 9B. Development of new fields

Your Company believes that a nation like India

cannot reduce its exploratory and production efforts, even though cost optimization and operational efficiencies are crucial tools in managing the effects of low prices. The urgent imperative of higher domestic supplies are understood and accordingly efforts had been stepped up with focusing on three key areas: Deepwater exploration, monetizing the discovered fields on fast-track and enhancing production from producing fields through enhanced oil recovery and improved oil recovery techniques. There is significant traction on the development of new fields as well as new schemes for maximizing recovery in mature areas.

During 2022-23, completed 461 wells against target of 481 wells, the cycle speed achieved during the year is highest ever since inception. On Capex front, ONGC will continue to invest around ₹300,000 Million per year aimed at development & redevelopment of Oil & Gas Fields. 24 major projects (above ₹1000 Million) are presently under implementation with a total project cost of around ₹621,000 Million and envisaged oil and gas gain of about 94 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. Current gas production is ~ 1.5 MMSCMD i.e. 0.5 BCM, with the completion of this project it is expected to substantially enhance the Gas portfolio of ONGC.

Further, your Company, supported by Government's policy support, is strongly pursuing improving recovery from existing areas. ONGC has been consistently expanding its EOR portfolio. 33 ER Pilot/Preliminary Screening reports submitted to DGH till date for Oil Fields. 17 ER Pilot already approved (Phase-I), 3 are not approved and 11 Under Approval (Phase-II). Two fields Gandhar GS-9 & Gandhar GS-11 are under feasibility Study. During the year, MH asset executed 1 EOR pilot low salinity water injection in offshore and Onshore assets Ahmedabad and Mehsana executed Sanand ASP pilot & Bechraji commercial polymer respectively.

## 10. Internal Control Systems

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 centre 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 recently upgraded SAP S4-HANA based ERP business portal. 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.

## 11. Human Resource Development

The most valuable asset is our workforce, which has helped the company to achieve unmatched excellence in the energy sector. ONGC's HR policies are in line with its vision to lead the integrated energy industry globally as a strategic business partner. Your Company believes that best-in-class HR practices should be continuously improved and adopted.

The foundation of ONGC's expansion and value creation is its workforce. As of 31 March 2023, ONGC had 25,993 employees listed on its rolls. ONGC employees ensured Company's outstanding performance all year long through their commitment, talent, and sense of teamwork.

The talent management strategy of Your Company is centered around workforce planning and talent acquisition, performance management, learning and development, career growth, succession planning, leadership development, and extending the best employee facilities, welfare benefits, and work environment. Its goal is to create an ideal and competent workforce to meet business needs.

For the purpose of creating and fostering a never-ending pipeline of energy leaders who can guide the business toward sustained growth, ONGC has put strategic development interventions in place across executive levels. It includes the prestigious Leadership Development Program, Advanced Management Program, and Senior Management Program for Mid-level and Senior-Level Executives.

Building the workforce's capacity is a top priority, and dedicated Institutes are responsible for meeting our employees' needs for learning and development so they can successfully take on the challenges of the E&P industry in a constantly shifting business environment. For the purpose of enhancing the skills of its energy professionals, ONGC also has partnerships with a number of national and international institutions, agencies, and business schools.

Learning Management System (LMS) is one of the landmark initiatives undertaken by ONGC in recent times. With the aim of improving the knowledge and abilities of executives, ONGC Academy, the Company's internal training center, on-boarded Learning Management Software from the Ministry of E&IT and the National Programme on Technology Enhanced Learning (NPTEL) created by seven

Indian Institutes of Technology. The system's various components have all undergone successful testing and rollout.

ONGC has partnerships with numerous national and international institutions, agencies, and business schools. During the year 2022-23, 19,846 executives and 5,506 non-executives were imparted training in relevant domains, spanning 66,806 executive and 13764 non-executive training days.

ONGC implemented a wide range of employee engagement initiatives in FY'23 in an effort to promote a culture of open communication, teamwork, innovation, and excellence. More than 30 People Connect Sessions were held across work centers with a focus on engaging the younger generation. A 2-day Youth Meet was organized in August 2022, to bring together about 250 young officers from different work centres in a live and energetic physical setup for experiencing, first-hand, the ONGC corporate ethos.

In ONGC the formal mentoring initiative was introduced in 2008. ONGC management reintroduced the mentoring framework in 2021 with a perspective to create an informal social learning opportunity. In 2022-23 approximately 650 new mentors and around 600 mentees have been initiated into the mentoring program.

Annual ONGC Business Games was successfully conducted to hone competencies in a competitive scenario under simulated business constraints. During FY'23, a total of 217 teams and 868 executives participated in these games.

Fun Team Games were also conducted for E0 and below level employees as a capacity building and employee engagement initiative to enhance coordination, cooperation, & communication wherein more than 380 employees participated in the event.

ONGC is an equal opportunity employer. ONGC adheres to constitutional and government guidelines on creating opportunities for employees and promotes employee development, irrespective of their caste, creed, race, gender, specially-abled status etc. Employees are empowered with best in industry support and opportunities, enabling them to excel in their professional and personal lives.

The Hon'ble Minister of Petroleum and Natural Gas & Housing and Urban Affairs inaugurated the fourth Oil and Natural Gas Corporation Limited (ONGC) Para Games in Thyagaraj Sports Complex in August 2022. 275 specially-abled employees from eight central oil and gas public enterprises participated

in the 4th ONGC Para Games being held during 2-4 August 2022. 192 ONGCians were among the participants.

ONGC being a responsible and transparent organization has a well-defined mechanism in place to deal with the RTI applications received under the Right to Information Act 2005. In compliance of Government directives, your Company is successfully processing the online applications under the Act. Concerted efforts are made for promotion and implementation of Official Language

Your Company continued its support for development of sports in the country by providing employment opportunities to sportspersons, sports scholarships in 22 sports were awarded to 214 budding talents 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, ONGC was recognized as one of the best employers in India among other nation-builders by the Great Place to Work (GPTW) on 14 June 2022.

## **12. Environmental Protection and Conservation, Technology Conservation, Renewable Energy developments, Foreign Exchange Conservation**

As the specter of climate change looms large, causing devastating impacts on lives, livelihoods, and the overall well-being of humanity, it becomes imperative for nations to decouple their economic growth from environmental harm. Encouragingly, the Government of India has already taken significant steps towards sustainable development, particularly in the realm of green energy. The “Panchamrit” pledge, made by Prime Minister at the historic COP26 summit, demonstrates India’s commitment to promoting sustainable growth while addressing climate change.

Your Company is committed to ensuring that our business growth does not harm the environment. Your Company has implemented various measures to decouple environmental footprint to alternate sources of energy. As a responsible corporate citizen, ONGC works to promote and put into practice energy-efficient measures as well as make use of environmentally friendly technologies. Your Company continuously strives to mitigate the environmental impact that may arise from its business activities such as exploration, drilling & production, by investing in state-of-art technologies, effluent & solid waste management, environment

monitoring and reporting, bio-diversity conservation efforts and up-gradation and sustenance of environment management systems.

To effectively manage carbon emissions and promote sustainability, a dedicated group - Carbon Management and Sustainability Group (CM&SG) oversees emission reduction initiatives and ensures compliance with relevant regulations. Further, adherence to well-defined policies such as the Integrated Quality, Health, Safety, and Environment Policy, as well as the E-Waste Policy, improves environmental sustenance.

In line with international guidelines and industry standards, the Company regularly measures, monitor, and report Scope 1 and Scope 2 emissions to achieve net-zero emissions for Scope 1 and Scope 2 by 2038.

ONGC has created and implemented strong climate change strategies and is developing a roadmap that will help the Company in transition. Company’s installations and plants are ISO 50001 certified and also follows guidelines set by esteemed organizations such as the World Business Council for Sustainable Development (WBCSD), World Resource Institute (WRI), and GHG Protocols. Additionally, we adhere to sector-specific guidance outlined in the Compendium of Greenhouse Gas Emissions Estimations Methodologies for the Oil and Gas industry developed by the American Petroleum Institute (API). Through these concerted efforts, ONGC strives to minimize environmental impact of its operations and contribute to a sustainable future.

Initiatives of your Company towards Technology Conservation, Renewable Energy developments and Foreign Exchange Conservation are detailed in Board’s Report.

## **13. Corporate Social Responsibility (CSR)**

Initiatives taken by your Company towards CSR are detailed in CSR Report.

## **14. Cautionary Statement**

Statements in the Management Discussion and Analysis 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.





MRD BY: BOB ENERGY, EM  
CLIENT: ONGC, LT  
VENDOR CONTRACT  
ITEM: TEG GAS COMPS.  
WEIGHT: 25,515 KGS  
DIMENSION: 10599 L X 2300 DIA 2300 H

PLANT NORTH  
116

WELDING



# Corporate Governance Report





## **CORPORATE GOVERNANCE REPORT**

### **1. Corporate Governance philosophy of ONGC**

The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising employees, investors, customers, regulators, suppliers and the society at large. Basic tenets of its corporate governance practices are as under:-

- Compliance of laws, rules and regulations in letter and spirit in the interest of stakeholders.
- System of risk analysis and measures to minimize/mitigate through risk management.
- A sound system of internal controls 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 key result areas are measured.
- Accuracy and transparency in disclosures regarding operations, performance, risk and financial status.
- Timely dissemination of all material information to all the Stakeholders.

**1.1** The Company has ensured compliance with the objectives of 'the provisions of Corporate Governance' stated under the SEBI (**Listing Obligations and Disclosure Requirements**) Regulations – 2015 (**Listing Regulations**) and other applicable provisions as under:

#### **A) RIGHTS OF SHAREHOLDERS**

The Company ensures 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 instructions etc. Sufficient opportunity is provided to the shareholders to raise queries to the Board of Directors relating to its business and details provided in Annual Report 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 for redressal of the grievances of shareholders. Shareholders have the facility of directly approaching the Company as well as the Registrar and Share Transfer Agent (RTA) to address their queries/grievances, if any, which are generally addressed in a time bound manner.

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. The Company also send communication in physical mode on specific requests by the shareholders.

Further, the Company encourages all investors to register their email ID to receive communications including annual report through digital mode.

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, information on shares / dividend transferred to IEPF and other statutory information.

#### **C) EQUITABLE TREATMENT**

All the equity shareholders are treated equitably - irrespective of their locations and accordingly the Company dispatches notice of AGM/ Postal Ballot well in advance.

Further, the E-voting facility is provided to every Shareholder. The procedures to electronically cast vote are easy and user friendly.

#### **D) ROLE OF STAKEHOLDERS IN CORPORATE GOVERNANCE**

The Business Responsibility and sustainability Report of the Company carries an exclusive section mentioning 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 the applicable laws 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 an independent Vigilance Department which is headed by an officer on deputation from the Government of India in the rank of Joint Secretary or above, who reports to CVC.

The Company has implemented a Whistle Blower Mechanism to report genuine concerns about ethical behavior, actual or suspected fraud, violation of Code of conduct and also instances of leak of unpublished 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.

## **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 Directors 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.

The terms of reference, quorum, periodicity of meeting etc. are clearly defined for each of the Board Committee, and approved by the Board.

The Board performs key functions by fulfilling the responsibilities for achieving economy, efficiency and effectiveness for the 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.

## **1.2 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. Chairman and Six Whole-Time Directors viz. Director (Finance), Director (Production) [post created after merging position of Director (Offshore) & Director(Onshore) w.e.f. 1 March 2023, Director (Human Resource), Director (Exploration), Director (Technology & Field Services) and Director (Strategy & Corporate Affairs) [New post created on 1 March 2023] 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.

As on 31 March 2023, there were **12** Directors, comprising of **5** Executive Directors (including Chairman) and **7** Non-Executive Directors - **1** Government Nominee Director and **6** Independent Directors. The composition of the Board was in line with requirements of the Companies Act, 2013 and SEBI Listing Regulations, 2015 as on 31 March 2023.

### **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, competencies 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 of India 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 Listing Regulations, 2015.

### **2.3 The Independent Directors have confirmed that they fulfill the conditions specified in the Listing Regulations and the Companies Act, 2013 and are independent of the Management.**

Further, 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 <https://ongcindia.com/web/eng/investors/independent-director>

### **2.4 None of the Independent Directors resigned during the year.**

### **2.5 Board/ committee meetings and procedures**

The Company convenes its meetings of Board and Board Level Committees as per requirements under applicable laws w.r.t minimum number of meetings and maximum permissible time gap between two consecutive meetings. Besides, additional meetings are also convened to fulfil operational requirements of the Company. Business transactions of urgent nature are passed by resolutions 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, some agenda items of urgent nature or containing unpublished price sensitive information are circulated at shorter notice or tabled at the relevant meeting of the Board/ Committee, with necessary permission of the Directors. 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 (with storage in the internal server), 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 footprint and cycle time to make documents available to the Board/ Committee Members and increasing confidentiality.

### **2.6 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>

## 2.7 Board Meetings

During FY'23, Fifteen **(15)** meetings of Board were held on 19.04.2022, 26.05.2022, 28.05.2022, 06.06.2022, 29.06.2022, 27.07.2022, 03.08.2022, 12.08.2022, 30.08.2022, 23.09.2022, 17.10.2022, 14.11.2022, 07.12.2022, 24.01.2023 and 14.02.2023.

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 2022-23, attendance at the last Annual General Meeting by them and the number of other Directorship/ Committee Membership in various companies as on 31 March 2023 are tabulated below:-



| Names and Designation                                                                          |  | No. of Meeting Held during tenure (A) | Attendance by Directors |         | Whether attended last AGM held on 29.08.2022 | Details as on 31.03.2023                       |                               |                                    |
|------------------------------------------------------------------------------------------------|--|---------------------------------------|-------------------------|---------|----------------------------------------------|------------------------------------------------|-------------------------------|------------------------------------|
|                                                                                                |  |                                       | No. of meetings (B)     | % (B/A) |                                              | No. of Directorships as per Regulation # (17A) | As Member Regulation 26(1)(a) | As Chairperson Regulation 26(1)(b) |
| a) Executive Directors                                                                         |  |                                       |                         |         |                                              |                                                |                               |                                    |
| Shri Arun Kumar Singh, Chairman, w.e.f. 07.12.2022                                             |  | 2                                     | 2                       | 100     | NA                                           | 3                                              | 0                             | 0                                  |
| Shri Om Prakash Singh, Director (T&FS)                                                         |  | 15                                    | 15                      | 100     | Yes                                          | 1                                              | 1                             | 0                                  |
| Shri Pankaj Kumar, Director (Production)                                                       |  | 15                                    | 13                      | 86.67   | Yes                                          | 2                                              | 3                             | 0                                  |
| Smt. Pomila Jaspal, Director (Finance), w.e.f. 19.04.2022                                      |  | 15                                    | 15                      | 100     | Yes                                          | 2                                              | 4                             | 0                                  |
| Smt. Sushma Rawat, Director (Exploration), w.e.f. 01.01.2023                                   |  | 2                                     | 2                       | 100     | NA                                           | 1                                              | 0                             | 0                                  |
| Dr. Alka Mittal, Director (HR), upto 31.08.2022                                                |  | 9                                     | 9                       | 100     | Yes                                          | NA                                             | NA                            | NA                                 |
| Shri R K Srivastava, Director (Exploration), upto 31.12.2022                                   |  | 13                                    | 11                      | 84.61   | Yes                                          | NA                                             | NA                            | NA                                 |
| Shri Anurag Sharma, Director (Onshore), upto 28.02.2023                                        |  | 15                                    | 14                      | 93.33   | Yes                                          | NA                                             | NA                            | NA                                 |
| b) Government Nominee Directors                                                                |  |                                       |                         |         |                                              |                                                |                               |                                    |
| Shri Praveen Mal Khanooja, Additional Secretary w.e.f. 23.09.2022                              |  | 5                                     | 5                       | 100     | NA                                           | 1                                              | 1                             | 1                                  |
| Shri Gudey Srinivas Additional Secretary (E) & Financial Advisor from 14.06.2022 to 22.09.2022 |  | 5                                     | 4                       | 80      | No                                           | NA                                             | NA                            | NA                                 |
| Shri Amar Nath, Additional Secretary (E) upto 14.05.2022                                       |  | 1                                     | 0                       | 0       | NA                                           | NA                                             | NA                            | NA                                 |
| c) Independent Directors                                                                       |  |                                       |                         |         |                                              |                                                |                               |                                    |
| Shri Syamchand Ghosh                                                                           |  | 15                                    | 15                      | 100     | Yes                                          | 1                                              | 2                             | 1                                  |
| Shri V. Ajit Kumar Raju                                                                        |  | 15                                    | 15                      | 100     | Yes                                          | 1                                              | 1                             | 1                                  |
| Shri Manish Pareek                                                                             |  | 15                                    | 15                      | 100     | Yes                                          | 1                                              | 2                             | 0                                  |
| Smt. Reena Jaitly                                                                              |  | 15                                    | 15                      | 100     | Yes                                          | 1                                              | 0                             | 0                                  |
| Dr. Prabhaskar Rai                                                                             |  | 15                                    | 15                      | 100     | Yes                                          | 1                                              | 1                             | 0                                  |
| Dr. Madhav Singh                                                                               |  | 15                                    | 13                      | 86.67   | Yes                                          | 1                                              | 0                             | 0                                  |
| Shri Amitava Bhattacharyya (upto 12.07.2022)                                                   |  | 5                                     | 5                       | 100     | NA                                           | NA                                             | NA                            | NA                                 |

#Equity listed entities considered

\* Chairmanship/ Membership of the Audit Committee and Stakeholders' Relationship Committee has been considered in terms of under Regulation 26(b) of the Listing Regulations.



## Notes:

- The Company being a CPSE, all Directors are appointed/ nominated by the Government of India;
- Directors are not per se related to each other;
- 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);
- The Directorships/Committee Memberships in other companies are based on the latest disclosure received from respective Directors;
- 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 of SEBI (LODR) Regulation 2015.

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 2023 are mentioned as under:

| Sl. No. | Name                                      | Directorship in Listed Entity                 | Designation |
|---------|-------------------------------------------|-----------------------------------------------|-------------|
| 1       | Shri Arun Kumar Singh<br>(Chairman & CEO) | ONGC Petro additions Limited [debt listed]    | Chairman    |
|         |                                           | Mangalore Refinery and Petrochemicals Limited | Chairman    |
|         |                                           | Petronet LNG Limited                          | Director    |
| 2       | Shri Pankaj Kumar, Director (Production)  | Hindustan Petroleum Corporation Limited       | Director    |
|         |                                           | ONGC Petro additions Limited [debt listed]    | Director    |
| 3       | Smt. Pomila Jaspal, Director (Finance)    | Mangalore Refinery and Petrochemicals Limited | Director    |
|         |                                           | ONGC Petro additions Limited [debt listed]    | Director    |

## 2.8 Equity Shares And Convertible Instrument(S) Held by Non Executive Director(s)

As on 31 March 2023 none of the Non-Executive Director(s) held any shares or convertible instrument(s) in the Company.

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:-

## 3. BOARD LEVEL COMMITTEES

The Board has been assisted by adequate Board Level Committees (BLCs). 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 are 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, Ten (10) meetings of Audit Committee were held on 19.04.2022, 28.05.2022, 28.06.2022, 27.07.2022, 03.08.2022, 12.08.2022, 23.09.2022, 14.11.2022, 24.01.2023 and 14.02.2023.

| Members                                                                    | No. of Meeting Held during tenure (A) | Attendance by Members |         |
|----------------------------------------------------------------------------|---------------------------------------|-----------------------|---------|
|                                                                            |                                       | No. of meetings (B)   | % (B/A) |
| Shri V. Ajit Kumar Raju<br>(Independent Director - Chairman)               | 10                                    | 10                    | 100     |
| Shri Syamchand Ghosh<br>(Independent Director)                             | 10                                    | 10                    | 100     |
| Shri Manish Pareek<br>(Independent Director)                               | 10                                    | 10                    | 100     |
| Dr. Prabhaskar Rai<br>(Independent Director)                               | 10                                    | 10                    | 100     |
| Shri Amitava Bhattacharyya<br>(Independent Director)<br>(up to 11.07.2022) | 3                                     | 3                     | 100     |
| Shri Anurag Sharma<br>Director (Onshore)<br>(up to 28.02.2023)             | 9                                     | 7                     | 77.77   |



### 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, Five (5) meetings were held on 28.06.2022, 27.07.2022, 12.08.2022, 23.09.2022 and 24.01.2023.

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, (Independent Director-Chairman)                  | 5                                     | 5                     | 100     |
| Shri Manish Pareek (Independent Director)                            | 4                                     | 4                     | 100     |
| Ms. Reena Jaitly (Independent Director)                              | 5                                     | 5                     | 100     |
| Shri Praveen M. Khanooja (Govt. Nominee Director) (w.e.f 17.10.2022) | 1                                     | 1                     | 100     |

### 3.3. Risk Management Committee

The Company has a Risk Management Committee constituted as per the provisions of Listing Regulations. The Company has a well-defined Risk Policy containing risk framework and register which has identified risk areas and its mitigation plans, managed and monitored by an independent Enterprise Risk Management Cell (ERM).

During the year, Two (2) meetings of the Committee were held on 09.09.2022 and 13.02.2023.

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, (Independent Director – Chairman)       | 2                                     | 2                     | 100     |
| Shri Madhav Singh, (Independent Director)                        | 2                                     | 2                     | 100     |
| Shri Syamchand Ghosh, (Independent Director) (w.e.f. 17.10.2022) | 1                                     | 1                     | 100     |
| Shri Manish Pareek, (Independent Director) (w.e.f. 17.10.2022)   | 1                                     | 1                     | 100     |
| Shri Pankaj Kumar, Director (Production)                         | 2                                     | 2                     | 100     |
| Shri Anurag Sharma, Director (Onshore) (Up to 28.02.2023)        | 2                                     | 1                     | 50      |
| Smt. Pomila Jaspal, Director (Finance) (w.e.f. 19.04.2022)       | 2                                     | 2                     | 100     |





### 3.4 Stakeholders' Relationship Committee (SRC)

ToR of SRC is in line with the requirement of Regulation 20(4) read with Part D of the Schedule II 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 RTA and recommends measures for overall improvement in the quality of investor services.

During the FY'23, Two (2) meetings of the Stakeholder's Relationship Committee were held on 30.08.2022 and 13.02.2023.

The composition of SRC as on 31.03.2023 is as under:

| S. N. | Name                                                    | Designation |
|-------|---------------------------------------------------------|-------------|
| 1.    | Shri Syamchand Ghosh<br>Independent Director            | Chairman    |
| 2.    | Shri. Manish Pareek<br>Independent Director;            | Member      |
| 3.    | Smt. Pomila Jaspal, Director (Finance)                  | Member      |
| 4.    | Shri Pankaj Kumar, Director (HR)<br>(Additional Charge) | Member      |

### 3.5 Directors' Remuneration

**3.5.1** 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 Chairman and Whole Time Directors of the Company for FY' 23

(₹ in Million)

| S. No. | Name/ Designation                                                        | Salary including DA | Other Benefits & perks | Leave En-cashment/ 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.     | Shri Arun Kumar Singh, Chairman<br>(w.e.f 07.12.2022)                    | 1.31                | 0.06                   | -                                         | 0.76                                     | 0.29               | 0.06                                                                            | 2.48         | 06.12.2025                  |
| 2.     | Shri O. P. Singh, Director (T&FS)                                        | 4.72                | 1.33                   | -                                         | 2.80                                     | 1.01               | 0.65                                                                            | 10.51        | 31.12.2024                  |
| 3.     | Shri Pankaj Kumar, Director (Production)                                 | 4.54                | 1.53                   | -                                         | 2.68                                     | 0.97               | 0.59                                                                            | 10.31        | 30.06.2026                  |
| 4.     | Smt. Pomila Jaspal, Director (Finance)<br>(w.e.f 19.04.2022)             | 5.20                | 0.22                   | -                                         | 2.66                                     | 0.97               | 0.45                                                                            | 9.50         | 31.01.2024                  |
| 5.     | Smt. Sushma Rawat<br>Director (Exploration) (w.e.f 01.01.2023)           | 1.68                | 1.01                   | -                                         | 0.76                                     | 0.38               | 0.15                                                                            | 3.98         | 30.06.2025                  |
| 6.     | Shri Rajesh Kumar Srivastava<br>Director (Exploration) (upto 31.12.2022) | 3.35                | 1.45                   | -                                         | 2.07                                     | 0.74               | (0.05)                                                                          | 7.56         | 31.12.2022                  |
| 7.     | Shri Anurag Sharma, Director (Onshore)<br>(upto 28.02.2023)              | 6.75                | 1.02                   | -                                         | 2.63                                     | 0.96               | 0.20                                                                            | 11.56        | 28.02.2023                  |
| 8.     | Smt. Alka Mittal, Director (HR)<br>(up to 31.08.2022)                    | 2.20                | 0.14                   | -                                         | 1.13                                     | 0.40               | 0.29                                                                            | 4.16         | 31.08.2022                  |
|        | <b>Sub Total (A)</b>                                                     | <b>29.75</b>        | <b>6.76</b>            | <b>-</b>                                  | <b>15.49</b>                             | <b>5.72</b>        | <b>2.34</b>                                                                     | <b>60.06</b> |                             |

**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 Executive 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 2022-23 is given below:

| Name of Independent Director   | Sitting fees<br>(₹ in Million) |
|--------------------------------|--------------------------------|
| Shri Amitava Bhattacharyya     | 0.32                           |
| Shri Syamchand Ghosh           | 1.05                           |
| Shri Vysyaraju Ajit Kumar Raju | 1.08                           |
| Shri Manish Pareek             | 1.17                           |
| Ms. Reena Jaitly               | 1.05                           |
| Dr. Prabhaskar Rai             | 1.26                           |
| Dr. Madhav Singh               | 0.88                           |
| <b>Total</b>                   | <b>6.81</b>                    |

### (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<sup>th</sup> to 11 April 2022. 1,818 employees were allocated 20,37,177 equity shares against 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;  
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 10-15 working days by RTA.

### Details of complaints received and redressed during the financial year 2022-23.

At the beginning of FY'23 there was 1 (One) complaint, 18 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 **no** complaint pending with Stock Exchanges and SCORES as on 31 March 2023.



### 3.5.6 Settlement of Grievances

Investors may register their complaints in the manner stated below:

| S. N. | Nature of Complaint                                                                                                                                                                                                                                                                                                                                                                                            | Contact                                                                                                                                                                                                                                                                                                                                                                                                                      | Action to be taken                                                                                                                                                            |
|-------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.    | <p>Dividend from financial year 2015-16 (Final) onwards and matters pertaining to Bonus Shares and shares held in Physical mode;</p> <p><b>For Physical Shares-</b><br/>Change of address, status, Bank account, mandate, ECS mandate etc.<br/>Shareholders are requested to refer to the relevant KYC forms ISR - 1/ISR - 2/ISR - 3/ ISR - 4, SH-13/SH-14, as the case may be, for lodging their request.</p> | <p>Alankit Assignments Limited,<br/>Account ONGC,<br/>Alankit House, 4E/2 Jhandewalan Extension,<br/>New Delhi – 110055<br/>Phone No. 011- 42541234<br/>011-42541953<br/>Fax No: 011- 42541201<br/>Web site : <a href="http://www.alankit.com">www.alankit.com</a><br/>e-mail: <a href="mailto:alankit_ongc@alankit.com">alankit_ongc@alankit.com</a><br/><a href="mailto:jksingla@alankit.com">jksingla@alankit.com</a></p> | Letter on plain paper stating the nature of complaint and mention Folio/ DPID/ Client ID No.; lodging of original shares and other documents/ instruments as the case may be. |
| 2.    | <p><b>For shares held in Demat-</b><br/>Change of address, status, Bank account, mandate, ECS mandate etc.</p>                                                                                                                                                                                                                                                                                                 | Depository Participant (DP) with whom the Shareholder is maintaining his/ her account.                                                                                                                                                                                                                                                                                                                                       | As per instructions of respective DP.                                                                                                                                         |
| 3.    | Complaints falling under any other category                                                                                                                                                                                                                                                                                                                                                                    | <p>Company Secretary<br/>Oil and Natural Gas Corporation Ltd.<br/>Plot No. 5A- 5B<br/>Nelson Mandela Road,<br/>Vasant Kunj New Delhi -110070<br/>Phone: 011-26754073/85<br/>e-mail: <a href="mailto:secretariat@ongc.co.in">secretariat@ongc.co.in</a></p>                                                                                                                                                                   | On plain paper/ email stating nature of complaint, folio/DPID/Client ID No., Name & 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 Investors are requested to update their client master (maintained with DP) with correct bank details and IFSC along with email address.

Shareholders holding shares in physical mode are requested to register bank mandate in Form ISR - 1 for transfer of dividend directly to the respective bank account.

The 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](http://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 (CSRC), 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

As on 31 March 2023 there were Six **(6)** Independent Directors, including one Woman Independent Director on the Board, comprised equivalent to 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 Listing Regulations.

### 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 presence of non-independent directors and members of the management. The Meeting was held on 13 February 2023.

### 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 have 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 2022-23 was placed at the Board meeting held on 26 May 2023.

### 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 web link: <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) |
|--------------------------------|------------------------------------------------|------------|------------|-----------------------|
| 2019-20 (27 <sup>th</sup> AGM) | Video Conferencing or Other Audio Visual Means | 09.10.2020 | 11.00 A.M. | No                    |
| 2020-21 (28 <sup>th</sup> AGM) | Video Conferencing or Other Audio Visual Means | 24.09.2021 | 11.00 A.M. | No                    |
| 2021-22 (29 <sup>th</sup> AGM) | Video Conferencing or Other Audio Visual Means | 29.08.2022 | 2.00 P.M.  | No                    |

During the year under review there were 10 resolutions (4 ordinary resolutions & 6 Special resolutions) passed through postal ballot vide notice dated 24.03.2022, 1 ordinary resolution passed through postal ballot vide notice dated 30.05.2022 and 1 ordinary resolution passed through postal ballot vide notice dated 31.10.2022.

The aforesaid resolutions were duly passed as per Scrutinizer's Report dated on 28.04.2022, 01.07.2022 and 03.12.2022 respectively.

## 10. DISCLOSURE

### 10.1 Material Contracts/ Related Party Transactions

During the Financial Year, 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 March 2023. 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 Practicing 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](http://www.ongcindia.com) for wider circulation. Besides, the results are also being shared with the shareholders whose e-mail ids are registered with the DP's / Registrar and Share Transfer Agent.

• **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](http://www.ongcindia.com).

• **Website:** The Company's website [www.ongcindia.com](http://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, Integrated Report, 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.

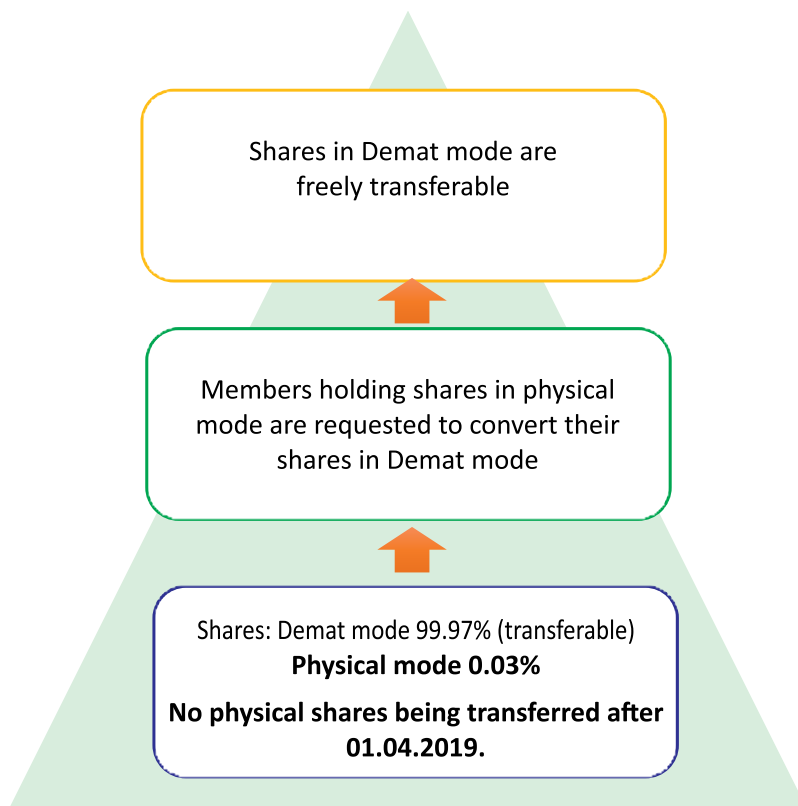
- **Chairman's Speech** during AGM was uploaded at the website of the Company for information/ dissemination to the Public including shareholders.
- **Letters to Investor:** The Company informs the shareholders regarding updation of Bank Account in the records of their shareholding, e-mails of shareholders concerned for regular communications and also claiming unpaid/ unclaimed dividend.
- **Designated exclusive e-mail:** The Company has designated the following e-mail 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 e-mail 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 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.

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



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 dematerialised to enable the option of transfer of shares.



## 12.1 Annual General Meeting

|             |                                                |
|-------------|------------------------------------------------|
| <b>Date</b> | Tuesday, 29 <sup>th</sup> August, 2023         |
| <b>Time</b> | 11:00 AM (IST)                                 |
| <b>Mode</b> | Video Conferencing or Other Audio Visual Means |

## 12.2 Dividend Payment and Record Date

During the FY' 23, 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 |
|-------------------------------------------------------------|---------------------------------|-------------------------------|-------------|-----------------------|
| 57 <sup>th</sup> Dividend – Final 2021-22                   | 29.08.2022                      | ₹3.25 per share (65%)         | 19.08.2022  | 05.09.2022            |
| 58 <sup>th</sup> Dividend – 1 <sup>st</sup> Interim 2022-23 | 14.11.2022                      | ₹6.75 per share (135%)        | 22.11.2022  | 25.11.2022            |
| 59 <sup>th</sup> Dividend – 2 <sup>nd</sup> Interim 2022-23 | 14.02.2023                      | ₹4.00 per share (80%)         | 24.02.2023  | 02.03.2023            |

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.

## 12.3 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.<br>(NSE) Exchange Plaza, C-1,<br>G Block, Bandra-Kurla Complex,<br>Bandra(E), Mumbai-400051 | Telephone: 022-26598100-8114<br>Fax: 022-26598120<br>E-mail: ignse@nse.co.in, Website: www.nse-india.com | ONGC           |
| BSE Limited, (BSE) P.J.Towers,<br>Dalal Street, Fort, Mumbai-400001                                                               | Telephone: 022-22721233/4 Fax: 022-22721919,<br>E-mail: bsehelp@bseindia.com, Website: www.bseindia.com  | 500312         |

**IDBI Trusteeship Services Ltd** has been appointed as the Debenture Trustee for the following four series of NCDs issued during previous years and said debentures are also listed on the BSE Limited.

| S. N. | 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                       | 6.40%              |
| 2.    | 5.25% ONGC 2025 Series I   | July 31, 2020    | April 11, 2025    | 5,000                        | 5.25%              |
| 3.    | 4.50% ONGC 2024 Series IV  | January 11, 2021 | February 09, 2024 | 15,000                       | 4.50%              |
| 4.    | 4.64% ONGC 2023 Series III | October 21, 2020 | November 21, 2023 | 11,400                       | 4.64%              |
|       |                            |                  |                   | <b>41,400</b>                |                    |

None of the securities of the Company has ever been suspended from trading.

## 12.4 Listing Fees

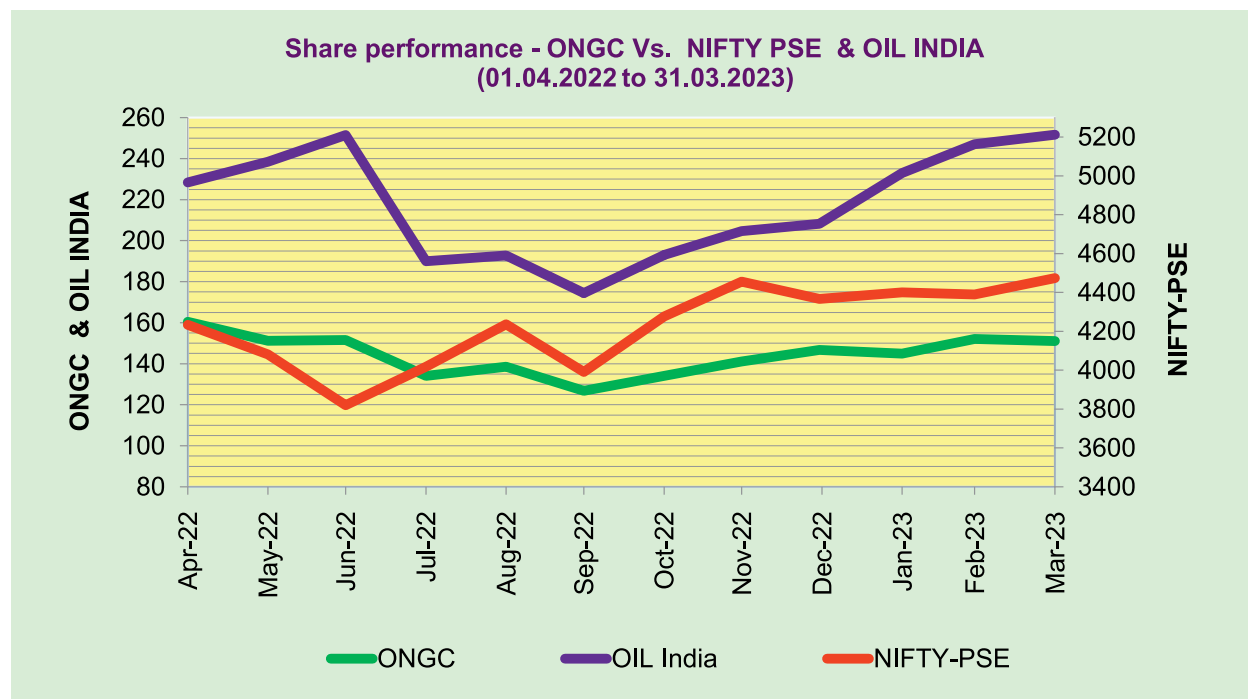
Annual listing fees up to the financial year 2023-24 have been paid to the respective Stock Exchanges.

## 12.5 Custodian Fees

Custodian Fees to NSDL and CDSL for Company's equity shares and NCDs have been paid up to the financial year 2023-24.

## 12.6 Stock Market Information \*

The stock price performance of ONGC scrip during the period 01.04.2022 to 31.03.2023 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.







## 12.7 Market Price Data

The Monthly High and Low (traded price) and Number of shares traded (volume) at NSE and BSE for the FY'23 are as under:

| Month        | National Stock Exchange |         |                   | BSE Ltd  |         |                  |
|--------------|-------------------------|---------|-------------------|----------|---------|------------------|
|              | High (₹)                | Low (₹) | Volume            | High (₹) | Low (₹) | Volume           |
| Apr-22       | 179.80                  | 159.50  | 309588369         | 179.80   | 159.55  | 13491212         |
| May-22       | 168.40                  | 141.10  | 452349376         | 168.40   | 141.05  | 21989332         |
| Jun-22       | 167.35                  | 130.00  | 757499375         | 167.25   | 130.00  | 23864572         |
| Jul-22       | 151.15                  | 119.85  | 792068751         | 151.10   | 119.80  | 43389177         |
| Aug-22       | 141.90                  | 129.80  | 481693809         | 142.00   | 129.80  | 27655243         |
| Sep-22       | 136.25                  | 121.50  | 329377941         | 136.15   | 121.50  | 20685037         |
| Oct-22       | 136.55                  | 125.80  | 264302757         | 136.40   | 125.85  | 22825577         |
| Nov-22       | 162.25                  | 132.90  | 284754193         | 143.80   | 132.95  | 13903020         |
| Dec-22       | 150.50                  | 139.20  | 298523594         | 150.50   | 139.20  | 17857384         |
| Jan-23       | 154.15                  | 143.25  | 299006065         | 154.20   | 143.50  | 23561851         |
| Feb-23       | 158.80                  | 140.10  | 237976221         | 158.70   | 140.10  | 13722641         |
| Mar-23       | 159.70                  | 146.50  | 197390021         | 159.65   | 146.70  | 8500754          |
| <b>Total</b> |                         |         | <b>4704530472</b> |          |         | <b>251445800</b> |

\*Source: Web-sites of BSE and NSE

As on 31.03.2023 the Company stood at No. 26 among top 100 listed Companies in terms of Market Capitalization at both the Stock Exchanges, National Stock Exchange of India Limited and BSE Limited.

## 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

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialized form.

Pursuant to SEBI Circular dated 25 January 2022, the listed companies shall issue the securities in dematerialized form only, for processing any service requests from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition, etc. After processing the service request, a letter of confirmation will be issued to the shareholders and shall be valid for a period of 120 days, within which the shareholder shall make a request to the Depository Participant for dematerializing those

shares. As per provisions, if shareholder fails to submit the dematerialisation request within 120 days, then said shares shall be credited into Suspense Escrow Demat account.

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 31.03.2023 is given below :-

**Therefore, Members holding shares in physical mode are requested to dematerialize their holdings at the earliest.**

| No of physical Folios/holders | No. of shares held (physical mode) | % of total shareholding |
|-------------------------------|------------------------------------|-------------------------|
| 4,479                         | 41,41,271                          | 0.03                    |

The requests received for re-materialization, 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 along with minutes of the CASIC are placed

at Board Meetings. The Letter of Confirmation 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, annual certificate from Practising Company Secretary w.r.t. compliance of aforesaid regulation has been submitted to Stock Exchange.

In addition, in compliance with regulation 76 of SEBI (Depositories and Participants) Regulations, 2018, a Quarterly 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.

The total number of transfer deeds processed and shares transferred (physical share transfer) during the last three (3) Financial Year (1 April 2020 to 31 March 2023) were: **NIL as no physical transfers are being done as per SEBI directive.**

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).

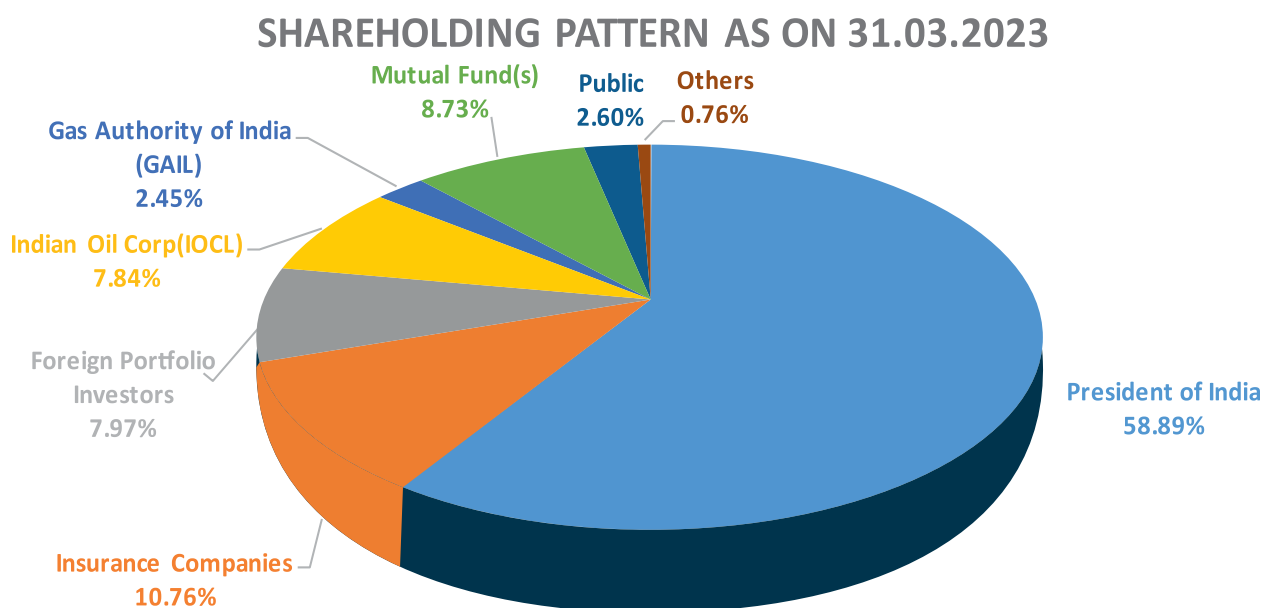




#### 14. SHAREHOLDING PATTERN AS ON 31 MARCH 2023

| Sl. No. | Category                                           | No. of Shareholders | No. of shares         | % to equity   |
|---------|----------------------------------------------------|---------------------|-----------------------|---------------|
| 1       | President of India                                 | 1                   | 7,408,867,093         | 58.89         |
| 2       | Insurance Companies                                | 31                  | 1,354,153,820         | 10.76         |
| 3       | Foreign Portfolio Investors                        | 661                 | 10,03,097,217         | 7.97          |
| 4       | Indian Oil Corp (IOCL)                             | 1                   | 9,86,885,142          | 7.84          |
| 5       | Gas Authority of India (GAIL)                      | 1                   | 3,08,401,602          | 2.45          |
| 6       | Mutual Fund(s)                                     | 33                  | 10,98,333,361         | 8.73          |
| 7       | Public (Individual)                                | 1520549             | 32,657,4937           | 2.60          |
| 8       | Clearing Members                                   | 61                  | 123,379               | 0.00          |
| 9       | Trust                                              | 68                  | 1,052,187             | 0.01          |
| 10      | Financial Institutions/ Banks                      | 13                  | 1,802,296             | 0.01          |
| 11      | Other Body Corporates                              | 2085                | 19,346,863            | 0.16          |
| 12      | Non Resident Indians/Non Resident non repatriates  | 9356                | 8,630,606             | 0.07          |
| 13      | HUF                                                | 6395                | 4,930,332             | 0.04          |
| 14      | Employees / KMPs                                   | 2458                | 3,508,561             | 0.03          |
| 15      | Investor Education and protection Fund             | 1                   | 1,332,184             | 0.01          |
| 16      | Provident Funds/ Pension Funds                     | 3                   | 45,516,403            | 0.36          |
| 17      | NBFCs                                              | 8                   | 36,919                | 0.00          |
| 18      | Alternate Investment Funds (AIFs)                  | 11                  | 1,678,022             | 0.02          |
| 19      | Foreign Bank/Foreign Nationals/NRI(Non Repatriate) | 6990                | 6,008,282             | 0.05          |
|         | <b>Total</b>                                       | <b>1548726</b>      | <b>12,580,279,206</b> | <b>100.00</b> |

Shareholding Pattern as on 31.03.2023



### 14.1 Top 10 Shareholders as on 31 March 2023

| S. N. | Name of Shareholders                                                                              | No of shares held | % of total share-holding |
|-------|---------------------------------------------------------------------------------------------------|-------------------|--------------------------|
| 1     | President of India                                                                                | 7408867093        | 58.89                    |
| 2     | Life Insurance Corporation of India - P & GS Fund                                                 | 1245539121        | 9.90                     |
| 3     | Indian Oil Corporation Limited                                                                    | 986885142         | 7.84                     |
| 4     | ICICI Prudential Value Discovery Fund                                                             | 483180459         | 3.84                     |
| 5     | GAIL (India) Limited                                                                              | 308401602         | 2.45                     |
| 6     | Nippon Life India Trustee Ltd-A/C-Nippon India Nifty 50 Value 20 Index Fund                       | 274590012         | 2.18                     |
| 7     | SBI S&P BSE 100 ETF                                                                               | 124009852         | 0.99                     |
| 8     | HDFC Trustee Company Ltd. A/C HDFC Top 100 Fund                                                   | 109718454         | 0.87                     |
| 9     | Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Funds | 51180494          | 0.41                     |
| 10    | Vanguard Total International Stock Index Fund                                                     | 48568987          | 0.39                     |

\*folio numbers/DP ID having same PAN are not clubbed.

### 14.2 Distribution of Shareholding by size as on 31 March 2023

| 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       | 1754                | 1421296        | 1423050        | 91.89         | 235767          | 98621140           | 98856907           | 0.79               |
| 501 to 1000    | 309                 | 66709          | 67018          | 4.33          | 241246          | 48622883           | 48864129           | 0.39               |
| 1001 to 2000   | 625                 | 29130          | 29755          | 1.92          | 931382          | 42148723           | 43080105           | 0.34               |
| 2001 to 3000   | 77                  | 9466           | 9543           | 0.61          | 191612          | 23890372           | 24081984           | 0.19               |
| 3001 to 4000   | 99                  | 5260           | 5359           | 0.35          | 344796          | 18613240           | 18958036           | 0.15               |
| 4001 to 5000   | 76                  | 3855           | 3931           | 0.25          | 331278          | 17644653           | 17975931           | 0.14               |
| 5001 to 10000  | 336                 | 6991           | 7327           | 0.47          | 1848090         | 46778257           | 48626347           | 0.39               |
| 10001 to above | 3                   | 2741           | 2744           | 0.18          | 17100           | 12279818667        | 12279835767        | 97.61              |
| <b>Total</b>   | <b>3279</b>         | <b>1545448</b> | <b>1548727</b> | <b>100.00</b> | <b>4141271</b>  | <b>12576137935</b> | <b>12580279206</b> | <b>100.00</b>      |

\*folio numbers/DP ID having same PAN are not clubbed

### 14.3 Geographical Distribution of Shareholders as on 31 March 2023

| S. N. | Name of the City | Total Holders  | %age          | Total Shares       | %age          |
|-------|------------------|----------------|---------------|--------------------|---------------|
| 1     | Delhi            | 83772          | 5.28          | 7747682316         | 61.59         |
| 2     | Mumbai           | 196172         | 12.37         | 4563737511         | 36.28         |
| 3     | Chennai          | 43698          | 2.75          | 13792824           | 0.11          |
| 4     | Calcutta         | 48143          | 3.03          | 20793980           | 0.17          |
| 5     | Ahmedabad        | 44947          | 2.83          | 21041368           | 0.17          |
| 6     | Baroda           | 28023          | 1.77          | 12595606           | 0.10          |
| 7     | Bangalore        | 58696          | 3.70          | 14901842           | 0.12          |
| 8     | Pune             | 50255          | 3.17          | 9340343            | 0.07          |
| 9     | Hyderabad        | 35145          | 2.22          | 8146291            | 0.06          |
| 10    | Others           | 997498         | 62.88         | 168247125          | 1.33          |
|       | <b>Total</b>     | <b>1586349</b> | <b>100.00</b> | <b>12580279206</b> | <b>100.00</b> |

\*folio numbers/DP ID having same PAN are not clubbed





## Dematerialization of Shares and Liquidity (as on 31 March 2023)

| S. No.       | Description | No of Folios/holders | No of Shares       | % of total Equity Capital |
|--------------|-------------|----------------------|--------------------|---------------------------|
| 1            | NSDL        | 525890               | 3480576208         | 27.67                     |
| 2            | CDSL        | 1055980              | 9095561727         | 72.30                     |
| 3            | PHYSICAL    | 4479                 | 4141271            | 0.03                      |
| <b>TOTAL</b> |             | <b>1586349</b>       | <b>12580279206</b> | <b>100.00</b>             |

## 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 <sup>rd</sup> June, 1993.                                                                                                                                                                                  |
| 1993-94 | 342,853,716   | 342,853,726    | Issued to the President of India on 1 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 | 6,639,300     | 349,493,026    | Issued to the Employees at a premium of ₹260 per Share (includes 600 shares issued in 1995-96).                                                                                                                                                                        |
| 1995-96 | 1,076,440,966 | 1,425,933,992  | Issue of Bonus Shares in ratio of 3.08:1 on 24 April 1995 by Capitalization of General Reserve.                                                                                                                                                                        |
| 2006-07 | (18,972)      | 1,425,915,020  | Forfeiture of Shares on 12 April 2006.                                                                                                                                                                                                                                 |
|         | 712,957,510   | 2,138,872,530  | Issue of Bonus Shares in ratio of 1:2 on 8 November 2006 by Capitalization of General Reserve.                                                                                                                                                                         |
| 2010-11 | 6,416,617,590 | 8,555,490,120  | Each equity Share of the Company was split from the face value of Rs.10 into two equity shares of the face value of Rs.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 | (252,955,974) | 12,580,279,206 | Buy-Back of shares @ ₹159/- per share (1.97% of pre-buyback capital). Buy-back was completed on 22 February 2019.                                                                                                                                                      |

## 15. DIVIDEND HISTORY FOR LAST 7 YEARS:

| Years                        | Rate (%) | Per Share (₹) | Amount (₹ in Million) |
|------------------------------|----------|---------------|-----------------------|
| <b>2015-16</b>               |          |               |                       |
| Final                        | 65       | 3.25          | 27,805.34             |
| <b>2016-17</b>               |          |               |                       |
| 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             |

| Years            | Rate (%) | Per Share (₹) | Amount (₹ in Million) |
|------------------|----------|---------------|-----------------------|
| <b>2017-18</b>   |          |               |                       |
| • First Interim  | 60       | 3.00          | 38,499.71             |
| • Second Interim | 45       | 2.25          | 28,874.89             |
| • Final          | 27       | 1.35          | 17,324.87             |
| <b>2018-19</b>   |          |               |                       |
| • First Interim  | 105      | 5.25          | 66,046.53             |
| • Second Interim | 20       | 1.00          | 12,580.28             |
| • Final          | 15       | 0.75          | 9,435.21              |
| <b>2019-20</b>   |          |               |                       |
| • Interim        | 100      | 5.00          | 62,901.40             |
| <b>2020-21</b>   |          |               |                       |
| • Interim        | 35       | 1.75          | 22,015.49             |
| • Final          | 37       | 1.85          | 23,273.51             |
| <b>2021-22</b>   |          |               |                       |
| • First Interim  | 110      | 5.50          | 69,191.53             |
| • Second Interim | 35       | 1.75          | 22,015.48             |
| • Final          | 65       | 3.25          | 40,885.91             |
| <b>2022-23</b>   |          |               |                       |
| • First Interim  | 135      | 6.75          | 84,916.88             |
| • Second Interim | 80       | 4.00          | 50,321.12             |

## 16. INVESTOR EDUCATION & PROTECTION FUND (IEPF)

### 16.1 Unclaimed Dividend and Shares Transferred to IEPF Authority During FY'23

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to IEPF. Further, all the shares in respect of which dividend has remained unpaid or unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website.

In light of the aforesaid provisions, the Company has during the year, transferred to IEPF the unclaimed dividends outstanding for seven years, of the Company. Further, shares of the Company, in respect of which dividend has not been claimed for seven consecutive years or more from the date of transfer to unpaid dividend account, have also been transferred to the demat account of IEPF Authority.



During FY'23, 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 |
|-------------------------------------------|---------------------|------------------------------------------|-----------------------------------|
| 2014-15 (2 <sup>nd</sup> Interim)         | 20.03.2015          | 1,56,53,224                              | 11,353                            |
| 2014-15 (Final)                           | 15.09.2015          | 26,36,448                                | 43,095                            |
| 2015-16 (1 <sup>st</sup> Interim)         | 06.11.2015          | 1,64,33,272                              | 70                                |
| <b>Total amount of unclaimed dividend</b> |                     | <b>3,47,22,944</b>                       | <b>54,518</b>                     |

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' 24

| Financial Year                    | Date of Declaration | Proposed Date of transfer to IEPF |
|-----------------------------------|---------------------|-----------------------------------|
| 2015-16 (2 <sup>nd</sup> Interim) | 09.03.2016          | 31.07.2023                        |
| 2015-16 (Final)                   | 08.09.2016          | 14.11.2023                        |
| 2016-17 (1 <sup>st</sup> Interim) | 27.10.2016          | 30.12.2023                        |

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 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>

|                                                                                                                                 |                                                                                                                                                         |
|---------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Nodal Officer:</b><br>Shri Rajni Kant<br>Company Secretary<br>Phone No.: +91 11 26754080<br>Email ID: secretariat@ongc.co.in | <b>Deputy Nodal Officer:</b><br>Shri Shashi Bhushan Singh<br>Deputy Company Secretary<br>Phone No.: +91 11 26754085<br>Email ID: secretariat@ongc.co.in |
|---------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|

The details of dividend which remains unpaid / unclaimed as on 31 March 2023 are given below:-

#### Balance in unpaid Dividend Accounts as on 31.03.2023

| Year         | Type of Dividend | Amounts (in ₹)         |
|--------------|------------------|------------------------|
| 2015-16      | Interim-II       | 37,42,498.00           |
|              | Final            | 1,40,78,552.00         |
| 2016-17      | Interim          | 1,86,13,365.00         |
|              | Interim-II       | 1,52,99,979.00         |
| 2017-18      | Final            | 65,20,635.00           |
|              | Interim-I        | 1,95,43,062.00         |
| 2018-19      | Interim-II       | 1,53,36,750.00         |
|              | Final            | 1,18,58,385.00         |
| 2019-20      | Interim-I        | 2,89,42,672.00         |
|              | Interim-II       | 65,41,357.00           |
| 2020-21      | Final            | 50,34,499.00           |
|              | Interim          | 4,80,14,790.00         |
| 2021-22      | Interim          | 1,64,26,633.00         |
|              | Final            | 1,42,33,966.00         |
| 2022-23      | Interim          | 2,40,39,582.00         |
|              | Interim-II       | 84,64,266.00           |
| 2023-24      | Final            | 1,54,92,040.00         |
|              | Interim          | 2,67,95,140.00         |
| <b>Total</b> |                  | <b>33,94,01,182.00</b> |

## 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 23 of the Board's Report.

## 19. ASSETS/ BASINS/ PLANTS/ INSTITUTES

| ASSETS/EXPLORATORY ASSETS                                       | BASINS                                 | PLANTS                         | INSTITUTES                                                                       |
|-----------------------------------------------------------------|----------------------------------------|--------------------------------|----------------------------------------------------------------------------------|
| 1. Mumbai High Asset, Mumbai                                    | 1. Western Offshore, Basin, Mumbai     | 1. Uran Plant, Maharashtra     | 1. Keshava Deva Malaviya Institute of Petroleum Exploration (KDMIPE), Dehradun   |
| 2. Neelam & Heera Asset, Mumbai                                 | 2. Western Onshore, Basin, Vadodara    | 2. Hazira Plant, Gujarat       | 2. Institute of Drilling Technology (IDT), Dehradun                              |
| 3. Bassein & Satellite Asset, Mumbai                            | 3. KG-PG Basin, Chennai                | 3. C2 C3 Plant, Dahej, Gujarat | 3. Institute of Reservoir Studies (IRS), Ahmedabad                               |
| 4. Eastern Offshore Asset, Kakinada                             | 4. Cauvery Basin, Chennai              |                                | 4. Institute of Oil & Gas Production Technology (IOGPT), Navi Mumbai             |
| 5. Ahmedabad Asset, Ahmedabad                                   | 5. Assam & Assam Arakan, Basin, Jorhat |                                | 5. Institute of Engineering & Ocean Technology (IEOT), Navi Mumbai               |
| 6. Ankleshwar Asset, Ankleshwar                                 | 6. MBA Basin, Kolkata                  |                                | 6. Geo-data Processing & Interpretation Center, (GEOPIC), Dehradun               |
| 7. Mehsana Asset, Mehsana                                       | 7. Frontier Basin, Dehradun            |                                | 7. ONGC Academy, Dehradun                                                        |
| 8. Rajahmundry Asset, Rajahmundry                               |                                        |                                | 8. Institute of Petroleum Safety, Health & Environment, Management (IPSHEM), Goa |
| 9. Cauvery Asset, Karaikal                                      |                                        |                                | 9. Institute of Biotechnology & Geotectonics Studies (INBIGS), Jorhat            |
| 10. Assam Asset, Nazira                                         |                                        |                                | 10. School of Maintenance Practices (SMP), Vadodara                              |
| 11. Tripura Asset, Agartala                                     |                                        |                                | 11. Centre for Excellence in Well Logging (CEWELL), Vadodara                     |
| 12. Cambay Asset, Cambay                                        |                                        |                                | 12. Gas Hydrate Research & Technology Centre (GHR&TC), Panvel                    |
| 13. CBM Asset, Bokaro                                           |                                        |                                | 13. Skill Development Centers (SDC's) in Chennai, Mumbai, Vadodara and Sibsagar  |
| 14. Jorhat Asset, Jorhat                                        |                                        |                                |                                                                                  |
| 15. HPHT Asset, Kakinada                                        |                                        |                                |                                                                                  |
| 16. Rajasthan Kutch Onland, Exploratory Asset (RKOE), Jodhpur   |                                        |                                |                                                                                  |
| 17. Assam Arakan Fold Belt, Exploratory Asset (AAFBEA), Silchar |                                        |                                |                                                                                  |

## 20. CODE ON INSIDER TRADING

The Company has policy on Prohibition of Insider trading (PIT) and the said Policy may be accessed at <https://ongcindia.com/web/eng/investors/policies>. The Company has set up a dedicated structural digital database (SDD) for capturing the unpublished price sensitive information (UPSI). The Company has been filing quarterly certificates with the Stock Exchanges, from a Practicing Company Secretary affirming with the compliances with the SEBI (Prohibition of Insider Trading) Regulations, 2015.

Further, the Company has adopted a Code of Conduct for Board Members and Senior Management Personnel. Appropriate restrictive covenants in the Code of Conduct have been placed to ensure the compliances.

## 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 2022 to 31 March 2023.





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 3.81% of total expenses during 2022-23 as against 5.08% (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 31.03.2023 | Year ended 31.03.2022 |
|---------------------------------------|-----------------------|-----------------------|
| Audit Fees                            | 38.94                 | 38.94                 |
| Certification and Other Services      | 16.14                 | 17.70                 |
| Travelling and Out of Pocket Expenses | 18.58                 | 2.50                  |
| <b>Total</b>                          | <b>73.66</b>          | <b>59.14</b>          |

## 23. COMPLAINTS PERTAINING TO SEXUAL HARASSMENT

Details of complaints pertaining to Sexual Harassment has been provided at Para 38 of the Board's Report.

## 24. ADOPTION OF NON-MANDATORY REQUIREMENTS (as per part E of Schedule II)

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 personnel have affirmed compliance with the code of conduct of the Company, as placed on the Company's website [www.ongcindia.com](http://www.ongcindia.com)

A declaration signed by the CEO on 28 June 2023 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 2022-23."*

## 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 SGS Associates LLP, Company Secretaries (CS), has also issued a certificate of Non-Disqualification of Directors dated 3 May 2023 as required under Schedule V Para C clause (10) (i) of 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 Listing Regulations, M/s. JMC & Associates has examined the compliances relating to applicable SEBI Guidelines and has issued Annual Secretarial Compliance report, which was submitted to stock exchanges on 30 May 2023.

## 28. MANDATORY FURNISHING OF PAN, KYC DETAILS AND NOMINATION

SEBI in its ongoing measure to enhance the ease of doing business for investors in securities market has issued a Circular vide SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated 3 November 2021 providing "Common and Simplified Norms for processing investor's service request by RTAs and

norms for furnishing PAN, KYC details and Nomination. The Circular provides that Folios wherein any one of the cited documents/ details (i.e. PAN, KYC, Bank Details and Nomination) are not available on or after 1 April 2023, shall be frozen by the RTA. Shares in the frozen folios shall be eligible to lodge grievance or avail service request, payment of dividend etc. only upon furnishing of PAN, KYC details and Nomination documents. A communication requesting for furnishing of PAN, KYC details and nomination was sent to the shareholders holding shares in physical form on 17.02.2023.

SEBI vide its Circular dated 16.03.2023 has mandated that Listed companies, RTAs and Stock Exchanges shall disseminate the requirements for completion of KYC formalities to be complied with by holders of physical securities of all listed companies on

their respective websites. Listed companies shall also directly intimate its shareholders about folios which are incomplete with regard to details required under para 4 of this circular on an annual basis within 6 months from the end of the financial year. However, for the Financial Year 2022-23, intimation shall be sent by the listed companies on or before 31 May 2023 requesting for updation of KYC, Bank details etc. The Circular further provides that in case the KYC details are not submitted on or before 30 September 2023, the folios shall be frozen. Accordingly, in terms of the SEBI Circular dated 16.03.2023 a communication was sent to the shareholders holding shares in physical form on 31.05.2023. The following investor service request forms for updation of PAN, KYC Bank details and registration/updation of Nomination are available at our website <https://ongcindia.com>:

| Form   | Purpose                                                                |
|--------|------------------------------------------------------------------------|
| ISR -1 | Request for registering PAN, KYC details or changes / updation thereof |
| ISR-2  | Confirmation of signature of securities holder by the banker           |
| ISR-3  | Declaration Form for Opting-out of Nomination                          |
| ISR 4  | Request for issue of Duplicate Certificate and other Service Requests  |
| SH-13  | Nomination                                                             |
| SH-14  | Change of Nomination                                                   |

## 29. DISPUTE RESOLUTION MECHANISM AT STOCK EXCHANGE: -

SEBI vide Letter no. SEBI/HO/OIAE/2023/03391 dated 27.01.2023 advised Companies for generating awareness on availability of Dispute Resolution Mechanism at Stock Exchanges against Listed Companies/ RTAs. Accordingly, a communication had been sent to the shareholders informing about the dispute resolution mechanism at Stock Exchanges. For more details, shareholders may access the following web links of stock exchanges:-

**BSE – <http://tiny.cc/m1l2vz>**

**NSE - <http://tiny.cc/s1l2vz>**





(Annexure - A)

## **CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

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 31 March 2023.

I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of certification.

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 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) Composition of Board in terms of clause 17(1)(b) of Listing regulations – The number of Independent Directors was less than fifty percent of the Board of Directors during the period from 13 July 2022 to 31 August 2022 and 7 December 2022 to 28 February 2023.

**Sd/-**

**[DAMODAR PRASAD GUPTA]**

Practicing Company Secretary

Membership No. FCS 2411

Certificate of Practice No. 1509

ICSI UDIN NO. F002411E000440805

ICSI PR NO. 1194/2021

Date: 1 June 2023

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** having CIN L74899DL1993GOI054155 and having its registered office at Plot No. 5A-5B, Nelson Mandela Road, Vasant Kunj, New Delhi - 110070 (hereinafter referred to as 'the Company'), 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](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company, as stated below for the Financial Year ending on **31 March 2023**, have been debarred or disqualified from being appointed or continuing as Directors of by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:-

| Sr. No. | Name of Director              | DIN      | Date of appointment in Company |
|---------|-------------------------------|----------|--------------------------------|
| 1.      | Mr. Arun Kumar Singh          | 06646894 | 07/12/2022                     |
| 2.      | Mr. Om Prakash Singh          | 08704968 | 01/04/2020                     |
| 3.      | Mr. Pankaj Kumar              | 09252235 | 04/09/2021                     |
| 4.      | Ms. Pomila Jaspal             | 08436633 | 19/04/2022                     |
| 5.      | Ms. Sushma Rawat              | 09361428 | 01/01/2023                     |
| 6.      | Mr. Praveen Mal Khanooja      | 09746472 | 23/09/2022                     |
| 7.      | Mr. Syamchand Ghosh           | 09396486 | 14/11/2021                     |
| 8.      | Mr. Vysyaraju Ajit Kumar Raju | 09396500 | 14/11/2021                     |
| 9.      | Mr. Manish Pareek             | 09396501 | 14/11/2021                     |
| 10.     | Ms. Reena Jaitly              | 06853063 | 14/11/2021                     |
| 11.     | Dr. Prabhaskar Rai            | 09453169 | 31/12/2021                     |
| 12.     | Dr. Madhav Singh              | 09489194 | 02/02/2022                     |
| 13.     | *Dr. Alka Mittal              | 07272207 | 27/11/2018                     |
| 14.     | *Mr. Rajesh Kumar Srivastava  | 08513272 | 02/08/2019                     |
| 15.     | *Mr. Anurag Sharma            | 08050719 | 01/06/2020                     |
| 16.     | *Mr. Amar Nath                | 05130108 | 28/06/2016                     |
| 17.     | *Mr. Gudey Srinivas           | 02568812 | 14/06/2022                     |
| 18.     | *Mr. Amitava Bhattacharyya    | 08512212 | 19/07/2019                     |

\*Ceased to be Director of the Company during the Financial Year 2022-23.

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 **SGS ASSOCIATES LLP**  
Company Secretaries  
FRN L2021DE011600

Date: 3 May 2023  
Place: New Delhi

Sd/-  
**CS D.P. GUPTA**  
FCS: 2411 (M.NO: 1509)  
ICSI PR: 1194/2021  
ICSI UDIN: F002411E000246886





## 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, 2023, 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, 2023, 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. 8.2 & 10.3, which explains that certain Discovered Small Fields (DSF) of the Company have been identified by DGH, MoPNG, GOI for bidding under DSF III, after considering the value of such fields as Nil. These identified contract areas have been awarded to the winning bidders (awardees) and the PML/PELs of these contract areas have been transferred to the said awardees. Accordingly, during the year, the company has charged off exploratory wells, development wells in progress and capital work in progress amounting to ₹21,837.76 Million and reversed the accumulated impairment of ₹21,718.77 Million on the said assets.

ii. Note No. 24.4 & 48.1.1.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 is contesting the same at various forums. However, as an abundant caution, the Company has deposited the disputed Service Tax and GST on royalty along-with interest under-protest amounting to ₹115,581.52 Million up to 31 March 2023.

As mentioned in the said note, the Company shall continue to contest such disputed matters before various forums, however, considering the pending final decision in a similar matter by the Nine Judges' Bench of Hon'ble Supreme Court, which is yet to be constituted and keeping in view the considerable time elapsed, during the year, company has reviewed the entire issue and has decided to make a provision towards these disputed taxes as a prudent and conservative practice in respect of the nominated fields, as per agreed terms in JV blocks where there are no disputes amongst the JV partners and to the extent of company's participating interest in the JV blocks where there are disputes amongst the JV partners. Accordingly, during the year, the Company has provided ₹92,351.14 Million towards disputed taxes for the period from April 1, 2016 to March 31, 2022 together with interest thereon upto March 31, 2023 and being material has been disclosed as an exceptional item. Further, a similar provision of ₹28,723.32 Million has also been made during the year for disputed taxes for the financial year 2022-23.

As further mentioned in the note, based on the legal





opinions, with respect to JV blocks where there are disputes with JV partners, the Service Tax/GST, if applicable on royalty, will required to be discharged by the JV partners in their respective share of participating interest, and pending resolution of the disputes, other partners' share of disputed ST/GST on Royalty in such JV blocks together with interest upto March 31, 2023 amounting to ₹43,318.13 Million has not been considered by the company for provision and is disclosed as contingent liability.

The remaining disputed demand received by the company towards penalty and other differences of ₹18,624.60 Million has also been disclosed as contingent liability.

As mentioned in the note, considering the experts' opinion, the amount deposited under protest has been claimed by the company in the Income Tax return / in the ongoing assessment & appellate proceedings as an allowable expenditure under Income Tax Act, 1961 for the relevant earlier assessment years and has also been considered as an allowable expenditure while calculating the current tax. Deferred tax asset has also been created for ₹879.86 Million in respect of the amounts yet to be deposited against the provision made for disputed taxes for the above periods.

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 (BGEPIIL) and Reliance Industries Limited (RIL) (together "the Claimants") and the Company (all three together referred to as "Contractors"), towards differential Government of India (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 ₹133,415.71 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 recasting 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 English Commercial Court (London High Court) are not available with the company. The Company has

informed that 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 favouring the challenges made by BGEPIIL 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 BGEPIIL/RIL on the remitted matter, which has been challenged by the GOI before the English Court. The English Court had delivered its verdict on June 9, 2022 dismissing the challenge made by GOI. The GOI filed an appeal against the English Court verdict of June 9, 2022 that was rejected by the English courts in August 2022.

Based on the information shared by BGEPIIL, 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. BGEPIIL / RIL contend that GOI's execution petition is not maintainable and have opposed the reliefs sought by the GOI under the said petition. The hearings in the matter before the Hon'ble Delhi High Court concluded on August 4, 2022 and orders are awaited.

Pending finalization of the decision of the Arbitration 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 demand raised by DGH, amounting to USD 1,624.05 Million equivalent to ₹133,415.71 Million has been considered necessary and has been treated as contingent liability.

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                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Evaluation of adequacy of provision for impairment for tangible and intangible assets</b></p> <p>(Refer Note 47 to the Standalone Financial Statements)</p> <p>Management has assessed whether any provision needs to be recognised on account of impairment of tangible and intangible assets.</p> <p>The Company reviews the carrying amount of its tangible and intangible assets (Oil and Gas Assets including Capital Work-in-Progress (CWIP) &amp; Development Wells in Progress (DWIP), Other Property, Plant &amp; 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.</p> <p>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, impact of climate change and the global energy transition.</p> <p>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 of the financial performance and position.</p> <p>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.</p> <p>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.</p> <p>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.</p> | <p>Our audit procedures included the following:</p> <p>Evaluated the appropriateness of management’s identification of the CGUs, exploration and evaluation assets and tested the operating effectiveness of controls over the impairment assessment process, including indicators of impairment, as required by relevant financial reporting standards.</p> <p>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.</p> <p>Reviewed the appropriateness of discount rates used in the estimation.</p> <p>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</p> <p>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.</p> <p>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.</p> |





| Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | How our audit addressed the matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>In case of exploration and evaluation assets including other Oil and Gas 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.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><b>Estimation of Decommissioning liability</b><br/>(Refer Note 24 to the Standalone Financial Statements)</p> <p>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.</p> <p>The provision is based upon current cost estimates and has been determined on a discounted basis with reference to current legal requirements and technology changes. 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.</p> <p>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.</p> | <p>Our audit procedures included the following:</p> <p>Evaluated the approach adopted by the management in determining the expected costs of decommissioning.</p> <p>Identified the cost assumptions used that have the most significant impact on the provisions and tested the appropriateness of these assumptions.</p> <p>Reviewed the appropriateness of discount and inflation rates used in the estimation.</p> <p>Verified the unwinding of interest as well as understanding if any restoration was undertaken during the year.</p> <p>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.</p> <p>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.</p> <p>Relied on the judgments of the internal/ external experts for the purpose of technical /commercial evaluation.</p> <p>Assessed the appropriateness of the disclosures made in the financial statements.</p> |

| Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | How our audit addressed the matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Litigations and Claims</b></p> <p>(Refer Note 48 to the Standalone Financial Statements)</p> <p>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).</p> <p>In the normal course of business, financial interests or 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.</p> <p>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.</p> | <p>Our audit procedures included the following:</p> <p>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.</p> <p>Discussed pending matters with the Company's personnel with respect to status of cases of litigation and claims.</p> <p>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.</p> <p>We have assessed the adequacy and appropriateness of recognition, measurement, presentation and disclosure of the Contingent liabilities in the Standalone Financial Statements.</p> |





| Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | How our audit addressed the matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
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| <p><b>Information Technology and General Controls</b></p> <p>The Company is dependent on its Information Technology ("IT") systems for processing and recording its transactions, including financial reporting processes.</p> <p>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.</p> <p>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.</p> <p>MIS reports, relevant for financial reporting, have been developed and tested through internal and outsourced support arrangements and ultimately authenticated by the users.</p> <p>During the year, the Company transitioned to SAP HANA and 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.</p> | <p>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.</p> <p>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.</p> <p>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.</p> <p>In response to the above IT requirements, enhancement of functionalities in IT System made during the year, we performed the following:</p> <ul style="list-style-type: none"> <li>- reviewed controls and performed additional substantive procedures of key general ledger account reconciliations.</li> <li>- observed that training sessions are also provided to users, to enable full utilization of SAP functionalities.</li> </ul> <p>Reviewed 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.</p> |

## 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. 46.1.3, the Standalone Financial Statements include the Company's share in the total value of assets, liabilities, expenditure and income of 194 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. 10 NELPs/ HELPs/ JOs accounts have been certified by other Chartered Accountants. In respect of these NELPs/ HELPs/ JOs, Standalone Financial Statements include proportionate share in assets and liabilities as on March 31, 2023 amounting to ₹89,931.05 Million and ₹70,111.16 Million respectively and revenue and profit/(loss) including other comprehensive Income for the year ended March 31, 2023 amounting to ₹110,395.89 Million and ₹ (2,248.21) Million respectively. Our opinion is based solely on the certificate of the other Chartered Accountants.

b. 15 NELPs / HELPs/ JOs have been certified by the management in respect of NELPs / HELPs/ JOs operated by other operators. In respect of these NELPs / HELPs/ JOs, Standalone Financial Statements include proportionate share in assets and liabilities as on March 31, 2023 amounting to ₹8,977.15 Million and ₹11,035.80 Million respectively and revenue and profit/(loss) including other comprehensive Income for the year ended March 31, 2023 amounting to ₹49.52 Million and ₹ (3,956.19) Million respectively. Our opinion is based solely on management certified accounts.

iii. The Company has availed certain Working Capital Loans from the banks against the lien/security of Term Deposits, total sanctioned limits of such loans was ₹106,585 Million as mentioned in Note No. 27.1 to

the Standalone Financial Statements. The charge on such loans, as required by section 77 of the Act, has not been registered/created by the company with the Registrar of Companies (MCA).

iv. The Standalone Financial Statements of the Company for the year ended March 31, 2022 were audited by joint auditors of the Company, two of which were the predecessor audit firms, and have expressed an unmodified opinion dated May 28, 2022 on such standalone financial statements.

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 2022-23                                                                                                                                                                                                                                                                                                                                                                             | 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) | <b>Loan/Debt where Company is borrower:</b> 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 2022-23.<br><br><b>Loan/Debt where Company is lender:</b> 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 2022-23 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 31.03.2023 on its financial position in its Standalone Financial Statements – Refer Note No. 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 No. 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 No. 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 No. 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.

vi. As proviso to rule 3(1) of the Companies (Accounts)

Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under clause 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

**For SARC & Associates**  
Chartered Accountants  
Firm Reg. No.: 006085N

**For Kalani & Co.**  
Chartered Accountants  
Firm Reg. No.: 000722C

**For R.G.N. Price & Co.**  
Chartered Accountants  
Firm Reg. No.: 002785S

Sd/-  
(Pankaj Sharma)  
Partner (M. No. 086433)  
UDIN: 23086433BGZHXI3846

Sd/-  
(Bhupender Mantri)  
Partner (M. No. 108170)  
UDIN: 23108170BGYFDI5237

Sd/-  
(G. Surendranath Rao)  
Partner (M. No. 022693)  
UDIN: 23022693BGRKRL4603

**For S. Bhandari & Co LLP**  
Chartered Accountants  
Firm Reg. No.:  
000560C/C400334

**For J Gupta & Co LLP**  
Chartered Accountants  
Firm Reg. No.:  
314010E/E300029

Sd/-  
(Sudha Jaideep Shetty)  
Partner (M. No. 047684)  
UDIN: 23047684BGWZFF8378

Sd/-  
(Abhishek Raj)  
Partner (M. No. 302648)  
UDIN: 23302648BGYBER6797

Dated: 26 May 2023  
Place: New Delhi





**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 2023**  
**(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 31 March 2023 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, during the year the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from Banks on the basis of security of Term Deposits. According to the information and explanation given to us and on the basis of our examination, there was no requirement of filing any quarterly returns or statements by the company with such Banks, hence 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/<br>provided during the year | Balance outstanding as at<br>31.03.2023 |
| 1.      | Subsidiaries   | 214,305.07                                            | 399,201.48                              |
| 2.      | Joint Ventures | 61,337.57                                             | 79,746.85                               |
| 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 book balance as on March 31, 2023 stands at ₹193.37 Million (including interest). 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 book balance as on March 31, 2023 for more than ninety days stands at ₹193.37 Million (including interest). 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. In our opinion and according to the information and explanations given to us, the provisions of section 186 of the Act 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, 2023 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 carried out in accordance with generally accepted auditing practices in India, and as mentioned in Note No. 24.5 of the accompanying Standalone Financial Statement, there have been reported instances of fraud on the company by way of misappropriation of funds through payment against fictitious medical bills by certain employees and other personnel in collusion with some of the vendors and service providers. In this regard investigation by various authorities including external agencies are going on and till date an amount of ₹2.41 Million has been identified as fraud on the company and the said recoverable amount has been provided for. The accompanying Standalone Financial Statement does not include any possible adjustment that may arise in future pursuant to outcome of the various ongoing investigations.

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 carried out in accordance with generally accepted auditing practices in India, no fraud by 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. 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 in the areas having risk of frauds like instances of payment against fictitious medical bills (as reported under clause xi (a) aforesaid) and procurement of material/services.

(b) As per the internal audit plan approved by the Board of Directors of the Company, internal audit is performed in a year in periodical 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 are 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.

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.

(b) In respect of ongoing projects, the Company has transferred unspent CSR amount as at the end of the

**For SARC & Associates**

Chartered Accountants  
Firm Reg. No.: 006085N

Sd/-  
(Pankaj Sharma)  
Partner (M. No. 086433)  
UDIN: 23086433BGZHXI3846

**For S. Bhandari & Co LLP**

Chartered Accountants  
Firm Reg. No.:  
000560C/C400334

Sd/-  
(Sudha Jaideep Shetty)  
Partner (M. No. 047684)  
UDIN: 23047684BGWZFF8378

**For Kalani & Co.**

Chartered Accountants  
Firm Reg. No.: 000722C

Sd/-  
(Bhupender Mantri)  
Partner (M. No. 108170)  
UDIN: 23108170BGYFDI5237

**For J Gupta & Co LLP**

Chartered Accountants  
Firm Reg. No.:  
314010E/E300029

Sd/-  
(Abhishek Raj)  
Partner (M. No. 302648)  
UDIN: 23302648BGYBER6797

**For R.G.N. Price & Co.**

Chartered Accountants  
Firm Reg. No.: 002785S

Sd/-  
(G. Surendranath Rao)  
Partner (M. No. 022693)  
UDIN: 23022693BGRKRL4603

Dated: 26 May 2023  
Place: New Delhi

**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, 2023 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, 2023, 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.

**For SARC & Associates**  
Chartered Accountants  
Firm Reg. No.: 006085N

**For Kalani & Co.**  
Chartered Accountants  
Firm Reg. No.: 000722C

**For R.G.N. Price & Co.**  
Chartered Accountants  
Firm Reg. No.: 002785S

Sd/-  
(Pankaj Sharma)  
Partner (M. No. 086433)  
UDIN: 23086433BGZHXI3846

Sd/-  
(Bhupender Mantri)  
Partner (M. No. 108170)  
UDIN: 23108170BGYFDI5237

Sd/-  
(G. Surendranath Rao)  
Partner (M. No. 022693)  
UDIN: 23022693BGRKRL4603

**For S. Bhandari & Co LLP**  
Chartered Accountants  
Firm Reg. No.:  
000560C/C400334

**For J Gupta & Co LLP**  
Chartered Accountants  
Firm Reg. No.:  
314010E/E300029

Sd/-  
(Sudha Jaideep Shetty)  
Partner (M. No. 047684)  
UDIN: 23047684BGWZFF8378

Sd/-  
(Abhishek Raj)  
Partner (M. No. 302648)  
UDIN: 23302648BGYBER6797

Dated: 26 May 2023  
Place: New Delhi

### 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 as on 31-03-2023**

| Description of property | Gross Carrying Value (in ₹ Millions) | Held in the name of                                        | Whether promoter, 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          | 367.33                               | Seller- Industrial/ Infrastructure Development Corporation | No                                                       | 30.09.1996                                      | Registration under process.                                                           |
| Land-Leasehold          | 47.14                                | Seller- Industrial/ Infrastructure Development Corporation | No                                                       | 28.10.1985                                      | Matter subjudice at High Court.                                                       |





| Description of property | Gross Carrying Value (in ₹ Millions) | Held in the name of                                        | Whether promoter, director or their relative or employee | Period held - indicate range, where appropriate | Reason for not being held in name of company                          |
|-------------------------|--------------------------------------|------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------|-----------------------------------------------------------------------|
| 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 |
| 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               |

**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 ₹ Million)

| 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    |
|-------------------------------------|----------------------------------------------------------|-----------------------------------------------------|-----------------------|---------------------------|------------------|
| <b>Mineral Cess, Andhra Pradesh</b> | Hon. Supreme Court                                       | <b>2005-06</b>                                      | 3,538.42              | -                         | 3,538.42         |
|                                     | <b>Total (A)</b>                                         |                                                     | <b>3,538.42</b>       | <b>-</b>                  | <b>3,538.42</b>  |
| <b>Central Excise Act, 1944</b>     | Commissioner                                             | <b>2016-17</b>                                      | 18.73                 | -                         | 18.73            |
|                                     | Custom, Excise and Service Tax Appellate Tribunal        | <b>2016-17; 2018-19</b>                             | 104.68                | 26.96                     | 77.72            |
|                                     | Hon. High Court                                          | <b>2012-13 to 2014-15</b>                           | 7,321.84              | -                         | 7,321.84         |
|                                     | Hon. Supreme Court                                       | <b>2001-02; 2006-07 to 2008-09</b>                  | 518.54                | -                         | 518.54           |
|                                     | <b>Total (B)</b>                                         |                                                     | <b>7,963.79</b>       | <b>26.96</b>              | <b>7,936.83</b>  |
| <b>The Customs Act, 1962</b>        | Custom , Excise and Service Tax Appellate Tribunal       | <b>2007-08; 2012-13; 2018-19; 2020-21</b>           | 118.42                | 1.00                      | 117.42           |
|                                     | Hon. Supreme Court                                       | <b>2015-16</b>                                      | 1.50                  | -                         | 1.50             |
|                                     | <b>Total (C)</b>                                         |                                                     | <b>119.92</b>         | <b>1.00</b>               | <b>118.92</b>    |
| <b>Employee Provident Fund</b>      | Tribunal                                                 | <b>1986-87</b>                                      | 66.35                 | 49.76                     | 16.59            |
|                                     | <b>Total (D)</b>                                         |                                                     | <b>66.35</b>          | <b>49.76</b>              | <b>16.59</b>     |
| <b>Income Tax Act, 1961</b>         | Commissioner/ (Appeals) and Additional Commissioner/ ITO | <b>2009-10; 2012-13 to 2017-18</b>                  | 2,16,947.19           | 2,16,947.19               | -                |
|                                     | Income Tax Appellate Tribunal                            | <b>2007-08; 2009-10 to 2011-12;</b>                 | 1,20,391.65           | 1,20,391.65               | -                |
|                                     | Hon. High Court                                          | <b>2000-01</b>                                      | 8.91                  | -                         | 8.91             |
|                                     | <b>Total (E)</b>                                         |                                                     | <b>337,347.75</b>     | <b>337,338.84</b>         | <b>8.91</b>      |
| <b>Goods and Services Tax</b>       | Departmental Forum/ Adjudicating Authority               | <b>2017-18; 2018-19; 2020-21 to 2022-23</b>         | 43,762.55             | 41,480.36                 | 2,282.19         |
|                                     | First Appellate Authority/ Commissioner Appeals          | <b>2018-19 to 2021-22</b>                           | 9,233.61              | 9,096.19                  | 137.42           |
|                                     | Tribunal*/CESTAT (*yet to be constituted)                | <b>2017-18 to 2021-22</b>                           | 52,296.48             | 51,545.43                 | 751.05           |
|                                     | High Court                                               | <b>2017-18 to 2022-23</b>                           | 40,034.52             | -                         | 40,034.52        |
|                                     | <b>Total (F)</b>                                         |                                                     | <b>145,327.16</b>     | <b>102,121.98</b>         | <b>43,205.18</b> |
| <b>State Municipal Tax</b>          | First Appellate Authority                                | <b>1998-99; 1999-2000; 2017-18</b>                  | 177.28                | -                         | 177.28           |
|                                     | Hon. High Court                                          | <b>2000-01; 2004-05; 2006-07; 2017-18</b>           | 107.80                | 4.30                      | 103.50           |
|                                     | <b>Total (G)</b>                                         |                                                     | <b>285.08</b>         | <b>4.30</b>               | <b>280.78</b>    |



| 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                                                           | Department of Geology                                                                                      | 1992-93; 1996-1997; 2004-05                                                  | 496.82                | -                         | 496.82        |
|                                                                   | Directorate General of Hydrocarbons (DGH)                                                                  | 2022-23                                                                      | 5,922.04              | -                         | 5,922.04      |
|                                                                   | Total (H)                                                                                                  |                                                                              | 6,418.86              | -                         | 6,418.86      |
| Central Sales Tax Act1, 956 and Respective States' Sales Tax 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 | 2,268.02              | 90.11                     | 2,177.91      |
|                                                                   | Appellate Tribunal/ First Appellate Authority                                                              | 1996-97; 1998-99; 1999-2000; 2001-02 to 2006-07; 2009-10 to 2015-16          | 1,7147.11             | 67.83                     | 17,079.28     |
|                                                                   | Hon. High Court                                                                                            | 2006-07; 2012-13                                                             | 23.21                 | 15.61                     | 7.60          |
|                                                                   | Hon. Supreme Court                                                                                         | 2002-03 to 2008-09; 2012-13; 2016-17                                         | 11,607.75             | 623.96                    | 10,983.79     |
|                                                                   | Total (I)                                                                                                  |                                                                              | 31,046.09             | 797.51                    | 30,248.58     |
| Agriculture Land Tax                                              | First Appellate Authority                                                                                  | 2017-18                                                                      | 2.93                  | 1.57                      | 1.36          |
|                                                                   | Hon. High Court                                                                                            | 1995-16; 1998-9; 2005-06; 2009-10; 2018-19; 2020-21                          | 15,967.97             | -                         | 15,967.97     |
|                                                                   | Total (J)                                                                                                  |                                                                              | 15,970.90             | 1.57                      | 15,969.33     |
| 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                                         | 13,196.50             | 0.67                      | 13,195.83     |
|                                                                   | Custom, Excise and Service Tax Appellate Tribunal/ First Appellate Authority                               | 2003-04; 2005-06 to 2012-13; 2014-15 to 2017-18                              | 37,146.19             | 10,636.53                 | 26,509.66     |
|                                                                   | Hon. High Court                                                                                            | 2012-13; 2015-16; 2016-17                                                    | 6,503.93              | 2,869.89                  | 3,634.04      |
|                                                                   | Total (K)                                                                                                  |                                                                              | 56,846.62             | 13,507.09                 | 43,339.53     |
| Grand Total (A + B + C + D + E + F + G + H + I + J + K)           |                                                                                                            |                                                                              | 604,930.94            | 453,849.01                | 151,081.93    |

## Standalone Balance Sheet as at March 31, 2023

(₹ in Million)

|            | Particulars                                    | Note No. | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|------------|------------------------------------------------|----------|-------------------------|-------------------------|
| <b>I.</b>  | <b>ASSETS</b>                                  |          |                         |                         |
| <b>(1)</b> | <b>Non-current assets</b>                      |          |                         |                         |
|            | <b>(a) Property, Plant and Equipment</b>       |          |                         |                         |
|            | (i) Oil and Gas Assets                         | 5        | 1,223,494.68            | 1,168,778.18            |
|            | (ii) Other Property, Plant and Equipment       | 6        | 104,813.86              | 97,604.70               |
|            | (iii) Right-of-use assets                      | 7        | 86,161.95               | 101,149.14              |
|            | <b>(b) Capital work in progress</b>            | 8        |                         |                         |
|            | (i) Oil and Gas Assets                         |          |                         |                         |
|            | 1) Development wells in progress               |          | 93,983.08               | 66,132.60               |
|            | 2) Oil and gas facilities in progress          |          | 203,360.48              | 193,523.00              |
|            | (ii) Others                                    |          | 31,580.26               | 27,881.24               |
|            | <b>(c) Intangible assets</b>                   | 9        | 1,677.46                | 1,823.95                |
|            | <b>(d) Intangible assets under development</b> |          |                         |                         |
|            | (i) Exploratory wells in progress              | 10       | 134,758.57              | 132,170.25              |
|            | <b>(e) Financial assets</b>                    |          |                         |                         |
|            | (i) Investments                                | 11       | 849,855.79              | 851,732.15              |
|            | (ii) Loans                                     | 13       | 16,965.35               | 14,470.58               |
|            | (iii) Deposits under site restoration fund     | 14       | 264,105.99              | 246,305.67              |
|            | (iv) Others                                    | 15       | 3,795.90                | 1,671.57                |
|            | <b>(f) Non-current tax assets (net)</b>        | 29       | 114,966.16              | 84,269.50               |
|            | <b>(g) Other non-current assets</b>            | 16       | 10,074.60               | 25,865.09               |
|            |                                                |          | <b>3,139,594.13</b>     | <b>3,013,377.62</b>     |
| <b>(2)</b> | <b>Current assets</b>                          |          |                         |                         |
|            | (a) Inventories                                | 17       | 83,195.13               | 78,614.15               |
|            | <b>(b) Financial assets</b>                    |          |                         |                         |
|            | (i) Trade receivables                          | 12       | 102,503.05              | 117,884.84              |
|            | (ii) Cash and cash equivalents                 | 18       | 771.94                  | 501.05                  |
|            | (iii) Other bank balances                      | 19       | 215,568.52              | 1,861.25                |
|            | (iv) Loans                                     | 13       | 2,591.37                | 2,442.24                |
|            | (v) Others                                     | 15       | 69,239.64               | 26,770.44               |
|            | (c) Other current assets                       | 16       | 56,907.15               | 131,190.79              |
|            |                                                |          | <b>530,776.80</b>       | <b>359,264.76</b>       |
|            | <b>Total assets</b>                            |          | <b>3,670,370.93</b>     | <b>3,372,642.38</b>     |
| <b>II.</b> | <b>EQUITY AND LIABILITIES</b>                  |          |                         |                         |
|            | <b>EQUITY</b>                                  |          |                         |                         |
|            | (a) Equity share capital                       | 20       | 62,901.39               | 62,901.39               |
|            | (b) Other equity                               | 21       | 2,515,557.02            | 2,308,579.47            |
|            | <b>Total equity</b>                            |          | <b>2,578,458.41</b>     | <b>2,371,480.86</b>     |





|                                                           | Particulars                                 | Note No. | As at March 31, 2023 | As at March 31, 2022 |
|-----------------------------------------------------------|---------------------------------------------|----------|----------------------|----------------------|
| (1)                                                       | <b>LIABILITIES</b>                          |          |                      |                      |
|                                                           | <b>Non-current liabilities</b>              |          |                      |                      |
|                                                           | <b>(a) Financial liabilities</b>            |          |                      |                      |
|                                                           | (i) Borrowings                              | 27       | 39,499.32            | 63,969.02            |
|                                                           | (ii) Lease Liabilities                      | 22       | 46,392.14            | 54,649.75            |
|                                                           | (iii) Others                                | 23       | 1,986.12             | 17,026.89            |
|                                                           | (b) Provisions                              | 24       | 374,738.02           | 301,862.37           |
|                                                           | (c) Deferred tax liabilities (net)          | 25       | 217,611.77           | 197,332.54           |
|                                                           | (d) Other non-current liabilities           | 26       | 186.04               | 307.29               |
|                                                           |                                             |          | <b>680,413.41</b>    | <b>635,147.86</b>    |
| (2)                                                       | <b>Current liabilities</b>                  |          |                      |                      |
|                                                           | <b>(a) Financial liabilities</b>            |          |                      |                      |
|                                                           | (i) Borrowings                              | 27       | 32,689.47            | -                    |
|                                                           | (ii) Lease Liabilities                      | 22       | 42,436.63            | 45,506.71            |
|                                                           | (iii) Trade payables                        | 28       |                      |                      |
|                                                           | - to micro and small enterprises            |          | 2,255.51             | 3,549.23             |
|                                                           | - to other than micro and small enterprises |          | 60,300.45            | 57,998.02            |
|                                                           | (iv) Others                                 | 23       | 223,684.76           | 190,289.28           |
|                                                           | (b) Other current liabilities               | 26       | 30,805.65            | 35,201.55            |
|                                                           | (c) Provisions                              | 24       | 19,326.64            | 33,468.87            |
|                                                           |                                             |          | <b>411,499.11</b>    | <b>366,013.66</b>    |
|                                                           | <b>Total liabilities</b>                    |          | <b>1,091,912.52</b>  | <b>1,001,161.52</b>  |
|                                                           | <b>Total equity and liabilities</b>         |          | <b>3,670,370.93</b>  | <b>3,372,642.38</b>  |
| 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/-  
(Arun Kumar Singh)  
Chairman & CEO  
(DIN: 06646894)

### In terms of our report of even date attached

**For SARC & Associates**  
Chartered Accountants  
Firm Reg. No: 006085N

**For Kalani & Co.**  
Chartered Accountants  
Firm Reg. No. 000722C

**For R.G.N. Price & Co.**  
Chartered Accountants  
Firm Reg. No.002785S

Sd/-  
(Pankaj Sharma)  
Partner (M.No. 086433)

Sd/-  
(Bhupender Mantri)  
Partner (M. No. 108170)

Sd/-  
(G Surendranath Rao)  
Partner (M. No. 022693)

**For S. Bhandari & Co. LLP**  
Chartered Accountants  
Firm Reg. No. 000560C/C400334

**For J Gupta & Co. LLP**  
Chartered Accountants  
Firm Reg. No.314010E/E300029

Sd/-  
(Sudha Jaideep Shetty)  
Partner (M. No. 047684)

Sd/-  
(Abhishek Raj)  
Partner (M. No. 302648)

**Date :** 26 May 2023  
**Place:** New Delhi

## Standalone Statement of Profit and Loss for the year ended March 31, 2023

(₹ in Million)

|      | Particulars                                                                  | Note No. | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
|------|------------------------------------------------------------------------------|----------|------------------------------|------------------------------|
| I    | Revenue from operations                                                      | 30       | 1,555,173.15                 | 1,103,453.98                 |
| II   | Other income                                                                 | 31       | 76,265.52                    | 65,155.83                    |
| III  | <b>Total income (I+II)</b>                                                   |          | <b>1,631,438.67</b>          | <b>1,168,609.81</b>          |
| IV   | <b>EXPENSES</b>                                                              |          |                              |                              |
|      | Changes in inventories of finished/ semi-finished goods and work in progress | 32 & 33  | (4,816.68)                   | (1,429.48)                   |
|      | Production, transportation, selling and distribution expenditure             | 34       | 712,108.10                   | 500,195.75                   |
|      | Exploration costs written off                                                |          |                              |                              |
|      | a. Survey Costs                                                              |          | 39,396.59                    | 17,643.59                    |
|      | b. Exploratory well Costs                                                    |          | 60,547.90                    | 37,439.30                    |
|      | Finance costs                                                                | 35       | 26,996.01                    | 23,598.62                    |
|      | Depreciation, depletion, amortisation and impairment                         | 36       | 167,951.55                   | 175,457.01                   |
|      | Other impairment and write offs                                              | 37       | 32,950.83                    | 5,305.16                     |
|      | <b>Total expenses (IV)</b>                                                   |          | <b>1,035,134.30</b>          | <b>758,209.95</b>            |
| V    | Profit before exceptional items and tax (III-IV)                             |          | 596,304.37                   | 410,399.86                   |
| VI   | Exceptional items- Income/(expenses)                                         | 24.4     | (92,351.14)                  | -                            |
| VII  | <b>Profit before tax (V+VI)</b>                                              |          | <b>503,953.23</b>            | <b>410,399.86</b>            |
| VIII | Tax expense:                                                                 | 38       |                              |                              |
|      | (a) Current tax relating to:                                                 |          |                              |                              |
|      | - current year                                                               |          | 126,200.00                   | 94,540.00                    |
|      | - earlier years                                                              |          | (28,448.24)                  | (4,779.99)                   |
|      | (b) Deferred tax                                                             |          | 17,912.80                    | (82,417.52)                  |
|      | <b>Total tax expense (VIII)</b>                                              |          | <b>115,664.56</b>            | <b>7,342.49</b>              |
| IX   | <b>Profit for the year (VII-VIII)</b>                                        |          | <b>388,288.67</b>            | <b>403,057.37</b>            |
| X    | <b>Other comprehensive income (OCI)</b>                                      |          |                              |                              |
|      | (a) Items that will not be reclassified to profit or loss                    |          |                              |                              |
|      | (i) Re-measurement of the defined benefit obligations                        |          | (463.84)                     | 1,708.08                     |
|      | - Deferred tax                                                               |          | 116.74                       | (1,979.12)                   |
|      | (ii) Equity instruments through other comprehensive income                   |          | (2,356.19)                   | 40,627.42                    |
|      | - Deferred tax                                                               |          | (2,483.16)                   | (3,037.27)                   |
|      | <b>Total other comprehensive income (net of tax) (X)</b>                     |          | <b>(5,186.45)</b>            | <b>37,319.11</b>             |
| XI   | <b>Total comprehensive income for the year (IX+X)</b>                        |          | <b>383,102.22</b>            | <b>440,376.48</b>            |
| XII  | Earnings per equity share:                                                   | 40       |                              |                              |
|      | Basic and diluted (in ₹)                                                     |          | 30.86                        | 32.04                        |
|      | 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/-  
(Arun Kumar Singh)  
Chairman & CEO  
(DIN: 06646894)

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Chartered Accountants  
Firm Reg. No: 006085N

**For Kalani & Co.**  
Chartered Accountants  
Firm Reg. No. 000722C

**For R.G.N. Price & Co.**  
Chartered Accountants  
Firm Reg. No.002785S

Sd/-  
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Partner (M.No. 086433)

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Partner (M. No. 108170)

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Partner (M. No. 022693)

**For S. Bhandari & Co. LLP**  
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**For J Gupta & Co. LLP**  
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Sd/-  
(Sudha Jaideep Shetty)  
Partner (M. No. 047684)

Sd/-  
(Abhishek Raj)  
Partner (M. No. 302648)

**Date :** 26 May 2023

**Place:** New Delhi

## Standalone Statement of Changes in Equity for the year ended March 31, 2023

### (i) Equity Share Capital

(₹ in Million)

| Particulars                                                | Amount           |
|------------------------------------------------------------|------------------|
| <b>Balance as at April 1, 2021</b>                         | <b>62,901.39</b> |
| Changes in Equity Share Capital due to prior period errors | -                |
| Restated Balance as at April 1, 2021                       | <b>62,901.39</b> |
| Change during the year                                     | -                |
| <b>Balance as at April 1, 2022</b>                         | <b>62,901.39</b> |
| Changes in Equity Share Capital due to prior period errors | -                |
| Restated Balance as at April 1, 2022                       | <b>62,901.39</b> |
| Change during the year                                     | -                |
| <b>Balance as at March 31, 2023</b>                        | <b>62,901.39</b> |

## (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 |                                                       |                     |
| <b>Balance as at April 1, 2021</b>                   | <b>1,868,585.42</b>  | <b>159.59</b>   | <b>1,264.78</b>            | <b>9,190.90</b>   | <b>103,483.58</b>                                     | <b>1,982,684.27</b> |
| 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           |
| <b>Total comprehensive income for the year</b>       | <b>-</b>             | <b>-</b>        | <b>-</b>                   | <b>402,786.33</b> | <b>37,590.15</b>                                      | <b>440,376.48</b>   |
| Payment of dividend                                  | -                    | -               | -                          | (114,481.28)      | -                                                     | (114,481.28)        |
| Transfer to General Reserve                          | 288,576.09           | -               | -                          | (288,576.09)      | -                                                     | -                   |
| <b>Balance as at March 31, 2022</b>                  | <b>2,157,161.51</b>  | <b>159.59</b>   | <b>1,264.78</b>            | <b>8,919.86</b>   | <b>141,073.73</b>                                     | <b>2,308,579.47</b> |
| Profit for the year                                  | -                    | -               | -                          | 388,288.67        | -                                                     | 388,288.67          |
| Re-measurement of defined benefit plans (net of tax) | -                    | -               | -                          | (347.10)          | -                                                     | (347.10)            |
| Other comprehensive income for the year (net of tax) | -                    | -               | -                          | -                 | (4,839.35)                                            | (4,839.35)          |
| <b>Total comprehensive income for the year</b>       | <b>-</b>             | <b>-</b>        | <b>-</b>                   | <b>387,941.57</b> | <b>(4,839.35)</b>                                     | <b>383,102.22</b>   |
| Payment of dividends                                 | -                    | -               | -                          | (176,124.67)      | -                                                     | (176,124.67)        |
| Transfer to General Reserve                          | 212,164.00           | -               | -                          | (212,164.00)      | -                                                     | -                   |
| <b>Balance as at March 31, 2023</b>                  | <b>2,369,325.51</b>  | <b>159.59</b>   | <b>1,264.78</b>            | <b>8,572.76</b>   | <b>136,234.38</b>                                     | <b>2,515,557.02</b> |

### FOR AND ON BEHALF OF THE BOARD

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(Rajni Kant)  
Company Secretary

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(Pomila Jaspal)  
Director (Finance)  
(DIN: 08436633)

Sd/-  
(Arun Kumar Singh)  
Chairman & CEO  
(DIN: 06646894)

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Firm Reg. No: 006085N

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Partner (M.No. 086433)

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(Abhishek Raj)  
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Chartered Accountants  
Firm Reg. No.002785S

Sd/-  
(G Surendranath Rao)  
Partner (M. No. 022693)

**Date :** 26 May 2023  
**Place:** New Delhi





## Standalone Statement of Cash Flows for the year ended March 31, 2023

(₹ in Million)

| Particulars                                                            | Year ended March 31, 2023 |                     | Year ended March 31, 2022 |                     |
|------------------------------------------------------------------------|---------------------------|---------------------|---------------------------|---------------------|
| <b>i) CASH FLOWS FROM OPERATING ACTIVITIES:</b>                        |                           |                     |                           |                     |
| <b>Net Profit after tax</b>                                            |                           | <b>388,288.67</b>   |                           | <b>403,057.37</b>   |
| Adjustments For:                                                       |                           |                     |                           |                     |
| - Income tax expense                                                   | 115,664.56                |                     | 7,342.49                  |                     |
| - Exceptional items                                                    | 92,351.14                 |                     | -                         |                     |
| - Depreciation, depletion, amortisation and impairment                 | 167,951.55                |                     | 175,457.01                |                     |
| - Exploratory well costs written off                                   | 60,547.90                 |                     | 37,439.30                 |                     |
| - Finance cost                                                         | 26,996.01                 |                     | 23,598.62                 |                     |
| - Unrealized foreign exchange loss/(gain)                              | 11,612.03                 |                     | 3,823.01                  |                     |
| - Other impairment and write offs                                      | 32,950.83                 |                     | 5,305.16                  |                     |
| - Excess provision written back                                        | (3,270.68)                |                     | (780.67)                  |                     |
| - Interest income                                                      | (28,253.81)               |                     | (11,753.89)               |                     |
| - Loss / (gain) on fair valuation of financial instruments             | 1,762.48                  |                     | 1,820.54                  |                     |
| - Amortization of financial guarantee                                  | (385.46)                  |                     | (383.81)                  |                     |
| - Gain on revaluation / redemption of financial liability towards CCDs | (3,968.76)                |                     | (1,439.34)                |                     |
| - Re-measurement of defined benefit plans                              | (463.84)                  |                     | 1,708.08                  |                     |
| - Liabilities no longer required written Back                          | (2,503.73)                |                     | (1,783.08)                |                     |
| - Amortization of government grant                                     | (19.39)                   |                     | (21.91)                   |                     |
| - Loss / (profit) on sale of investment                                | -                         |                     | (49.44)                   |                     |
| - Profit on sale of non-current assets                                 | (3.93)                    |                     | -                         |                     |
| - Dividend income                                                      | (25,006.50)               | <b>445,960.40</b>   | (42,519.48)               | <b>197,762.59</b>   |
| <b>Operating profit before working capital changes</b>                 |                           | <b>834,249.07</b>   |                           | <b>600,819.96</b>   |
| Adjustments for                                                        |                           |                     |                           |                     |
| - Receivables                                                          | 16,345.63                 |                     | (39,751.72)               |                     |
| - Loans and advances                                                   | 5,398.52                  |                     | (3,306.72)                |                     |
| - Other assets                                                         | 39,843.27                 |                     | (9,793.28)                |                     |
| - Inventories                                                          | (4,461.47)                |                     | 5,430.43                  |                     |
| - Trade payable and other liabilities                                  | 28,283.28                 | <b>85,409.23</b>    | 37,414.89                 | <b>(10,006.40)</b>  |
| <b>Cash generated from operations</b>                                  |                           | <b>919,658.30</b>   |                           | <b>590,813.56</b>   |
| Income taxes paid (Net of tax refund)                                  |                           | <b>(128,448.42)</b> |                           | <b>(97,799.31)</b>  |
| <b>Net cash generated by operating activities "A"</b>                  |                           | <b>791,209.88</b>   |                           | <b>493,014.25</b>   |
| <b>ii) CASH FLOWS FROM INVESTING ACTIVITIES:</b>                       |                           |                     |                           |                     |
| Payments for property, plant and equipment                             |                           | (252,755.41)        |                           | (177,105.60)        |
| Proceeds from disposal of property, plant and equipment                |                           | 1,595.41            |                           | 493.43              |
| Exploratory and development drilling                                   |                           | (116,903.23)        |                           | (97,319.89)         |
| Investment in term deposits with maturity 3 to 12 months               |                           | (213,550.00)        |                           | -                   |
| Redemption / investment in mutual funds (net)                          |                           | -                   |                           | 49.44               |
| Investment in joint ventures                                           |                           | (300.00)            |                           | (1,070.00)          |
| Investment-others                                                      |                           | (150.00)            |                           | (208.46)            |
| Deposit in site restoration fund                                       |                           | (17,800.32)         |                           | (12,718.89)         |
| Dividends received from subsidiaries, associates and joint ventures    |                           | 18,667.85           |                           | 26,518.42           |
| Dividends received on other investments                                |                           | 6,338.65            |                           | 16,001.06           |
| Interest received                                                      |                           | 18,372.16           |                           | 10,340.26           |
| <b>Net cash (used in)/generated by investing activities "B"</b>        |                           | <b>(556,484.89)</b> |                           | <b>(235,020.23)</b> |

| Particulars                                                               | Year ended March 31, 2023 |                     | Year ended March 31, 2022 |                     |
|---------------------------------------------------------------------------|---------------------------|---------------------|---------------------------|---------------------|
| <b>iii) CASH FLOWS FROM FINANCING ACTIVITIES:</b>                         |                           |                     |                           |                     |
| Proceeds/repayment of current borrowings (net)                            |                           | 6,289.99            |                           | (86,950.33)         |
| Payment of lease liabilities (net of interest)                            |                           | (57,988.16)         |                           | (50,914.63)         |
| Interest expense on lease liabilities                                     |                           | (3,483.39)          |                           | (3,291.28)          |
| Dividends paid on equity shares                                           |                           | (176,089.65)        |                           | (114,487.01)        |
| Interest paid                                                             |                           | (3,182.89)          |                           | (3,048.76)          |
| <b>Net cash used in financing activities "C"</b>                          |                           | <b>(234,454.10)</b> |                           | <b>(258,692.01)</b> |
| <b>Net increase / (decrease) in cash and cash equivalents (A + B + C)</b> |                           | <b>270.89</b>       |                           | <b>(697.99)</b>     |
| Cash and cash equivalents at the beginning of the year                    |                           | 501.05              |                           | 1,199.04            |
| Cash and cash equivalents at the end of the year                          |                           | 771.94              |                           | 501.05              |
|                                                                           |                           | <b>270.89</b>       |                           | <b>(697.99)</b>     |

**a) Cash and cash equivalents comprises of:-**

(₹ in Million)

| Particulars                                              | As at March 31, 2023 | As at March 31, 2022 |
|----------------------------------------------------------|----------------------|----------------------|
| Balances with banks                                      | 769.26               | 498.84               |
| Cash in hand                                             | 2.68                 | 2.21                 |
| <b>Cash and cash equivalents (Note No. 18)</b>           | <b>771.94</b>        | <b>501.05</b>        |
| <b>Cash and cash equivalents in cash flows statement</b> | <b>771.94</b>        | <b>501.05</b>        |

**b) Reconciliation of Liabilities arising from Financing Activities:-**

For FY 2022-23

(₹ in Million)

| Particulars                                  | As at March 31, 2022 | Financing Cash Flows |           | Non Cash Flows<br>-Exchange Loss / (Gain)<br>& amortisation of discount | As at March 31, 2023 |
|----------------------------------------------|----------------------|----------------------|-----------|-------------------------------------------------------------------------|----------------------|
|                                              |                      | Proceeds Raised      | Repayment |                                                                         |                      |
| <b>Non-current borrowings</b>                |                      |                      |           |                                                                         |                      |
| - Foreign Currency Bond (Note No. 27.3)      | 22,571.34            | -                    | -         | 1,928.88                                                                | 24,500.22            |
| - Non-Convertible Debentures (Note No. 27.2) | 41,397.68            | -                    | -         | 0.90                                                                    | 41,398.58            |
| <b>Total</b>                                 | <b>63,969.02</b>     | <b>-</b>             | <b>-</b>  | <b>1,929.78</b>                                                         | <b>65,898.80</b>     |

| Particulars                                | As at<br>March 31,<br>2022 | Financing Cash Flows        | Non Cash Flows<br>-Exchange Loss / (Gain) | As at<br>March 31,<br>2023 |
|--------------------------------------------|----------------------------|-----------------------------|-------------------------------------------|----------------------------|
|                                            |                            | Proceeds/repayment<br>(net) |                                           |                            |
| <b>Current borrowings</b>                  |                            |                             |                                           |                            |
| - Working Capital Loans<br>(Note No. 27.1) | -                          | 6,289.99                    | -                                         | 6,289.99                   |
| <b>Total</b>                               | -                          | <b>6,289.99</b>             | -                                         | <b>6,289.99</b>            |



For FY 2021-22

(₹ in Million)

| Particulars                                     | As at<br>March 31,<br>2021 | Financing Cash Flows |           | Non Cash Flows<br>-Exchange Loss /<br>(Gain) & amortisation<br>of discount | As at<br>March 31,<br>2022 |
|-------------------------------------------------|----------------------------|----------------------|-----------|----------------------------------------------------------------------------|----------------------------|
|                                                 |                            | Proceeds<br>Raised   | Repayment |                                                                            |                            |
| <b>Non-current borrowings</b>                   |                            |                      |           |                                                                            |                            |
| - Foreign Currency Bond<br>(Note No. 27.3)      | 21,878.45                  | -                    | -         | 692.89                                                                     | 22,571.34                  |
| - Non-Convertible Debentures<br>(Note No. 27.2) | 41,396.76                  | -                    | -         | 0.92                                                                       | 41,397.68                  |
| <b>Total</b>                                    | <b>63,275.21</b>           | <b>-</b>             | <b>-</b>  | <b>693.81</b>                                                              | <b>63,969.02</b>           |

| Particulars                                | As at<br>March 31,<br>2021 | Financing Cash Flows     | Non Cash Flows<br>-Exchange Loss /<br>(Gain) | As at<br>March 31,<br>2022 |
|--------------------------------------------|----------------------------|--------------------------|----------------------------------------------|----------------------------|
|                                            |                            | Proceeds/repayment (net) |                                              |                            |
| <b>Current borrowings</b>                  |                            |                          |                                              |                            |
| - Foreign Currency Terms Loans             | 30,135.68                  | (30,135.68)              | -                                            | -                          |
| - Working Capital Loans<br>(Note No. 27.1) | 39,368.10                  | (39,368.10)              | -                                            | -                          |
| - Commercial Papers                        | 17,446.55                  | (17,446.55)              | -                                            | -                          |
| <b>Total</b>                               | <b>86,950.33</b>           | <b>(86,950.33)</b>       | -                                            |                            |

**FOR AND ON BEHALF OF THE BOARD**

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Company Secretary

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Director (Finance)  
(DIN: 08436633)

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Firm Reg. No. 000560C/C400334

Sd/-  
(Sudha Jaideep Shetty)  
Partner (M. No. 047684)

**For Kalani & Co.**  
Chartered Accountants  
Firm Reg. No. 000722C

Sd/-  
(Bhupender Mantri)  
Partner (M. No. 108170)

**For J Gupta & Co. LLP**  
Chartered Accountants  
Firm Reg. No.314010E/E300029

Sd/-  
(Abhishek Raj)  
Partner (M. No. 302648)

**For R.G.N. Price & Co.**  
Chartered Accountants  
Firm Reg. No.002785S

Sd/-  
(G Surendranath Rao)  
Partner (M. No. 022693)

**Date :** 26 May 2023  
**Place:** New Delhi

## **Notes to the Standalone Financial Statement for the year ended March 31, 2023**

### **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) Amendment Rules, 2023 on March 31, 2023, whereby the amendments to various Indian Accounting Standards (Ind AS) has been made applicable with effect from April 1, 2023 onwards. Amended requirements as per these rules in relation to various Standards are as follows:

Ind AS 1 – Presentation of Financial Statements: The amendments require companies to disclose their material accounting policy information rather than their significant accounting policies. The Company has evaluated the requirements of the amendment and its impact on Financial Statements is not likely to be material.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors: The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. The amendments will help entities to distinguish between accounting policies and accounting estimates. The Company has evaluated the requirements of the amendment and there is no impact on its Financial Statements.

Ind AS 12 – Income Taxes: The amendments narrowed the scope of the recognition exemption so that it no longer applies to transactions that, on initial

recognition, give rise to equal taxable and deductible temporary differences. The Company has evaluated the requirements of the amendment and there is no impact on its Financial Statements.

Amendments to other Indian Accounting Standards viz. Ind AS 101- First-time Adoption of Indian Accounting Standards, Ind AS 102 – Share Based Payments, Ind AS 103- Business Combinations, Ind AS 107- Financial Instruments - Disclosures, Ind AS 109 - Financial Instruments, and Ind AS 34 Interim Financial Reporting are either consequential to above amendments or clerical in nature. The Company has evaluated the requirements of the amendments and there is no impact on its Financial Statements.

### **3. Significant accounting policies**

#### **3.1 Statement of compliance**

In accordance with the notification dated February 16, 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, associates and joint ventures. 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 recognized when 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.

Items of property, plant and equipment acquired/constructed subsequent to transition date are initially recognized at cost. 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.

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. 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 that are acquired subsequent to transition date by the Company, which have finite useful lives, are recognized at cost.

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 acquired/constructed subsequent to transition date are initially recognized at Cost and then subsequently carried at 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 (being residual in nature) and carbon credits are valued at net realisable value. The value of inventories includes amortization cost of relevant assets, production related costs, excise duty and royalty (wherever applicable) but excludes recoverable taxes and 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 on deposit with banks is recognised at effective interest rate applicable, interest income from other financial assets is recognised at the effective interest rate method 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.

Non-monetary items denominated in foreign currency which are measured in terms of historical cost are recorded using the exchange rate at the date of the transaction.

### 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 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 contributory provident fund, 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 contributory provident fund, gratuity and un-availed leave to the ONGC's Provident Fund Trust, 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.

An onerous contract provision is recognised when the unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable cost under a contract is the lower of the cost of fulfilling the contract and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract. Before an onerous provision is recognised the Company first recognises any impairment loss that has occurred on assets dedicated to that contract.

### **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 except for trade receivables which are initially measured at transaction price. 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, 2023, 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, 2023 is ₹1,766.85 Million (Previous year ₹1,699.28 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. 5.29% (Previous year 4.67%) 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. 6.98% (Previous year 6.92%).

##### **(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 16.10% (Previous year 14.74%) for Rupee transactions and 12.16% (Previous year 10.10%) for crude oil, natural gas and value added products revenue, which are measured in USD. 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 petrophysical 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, 2023 | As at March 31, 2022 |
|-------------------------------------------------------|----------------------|----------------------|
| <b>Gross cost</b> (Note No. 5.1 & 5.2)                |                      |                      |
| Opening balance                                       | 2,025,595.45         | 1,850,826.81         |
| Transfer from Intangible Assets under Development     |                      |                      |
| Exploratory Wells-in Progress                         | 5,550.52             | 20,474.05            |
| Transfer from Development Wells-in-Progress           | 78,570.86            | 70,747.12            |
| Increase/(decrease) in Decommissioning cost estimates | 51,028.95            | 25,008.27            |
| Addition during the year                              | 66,368.20            | 58,520.82            |
| Deletion/Retirement during the year                   | (691.28)             | (256.21)             |
| Reclassification / Other adjustments                  | 100.77               | 274.59               |
|                                                       | <b>2,226,523.47</b>  | <b>2,025,595.45</b>  |
| <b>Less: Accumulated Depletion and Impairment</b>     |                      |                      |
| <b>Accumulated Depletion</b>                          |                      |                      |
| Opening balance                                       | 822,289.68           | 696,200.58           |
| Provided for the year (Note No. 36)                   | 142,524.91           | 126,254.84           |
| Deletion/Retirement during the year                   | (125.70)             | (6.00)               |
| Reclassification / Other adjustments                  | 33.29                | (159.74)             |
|                                                       | <b>964,722.18</b>    | <b>822,289.68</b>    |
| <b>Accumulated Impairment</b>                         |                      |                      |
| Opening balance                                       | 34,527.59            | 47,835.71            |
| Provided for the year                                 | 7,476.43             | 10,315.50            |
| Written back of impairment                            | (3,697.41)           | (23,623.62)          |
|                                                       | <b>38,306.61</b>     | <b>34,527.59</b>     |
| <b>Total</b>                                          | <b>1,223,494.68</b>  | <b>1,168,778.18</b>  |

**5.1** The Company had 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 USD 33.81 Million (₹2,402.18 Million) for Tapti Part-A facilities and USD 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. During the year 2021-22 in the 1st Bid round the Company issued notice of award (NOA) for 49 marginal fields covering 13 contract areas through the bidding process. Contracts were signed 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. For bid out of balance 43 marginal nomination fields in 11 Contract Areas, the Company had issued notice inviting tenders under 2nd Bid round. During the year the Company has issued NOAs to the successful bidders for 39 Fields in 9 Contract Areas for which post award activities are in progress. Currently

17 Fields, awarded under 1st bid round, are being operated under PEC contracts. The impact of same on the financial statements for the year ended March 31, 2023 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 damages to offshore facilities/platforms. The occurrence of incident was intimated to the Insurance Company, under offshore insurance package policy and surveyors / Loss adjustors were appointed by them for the incident. During the year the physical survey of facilities/platforms have been undertaken by the surveyors / Loss adjustors and the Company has submitted the estimated claim amount of ₹8,255.00 Million (USD 103 Million) for the expenditure incurred / likely to be incurred on restoration of damages caused by the cyclone. Since various activities under the claim viz. the actual completion of all repairs, incurrence of expenditure, completion of review of documentation by the surveyors and submission of full findings to the insurers, is likely to take some more time, the company has requested for release of 'On Account' payment against the claim, During the year Company has received 'On Account' payment of ₹1,314.54 Million (USD 16 Million; Gross USD 36 Million less policy deductible of USD 20 Million) and same has been accounted for as miscellaneous receipts (refer Note no 31 and Note no 6.3).

## 6. Other Property, Plant and Equipment

(₹ in Million)

| Carrying amount of:<br>(Note No. 6.1) | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---------------------------------------|-------------------------|-------------------------|
| Freehold land                         | 11,673.78               | 10,579.51               |
| Building and bunk<br>houses           | 15,879.83               | 15,607.94               |
| Plant and equipment                   | 69,615.78               | 62,666.33               |
| Furniture and fixtures                | 1,544.24                | 1,724.87                |
| Office equipment                      | 2,804.32                | 2,784.47                |
| Vehicles, ships &<br>boats            | 3,295.91                | 4,241.58                |
| <b>Total</b>                          | <b>104,813.86</b>       | <b>97,604.70</b>        |

(₹ in Million)

| Cost or deemed cost              | Freehold land    | Buildings and bunk houses | Plant and equipment | Furniture and fixtures | Office equipment | Vehicles, ships & boats | Total             |
|----------------------------------|------------------|---------------------------|---------------------|------------------------|------------------|-------------------------|-------------------|
| <b>Balance at March 31, 2021</b> | <b>9,557.73</b>  | <b>24,624.16</b>          | <b>140,678.94</b>   | <b>7,264.51</b>        | <b>9,053.27</b>  | <b>10,013.78</b>        | <b>201,192.39</b> |
| 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)        |
| <b>Balance at March 31, 2022</b> | <b>10,664.47</b> | <b>26,643.81</b>          | <b>157,561.24</b>   | <b>7,398.45</b>        | <b>9,699.76</b>  | <b>11,314.45</b>        | <b>223,282.18</b> |
| Additions                        | 1,094.27         | 1,938.76                  | 22,151.14           | 616.72                 | 2,294.45         | 1,335.30                | 29,430.64         |
| Disposals/ adjustments           | -                | (10.51)                   | (1,218.08)          | (569.55)               | (1,222.07)       | (12.13)                 | (3,032.34)        |
| <b>Balance at March 31, 2023</b> | <b>11,758.74</b> | <b>28,572.06</b>          | <b>178,494.30</b>   | <b>7,445.62</b>        | <b>10,772.14</b> | <b>12,637.62</b>        | <b>249,680.48</b> |

(₹ in Million)

| Accumulated depreciation and impairment                      | Freehold land | Buildings and bunk houses | Plant and equipment | Furniture and fixtures | Office equipment | Vehicles, ships & boats | Total             |
|--------------------------------------------------------------|---------------|---------------------------|---------------------|------------------------|------------------|-------------------------|-------------------|
| <b>Balance at March 31, 2021</b>                             | -             | <b>9,346.16</b>           | <b>82,549.38</b>    | <b>5,410.57</b>        | <b>6,131.00</b>  | <b>7,074.58</b>         | <b>110,511.69</b> |
| 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)          |
| <b>Balance at March 31, 2022</b>                             | <b>84.96</b>  | <b>11,035.87</b>          | <b>94,894.91</b>    | <b>5,673.58</b>        | <b>6,915.29</b>  | <b>7,072.87</b>         | <b>125,677.48</b> |
| Depreciation expense                                         | -             | 1,661.07                  | 14,355.34           | 734.87                 | 2,173.01         | 2,278.86                | 21,203.15         |
| Impairment loss recognised in profit or loss                 | -             | -                         | 17.64               | 0.38                   | 7.70             | -                       | 25.72             |
| Eliminated on disposal / adjustments of assets               | -             | (4.71)                    | (389.37)            | (507.45)               | (1,128.18)       | (10.02)                 | (2,039.73)        |
| Impairment loss written back during the year                 | -             | -                         | -                   | -                      | -                | -                       | -                 |
| <b>Balance at March 31, 2023</b>                             | <b>84.96</b>  | <b>12,692.23</b>          | <b>108,878.52</b>   | <b>5,901.38</b>        | <b>7,967.82</b>  | <b>9,341.71</b>         | <b>144,866.62</b> |

a. Building includes cost of undivided interest in land.

**b. Details of immovable properties not having title deed in the name of the Company**
**As at March 31, 2023**

| 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                                                                                                                      | February 29, 1984              | Registration under process                           |
| Property Plant & Equipment              | Building/ Flats                 | 28.62                               | Seller- Industrial/ Infrastructure Development Corporation | No                                                                                                                      | February 29, 1984              | Registration under process.                          |
| Property Plant & Equipment              | Building/ Flats                 | 1.87                                | Seller-State Development Authority                         | No                                                                                                                      | February 29, 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                                                                                                                      | March 31, 2001                 | Registration under process.                                                           |
| Property Plant & Equipment              | Building/ Flats                 | 4.80                                | Seller-Co-op Housing Society                               | No                                                                                                                      | February 29, 1984              | Registration under process.                                                           |
| Property Plant & Equipment              | Building/ Flats                 | 155.01                              | Seller- State Development Authority                        | No                                                                                                                      | April 01, 1985                 | Matter pending with Metropolitan Development Authority                                |
| Property Plant & Equipment              | 3 Land                          | 0.02                                | Seller(s)-Individual(s)                                    | No                                                                                                                      | August 17, 2011                | Registration under process                                                            |
| Property Plant & Equipment              | Land                            | 0.18                                | Seller(s)-Individual(s)                                    | No                                                                                                                      | March 06, 2012                 | Registration under process                                                            |
| Property Plant & Equipment              | Land                            | 0.08                                | Seller(s)-Individual(s)                                    | No                                                                                                                      | May 18, 2012                   | Registration under process                                                            |
| Property Plant & Equipment              | Land                            | 37.47                               | Seller(s)-Individual(s)                                    | No                                                                                                                      | September 30, 2015             | Registration under process.                                                           |
| Property Plant & Equipment              | Land                            | 1,272.01                            | Seller- Industrial/ Infrastructure Development Corporation | No                                                                                                                      | April 22, 2016                 | Sale Deed will be executed on commissioning of project as per the terms of agreement. |
| <b>Total</b>                            |                                 | <b>1,589.40</b>                     |                                                            |                                                                                                                         |                                |                                                                                       |

#### 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                                                                                                                      | February 29, 1984              | Pursuant to Registrar's order, registration is under process. |
| Property Plant & Equipment              | Building/ Flats                 | 28.62                               | Seller- Industrial/ Infrastructure Development Corporation | No                                                                                                                      | February 29, 1984              | Registration under process.                                   |
| Property Plant & Equipment              | Building/ Flats                 | 1.87                                | Seller-State Development Authority                         | No                                                                                                                      | February 29, 1984              | Registration under process.                                   |
| Property Plant & Equipment              | Building/ Flats                 | 70.96                               | Seller-State Development Authority                         | No                                                                                                                      | March 31, 2001                 | Registration under process.                                   |
| Property Plant & Equipment              | Building/ Flats                 | 4.80                                | Seller-Co-op Housing Society                               | No                                                                                                                      | February 29, 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                 | 155.01                              | Seller- State Development Authority                        | No                                                                                                                      | April 01, 1985                 | Matter pending with Metropolitan Development Authority                                |
| Property Plant & Equipment              | 3 Land                          | 0.02                                | Seller(s)-Individual(s)                                    | No                                                                                                                      | August 17, 2011                | Registration under process                                                            |
| Property Plant & Equipment              | Land                            | 0.18                                | Seller(s)-Individual(s)                                    | No                                                                                                                      | March 06, 2012                 | Registration under process                                                            |
| Property Plant & Equipment              | Land                            | 0.08                                | Seller(s)-Individual(s)                                    | No                                                                                                                      | May 18, 2012                   | Registration under process                                                            |
| Property Plant & Equipment              | Land                            | 37.47                               | Seller(s)-Individual(s)                                    | No                                                                                                                      | September 30, 2015             | Registration under process                                                            |
| Property Plant & Equipment              | Land                            | 1,272.01                            | Seller- Industrial/ Infrastructure Development Corporation | No                                                                                                                      | April 22, 2016                 | Sale Deed will be executed on commissioning of project as per the terms of agreement. |
| <b>Total</b>                            |                                 | <b>1,589.40</b>                     |                                                            |                                                                                                                         |                                |                                                                                       |

**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 damages to offshore facilities/platforms. The occurrence of incident was intimated to the Insurance Company, under offshore insurance package policy and surveyors / Loss adjustors were appointed by them for the incident. During the year the physical





survey of facilities/platforms have been undertaken by the surveyors / Loss adjustors and the Company has submitted the estimated claim amount of ₹8,255.00 Million (USD 103 Million) for the expenditure incurred / likely to be incurred on restoration of damages caused by the cyclone. Since various activities under the claim viz. the actual completion of all repairs, incurrence of expenditure, completion of review of documentation by the surveyors and submission

of full findings to the insurers, is likely to take some more time, the company has requested for release of 'On Account' payment against the claim, During the year Company has received 'On Account' payment of ₹1,314.54 Million (USD 16 Million; Gross USD 36 Million less policy deductible of USD 20 Million) and same has been accounted for as miscellaneous receipts (refer Note no 31 and Note no 5.4).

## 7. Right of Use (ROU) Assets

(₹ in Million)

| Carrying amount of:     | As at March 31, 2023 | As at March 31, 2022 |
|-------------------------|----------------------|----------------------|
| Land                    | 4,865.27             | 4,907.95             |
| Buildings               | 700.74               | 302.55               |
| Plant and equipment     | 63,686.72            | 72,017.92            |
| Vehicles, ships & boats | 16,909.22            | 23,920.72            |
| <b>Total</b>            | <b>86,161.95</b>     | <b>101,149.14</b>    |

(₹ in Million)

| Cost                                               | Land            | Buildings       | Plant and equipment | Vehicles, ships & boats | Total             |
|----------------------------------------------------|-----------------|-----------------|---------------------|-------------------------|-------------------|
| <b>Balance at March 31, 2021</b>                   | <b>5,133.22</b> | <b>361.30</b>   | <b>145,647.46</b>   | <b>47,578.20</b>        | <b>198,720.18</b> |
| Additions                                          | -               | 338.48          | 33,463.38           | 10,707.41               | 44,509.27         |
| Adjustments on completion/<br>Termination of Lease | -               | -               | (26,021.37)         | (4,624.90)              | (30,646.27)       |
| <b>Balance at March 31, 2022</b>                   | <b>5,133.22</b> | <b>699.78</b>   | <b>153,089.47</b>   | <b>53,660.71</b>        | <b>212,583.18</b> |
| Additions                                          | 26.28           | 862.42          | 33,508.70           | 6,432.41                | 40,829.81         |
| Adjustments on completion/<br>Termination of Lease | (5.51)          | -               | (1,899.24)          | (2,509.82)              | (4,414.57)        |
| <b>Balance at March 31, 2023</b>                   | <b>5,153.99</b> | <b>1,562.20</b> | <b>184,698.93</b>   | <b>57,583.30</b>        | <b>248,998.42</b> |

(₹ in Million)

| Accumulated depreciation                           | Land          | Buildings     | Plant and equipment | Vehicles, ships & boats | Total             |
|----------------------------------------------------|---------------|---------------|---------------------|-------------------------|-------------------|
| <b>Balance at March 31, 2021</b>                   | <b>161.04</b> | <b>269.81</b> | <b>72,232.56</b>    | <b>18,702.87</b>        | <b>91,366.28</b>  |
| Depreciation                                       | 64.23         | 127.42        | 35,622.94           | 14,528.56               | 50,343.15         |
| Adjustments on completion/<br>Termination of Lease | -             | -             | (26,783.95)         | (3,491.44)              | (30,275.39)       |
| <b>Balance at March 31, 2022</b>                   | <b>225.27</b> | <b>397.23</b> | <b>81,071.55</b>    | <b>29,739.99</b>        | <b>111,434.04</b> |
| Depreciation                                       | 64.75         | 464.23        | 41,650.70           | 11,726.77               | 53,906.45         |
| Adjustments on completion/<br>Termination of Lease | (1.30)        | -             | (1,710.04)          | (792.68)                | (2,504.02)        |
| <b>Balance at March 31, 2023</b>                   | <b>288.72</b> | <b>861.46</b> | <b>121,012.21</b>   | <b>40,674.08</b>        | <b>162,836.47</b> |

**7.1** Effective April 1, 2019, the Company had 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(s) where lease agreement(s) is not executed in favour of the Company

**As at March 31, 2023**

| 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 lease agreement not executed in favour of the Company      |
|-----------------------------------------|---------------------------------|-------------------------------------|------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|--------------------------------|-----------------------------------------------------------------------|
| Right-of-Use Assets                     | Land-leasehold                  | 47.14                               | Seller- Industrial/ Infrastructure Development Corporation | No                                                                                                                        | October 28, 1985               | Matter subjudice at High Court.                                       |
| Right-of-Use Assets                     | Land-Leasehold                  | 36.25                               | Seller- Industrial/ Infrastructure Development Corporation | No                                                                                                                        | February 29, 1984              | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets                     | Land-Leasehold                  | 15.16                               | Seller- Industrial/ Infrastructure Development Corporation | No                                                                                                                        | March 10, 1983                 | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets                     | Land-Leasehold                  | 5.24                                | Seller- Industrial/ Infrastructure Development Corporation | No                                                                                                                        | March 10, 1983                 | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets                     | Land-Leasehold                  | 1.02                                | Seller- Industrial/ Infrastructure Development Corporation | No                                                                                                                        | July 02, 1982                  | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets                     | Land-Leasehold                  | 29.90                               | Seller- Industrial/ Infrastructure Development Corporation | No                                                                                                                        | November 05, 1979              | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets                     | Land-Leasehold                  | 75.46                               | Seller- Industrial/ Infrastructure Development Corporation | No                                                                                                                        | October 01, 1982               | 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 lease agreement not executed in favour of the Company      |
|-----------------------------------------|---------------------------------|-------------------------------------|------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|--------------------------------|-----------------------------------------------------------------------|
| Right-of-Use Assets                     | Land-Leasehold                  | 0.44                                | Seller- Industrial/ Infrastructure Development Corporation | No                                                                                                                       | May 25, 1987                   | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets                     | Land-Leasehold                  | 5.80                                | Seller- Industrial/ Infrastructure Development Corporation | No                                                                                                                       | May 07, 1987                   | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets                     | Land-Leasehold                  | 0.34                                | Seller- Industrial/ Infrastructure Development Corporation | No                                                                                                                       | November 30, 1987              | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets                     | Land-Leasehold                  | 1.28                                | Seller- State Housing Development Authority                | No                                                                                                                       | January 31, 1994               | Matter pending with State Housing Development Authority               |
| Right-of-Use Assets                     | Land-Leasehold                  | 3.69                                | Seller- State Housing Development Authority                | No                                                                                                                       | January 31, 1994               | Matter pending with State Housing Development Authority               |
| Right-of-Use Assets*                    | Land-Leasehold                  | 367.33                              | Seller- Industrial/ Infrastructure Development Corporation | No                                                                                                                       | September 30, 1996             | Registration under process                                            |
|                                         | <b>Total</b>                    | <b>589.05</b>                       |                                                            |                                                                                                                          |                                |                                                                       |

\*The lease deed pertaining to this asset has since been executed in the name of Company on April 18, 2023

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 lease agreement not executed in favour of the Company      |
|-----------------------------------------|---------------------------------|-------------------------------------|------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|--------------------------------|-----------------------------------------------------------------------|
| Right-of-Use Assets                     | Land-leasehold                  | 350.82                              | Seller- Industrial/ Infrastructure Development Corporation | No                                                                                                                       | September 30, 1996             | Matter pending with State Industrial Development Corporation          |
| Right-of-Use Assets                     | Land-Leasehold                  | 47.14                               | Seller- Industrial/ Infrastructure Development Corporation | No                                                                                                                       | October 28, 1985               | Matter subjudice at High Court.                                       |
| Right-of-Use Assets                     | Land-Leasehold                  | 36.25                               | Seller- Industrial/ Infrastructure Development Corporation | No                                                                                                                       | February 29, 1984              | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets                     | Land-Leasehold                  | 15.16                               | Seller- Industrial/ Infrastructure Development Corporation | No                                                                                                                       | March 10, 1983                 | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets                     | Land-Leasehold                  | 5.24                                | Seller- Industrial/ Infrastructure Development Corporation | No                                                                                                                       | March 10, 1983                 | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets                     | Land-Leasehold                  | 1.02                                | Seller- Industrial/ Infrastructure Development Corporation | No                                                                                                                       | July 02, 1982                  | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets                     | Land-Leasehold                  | 29.90                               | Seller- Industrial/ Infrastructure Development Corporation | No                                                                                                                       | November 05, 1979              | 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 lease agreement not executed in favour of the Company      |
|-----------------------------------------|---------------------------------|-------------------------------------|------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|--------------------------------|-----------------------------------------------------------------------|
| Right-of-Use Assets                     | Land-Leasehold                  | 75.46                               | Seller- Industrial/ Infrastructure Development Corporation | No                                                                                                                       | October 01, 1982               | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets                     | Land-Leasehold                  | 0.44                                | Seller- Industrial/ Infrastructure Development Corporation | No                                                                                                                       | May 25, 1987                   | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets                     | Land-Leasehold                  | 5.80                                | Seller- Industrial/ Infrastructure Development Corporation | No                                                                                                                       | May 07, 1987                   | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets                     | Land-Leasehold                  | 0.34                                | Seller- Industrial/ Infrastructure Development Corporation | No                                                                                                                       | November 30, 1987              | Matter pending with State City and Industrial Development Corporation |
| Right-of-Use Assets                     | Land-Leasehold                  | 1.28                                | Seller- State Housing Development Authority                | No                                                                                                                       | January 31, 1994               | Matter pending with State Housing Development Authority               |
| Right-of-Use Assets                     | Land-Leasehold                  | 3.69                                | Seller- State Housing Development Authority                | No                                                                                                                       | January 31, 1994               | Matter pending with State Housing Development Authority               |
| <b>Total</b>                            |                                 | <b>572.54</b>                       |                                                            |                                                                                                                          |                                |                                                                       |



## 8. Capital Work-in-Progress

(₹ in Million)

| Particulars                                                       | As at March 31, 2023 | As at March 31, 2022 |
|-------------------------------------------------------------------|----------------------|----------------------|
| <b>A) Oil and Gas Assets</b> (Note No. 8.1)                       |                      |                      |
| <b>(i) Development Wells in Progress</b><br>(Note No. 8.3 & 10.2) |                      |                      |
| Opening balance                                                   | 68,448.46            | 56,753.05            |
| Expenditure during the year                                       | 80,809.37            | 62,687.64            |
| Depreciation during the year                                      | 25,938.95            | 19,597.38            |
| Other adjustments                                                 | -                    | 157.51               |
| Less: Transfer to Oil and Gas Assets                              | 78,570.86            | 70,747.12            |
|                                                                   | 96,625.92            | 68,448.46            |
| <b>Less: Impairment</b>                                           |                      |                      |
| Opening balance                                                   | 2,315.86             | 1,782.62             |
| Provided for the year                                             | 452.89               | 1,223.01             |
| Written back during the year                                      | (125.91)             | (689.77)             |
|                                                                   | 2,642.84             | 2,315.86             |
| <b>Total Development Wells in Progress</b>                        | <b>93,983.08</b>     | <b>66,132.60</b>     |
| <b>(ii) Oil and Gas facilities in progress</b>                    |                      |                      |
| Oil and Gas facilities                                            | 211,747.35           | 200,900.46           |
| Acquisition Costs                                                 | 1,849.38             | 1,799.79             |
|                                                                   | 213,596.73           | 202,700.25           |
| <b>Less: Accumulated Impairment</b>                               |                      |                      |
| Opening balance                                                   | 9,177.25             | 7,410.02             |
| Provided for the year                                             | 1,792.90             | 989.01               |
| Written back during the year                                      | (723.40)             | (40.50)              |
| Reclassification                                                  | (10.50)              | 818.72               |
|                                                                   | 10,236.25            | 9,177.25             |
| <b>Total Oil and Gas facilities in progress</b>                   | <b>203,360.48</b>    | <b>193,523.00</b>    |
| <b>B) Other Capital Work In Progress</b>                          |                      |                      |
| Buildings                                                         | 1,488.95             | 1,393.77             |
| Plant and equipment                                               | 28,962.89            | 24,007.88            |
| Capital stores (including in transit) (Note No. 5.2 and 6.2)      | 1,368.45             | 2,658.64             |
| Less: Impairment for Non-Moving Items at stores                   | -                    | 8.06                 |
|                                                                   | 31,820.29            | 28,052.23            |
| <b>Less: Accumulated Impairment</b>                               |                      |                      |
| Opening balance                                                   | 170.99               | 1,064.85             |
| For the year                                                      | 77.58                | 2.80                 |
| Written back during the year                                      | (8.54)               | (78.30)              |
| Reclassification                                                  | -                    | (818.72)             |
| Other adjustments                                                 | -                    | 0.36                 |
|                                                                   | 240.03               | 170.99               |
| <b>Total Other Capital Work In Progress</b>                       | <b>31,580.26</b>     | <b>27,881.24</b>     |
| <b>Total Capital Work In Progress</b>                             | <b>328,923.82</b>    | <b>287,536.84</b>    |



**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** Certain discovered small fields (DSF) of the Company falling under various Contract Areas were identified by Directorate General of Hydrocarbon, Ministry of Petroleum & Natural Gas, and Government

of India for bidding under Discovered Small Field Round III - 2021, in terms of the said bid documents the value of such fields were considered as Nil. The identified contract areas have been awarded to the winning bidders (awardees) in the month of August 2022 and the PML/PELs of these contract areas have been transferred to the said awardees. Accordingly, during the year, the Company has charged off development wells in progress and other capital work in progress amounting to ₹124.74 Million and ₹308.08 Million respectively pertaining to the fields falling under contract areas offered under DSF – III and reversed the accumulated impairment of ₹432.82 Million on the said development in progress and other capital work in progress (refer Note no. 10.3).

### 8.3 CWIP ageing schedule

As at March 31, 2023

(₹ 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           | 116,021.29                     | 59,012.67        | 42,455.92        | 109,663.70        | 327,153.58        |
| Projects temporarily suspended | 981.73                         | 222.91           | 753.94           | 12,930.78         | 14,889.36         |
| <b>Total</b>                   | <b>117,003.02</b>              | <b>59,235.58</b> | <b>43,209.86</b> | <b>122,594.48</b> | <b>342,042.94</b> |
| Less: Accumulated impairment   |                                |                  |                  |                   | 13,119.12         |
| <b>Total</b>                   |                                |                  |                  |                   | <b>328,923.82</b> |

**CWIP (whose completion is overdue or has exceeded its cost compared to its original plan) completion schedule (Note No. 8.3.1)**

(₹ 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 |          |
| <b>Projects in progress:</b>                           |                    |             |             |                   |          |
| - Pipeline replacement project-VII                     | -                  | 8,912.06    | -           | -                 | 8,912.06 |
| - Pipeline replacement project-VI                      | 5,484.45           | -           | -           | -                 | 5,484.45 |
| - Construction of Pipeyard at Kakinada                 | 4,766.11           | -           | -           | -                 | 4,766.11 |
| - CBM-Bokaro field development project                 | 3,396.26           | -           | -           | -                 | 3,396.26 |
| - Upgradation of Fire Protection System-Ankleshwar     | 1,991.74           | -           | -           | -                 | 1,991.74 |
| - Continuous Combined Power Plants project at Hazira   | 1,926.48           | -           | -           | -                 | 1,926.48 |
| - Well platform development projects-I                 | 1,788.56           | -           | -           | -                 | 1,788.56 |
| - Well platform development projects-II                | 1,742.93           | -           | -           | -                 | 1,742.93 |
| - Gas Turbine Power Plants project at Uran             | 1,714.68           | -           | -           | -                 | 1,714.68 |
| - Upgradation of Compressor at Process Platform        | 1,351.65           | -           | -           | -                 | 1,351.65 |
| - Central Processing Facility project at Madanam block | 1,130.69           | -           | -           | -                 | 1,130.69 |
| - Upgradation of Flaring system at Hazira              | 850.63             | -           | -           | -                 | 850.63   |
| - Upgradation of Fire Protection System-Ahmedabad      | 836.29             | -           | -           | -                 | 836.29   |
| - Upgradation of SAP system                            | 750.13             | -           | -           | -                 | 750.13   |

| Capital work in progress                                         | To be Completed in |                  |               |                   | Total             |
|------------------------------------------------------------------|--------------------|------------------|---------------|-------------------|-------------------|
|                                                                  | Less than 1 year   | 1 - 2 years      | 2 - 3 years   | More than 3 years |                   |
| - Lean Gas compressor development project                        | 658.68             | -                | -             | -                 | 658.68            |
| - Upgradation of Fire Protection System-Mehsana                  | 641.49             | -                | -             | -                 | 641.49            |
| - Development of Trishna EPS facility                            | -                  | 446.33           | -             | -                 | 446.33            |
| - Waterline project at Ankleshwar                                | 443.74             | -                | -             | -                 | 443.74            |
| - Construction of Air compressor at Ankleshwar                   | 407.50             | -                | -             | -                 | 407.50            |
| - Other Oil and Gas facilities in progress                       | 2,093.12           | 98.27            | 151.44        | 484.43            | 2,827.26          |
| - Other CWIP-Buildings                                           | 124.05             | 15.33            | -             | -                 | 139.38            |
| - Other CWIP-Plant and equipment                                 | 2,873.68           | 670.97           | -             | 15.42             | 3,560.07          |
| - Development wells in progress at Joint Venture Southern Region | 22,364.61          | 3,151.76         | -             | -                 | 25,516.37         |
| - Development wells in progress at Western Offshore Asset        | 5,834.24           | -                | -             | -                 | 5,834.24          |
| - Development wells in progress at Assam Asset                   | 2,544.61           | 2,257.88         | -             | -                 | 4,802.49          |
| - Development wells in progress at Joint Venture Kolkata         | 4,243.40           | -                | -             | -                 | 4,243.40          |
| - Development wells in progress at Rajahmundry Asset             | 1,822.54           | 15.22            | -             | -                 | 1,837.76          |
| - Development wells in progress at Ahmedabad Asset               | 1,153.49           | -                | -             | -                 | 1,153.49          |
| - Development wells in progress-Others                           | 1,775.59           | 1,342.47         | -             | -                 | 3,118.06          |
| <b>Projects temporarily suspended:</b>                           |                    |                  |               |                   |                   |
| - Sagar Pragati conversion project                               | -                  | -                | -             | 4,144.36          | 4,144.36          |
| - Sagar Laxmi conversion project                                 | -                  | -                | -             | 2,145.26          | 2,145.26          |
| - Process Gas Compressor project at B-127 platform               | -                  | -                | -             | 928.48            | 928.48            |
| - Development project of field B-22                              | -                  | -                | -             | 762.21            | 762.21            |
| - Assam Asset renewal project                                    | -                  | -                | 480.70        | -                 | 480.70            |
| - Other Oil and Gas facilities in progress                       | 132.26             | 174.06           | 49.78         | 56.40             | 412.50            |
| - Other CWIP-Buildings                                           | 13.92              | -                | 1.28          | -                 | 15.20             |
| - Other CWIP-Plant and equipment                                 | 1.18               | -                | 55.86         | -                 | 57.04             |
| - Development wells in progress at HPHT asset                    | -                  | 2,585.09         | -             | -                 | 2,585.09          |
| <b>Total</b>                                                     | <b>74,858.70</b>   | <b>19,669.44</b> | <b>739.06</b> | <b>8,536.56</b>   | <b>103,803.76</b> |

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         |
| <b>Total</b>                   | <b>94,499.23</b>               | <b>57,209.16</b> | <b>61,084.55</b> | <b>86,416.06</b>  | <b>299,209.00</b> |
| Less: Accumulated impairment   |                                |                  |                  |                   | 11,672.16         |
| <b>Total</b>                   |                                |                  |                  |                   | <b>287,536.84</b> |



**CWIP (whose completion is overdue or has exceeded its cost compared to its original plan) completion schedule (Note No. 8.3.1)**

(₹ 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 |                  |
| <b>Projects in progress:</b>                                     |                    |                 |                 |                   |                  |
| - 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         |
| <b>Projects temporarily suspended:</b>                           |                    |                 |                 |                   |                  |
| - 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           |
| <b>Total</b>                                                     | <b>41,638.30</b>   | <b>8,712.41</b> | <b>5,118.73</b> | <b>9,376.56</b>   | <b>64,846.00</b> |

**8.3.1** 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, 2023 | As at March 31, 2022 |
|------------------------------------------------------|----------------------|----------------------|
| <b>Application software</b> (Note No. 9.1)           |                      |                      |
| Opening balance                                      | 5,041.15             | 4,606.11             |
| Additions during the year                            | 612.36               | 435.63               |
| Other adjustments                                    | (51.43)              | (0.59)               |
|                                                      | <b>5,602.08</b>      | <b>5,041.15</b>      |
| <b>Less: Accumulated amortisation and impairment</b> |                      |                      |
| <b>Accumulated amortization</b>                      |                      |                      |
| Opening balance                                      | 3,213.44             | 2,429.82             |
| Provided for the year                                | 769.91               | 784.07               |
| Other adjustments                                    | (62.49)              | (0.45)               |
|                                                      | <b>3,920.86</b>      | <b>3,213.44</b>      |
| <b>Accumulated Impairment</b>                        |                      |                      |
| Opening Balance                                      | 3.76                 | 3.76                 |
| Provided for the year                                | -                    | -                    |
| Written back during the year                         | -                    | -                    |
|                                                      | <b>3.76</b>          | <b>3.76</b>          |
| <b>Total</b>                                         | <b>1,677.46</b>      | <b>1,823.95</b>      |

**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, 2023 |                   | As at March 31, 2022 |                   |
|---------------------------------------------------------|----------------------|-------------------|----------------------|-------------------|
| <b>Exploratory Wells in Progress</b><br>(Note No. 10.2) |                      |                   |                      |                   |
| Opening balance                                         |                      | 188,896.88        |                      | 197,274.16        |
| Expenditure during the year                             | 40,338.87            |                   | 38,922.33            |                   |
| Less: Sale proceeds of Oil and Gas (net of levies)      | 1,302.89             | 39,035.98         | 52.17                | 38,870.16         |
| Depreciation during the year (Note No. 36)              |                      | 9,582.96          |                      | 10,665.91         |
|                                                         |                      | <b>237,515.82</b> |                      | <b>246,810.23</b> |
| <b>Less:</b>                                            |                      |                   |                      |                   |
| Transfer to Oil and Gas Assets                          | 5,550.52             |                   | 20,474.05            |                   |
| Wells written off during the year                       | 60,547.90            | 66,098.42         | 37,439.30            | 57,913.35         |
|                                                         |                      | <b>171,417.40</b> |                      | <b>188,896.88</b> |
| <b>Less : Impairment</b>                                |                      |                   |                      |                   |
| Opening Balance                                         | 56,726.63            |                   | 35,896.23            |                   |
| Provided during the year (Note No. 10.3)                | 2,695.22             |                   | 20,830.40            |                   |
| Written back during the year                            | (22,763.02)          | 36,658.83         | -                    | 56,726.63         |
| <b>Total</b>                                            |                      | <b>134,758.57</b> |                      | <b>132,170.25</b> |





## 10.1 Ageing schedule

As at March 31, 2023

(₹ 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                | 28,414.94                                                     | 23,505.42        | 17,654.68        | 84,828.75         | 154,403.79        |
| Projects temporarily suspended      | 44.07                                                         | 1.09             | 40.06            | 16,928.39         | 17,013.61         |
| <b>Total</b>                        | <b>28,459.01</b>                                              | <b>23,506.51</b> | <b>17,694.74</b> | <b>101,757.14</b> | <b>171,417.40</b> |
| Less: Accumulated impairment        |                                                               |                  |                  |                   | 36,658.83         |
| <b>Total</b>                        |                                                               |                  |                  |                   | <b>134,758.57</b> |

Intangible assets under development (whose completion is overdue or has exceeded its cost compared to its original plan) completion schedule (Note No. 10.1.1)

(₹ 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 |                   |
| <b>Projects in progress:</b>              |                    |                  |                  |                   |                   |
| <b>Exploratory Wells at</b>               |                    |                  |                  |                   |                   |
| - Mumbai offshore                         | 4,894.68           | 4,009.88         | 8,109.19         | 22,282.00         | 39,295.75         |
| - Rajahmundry Asset                       | 34,200.28          | -                | -                | -                 | 34,200.28         |
| - Block KG-DWN-98/02                      | 36.88              | 12,118.22        | 5,693.36         | 14,680.13         | 32,528.59         |
| - Jointly operated blocks Mumbai offshore | -                  | 7,237.09         | 2,230.48         | 1,990.92          | 11,458.49         |
| - Agartala Asset                          | 4,903.58           | 1,938.09         | -                | -                 | 6,841.67          |
| - Assam Asset                             | 2,112.84           | 2,434.56         | 923.16           | -                 | 5,470.56          |
| - Others                                  | 9,224.39           | 1,989.61         | 229.77           | 419.07            | 11,862.84         |
| <b>Projects temporarily suspended:</b>    |                    |                  |                  |                   |                   |
| <b>Exploratory Wells at</b>               |                    |                  |                  |                   |                   |
| - Jointly operated blocks Mumbai offshore | -                  | -                | 2,608.47         | -                 | 2,608.47          |
| - Others                                  | 1,713.11           | -                | -                | -                 | 1,713.11          |
| <b>Total</b>                              | <b>57,085.76</b>   | <b>29,727.45</b> | <b>19,794.43</b> | <b>39,372.12</b>  | <b>145,979.76</b> |

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         |
| <b>Total</b>                        | <b>28,506.42</b>                                              | <b>21,003.97</b> | <b>18,363.12</b> | <b>121,023.37</b> | <b>188,896.88</b> |
| Less: Accumulated impairment        |                                                               |                  |                  |                   | 56,726.63         |
| <b>Total</b>                        |                                                               |                  |                  |                   | <b>132,170.25</b> |

**Intangible assets under development (whose completion is overdue or has exceeded its cost compared to its original plan) completion schedule (Note No. 10.1.1)**

(₹ 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 |                  |
| <b>Projects in progress:</b>              |                    |                  |                  |                   |                  |
| <b>Exploratory Wells at</b>               |                    |                  |                  |                   |                  |
| - 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        |
| - Rajahmundry 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         |
| - Others                                  | 2,963.67           | 402.18           | 65.75            | -                 | 3,431.60         |
| <b>Projects temporarily suspended:</b>    |                    |                  |                  |                   |                  |
| <b>Exploratory Wells at</b>               |                    |                  |                  |                   |                  |
| - Agartala Asset                          | 807.65             | -                | -                | -                 | 807.65           |
| - Others                                  | -                  | 26.62            | -                | -                 | 26.62            |
| <b>Total</b>                              | <b>18,884.34</b>   | <b>14,224.60</b> | <b>10,564.38</b> | <b>29,835.10</b>  | <b>73,508.42</b> |

**10.1.1** 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. Well U1B and Well U1\_A\_Shft were completed and put to production on August 26, 2021 and April 28, 2022 respectively. The cost of development wells in progress, Capital work in progress and Oil & gas assets as at March 31, 2023 is ₹56,147.21 Million (Previous year ₹37,488.80 Million), ₹142,392.36 Million (Previous year ₹110,903.50 Million) and ₹27,392.38 Million



(Previous year ₹24,995.63 Million) respectively under Cluster II. Considering the changes with respect to approved FDP, the Company submitted the RFDP for Cluster-II development to DGH (Directorate General of hydrocarbons) on August 19, 2022 which is under review at DGH.

Further, MC has approved the 4C-3D OBN seismic data acquisition, processing & interpretation in Cluster-II (for 500SKM) under 'Exploration in Mining Lease area after expiry of Exploration period'. The tendering process for the 500 SKM 4C-3D OBN acquisition is underway.

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, 2023 is ₹885.56 Million (Previous year ₹885.56 Million).

In respect of Cluster III, the Company has submitted the FDP for UD-1 discovery of Cluster-III on August 8, 2022. The FDP, after examination, has been returned by DGH for re-submitting a robust FDP. The Company

proposes to formulate a robust FDP by incorporating the results of the proposed 4C-3D OBN seismic study. Further, the Company has requested Ministry of Petroleum & Natural Gas to extend the PEL timelines by 41 months i.e. upto January 1, 2026 in order to carry out 4C-3D OBN seismic data acquisition, processing & interpretation in the UD-1 discovery area.

In view of the definite plan for development of all the clusters, the cost of exploratory wells in the block i.e. ₹32,678.81 Million (Previous year ₹46,483.78 Million) has been carried over.

**10.3** Certain discovered small fields (DSF) of the Company falling under various Contract Areas were identified by Directorate General of Hydrocarbon, Ministry of Petroleum & Natural Gas, and Government of India for bidding under Discovered Small Field Round III - 2021, in terms of the said bid documents the value of such fields were considered as Nil. The identified contract areas have been awarded to the winning bidders (awardees) in the month of August 2022 and the PML/PELs of these contract areas have been transferred to the said awardees. Accordingly, during the year, the Company has charged off exploratory wells in progress amounting to ₹21,404.94 Million lying in the fields falling under contract areas offered under DSF – III and reversed the accumulated impairment of ₹21,285.95 Million on the said exploratory wells (refer Note no. 8.2).

## 11. Investments

(₹ in Million)

| Particulars                                         | As at March 31, 2023 | As at March 31, 2022 |
|-----------------------------------------------------|----------------------|----------------------|
| Investment in Equity Instruments (Note No. 11.1)    | 745,533.13           | 746,759.32           |
| Investment in Government securities (Note No. 11.5) | 1,975.08             | 1,975.08             |
| Other Investments (Note No. 11.6)                   | 102,347.58           | 102,997.75           |
| <b>Total</b>                                        | <b>849,855.79</b>    | <b>851,732.15</b>    |

### 11.1 Investments in Equity Instruments

(₹ in Million)

| Particulars                                                                     | As at March 31, 2023 |            | As at March 31, 2022 |            |
|---------------------------------------------------------------------------------|----------------------|------------|----------------------|------------|
|                                                                                 | (No. in Million)     | Amount     | (No. in Million)     | Amount     |
| <b>(i) Investment in Subsidiaries (at Cost)</b><br>(Note No. 11.1.1)            |                      |            |                      |            |
| <b>Quoted – Fully paid up</b>                                                   |                      |            |                      |            |
| (a) Hindustan Petroleum Corporation Limited<br>(Face Value ₹10 per share)       | 778.85               | 369,150.00 | 778.85               | 369,150.00 |
| (b) Mangalore Refinery and Petrochemicals Limited<br>(Face Value ₹10 per share) | 1,255.35             | 10,405.73  | 1,255.35             | 10,405.73  |

| Particulars                                                                                 | As at March 31, 2023 |                   | As at March 31, 2022 |                   |
|---------------------------------------------------------------------------------------------|----------------------|-------------------|----------------------|-------------------|
|                                                                                             | (No. in Million)     | Amount            | (No. in Million)     | Amount            |
| <b>Unquoted – Fully paid up</b>                                                             |                      |                   |                      |                   |
| (c) ONGC Videsh Limited<br>(Face Value ₹100 per share)                                      | 1,500.00             | 150,000.00        | 1,500.00             | 150,000.00        |
| (d) Petronet MHB Limited<br>(Face Value ₹10 per share)<br>(Note No. 11.1.2)                 | 274.33               | 3,693.10          | 274.33               | 3,693.10          |
| <b>Total Investment in Subsidiaries</b>                                                     |                      | <b>533,248.83</b> |                      | <b>533,248.83</b> |
| <b>(ii) Investment in Associates (at Cost)</b><br>(Note no. 11.1.1)                         |                      |                   |                      |                   |
| <b>Quoted – Fully paid up</b>                                                               |                      |                   |                      |                   |
| (a) Petronet LNG Limited<br>(Face Value ₹10 per share)                                      | 187.50               | 987.50            | 187.50               | 987.50            |
| <b>Unquoted – Fully paid up</b>                                                             |                      |                   |                      |                   |
| (b) Pawan Hans Limited<br>(Face Value ₹10,000 per share)<br>(Note No. 11.1.4)               | 0.27                 | 2,731.66          | 0.27                 | 2,731.66          |
| (c) Rohini Heliport Limited*<br>(Face Value ₹10 per share)                                  | -                    | 0.05              | -                    | 0.05              |
| <b>Total Investment in Associates</b>                                                       |                      | <b>3,719.21</b>   |                      | <b>3,719.21</b>   |
| <b>(iii) Investment in Joint Ventures (at Cost)</b><br>(Note no. 11.1.1)                    |                      |                   |                      |                   |
| <b>Unquoted – Fully paid up</b>                                                             |                      |                   |                      |                   |
| (a) Mangalore SEZ Limited<br>(Face Value ₹10 per share)                                     | 13.00                | 130.00            | 13.00                | 130.00            |
| (b) ONGC Petro Additions Limited<br>(Face Value ₹10 per share)<br>(Note No. 4.1.b & 11.1.3) | 997.98               | 9,979.81          | 997.98               | 9,979.81          |
| (c) ONGC Teri Biotech Limited<br>(Face Value ₹10 per share)                                 | 12.50                | 0.25              | 12.50                | 0.25              |
| (d) ONGC Tripura Power Company Limited<br>(Face Value ₹10 per share)                        | 560.00               | 5,600.00          | 560.00               | 5,600.00          |
| (e) Dahej SEZ Limited<br>(Face Value ₹10 per share)                                         | 23.02                | 230.25            | 23.02                | 230.25            |
| (f) Indradhanush Gas Grid Limited<br>(Face Value ₹10 per share)<br>(Note No. 11.1.5)        | 198.00               | 1,980.00          | 85.00                | 850.00            |
| <b>Total Investment in Joint Ventures</b>                                                   |                      | <b>17,920.31</b>  |                      | <b>16,790.31</b>  |
| <b>(iv) Investment in other entities<br/>(at FVTOCI)</b>                                    |                      |                   |                      |                   |
| <b>Quoted – Fully paid up</b>                                                               |                      |                   |                      |                   |
| (a) Indian Oil Corporation Limited<br>(Face Value ₹10 per share)<br>(Note No. 11.1.6)       | 2,005.82             | 156,253.60        | 1,337.22             | 159,061.75        |
| (b) GAIL (India) Limited<br>(Face Value ₹10 per share)<br>(Note No. 11.1.7)                 | 326.72               | 34,354.23         | 217.81               | 33,902.27         |



(₹ in Million)

| Particulars                                                    | As at March 31, 2023 |                   | As at March 31, 2022 |                   |
|----------------------------------------------------------------|----------------------|-------------------|----------------------|-------------------|
|                                                                | (No. in Million)     | Amount            | (No. in Million)     | Amount            |
| <b>Unquoted – Fully paid up</b>                                |                      |                   |                      |                   |
| (c) Indian Gas Exchange Limited<br>(Face Value ₹10 per share)  | 3.69                 | 36.94             | 3.69                 | 36.94             |
| <b>(at FVTPL)</b>                                              |                      |                   |                      |                   |
| <b>Unquoted – Fully paid up</b>                                |                      |                   |                      |                   |
| (d) Oil Spill Response Limited**<br>(Face Value ₹10 per share) | -                    | 0.01              | -                    | 0.01              |
| <b>Total Investment in other entities</b>                      |                      | <b>190,644.78</b> |                      | <b>193,000.97</b> |
| <b>Total Investment in Equity Instruments</b>                  |                      | <b>745,533.13</b> |                      | <b>746,759.32</b> |
| Aggregate carrying value of quoted investments                 |                      | 571,151.06        |                      | 573,507.25        |
| Aggregate carrying value of unquoted investments               |                      | 174,382.07        |                      | 173,252.07        |
| Aggregate market value of quoted investments                   |                      | 483,916.65        |                      | 491,296.88        |
| Aggregate amount of impairment in value of investments         |                      | -                 |                      | -                 |

\* Company holds 4899 nos. of shares of Rohini Heliport Limited as on March 31, 2023 and March 31, 2022.

\*\* 100 nos. Equity Shares of Oil Spill Response Limited valued at GBP one each at the time of issuance. Total value in INR at the time of issuance of shares was ₹6,885/-, Further, during the year 2021-22, 200 nos. equity shares were 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** 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.

**11.1.3** 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.

**11.1.4** 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, 2023, 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.

**11.1.5** During the year, the Company has subscribed additional 113,000,000 nos (Previous year 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, 2023 is ₹1980 Million (Previous year ₹850 Million). The Company has paid share application money amounting to ₹830 Million in the previous year 2021-22 to subscribe 83,000,000 nos. equity share having face value of ₹10 per share at par value for which the allotment of shares have been made in the current year.

**11.1.6** During the year, the Company has received 668,607,628 nos of equity shares from Indian Oil Corporation Limited (IOCL) as bonus shares in the ratio of 1:2.

**11.1.7** During the year, the Company has received 108,905,462 nos of equity shares from GAIL (India) Limited as bonus shares in the ratio of 1:2.



## 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, 2023                                                | As at March 31, 2022 | As at March 31, 2023                                            | As at March 31, 2022 |
| 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%                                                          | 80.94%               |
| Hindustan Petroleum Corporation Limited       | Refining and Marketing                | India                                                    | 54.90%                                                              | 54.90%               | 54.90%                                                          | 54.90%               |
| Petronet MHB Limited (Note No. 11.1.2)        | Multi products Pipeline               | India                                                    | 49.99%                                                              | 49.99%               | 77.44%                                                          | 77.44%               |

## 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, 2023                                                | As at March 31, 2022 | As at March 31, 2023                                            | As at March 31, 2022 |
| 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.



ONGC is spearheading the support of traditional art and craft forms of India under 'Azadi ka Amrit Mahotsav'



#### 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, 2023                                                | As at March 31, 2022 | As at March 31, 2023                                            | As at March 31, 2022 |
| Mangalore SEZ Limited              | Special Economic Zone | India                                                  | 26.00%                                                              | 26.00%               | 26.78%                                                          | 26.78%               |
| 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 Government Securities

(₹ in Million)

| Particulars                                                          | As at March 31, 2023 |                 | As at March 31, 2022 |                 |
|----------------------------------------------------------------------|----------------------|-----------------|----------------------|-----------------|
|                                                                      | (No. in Million)     | Amount          | (No. in Million)     | Amount          |
| <b>Financial assets carried at amortized cost</b>                    |                      |                 |                      |                 |
| (a) 8.40% Oil Co. GOI Special Bonds -2025 (Unquoted – Fully paid up) | 0.20                 | 1,975.08        | 0.20                 | 1,975.08        |
| <b>Total Investment in Government or trust securities</b>            |                      | <b>1,975.08</b> |                      | <b>1,975.08</b> |
| Aggregate carrying value of unquoted investments                     |                      | 1,975.08        |                      | 1,975.08        |
| Aggregate amount of impairment in value of investments               |                      | -               |                      | -               |

#### 11.6 Other Investments

(₹ in Million)

| Particulars                                                         | As at March 31, 2023 |                  | As at March 31, 2022 |                  |
|---------------------------------------------------------------------|----------------------|------------------|----------------------|------------------|
|                                                                     | (No. in Million)     | Amount           | (No. in Million)     | Amount           |
| <b>(i) Deemed Investment in Subsidiaries</b>                        |                      |                  |                      |                  |
| (a) Mangalore Refinery and Petrochemicals Limited (Note No. 11.6.1) |                      | 51.99            |                      | 42.17            |
| (b) ONGC Videsh Limited (Note No. 11.6.2)                           |                      | 5,614.38         |                      | 5,614.38         |
| (c) ONGC Videsh Rovuma Limited (Note No. 11.6.3)                    |                      | 36.05            |                      | 36.05            |
| <b>Total Deemed Investment in Subsidiaries</b>                      |                      | <b>5,702.42</b>  |                      | <b>5,692.60</b>  |
| <b>(ii) Deemed Investment in Joint Ventures</b>                     |                      |                  |                      |                  |
| (a) ONGC Petro Additions Limited (Note No. 11.6.5)                  |                      | 62,393.68        |                      | 62,381.35        |
| (b) Indradhanush Gas Grid Limited (Note No. 11.6.6)                 |                      | 7.68             |                      | -                |
| <b>Total Deemed Investment in Joint ventures</b>                    |                      | <b>62,401.36</b> |                      | <b>62,381.35</b> |

| Particulars                                                                                | As at March 31, 2023 |                   | As at March 31, 2022 |                   |
|--------------------------------------------------------------------------------------------|----------------------|-------------------|----------------------|-------------------|
|                                                                                            | (No. in Million)     | Amount            | (No. in Million)     | Amount            |
| <b>(iii) Subscription of Share Warrants -Joint ventures (Unquoted – Partially paid up)</b> |                      |                   |                      |                   |
| (a) ONGC Petro Additions Limited<br>(Note No. 11.6.4 & 11.6.5)                             | 3,451.24             | 33,649.59         | 3,451.24             | 33,649.59         |
| <b>Total Investment - Share Warrants</b>                                                   |                      | <b>33,649.59</b>  |                      | <b>33,649.59</b>  |
| <b>(iv) Investment in Share application money-Joint ventures</b>                           |                      |                   |                      |                   |
| (a) Indradhanush Gas Grid Limited<br>(Note No. 11.1.5)                                     |                      | -                 |                      | 830.00            |
| <b>Total Investment in Share application money</b>                                         |                      | -                 |                      | <b>830.00</b>     |
| <b>(v) Investment in Start Up Fund (at FVTPL)</b>                                          |                      |                   |                      |                   |
| (a) ONGC Start Up Fund<br>(Face value ₹10 per unit)<br>(Note No. 11.6.7)                   | 59.42                | 594.21            | 44.42                | 444.21            |
| <b>Total Investment in Start Up Fund</b>                                                   |                      | <b>594.21</b>     |                      | <b>444.21</b>     |
| <b>Total other investments</b>                                                             |                      | <b>102,347.58</b> |                      | <b>102,997.75</b> |
| Aggregate carrying value of investments                                                    |                      | 102,347.58        |                      | 102,997.75        |
| Aggregate amount of impairment in value of investment                                      |                      | -                 |                      | -                 |

**11.6.1** The amount of ₹51.99 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.

**11.6.2** The amount of ₹5,614.38 Million (Previous year ₹5,614.38 Million) includes, (i) ₹4,010.07 Million (Previous year ₹4,010.07 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.

**11.6.3** The amount of ₹36.05 Million (Previous year ₹36.05 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.

**11.6.4** The Company has subscribed 3,451,240,000 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. 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                                            | August 24, 2024                         |
| 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*                         |

\* The warrants have been further extended upto October 06, 2024



**11.6.5** 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, 2023 is ₹1,766.85 Million (Previous year ₹1,699.28 Million). The first and third tranche of CCDs amounting to ₹56,150 Million and ₹4,920 Million has been further extended for a period of 18 months and are due for maturity in December 2023 and February 2024 respectively. The second tranche of CCD amounting to ₹16,710 Million will be due for maturity in May, 2023. The same has been further extended by 18 months and put option exercise date will be October 18, 2024 and conversion date will be November 18, 2024.

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 ₹62,393.68

Million (As at March 31, 2022 ₹62,381.35 Million) includes, ₹62,308.05 Million (As at March 31, 2022 ₹62,308.05 Million) towards the fair value of Financial Liability against these CCDs and ₹85.63 Million (As at March 31, 2022 ₹73.30 Million) towards the fair value of guarantee fee on financial guarantee given without any consideration for OPaL.

**11.6.6** Company's Joint Venture Indradhanush Gas Grid Limited (IGGL) had taken a loan sanction of ₹25,940 Million from Oil Industry Development Board (OIDB) on August, 25 2021 for the purpose of implementation of North East Gas Grid Project guaranteed by the promoters of IGGL in proportion of these shareholdings. During the year loan of ₹1,000 Million has been taken by IGGL out of the sanctioned amount ₹25,940 Million. The Company has recognized a financial guarantee obligation in respect of its shareholding in IGGL with a corresponding recognition of Deemed Investment in IGGL of ₹7.68 Million (As at March 31, 2022 ₹nil) for the above financial guarantee.

**11.6.7** During the year, the Company has subscribed an additional 15,000,000 no's (previous year 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 ₹150 Million (previous year ₹444.21 Million).



11.7 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 | 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, 2023    |                     |                                               |                                         |                      |                         |                      |                    |                         |                              |                                    |                       |                           |                   |                               |
| 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            | 1,980.00                      |
| Share warrants          | -                   | -                                             | -                                       | -                    | -                       | -                    | -                  | -                       | 33,649.59                    | -                                  | -                     | -                         | -                 | -                             |
| Deemed investment       | 5,614.38            | 51.99                                         | -                                       | -                    | 36.05                   | -                    | -                  | -                       | 62,393.68                    | -                                  | -                     | -                         | -                 | 7.68                          |
| Share application money | -                   | -                                             | -                                       | -                    | -                       | -                    | -                  | -                       | -                            | -                                  | -                     | -                         | -                 | -                             |
| Total                   | 155,614.38          | 10,457.72                                     | 369,150.00                              | 3,693.10             | 36.05                   | 987.50               | 2,731.66           | 0.05                    | 106,023.08                   | 5,600.00                           | 130.00                | 0.25                      | 230.25            | 1,987.68                      |
| 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                      |





## 12. Trade receivables- Current

(₹ in Million)

| Particulars                                                     | As at March 31, 2023 | As at March 31, 2022 |
|-----------------------------------------------------------------|----------------------|----------------------|
| (a) Considered Good- Secured                                    | 2,663.42             | 2,190.14             |
| (b) Considered Good- Unsecured (Note No. 12.3 and Note No.12.4) | 99,839.63            | 115,694.70           |
| (c) Credit impaired (Note No. 12.5)                             | 2,868.30             | 2,132.83             |
| Less: Impairment for doubtful receivables                       | 2,868.30             | 2,132.83             |
| <b>Total</b>                                                    | <b>102,503.05</b>    | <b>117,884.84</b>    |

### 12.1 Trade Receivables-Ageing Schedule

As at March 31, 2023

(₹ 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                                 | 93,609.70        | 3,500.56                                                   | 219.04            | 12.39         | 4.20          | 48.14             | 97,394.03         |
| (ii) Undisputed Trade receivables - which have significant increase in credit risk | -                | -                                                          | -                 | -             | -             | -                 | -                 |
| (iii) Undisputed Trade receivables - credit impaired                               | -                | -                                                          | -                 | -             | -             | -                 | -                 |
| (iv) Disputed Trade receivable - considered good                                   | 120.54           | 5.37                                                       | 9.91              | 245.77        | 672.88        | 4,033.71          | 5,088.18          |
| (v) Disputed Trade receivable - which have significant increase in credit risk     | -                | -                                                          | -                 | -             | -             | 20.84             | 20.84             |
| (vi) Disputed Trade receivable - credit impaired                                   | -                | -                                                          | 200.46            | -             | -             | 2,667.84          | 2,868.30          |
| <b>Gross Total</b>                                                                 | <b>93,730.24</b> | <b>3,505.93</b>                                            | <b>429.41</b>     | <b>258.16</b> | <b>677.08</b> | <b>6,770.53</b>   | <b>105,371.35</b> |
| Less: Impairment for doubtful receivables                                          |                  |                                                            |                   |               |               |                   | 2,868.30          |
| <b>Total</b>                                                                       |                  |                                                            |                   |               |               |                   | <b>102,503.05</b> |

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          |
| <b>Gross Total</b>                                                                 | <b>112,003.14</b> | <b>234.99</b>                                              | <b>267.90</b>     | <b>676.98</b> | <b>1,072.65</b> | <b>5,762.01</b>   | <b>120,017.67</b> |
| Less: Impairment for doubtful receivables                                          |                   |                                                            |                   |               |                 |                   | 2,132.83          |
| <b>Total</b>                                                                       |                   |                                                            |                   |               |                 |                   | <b>117,884.84</b> |

**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 / SBI MCLR plus 4% - 6% per annum compounded each quarter on the outstanding balance.

Out of the gross trade receivables as at March 31, 2023, an amount of ₹91,745.82 Million (as at March 31, 2022 ₹101,672.40 Million) is due from Public sector 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 Public sector 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 Public sector 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 ₹3,764.43 Million) due towards Pipeline Transportation Charges for the period from November 20, 2008 to July 6, 2021 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 was approved by Petroleum and Natural Gas Regulatory Board (PNGRB) for which debit notes /invoices was raised to GAIL with effect from November 20, 2008.

Mahanagar 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). PNGRB vide order dated September 30, 2022, directed MGL to pay the transportation charges as per the transportation tariff fixed by PNGRB for UTNGPL vide Tariff Order dated 30 December 2013 for the period from January 1, 2014 onwards within a period of 2 months of passing the order. However PNGRB rejected the transportation charges from November 20, 2008 to December 31, 2013. MGL filed a writ petition before the Hon'ble High Court of Delhi challenging the PNGRB's order dated September 30, 2022. The Hon'ble High Court of Delhi, vide order dated December 13, 2022 stayed the recovery against the PNGRB order and directed MGL to deposit a sum of ₹500 Million with GAIL. Although the Company has filed appeal against the order of PNGRB before APTEL, the same has been granted stay by APTEL due to the order of Hon'ble Supreme Court wherein stay has been granted for all cases / proceedings relating to GAIL (India) Limited before APTEL. The Company is in process of filing an appeal before Hon'ble High Court of Delhi in this matter. Pending final decision in the matter the Company has made a provision of ₹745.50 Million during the year towards the transportation charges receivable for the period from November 20, 2008 to December 31, 2013

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. Accordingly during the year 2021-22 an amount of ₹196.52 Million was received pertaining to the period 30 December 2013 to January 31, 2016. 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 2023 amounting to ₹8,717.60 Million (Previous year ₹7,371.26 Million), out of this an amount of ₹4,954.55 Million (Previous year ₹3,606.83 Million) has since been received.

In view of the above, the balance receivable (excluding provision) of ₹2,572.51 Million as at March 31, 2023 (Previous year ₹3,318.00 Million) is considered good.

**12.4** Includes an amount of ₹1,790.04 Million receivable from Public sector Oil Marketing Companies (OMC's) towards sale of crude oil from western offshore region during the month of March'23. Sale of crude oil from Western offshore to Public sector Oil Marketing Companies (OMC's) has been effected on provisional basis pending finalisation of Crude Oil Sales Agreements (COSA) with the OMCs. The Company has raised invoices for sale of crude oil at benchmark prices as applicable for the period from October 2022 to February 2023. Pending finalisation of COSA's, OMCs have released payments for

the month of March 2023 as per pricing formula benchmark applicable till September 2022 resulting into an amount of ₹1,790.04 Million receivable from OMCs as on March 31, 2023. The discussions with OMCs for finalization of pricing terms for supply of crude oil from western offshore applicable for March 2023 are in process and it is expected to be finalized soon. In view of this, the aforesaid amount of ₹1,790.04 Million receivable towards sale of crude oil from western offshore region for the month of March 2023 is considered good. (Refer note no. 30.1)

## 12.5 Movement of Impairment for doubtful receivables

| (₹ in Million)                    |                           |                           |
|-----------------------------------|---------------------------|---------------------------|
| Particulars                       | Year ended March 31, 2023 | Year ended March 31, 2022 |
| Balance at beginning of the year  | 2,132.83                  | 1,594.78                  |
| Addition                          | 957.22                    | 547.62                    |
| Written back during the year      | (221.75)                  | (9.57)                    |
| <b>Balance at end of the year</b> | <b>2,868.30</b>           | <b>2,132.83</b>           |

## 13. Loans

| (₹ in Million)                                   |                      |                 |                      |                 |
|--------------------------------------------------|----------------------|-----------------|----------------------|-----------------|
| Particulars                                      | As at March 31, 2023 |                 | As at March 31, 2022 |                 |
|                                                  | Non-current          | Current         | Non-current          | Current         |
| <b>a. Loans to Public Sector Undertakings</b>    |                      |                 |                      |                 |
| - Credit impaired                                | 170.50               | -               | 170.50               | -               |
| Less: Impairment for doubtful loans              | 170.50               | -               | 170.50               | -               |
| <b>Total Loans to Public Sector Undertakings</b> | <b>-</b>             | <b>-</b>        | <b>-</b>             | <b>-</b>        |
| <b>b. Loans to Employees</b><br>(Note No. 13.1)  |                      |                 |                      |                 |
| - Secured, Considered Good                       | 16,760.73            | 2,529.83        | 14,247.62            | 2,412.89        |
| - Unsecured, Considered Good                     | 204.62               | 61.54           | 222.96               | 29.35           |
| - Credit impaired                                | -                    | 9.21            | -                    | 8.55            |
| Less: Impairment for doubtful loans              | -                    | 9.21            | -                    | 8.55            |
| <b>Total Loan to Employees</b>                   | <b>16,965.35</b>     | <b>2,591.37</b> | <b>14,470.58</b>     | <b>2,442.24</b> |
| <b>Total Loans</b>                               | <b>16,965.35</b>     | <b>2,591.37</b> | <b>14,470.58</b>     | <b>2,442.24</b> |

**13.1** Loans to employees include an amount of ₹0.47 Million (As at March 31, 2022 ₹3.50 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, 2023 | Year ended March 31, 2022 |
|-----------------------------------------|---------------------------|---------------------------|
| <b>Balance at beginning of the year</b> | <b>179.05</b>             | <b>180.44</b>             |
| Recognized during the year              | 0.66                      | 0.18                      |
| Written back during the year            | -                         | (1.57)                    |
| <b>Balance at end of the year</b>       | <b>179.71</b>             | <b>179.05</b>             |

### 14. Deposits under Site Restoration Fund Scheme

(₹ in Million)

| Particulars                                 | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---------------------------------------------|---------------------------|---------------------------|
| Deposits under site restoration fund scheme | 264,105.99                | 246,305.67                |
|                                             | <b>264,105.99</b>         | <b>246,305.67</b>         |

**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 ₹2,834.05 Million (Previous year ₹2,650.56 Million) towards Tapti A Facilities and ₹51,097.38 Million (Previous year ₹47,765.55 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, 2023 |                  | As at March 31, 2022 |                  |
|-------------------------------------------------------------|----------------------|------------------|----------------------|------------------|
|                                                             | Non-current          | Current          | Non-current          | Current          |
| <b>(Unsecured, considered good unless otherwise stated)</b> |                      |                  |                      |                  |
| <b>(a) Deposits</b>                                         |                      |                  |                      |                  |
| - Considered Good                                           | 1,919.95             | 1,161.97         | 1,466.09             | 1,137.46         |
| - Credit impaired                                           | 9.96                 | -                | 267.52               | -                |
| Less: Impairment for doubtful deposits                      | 9.96                 | -                | 267.52               | -                |
| <b>Total Deposits</b>                                       | <b>1,919.95</b>      | <b>1,161.97</b>  | <b>1,466.09</b>      | <b>1,137.46</b>  |
| <b>(Unsecured, considered good unless otherwise stated)</b> |                      |                  |                      |                  |
| <b>(b) Advance Recoverable in cash</b>                      |                      |                  |                      |                  |
| - Considered Good (Note No. 15.1)                           | 1,775.95             | 26,588.30        | 205.48               | 20,972.68        |
| - Credit impaired (Note No. 15.2 & 15.3)                    | 455.40               | 15,803.71        | 230.40               | 14,935.58        |
| Less: Impairment for doubtful advances                      | 455.40               | 15,803.71        | 230.40               | 14,935.58        |
| <b>Total Advance Recoverable in cash</b>                    | <b>1,775.95</b>      | <b>26,588.30</b> | <b>205.48</b>        | <b>20,972.68</b> |
| <b>(c) Cash Call Receivable from JO Partners</b>            |                      |                  |                      |                  |
| - Considered Good                                           | -                    | 1,955.52         | -                    | 2,558.32         |
| - Credit impaired (Note No. 15.3)                           | 8,625.43             | -                | 8,259.92             | -                |
| Less: Impairment for doubtful cash call receivables         | 8,625.43             | -                | 8,259.92             | -                |
| <b>Total Cash Call Receivable from JO Partners</b>          | <b>-</b>             | <b>1,955.52</b>  | <b>-</b>             | <b>2,558.32</b>  |
| <b>(d) Interest Accrued on deposits and loans</b>           |                      |                  |                      |                  |
| - Considered Good                                           | -                    | 8,272.08         | -                    | 152.05           |
| - Credit impaired (Note No. 15.3)                           | 22.87                | -                | 22.87                | -                |
| Less: Impairment for doubtful receivables                   | 22.87                | -                | 22.87                | -                |
| <b>Total Interest Accrued on deposits and loans</b>         | <b>-</b>             | <b>8,272.08</b>  | <b>-</b>             | <b>152.05</b>    |



| Particulars                                                  | As at March 31, 2023 |                  | As at March 31, 2022 |                  |
|--------------------------------------------------------------|----------------------|------------------|----------------------|------------------|
|                                                              | Non-current          | Current          | Non-current          | Current          |
| <b>(e) Bank Deposits (with more than 12 months maturity)</b> |                      |                  |                      |                  |
| - Considered Good                                            | -                    | 27,540.00        | -                    | -                |
|                                                              | -                    | <b>27,540.00</b> | -                    | -                |
| <b>(f) Others</b>                                            |                      |                  |                      |                  |
| - Considered Good                                            | 100.00               | 3,721.77         | -                    | 1,949.93         |
| - Credit impaired (Note No. 15.3)                            | -                    | 0.10             | -                    | 0.10             |
| Less: Impairment for doubtful receivables                    | -                    | 0.10             | -                    | 0.10             |
| <b>Total Others</b>                                          | <b>100.00</b>        | <b>3,721.77</b>  | -                    | <b>1,949.93</b>  |
| <b>Total financial assets-Others</b>                         | <b>3,795.90</b>      | <b>69,239.64</b> | <b>1,671.57</b>      | <b>26,770.44</b> |

**15.1** During the year 2010-11, the Oil Marketing Companies, nominees of the Government of India (Gol) recovered USD 80.18 Million (Share of the Company USD 32.07 Million (equivalent to ₹2,634.55 Million) as per directives of Gol in respect of Joint Operation - Panna Mukta and Tapti Production Sharing Contracts (PSCs). Pending finality by Arbitration Tribunal, the Company's share of USD 32.07 Million equivalent to ₹2,634.55 Million (March 31, 2022: ₹2,429.30 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 (Gol), 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 USD 167.84 Million (equivalent to ₹13,788.44 Million) after adjustments for interest and exchange rate fluctuations which has been recovered by Gol,

this includes interest amounting to USD 54.88 Million (equivalent to ₹4,437.83 Million). The Company has made impairment provision towards this recovery made by the Gol.

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 Gol 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 Gol.

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), Gol. 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 against the amount recoverable. (Figures in ₹ are restated).

### 15.3 Movement of Impairment for financial assets-others

(₹ in Million)

| Particulars                             | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|-----------------------------------------|------------------------------|------------------------------|
| <b>Balance at beginning of the year</b> | <b>23,716.39</b>             | <b>21,132.99</b>             |
| Recognized during the year              | 1,491.69                     | 2,648.13                     |
| Written back during the year            | (290.61)                     | (64.73)                      |
| <b>Balance at end of the year</b>       | <b>24,917.47</b>             | <b>23,716.39</b>             |



## 16. Other assets

(₹ in Million)

| Particulars                                      | As at March 31, 2023 |                  | As at March 31, 2022 |                   |
|--------------------------------------------------|----------------------|------------------|----------------------|-------------------|
|                                                  | Non-current          | Current          | Non-current          | Current           |
| <b>a. Capital advances</b>                       |                      |                  |                      |                   |
| - Considered good                                | 6,223.64             | -                | 11,683.00            | -                 |
| - Credit impaired                                | 346.69               | -                | 341.99               | -                 |
| Less: Impairment (Note No. 16.1)                 | 346.69               | -                | 341.99               | -                 |
|                                                  | <b>6,223.64</b>      | <b>-</b>         | <b>11,683.00</b>     | <b>-</b>          |
| <b>b. Others receivables</b>                     |                      |                  |                      |                   |
| - Considered Good                                | 55.10                | -                | 56.50                | -                 |
| - Credit impaired                                | 379.56               | -                | 385.89               | -                 |
| Less: Impairment (Note No. 16.1)                 | 379.56               | -                | 385.89               | -                 |
|                                                  | <b>55.10</b>         | <b>-</b>         | <b>56.50</b>         | <b>-</b>          |
| <b>c. Deposits</b>                               |                      |                  |                      |                   |
| With Customs/Port Trusts etc.                    | 37.18                | 2.18             | 0.05                 | 29.03             |
| With Others                                      |                      |                  |                      |                   |
| - Considered Good (Note No. 24.4)                | 2,658.99             | 23,025.97        | 13,291.39            | 98,880.35         |
| - Credit impaired                                | 1,936.40             | 991.82           | 1,972.43             | 723.67            |
| Less: Impairment (Note No. 16.1)                 | 1,936.40             | 991.82           | 1,972.43             | 723.67            |
|                                                  | <b>2,696.17</b>      | <b>23,028.15</b> | <b>13,291.44</b>     | <b>98,909.38</b>  |
| <b>d. Advance recoverable</b>                    |                      |                  |                      |                   |
| - Considered Good                                | 968.65               | 32,491.44        | 662.50               | 32,268.08         |
| - Credit impaired                                | 641.86               | 953.65           | 642.72               | 980.51            |
| Less: Impairment for receivables (Note No. 16.1) | 641.86               | 953.65           | 642.72               | 980.51            |
|                                                  | <b>968.65</b>        | <b>32,491.44</b> | <b>662.50</b>        | <b>32,268.08</b>  |
| e. Prepayments - Mobilization Charges            | -                    | 1,340.86         | -                    | 3.80              |
| f. Prepayments - Lease Land                      | 131.04               | 46.70            | 171.65               | 9.53              |
| <b>Total</b>                                     | <b>10,074.60</b>     | <b>56,907.15</b> | <b>25,865.09</b>     | <b>131,190.79</b> |

### 16.1 Movement of Impairment for other assets

(₹ in Million)

| Particulars                             | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|-----------------------------------------|------------------------------|------------------------------|
| <b>Balance at beginning of the year</b> | <b>5,047.21</b>              | <b>4,662.26</b>              |
| Recognized during the year              | 275.58                       | 424.66                       |
| Written back during the year            | (72.81)                      | (39.71)                      |
| <b>Balance at end of the year</b>       | <b>5,249.98</b>              | <b>5,047.21</b>              |



## 17. Inventories

(₹ in Million)

| Particulars                             | As at March 31, 2023 | As at March 31, 2022 |
|-----------------------------------------|----------------------|----------------------|
| Raw Materials (Condensate)              | 1.53                 | 1.03                 |
| Semi-finished goods (Note No. 32 & 33)  | 701.25               | 579.30               |
| Finished Goods (Note No. 17.2, 32 & 33) | 19,226.65            | 14,531.92            |
| Stores and spares                       |                      |                      |
| (a) on hand                             | 67,740.00            | 69,170.99            |
| (b) in transit                          | 1,955.75             | 1,243.55             |
|                                         | <b>69,695.75</b>     | <b>70,414.54</b>     |
| Less: Impairment for non-moving items   | 6,696.52             | 7,063.04             |
|                                         | <b>62,999.23</b>     | <b>63,351.50</b>     |
| Unserviceable Items                     | 266.47               | 150.40               |
| <b>Total</b>                            | <b>83,195.13</b>     | <b>78,614.15</b>     |

**17.1** The value of 3,30,484 nos. Carbon Credits (CER) (Previous year 3,30,484 nos.) has been treated as nil (as at March 31, 2022 ₹5.59 Million) as the same do not have any quoted price and seems to be insignificant with respect to net realisable value. There are no CERs under certification. During the year ₹297.37 Million (₹386.62 Million for 2021-22) and ₹275.58 Million (₹335.45 Million for 2021-22) have been expensed towards Operating & maintenance cost and depreciation respectively for emission reduction equipment.

**17.2** Inventory amounting to ₹238.97 Million (as at March 31, 2022 ₹217.04 Million) has been valued at net realisable value of ₹150.54 Million (as at March 31, 2022 ₹168.45 Million). Consequently, an amount of ₹88.43 Million (as at March 31, 2022 ₹48.59 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, 2023 | As at March 31, 2022 |
|---------------------|----------------------|----------------------|
| Balances with Banks | 769.26               | 498.84               |
| Cash in Hand        | 2.68                 | 2.21                 |
|                     | <b>771.94</b>        | <b>501.05</b>        |

## 19. Other Bank Balances

(₹ in Million)

| Particulars                                                                                 | As at March 31, 2023 | As at March 31, 2022 |
|---------------------------------------------------------------------------------------------|----------------------|----------------------|
| Other Bank Deposits for original maturity more than 3 months upto 12 months (Note No. 27.1) | 213,550.00           | -                    |
| Unclaimed Dividend Account (Note No. 19.1)                                                  | 339.40               | 304.39               |
| Deposits in Escrow Account (Note No. 19.2)                                                  | 1,600.79             | 1,556.86             |
| Bank Balance - Unspent CSR                                                                  | 78.33                | -                    |
|                                                                                             | <b>215,568.52</b>    | <b>1,861.25</b>      |

**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 (BGEPI) 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 USD 49.72 Million (Previous year USD 51.90 Million) equivalent to ₹4,046.39 Million (Previous year ₹3,871.25 Million) for the PMT JV including Company's Share USD 19.67 Million (Previous year

USD 21.18 Million) equivalent to ₹1,600.79 Million (Previous year ₹1,556.87 Million) is maintained in the Escrow account by the PMT JV Partners.

The Company has entered into settlement agreement with the PMT JO Partners on the issue in the month of April 2023, accordingly ₹432.97 Million over and above the net receivables have been accounted as miscellaneous receipts in financial year 2022-23. The proceeds towards the settlement from the escrow account has been received by the Company in the month of May 2023.

## 20. Equity Share Capital

(₹ in Million)

| Particulars                                                                                                                                             | As at<br>March 31,<br>2023 | As at<br>March 31,<br>2022 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|----------------------------|
| Equity Share Capital                                                                                                                                    | 62,901.39                  | 62,901.39                  |
|                                                                                                                                                         | <b>62,901.39</b>           | <b>62,901.39</b>           |
| <b>Authorised:</b><br>30,000,000,000 Equity Shares<br>of ₹5 each<br>(as at March 31, 2022:<br>30,000,000,000 Equity Shares<br>of ₹5 each)               |                            |                            |
|                                                                                                                                                         | <b>150,000.00</b>          | <b>150,000.00</b>          |
| <b>Issued and Subscribed:</b><br>12,580,279,206 Equity<br>Shares of ₹5 each<br>(as at March 31, 2022:<br>12,580,279,206 Equity<br>Shares of ₹5 each)    |                            |                            |
|                                                                                                                                                         | <b>62,901.39</b>           | <b>62,901.39</b>           |
| <b>Fully paid equity shares:</b><br>12,580,279,206 Equity<br>Shares of ₹5 each<br>(as at March 31, 2022:<br>12,580,279,206 Equity<br>Shares of ₹5 each) |                            |                            |
|                                                                                                                                                         | 62,901.39                  | 62,901.39                  |
| <b>Total</b>                                                                                                                                            | <b>62,901.39</b>           | <b>62,901.39</b>           |

## 20.1 Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period:

(₹ in Million)

| Particulars                      | Number of<br>shares in<br>Million | Share<br>capital<br>(₹ in Million) |
|----------------------------------|-----------------------------------|------------------------------------|
| <b>Balance at April 1, 2021</b>  | <b>12,580.28</b>                  | <b>62,901.39</b>                   |
| Changes during the year          | -                                 | -                                  |
| <b>Balance at April 1, 2022</b>  | <b>12,580.28</b>                  | <b>62,901.39</b>                   |
| Changes during the year          | -                                 | -                                  |
| <b>Balance at March 31, 2023</b> | <b>12,580.28</b>                  | <b>62,901.39</b>                   |

## 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 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).



## 20.4 Details of shareholders holding more than 5% shares in the Company are as under:-

| Name of equity share holders        | As at March 31, 2023 |           | As at March 31, 2022 |           |
|-------------------------------------|----------------------|-----------|----------------------|-----------|
|                                     | No. in Million       | % holding | No. in Million       | % holding |
| President of India                  | 7,408.87             | 58.89     | 7,410.90             | 58.91     |
| Life Insurance Corporation of India | 1,245.54             | 9.90      | 1,223.51             | 9.73      |
| Indian Oil Corporation Limited      | 986.89               | 7.84      | 986.89               | 7.84      |

## 20.5 Details of shareholding of promoters in equity shares of the Company

| Name of promoters  | As at March 31, 2023 |           |                          | As at March 31, 2022 |           |                          |
|--------------------|----------------------|-----------|--------------------------|----------------------|-----------|--------------------------|
|                    | No. in Million       | % holding | % change during the year | No. in Million       | % holding | % change during the year |
| President of India | 7,408.87             | 58.89     | (0.02)                   | 7,410.90             | 58.91     | (1.50)                   |

**20.5.1** During the previous year 2021-22 President of India acting through and represented by Ministry of Petroleum and Natural Gas, Government of India had 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(OFS).

**20.5.2** During the financial year 2022-23, subsequent to the completion of transaction under OFS, the Government of India made an offer to eligible employees and sold 20,37,177 equity shares of the Company representing 0.02% of the total equity share capital of the Company.

## 21. Other Equity

(₹ in Million)

| Particulars                                                       | As at March 31, 2023 | As at March 31, 2022 |
|-------------------------------------------------------------------|----------------------|----------------------|
| Capital Reserve                                                   | 159.59               | 159.59               |
| Capital Redemption Reserve                                        | 1,264.78             | 1,264.78             |
| Reserve for equity instruments through other comprehensive income | 136,234.38           | 141,073.73           |
| General Reserve                                                   | 2,369,325.51         | 2,157,161.51         |
| Retained Earnings                                                 | 8,572.76             | 8,919.86             |
| <b>Total</b>                                                      | <b>2,515,557.02</b>  | <b>2,308,579.47</b>  |

(₹ in Million)

| Particulars                                                                                 | As at March 31, 2023 | As at March 31, 2022 |
|---------------------------------------------------------------------------------------------|----------------------|----------------------|
| <b>A. Capital Reserve</b>                                                                   |                      |                      |
| Balance at beginning of year (Note No. 21.1)                                                | 159.59               | 159.59               |
| Movements                                                                                   | -                    | -                    |
| <b>Balance at end of year</b>                                                               | <b>159.59</b>        | <b>159.59</b>        |
| <b>B. Capital Redemption Reserve</b>                                                        |                      |                      |
| Balance at beginning of year                                                                | 1,264.78             | 1,264.78             |
| Movements                                                                                   | -                    | -                    |
| <b>Balance at end of year</b>                                                               | <b>1,264.78</b>      | <b>1,264.78</b>      |
| <b>C. Reserve for equity instruments through other comprehensive income (Note No. 21.2)</b> |                      |                      |
| Balance at beginning of year                                                                | 141,073.73           | 103,483.58           |
| Fair value gain/(loss) on investments in equity instruments                                 | (4,839.35)           | 37,590.15            |
| <b>Balance at end of year</b>                                                               | <b>136,234.38</b>    | <b>141,073.73</b>    |
| <b>D. General Reserve (Note No. 21.3)</b>                                                   |                      |                      |
| Balance at beginning of year                                                                | 2,157,161.51         | 1,868,585.42         |
| Add: Transfer from retained earnings                                                        | 212,164.00           | 288,576.09           |
| <b>Balance at end of year</b>                                                               | <b>2,369,325.51</b>  | <b>2,157,161.51</b>  |

| Particulars                                                                                                  | As at March 31, 2023 | As at March 31, 2022 |
|--------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
| <b>E. Retained Earnings</b>                                                                                  |                      |                      |
| Balance at beginning of year                                                                                 | 8,919.86             | 9,190.90             |
| Profit after tax for the year                                                                                | 388,288.67           | 403,057.37           |
| Add: Other comprehensive income arising from re-measurement of defined benefit obligation, net of income tax | (347.10)             | (271.04)             |
| Less: Payments of dividends (Note No. 21.4)                                                                  | 176,124.67           | 114,481.28           |
| Less: Transferred to general reserve                                                                         | 212,164.00           | 288,576.09           |
| <b>Balance at end of year</b>                                                                                | <b>8,572.76</b>      | <b>8,919.86</b>      |

**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 November 14, 2022 and February 14, 2023, the Company had declared an interim dividend of ₹6.75 per share (135%) and ₹4.00 per share (80%) respectively which has since been paid.

In respect of the year ended March 31, 2023, the Board of Directors has proposed a final dividend of ₹0.50 per share (10 %) 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 ₹6,290.14 Million.

**21.5** During the 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 paid up amount of ₹0.15 Million against these shares were transferred to the Capital Reserve in 2020-21.

## 22. Lease Liabilities

(₹ in Million)

| Particulars                     | As at March 31, 2023 |                  | As at March 31, 2022 |                  |
|---------------------------------|----------------------|------------------|----------------------|------------------|
|                                 | Non current          | Current          | Non current          | Current          |
| Lease Liabilities (Note No. 41) | 46,392.14            | 42,436.63        | 54,649.75            | 45,506.71        |
| <b>Total</b>                    | <b>46,392.14</b>     | <b>42,436.63</b> | <b>54,649.75</b>     | <b>45,506.71</b> |

### 22.1 Movement of Lease Liabilities

(₹ in Million)

| Particulars                                 | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|---------------------------------------------|------------------------------|------------------------------|
| <b>Balance at beginning of the year</b>     | 100,156.46                   | 104,210.83                   |
| Recognized during the year                  | 40,625.29                    | 44,517.61                    |
| Unwinding of discount on lease liabilities  | 3,483.39                     | 3,291.28                     |
| Payment during the year                     | (61,471.55)                  | (54,205.91)                  |
| Written back during the year                | (1,791.95)                   | (388.28)                     |
| Revaluation of lease liabilities            | 5,470.62                     | 1,746.13                     |
| Effect of remeasurement / other adjustments | 2,356.51                     | 984.80                       |
| <b>Balance at end of the year</b>           | <b>88,828.77</b>             | <b>100,156.46</b>            |





## 23. Other financial liabilities

(₹ in Million)

| Particulars                                           | As at March 31, 2023 |                   | As at March 31, 2022 |                   |
|-------------------------------------------------------|----------------------|-------------------|----------------------|-------------------|
|                                                       | Non current          | Current           | Non current          | Current           |
| Deposits from suppliers and contractors               | 1,582.32             | 2,683.15          | 321.29               | 5,335.64          |
| Financial Guarantee obligation<br>(Note No. 23.1)     | 403.80               | 336.29            | 727.07               | 368.65            |
| Unclaimed Dividend (Note No. 23.2)                    | -                    | 339.40            | -                    | 304.38            |
| Liability for Capital Goods                           | -                    | 32,939.91         | -                    | 21,933.31         |
| Liability for Employees                               | -                    | 18,725.06         | -                    | 19,353.30         |
| Liability for Post-Retirement Benefit Scheme          | -                    | 816.23            | -                    | 998.21            |
| Cash call payable to Joint Venture partners           | -                    | 31,344.13         | -                    | 28,211.95         |
| Liquidated damages deducted from parties              | -                    | 31,849.34         | -                    | 26,995.30         |
| Interest accrued on borrowings                        | -                    | 1,238.89          | -                    | 1,223.43          |
| Liability for Compulsory Convertible Debentures       | -                    | 75,725.94         | 15,978.53            | 60,423.29         |
| Liability for Unspent Corporate Social Responsibility | -                    | 343.54            | -                    | 144.89            |
| Other Liabilities                                     | -                    | 27,342.88         | -                    | 24,996.93         |
| <b>Total</b>                                          | <b>1,986.12</b>      | <b>223,684.76</b> | <b>17,026.89</b>     | <b>190,289.28</b> |

**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, 2023 |                  | As at March 31, 2022 |                  |
|--------------------------------------------------------|----------------------|------------------|----------------------|------------------|
|                                                        | Non current          | Current          | Non current          | Current          |
| <b>Provision for Employee benefits</b> (Note No. 42.8) |                      |                  |                      |                  |
| - For Post-Retirement Medical and Terminal Benefits    | 1,246.17             | 1,618.56         | 1,234.19             | 23,994.32        |
| - Gratuity for contingent employees                    | 54.11                | 17.49            | 67.74                | 13.39            |
| - Unavailed Leave and compensated absences             | -                    | 3,745.54         | -                    | 5,364.36         |
| <b>Provision for Others</b> (Note No. 24.1)            |                      |                  |                      |                  |
| - Provision for decommissioning (Note No. 24.2)        | 339,652.77           | 7,981.40         | 264,702.08           | 4,086.57         |
| - Provisions for disputed taxes (Note No. 24.4)        | -                    | 121,080.39       | -                    | -                |
| Less: Amount deposited under protest (Note No. 24.4)   | -                    | (115,581.52)     | -                    | -                |
| - Other Provisions (Note No. 24.3)                     | 33,784.97            | 464.78           | 35,858.36            | 10.23            |
|                                                        | <b>374,738.02</b>    | <b>19,326.64</b> | <b>301,862.37</b>    | <b>33,468.87</b> |

## 24.1 Movement of Provision for Others

(₹ in Million)

| Particulars                                    | Provision for decommissioning |                              | Other provisions             |                              |
|------------------------------------------------|-------------------------------|------------------------------|------------------------------|------------------------------|
|                                                | Year ended<br>March 31, 2023  | Year ended<br>March 31, 2022 | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
| <b>Balance at beginning of the year</b>        | <b>268,788.65</b>             | <b>225,207.61</b>            | <b>35,868.59</b>             | <b>32,970.70</b>             |
| Recognized during the year                     | 10,044.92                     | 5,430.60                     | 121,080.39                   | 2,903.38                     |
| Amount used during the year                    | (2,666.09)                    | (234.79)                     | -                            | -                            |
| Unwinding of discount                          | 17,911.65                     | 14,564.07                    | -                            | -                            |
| Written back during the year                   | (1,788.65)                    | -                            | (144.31)                     | (5.49)                       |
| Effect of remeasurement / other adjustment     | 55,343.69                     | 23,821.16                    | (1,474.53)                   | -                            |
| Amount deposited under protest (Note No. 24.4) | -                             | -                            | (115,581.52)                 | -                            |
| <b>Balance at end of the year</b>              | <b>347,634.17</b>             | <b>268,788.65</b>            | <b>39,748.62</b>             | <b>35,868.59</b>             |

**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 ₹33,810.40 Million (Previous year ₹35,284.92 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).

**24.4** 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 Hon. Gujarat High Court. In this matter, Hon. Gujarat High Court in the hearing held on January 4, 2021 directed the

revenue authorities to file counter affidavit by January 21, 2021. The Central Government has filed counter affidavit on January 30, 2021. The next date of hearing before Hon. 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 1, 2019 on account of GST on Royalty in the State of Rajasthan against which the Company filed writ petition (4919/2019) before Hon. High Court of Rajasthan. The Hon. 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. High Court of Madras seeking stay on the levy of GST on royalty. The Hon. High Court of Madras heard the matter on April 3, 2019 and issued notice to Central Government and State Government. The Central Government filed their counter affidavit on August 26, 2019. The Company filed additional grounds to the writ petition and filed rejoinder to the counter of the Central Government on January 24, 2020. The Hon. High Court of Madras closed the writ petition in hearing held on July 6, 2022 based on the department's rejection of Company's GST refund applications without further examination on merit. However liberty was granted to challenge the refund rejection order of department in accordance with law, accordingly, an appeal has been filed before the appellate authority challenging the department's refund rejection order dated June 24, 2022. Disputes are also pending at various forums for various work centres in respect to GST on Royalty.



As an abundant caution, the Company has deposited the disputed Service Tax and GST on royalty along-with interest under-protest amounting to ₹115,581.52 Million up to March 31, 2023 (₹87,567.87 Million up to March 31, 2022).

The Company shall continue to contest such disputed matters before various forums based on the legal opinion as per which the Service Tax/GST on Royalty in respect of Crude oil and Natural gas is not applicable. However, considering the pending final decision in a similar matter by the Nine Judges' Bench of Hon'ble Supreme Court, which is yet to be constituted and keeping in view the considerable time elapsed, during the year, the company has reviewed the entire issue of disputed Service tax and GST on royalty and has decided to make a provision towards these disputed taxes as a prudent and conservative practice in respect of the nominated fields, as per agreed terms in JV blocks where there are no disputes amongst the JV partners and to the extent of company's participating interest in the JV blocks where there are disputes amongst the JV partners. Accordingly, during the year the Company has provided ₹92,351.14 Million towards disputed taxes for the period from April 1, 2016 to March 31, 2022 together with interest thereon up to March 31, 2023 towards the ST/GST on Royalty and being material has been disclosed as an exceptional item. Further, a similar provision of ₹28,723.32 Million has also been made during the year for disputed taxes for the financial year 2022-23.

The Company has also obtained a legal opinion from the Additional Solicitor General, Supreme Court of India and other legal expert, with respect to JV blocks where there are disputes with JV partners, as per which the Service Tax/GST, if applicable on royalty, will required to be discharged by the JV partners in their respective share of participating interest in the

JV blocks, and pending resolution of the disputes, other partners' share of disputed ST/GST on Royalty in such JV blocks together with interest up to March 31, 2023 amounting to ₹43,318.13 Million has not been considered for provision and the same has been disclosed as contingent liability.

The remaining disputed demand received by the Company towards penalty and other differences i.e. ₹18,624.60 Million has also been disclosed as contingent liability.

Considering the Income tax experts' opinion on the subject, the aforesaid amount deposited under protest has been claimed in the Income Tax return / in the ongoing assessment & appellate proceedings, as an allowable expenditure under section 37 read with section 43B of the Income Tax Act, 1961 for the relevant earlier assessment years and has also been considered as an allowable expenditure while calculating the current tax for the earlier years and also towards the current tax for the year ended March 31, 2023. The Company has also created deferred tax asset amounting to ₹879.86 Million in respect of the amounts yet to be deposited against the provision made for disputed taxes for the above periods. (refer Note no. 48.1.1.b)

**24.5** A suspected fraud was noticed by the Company, wherein some of its regular / contractual employees in collusion with some vendors have made certain fictitious medical payments involving misappropriation of funds, the matter is being investigated by internal and external agencies and the final amount of the alleged fraud shall be known after the outcome of the investigation. Pending investigations an interim amount of ₹2.41 Million has been affirmed as a fraud on the Company and accordingly provision for the said amount has been made towards doubtful claims receivable from vendors.

## 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<br>March 31, 2023 | As at<br>March 31, 2022 |
|---------------------------|-------------------------|-------------------------|
| Deferred tax liabilities  | 279,180.29              | 255,093.87              |
| Less: Deferred tax assets | 61,568.52               | 57,761.33               |
| <b>Total</b>              | <b>217,611.77</b>       | <b>197,332.54</b>       |

# For FY 2022-23

(₹ in Million)

| Particulars                                                | Opening balance   | Recognised in profit or loss | Recognised in other comprehensive income | Closing balance   |
|------------------------------------------------------------|-------------------|------------------------------|------------------------------------------|-------------------|
| <b>Deferred tax (liabilities) / assets in relation to:</b> |                   |                              |                                          |                   |
| <b>Deferred Tax Assets</b>                                 |                   |                              |                                          |                   |
| Unclaimed Exploratory Wells written off                    | 23,785.63         | (16,116.50)                  | -                                        | 7,669.13          |
| Impairment/Expenses Disallowed Under Income Tax            | 27,971.21         | 19,617.74                    | -                                        | 47,588.95         |
| Financial Assets                                           | 2,139.70          | 343.66                       | -                                        | 2,483.36          |
| Intangible assets                                          | 306.22            | (154.45)                     | -                                        | 151.77            |
| Defined benefit obligation                                 | 3,558.57          | -                            | 116.74                                   | 3,675.31          |
| <b>Total Deferred Tax Assets</b>                           | <b>57,761.33</b>  | <b>3,690.45</b>              | <b>116.74</b>                            | <b>61,568.52</b>  |
| <b>Deferred Tax Liabilities</b>                            |                   |                              |                                          |                   |
| Property, plant and equipment                              | 202,882.57        | 12,740.66                    | -                                        | 215,623.23        |
| Exploratory wells in progress                              | 27,309.75         | 2,634.26                     | -                                        | 29,944.01         |
| Development wells in progress                              | 15,965.04         | 6,951.87                     | -                                        | 22,916.91         |
| Financial liabilities                                      | 8.84              | 14.70                        | -                                        | 23.54             |
| Fair value gain on investments in equity shares at FVTOCI  | 9,011.27          | -                            | 2,483.16                                 | 11,494.43         |
| Others                                                     | (83.60)           | (738.23)                     | -                                        | (821.83)          |
| <b>Total Deferred Tax Liabilities</b>                      | <b>255,093.87</b> | <b>21,603.26</b>             | <b>2,483.16</b>                          | <b>279,180.29</b> |
| <b>Deferred Tax Liabilities (Net)</b>                      | <b>197,332.54</b> | <b>17,912.81</b>             | <b>2,366.42</b>                          | <b>217,611.77</b> |

# For FY 2021-22

(₹ in Million)

| Particulars                                                | Opening balance   | Recognised in profit or loss | Recognised in other comprehensive income | Closing balance   |
|------------------------------------------------------------|-------------------|------------------------------|------------------------------------------|-------------------|
| <b>Deferred tax (liabilities) / assets in relation to:</b> |                   |                              |                                          |                   |
| <b>Deferred Tax Assets</b>                                 |                   |                              |                                          |                   |
| 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          |
| <b>Total Deferred Tax Assets</b>                           | <b>58,574.87</b>  | <b>1,165.58</b>              | <b>(1,979.12)</b>                        | <b>57,761.33</b>  |
| <b>Deferred Tax Liabilities</b>                            |                   |                              |                                          |                   |
| 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         |
| 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          |
| Others                                                     | (225.45)          | 141.85                       | -                                        | (83.60)           |
| <b>Total Deferred Tax Liabilities</b>                      | <b>333,308.54</b> | <b>(81,251.94)</b>           | <b>3,037.27</b>                          | <b>255,093.87</b> |
| <b>Deferred Tax Liabilities (Net)</b>                      | <b>274,733.67</b> | <b>(82,417.52)</b>           | <b>5,016.39</b>                          | <b>197,332.54</b> |



## 26. Other liabilities

(₹ in Million)

| Particulars                                                    | As at March 31, 2023 |                  | As at March 31, 2022 |                  |
|----------------------------------------------------------------|----------------------|------------------|----------------------|------------------|
|                                                                | Non-current          | Current          | Non-current          | Current          |
| Advance from Customers                                         | -                    | 589.88           | -                    | 523.34           |
| Contract Liability-Advance MGO<br>(Note No. 26.2, 26.3 & 26.4) | 91.37                | 187.65           | 196.14               | 82.88            |
| Deferred government grant (Note No. 26.1)                      | 75.10                | -                | 94.49                | -                |
| Liability for Statutory Payments                               | -                    | 28,083.66        | -                    | 33,018.88        |
| Other liabilities                                              | 19.57                | 1,944.46         | 16.66                | 1,576.45         |
| <b>Total</b>                                                   | <b>186.04</b>        | <b>30,805.65</b> | <b>307.29</b>        | <b>35,201.55</b> |

**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, 2023     | March 31, 2022 |
| Natural gas | -                  | 21.78          |

**26.3** Transaction price allocated to the remaining performance obligations that are unsatisfied at the reporting date:

(₹ in Million)

| Particulars | As at March 31, 2023 |                     | As at March 31, 2022 |                     |
|-------------|----------------------|---------------------|----------------------|---------------------|
|             | Less than 12 Months  | More than 12 Months | Less than 12 Months  | More than 12 Months |
| Natural gas | 187.65               | 91.37               | 82.88                | 196.14              |

**26.4** Significant changes in the contract liability balances during the year are as follows:

(₹ in Million)

| Particulars                                         | For the year ended |                |
|-----------------------------------------------------|--------------------|----------------|
|                                                     | March 31, 2023     | March 31, 2022 |
| <b>Balance at the beginning of the year</b>         | <b>279.02</b>      | <b>285.41</b>  |
| Add: Amount received from customers during the year | -                  | 15.39          |
| Less: Minimum Guaranteed Offtake (MGO) refunded     | -                  | -              |
| Less: Revenue recognised during the year            | -                  | 21.78          |
| <b>Balance at the end of the year</b>               | <b>279.02</b>      | <b>279.02</b>  |



## 27. Borrowings

(₹ in Million)

| Particulars                                                            | As at March 31, 2023 |                  | As at March 31, 2022 |          |
|------------------------------------------------------------------------|----------------------|------------------|----------------------|----------|
|                                                                        | Non-current          | Current          | Non-current          | Current  |
| <b>Secured</b>                                                         |                      |                  |                      |          |
| Working Capital Loans (Note No. 27.1)                                  | -                    | 6,289.99         | -                    | -        |
| <b>Unsecured</b>                                                       |                      |                  |                      |          |
| Non-Convertible Debenture (Note No. 27.2)                              | 15,000.00            | -                | 41,400.00            | -        |
| Less: Unamortised issue and other charges on Non-Convertible Debenture | (0.90)               | -                | (2.32)               | -        |
| Foreign Currency Bond (Note No. 27.3)                                  | 24,645.00            | -                | 22,725.00            | -        |
| Less: Unamortised Discount and other charges on Foreign Currency Bond  | (144.78)             | -                | (153.66)             | -        |
| Current maturities of non-current borrowings (net)                     | -                    | 26,399.48        | -                    | -        |
| <b>Total</b>                                                           | <b>39,499.32</b>     | <b>32,689.47</b> | <b>63,969.02</b>     | <b>-</b> |

### 27.1 The Working Capital Loans against Term Deposits outstanding :

#### As at March 31, 2023

| Sl. no. | ₹ in Million | Interest Rate p.a. (payable monthly) | Date of maturity of term deposits |
|---------|--------------|--------------------------------------|-----------------------------------|
| 1       | 1,764.00     | 5.40% p.a.                           | April 24, 2023                    |
| 2       | 4,525.99     | 5.43% p.a.                           | April 25, 2023                    |

#### As at March 31, 2022

| Sl. no. | ₹ in Million | Interest Rate p.a. (payable monthly) | Terms of repayment |
|---------|--------------|--------------------------------------|--------------------|
| -NIL-   |              |                                      |                    |

### Details of Working Capital Loans against Term Deposits during FY 2022-23

(₹ in Million)

| Sanctioned Working capital loan | Amount of Term Deposits under Lien | Outstanding loan as on March 31, 2023 | Loan sanction date | Loan Start date | Loan last repayment date |
|---------------------------------|------------------------------------|---------------------------------------|--------------------|-----------------|--------------------------|
| 9,060                           | 9,060                              | -                                     | Jun 08, 2022       | Jun 12, 2022    | Jun 13, 2022             |
| 1,960                           | 1,960                              | -                                     | Jul 05, 2022       | Jul 09, 2022    | Mar 13, 2023             |
| 9,430                           | 9,430                              | -                                     | Jul 29, 2022       | Jul 31, 2022    | Aug 02, 2022             |
| 25,898                          | 31,780                             | -                                     | Jul 29, 2022       | Jul 31, 2022    | Aug 01, 2022             |
| 8,094                           | 8,520                              | -                                     | Jul 29, 2022       | Aug 01, 2022    | Aug 06, 2022             |
| 1,764                           | 1,960                              | 1,764                                 | Jul 29, 2022       | Aug 06, 2022    | Apr 21, 2023             |
| 47,439                          | 52,710                             | 4,526                                 | Jul 29, 2022       | Aug 06, 2022    | Apr 21, 2023             |
| 2,940                           | 2,940                              | -                                     | Nov 11, 2022       | Nov 12, 2022    | Mar 13, 2023             |

### Registration of charges or satisfaction with Registrar of Companies

During the year, the Company had availed the above working capital loans on a rolling basis against lien on Term Deposits from the nationalized banks. The banks have confirmed that no charge is required

by them to be registered for the loans against term deposits as the original Term Deposit receipts are kept with the Banks under Lien. As a result no charge was registered with the Registrar of Companies, Delhi for the above loans against the term deposits, within 30 days from the loan sanction date as required by section 77 of the Companies Act, 2013.



## 27.2 Details of Non-Convertible Debentures outstanding

As at March 31, 2023

| 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 %             |
|         | <b>Total</b>               |                  |                   | <b>41,400.00</b>             |                    |

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 %             |
|         | <b>Total</b>               |                  |                   | <b>41,400.00</b>             |                    |

## 27.3 Details of Foreign Currency Bonds outstanding:

As at March 31, 2023

| Sl. no. | Date of Issue     | Date of repayment | USD in Million (at face value) | ₹ in Million | Interest Rate p.a. (payable half yearly) |
|---------|-------------------|-------------------|--------------------------------|--------------|------------------------------------------|
| 1.      | December 05, 2019 | December 05, 2029 | 300.00                         | 24,645.00    | 3.375 %                                  |

As at March 31, 2022

| Sl. no. | Date of Issue     | Date of repayment | USD 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 %                                  |

## 28. Trade payables

### 28.1 Trade payables- Micro and Small enterprises\*

(₹ in Million)

| Particulars                                                                                                                                                                                                                                              | As at March 31, 2023 | As at March 31, 2022 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
| a) Principal & Interest amount remaining unpaid but not due as at year end                                                                                                                                                                               | 2,255.51             | 3,549.23             |
| 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, 2023 | As at March 31, 2022 |
|--------------------------------------|----------------------|----------------------|
| Trade payable (Note No. 28.3 & 28.4) | 60,300.45            | 57,998.02            |
| <b>Total</b>                         | <b>60,300.45</b>     | <b>57,998.02</b>     |

## 28.3 Age Analysis of Trade Payables

As at March 31, 2023

(₹ 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                       | 704.09          | -                                                          | -               | -             | -                 | 704.09           |
| (ii) Others                    | 7,967.10        | 29,125.90                                                  | 778.13          | 55.82         | 965.90            | 38,892.85        |
| (iii) Disputed dues – MSME     | 201.30          | -                                                          | -               | -             | -                 | 201.30           |
| (iv) Disputed dues – Others    | 124.05          | 2,317.76                                                   | 223.59          | 71.84         | 737.22            | 3,474.46         |
| <b>Total</b>                   | <b>8,996.54</b> | <b>31,443.66</b>                                           | <b>1,001.72</b> | <b>127.66</b> | <b>1,703.12</b>   | <b>43,272.70</b> |
| Unbilled (including MSME Dues) |                 |                                                            |                 |               |                   | 19,283.26        |
| <b>Total Trade Payable</b>     |                 |                                                            |                 |               |                   | <b>62,555.96</b> |

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         |
| <b>Total</b>                   | <b>22,189.95</b> | <b>16,034.94</b>                                           | <b>1,046.96</b> | <b>173.85</b> | <b>1,453.91</b>   | <b>40,899.61</b> |
| Unbilled (including MSME Dues) |                  |                                                            |                 |               |                   | 20,647.64        |
| <b>Total Trade Payable</b>     |                  |                                                            |                 |               |                   | <b>61,547.25</b> |

**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, 2023 | As at March 31, 2022 |
|-------------------------------|----------------------|----------------------|
| Non- Current tax assets (Net) | 114,966.16           | 84,269.50            |
| <b>Total</b>                  | <b>114,966.16</b>    | <b>84,269.50</b>     |

(b) Current Tax Liabilities (Net)

(₹ in Million)

| Particulars                   | As at March 31, 2023 | As at March 31, 2022 |
|-------------------------------|----------------------|----------------------|
| Non- Current tax assets (Net) | -                    | -                    |
| <b>Total</b>                  | <b>-</b>             | <b>-</b>             |



### 30. Revenue from Operations

(₹ in Million)

| Particulars |                                                                      | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|-------------|----------------------------------------------------------------------|------------------------------|------------------------------|
| <b>A.</b>   | <b>Sale of Products</b>                                              |                              |                              |
|             | Own Products (including excise duty)<br>(Note No. 30.1, 30.2 & 30.3) | 1,584,226.53                 | 1,134,906.19                 |
|             | Less: Transfer to Exploratory Wells in progress                      | 1,822.62                     | 59.67                        |
|             | Less: Government of India's (GoI's) share in Profit<br>Petroleum     | 34,862.56                    | 35,223.54                    |
|             |                                                                      | <b>1,547,541.35</b>          | <b>1,099,622.98</b>          |
| <b>B.</b>   | <b>Other Operating Revenue</b>                                       |                              |                              |
|             | Contractual Short Lifted Gas Receipts                                | 336.82                       | 408.32                       |
|             | Pipeline Transportation Receipts                                     | 1,555.58                     | 1,123.40                     |
|             | North-East Gas Subsidy (Note No. 30.2)                               | 4,632.03                     | 1,519.06                     |
|             | Surplus from Gas Pool Account                                        | 79.63                        | -                            |
|             | Production Bonus                                                     | 69.69                        | -                            |
|             | Sale of Electricity                                                  | 709.44                       | 754.51                       |
|             | Processing Charges                                                   | 248.61                       | 25.71                        |
|             |                                                                      | <b>7,631.80</b>              | <b>3,831.00</b>              |
|             | <b>Total</b>                                                         | <b>1,555,173.15</b>          | <b>1,103,453.98</b>          |

**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 were extended provisionally from time to time till September 30, 2022.

Government of India (GoI) deregulated sale of domestically produced crude oil with effect from October 1, 2022. Subsequent to deregulation, crude oil from Western offshore region has been auctioned from time to time till February'23 and separate COSAs were entered into with each buyer to whom crude oil from Western offshore region has been allocated through e-auctions. All the terms of COSAs entered into with Buyers for sale of crude oil for the month of February'23 are valid for a period of 1 year (except terms for determining pricing and allocation of quantity of crude oil). Revenue in respect of Sale of crude oil from western offshore region for the month of March 2023 is invoiced on the benchmark prices as applicable for the period from October 2022 to February 2023. The discussion with the buyer refineries (Public sector Oil Marketing Companies) for finalization of pricing terms for supply of crude oil from western offshore applicable for March 2023

are in process and it is expected to be finalized soon. (Refer note no. 12.4)

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 till March 31, 2023 (approved for extension by 1 more year till March 31, 2024) and to Numaligarh Refinery Limited (NRL) is based on pricing formula provided by Ministry of Petroleum and Natural Gas (MoP&NG).

The process of finalizing and signing of COSAs for crude oil sale from other regions is under process as at March 31, 2023. Crude oil of these regions is being supplied to Public sector Oil Marketing Companies on the basis of provisional prices.

**30.2** Majority of Sales revenue in respect of Natural Gas is based on domestic gas price of USD 6.10/ mmbtu and USD 8.57/mmbtu (on GCV basis) notified by GoI for the period April 01, 2022 to September 30, 2022 and October 01, 2022 to March 31, 2023 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 Details of Sales Revenue

| Product                                               | Unit   | Year ended<br>March 31, 2023 |                     | Year ended<br>March 31, 2022 |                     |
|-------------------------------------------------------|--------|------------------------------|---------------------|------------------------------|---------------------|
|                                                       |        | Quantity                     | Value ₹ in Million  | Quantity                     | Value ₹ in Million  |
| Crude Oil *                                           | MT     | 19,193,843                   | 1,061,631.55        | 20,295,439                   | 867,712.64          |
| Less: From Exploratory Wells in progress              |        | 38,742                       | 1,411.75            | 1,151                        | 33.02               |
| Less: Government of India's share in Profit Petroleum |        |                              | 30,144.15           |                              | 31,067.38           |
|                                                       |        |                              | <b>1,030,075.65</b> |                              | <b>836,612.24</b>   |
| Natural Gas *                                         | 000M 3 | 16,676,842                   | 379,297.46          | 16,753,037                   | 128,596.91          |
| Less: From Exploratory Wells in progress              |        | 17,051                       | 410.87              | 1,660                        | 26.65               |
| Less: Government of India's share in Profit Petroleum |        |                              | 4,718.41            |                              | 4,156.16            |
|                                                       |        |                              | <b>374,168.18</b>   |                              | <b>124,414.10</b>   |
| Liquefied Petroleum Gas                               | MT     | 883,847                      | 55,542.72           | 883,425                      | 46,751.77           |
| Naphtha                                               | MT     | 921,281                      | 49,613.69           | 963,870                      | 50,640.14           |
| Ethane-Propane                                        | MT     | 119,404                      | 4,909.03            | 314,771                      | 9,078.41            |
| Ethane                                                | MT     | 280,690                      | 13,310.75           | 499,578                      | 10,814.60           |
| Propane                                               | MT     | 147,177                      | 8,713.61            | 196,574                      | 10,636.58           |
| Butane                                                | MT     | 80,508                       | 4,667.68            | 115,927                      | 6,185.22            |
| Superior Kerosene Oil                                 | MT     | 732                          | 67.54               | 18,434                       | 879.64              |
| LSHS                                                  | MT     | 27,610                       | 1,217.78            | 22,968                       | 838.77              |
| HSD                                                   | MT     | 13,275                       | 1,366.17            | 12,152                       | 1,018.36            |
| Aviation Turbine Fuel (ATF)                           | MT     | 39,349                       | 3,691.81            | 26,124                       | 1,543.64            |
| MTO                                                   | MT     | 2,082                        | 196.74              | 4,257                        | 206.64              |
| Others (Note No. 17.1)                                |        |                              | -                   |                              | 2.87                |
| <b>Total</b>                                          |        |                              | <b>1,547,541.35</b> |                              | <b>1,099,622.98</b> |

\* 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<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|----------------------------------------------------------------------|------------------------------|------------------------------|
| <b>Interest on:</b>                                                  |                              |                              |
| Deposits with Banks                                                  | 12,636.28                    | 484.75                       |
| Income Tax Refund                                                    | 20.67                        | 19.65                        |
| Delayed Payment from Customers and Others                            | 188.17                       | 68.58                        |
| Financial assets (measured at amortized cost)                        |                              |                              |
| - Site Restoration Fund Deposit                                      | 13,670.66                    | 9,653.70                     |
| - Employee loans                                                     | 1,587.10                     | 1,373.16                     |
| - Other Investments                                                  | 165.79                       | 165.79                       |
| - Others                                                             | 5.81                         | 7.91                         |
|                                                                      | <b>28,274.48</b>             | <b>11,773.54</b>             |
| <b>Dividend Income from:</b>                                         |                              |                              |
| Investment in Subsidiaries, Associates and Joint Ventures            | 18,667.85                    | 26,518.42                    |
| Other Investments (FVTOCI)                                           | 6,338.65                     | 16,001.06                    |
|                                                                      | <b>25,006.50</b>             | <b>42,519.48</b>             |
| <b>Other Non-Operating Income</b>                                    |                              |                              |
| Excess decommissioning provision written back                        | 1,788.65                     | -                            |
| Excess provision written back - Others                               | 1,482.03                     | 780.67                       |
| Liabilities no longer required written back                          | 2,503.73                     | 1,783.08                     |
| Contractual Receipts                                                 | 1,600.82                     | 732.02                       |
| Profit on sale of investments                                        | -                            | 49.44                        |
| Profit on sale of assets                                             | 3.93                         | -                            |
| Amortization of financial guarantee obligation                       | 385.46                       | 383.81                       |
| Gain on fair valuation of financial instruments                      | 267.68                       | 39.86                        |
| Gain on revaluation / redemption of financial liability towards CCDs | 3,968.76                     | 1,439.34                     |
| Miscellaneous receipts                                               | 10,983.48                    | 5,654.59                     |
|                                                                      | <b>22,984.54</b>             | <b>10,862.81</b>             |
| <b>Total</b>                                                         | <b>76,265.52</b>             | <b>65,155.83</b>             |

### 32. Changes in inventories of finished goods and work in progress

(₹ in Million)

| Particulars                               | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|-------------------------------------------|------------------------------|------------------------------|
| Closing Stock                             | 19,927.90                    | 15,111.22                    |
| Opening Stock                             | 15,111.22                    | 13,681.74                    |
| <b>(Increase)/decrease in inventories</b> | <b>(4,816.68)</b>            | <b>(1,429.48)</b>            |

**33. Details of opening and closing inventories of finished goods and work in progress**

(₹ in Million)

| Particulars             | Unit  | As at March 31, 2023 |                  | As at March 31, 2022 |                  |
|-------------------------|-------|----------------------|------------------|----------------------|------------------|
|                         |       | Quantity             | Value            | Quantity             | Value            |
| <b>Opening stock</b>    |       |                      |                  |                      |                  |
| 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           |
| 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             |
|                         |       |                      | <b>15,111.22</b> |                      | <b>13,681.74</b> |
| <b>Closing stock</b>    |       |                      |                  |                      |                  |
| Crude Oil*              | MT    | 1,002,223            | 19,153.95        | 894,387              | 14,458.93        |
| Liquefied Petroleum Gas | MT    | 10,569               | 135.18           | 11,315               | 126.43           |
| Naphtha                 | MT    | 38,624               | 271.80           | 28,957               | 230.39           |
| Ethane-Propane          | MT    | 60                   | 1.70             | 369                  | 5.07             |
| Superior Kerosene Oil   | MT    | 4,500                | 29.26            | 5,308                | 31.37            |
| Aviation Turbine Fuel   | MT    | 7,268                | 65.06            | 5,919                | 54.51            |
| Low Sulphur Heavy Stock | MT    | 1,080                | 41.47            | 1,605                | 46.57            |
| High Speed Diesel       | MT    | 5,450                | 156.43           | 3,435                | 119.84           |
| Ethane                  | MT    | 721                  | 25.23            | 548                  | 6.64             |
| Propane                 | MT    | 489                  | 20.61            | 166                  | 7.60             |
| Butane                  | MT    | 225                  | 10.52            | 157                  | 9.78             |
| Mineral Turpentine Oil  | MT    | 133                  | 5.13             | 172                  | 4.99             |
| Carbon Credits          | Units | 330,484              | -                | 330,484              | 5.59             |
| Others                  |       |                      | 11.56            |                      | 3.51             |
| <b>Total</b>            |       |                      | <b>19,927.90</b> |                      | <b>15,111.22</b> |

\*Includes Company's share in stock of Joint Operations.



### 34. Production, Transportation, Selling and Distribution Expenditure

(₹ in Million)

| Particulars                                      | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|--------------------------------------------------|------------------------------|------------------------------|
| Royalty                                          | 182,076.48                   | 136,057.02                   |
| OIDB Cess                                        | 159,294.42                   | 141,261.00                   |
| National Calamity Contingent Duty                | 933.31                       | 973.58                       |
| Excise Duty                                      | 110,038.65                   | 265.33                       |
| Port Trust Charges                               | 347.81                       | 542.72                       |
| Other Levies                                     | 151.41                       | 222.72                       |
| Staff Expenditure                                | 27,850.91                    | 28,877.14                    |
| Workover Operations                              | 15,337.20                    | 14,172.36                    |
| Water Injection, Desalting and Demulsification   | 15,196.86                    | 11,048.95                    |
| Consumption of Raw materials, Stores and Spares  | 39,213.10                    | 32,724.65                    |
| Pollution Control                                | 3,972.20                     | 3,080.03                     |
| Transport Expenditure                            | 8,314.82                     | 5,922.73                     |
| Insurance                                        | 2,183.80                     | 1,586.17                     |
| Power and Fuel                                   | 4,721.87                     | 3,946.55                     |
| Repairs and Maintenance                          | 23,582.98                    | 18,193.76                    |
| Contractual payments including Hire charges etc. | 18,230.61                    | 16,891.96                    |
| Other Production Expenditure                     | 13,137.92                    | 7,631.29                     |
| Transportation and Freight of Products           | 17,238.10                    | 14,487.15                    |
| Research and Development                         | 5,424.25                     | 5,133.08                     |
| General Administrative Expenditure               | 39,502.40                    | 38,542.14                    |
| CSR expenditure (Note No. 34.2)                  | 4,517.39                     | 4,503.17                     |
| Exchange Loss (Net) (Note No. 35.1)              | 10,047.39                    | 2,983.70                     |
| Miscellaneous Expenditure (Note No. 34.3)        | 8,764.06                     | 9,288.15                     |
| Loss on fair valuation of financial instruments  | 2,030.16                     | 1,860.40                     |
| <b>Total</b>                                     | <b>712,108.10</b>            | <b>500,195.75</b>            |

#### 34.1 Details of Nature wise Expenditure

(₹ in Million)

| Particular                                               | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|----------------------------------------------------------|------------------------------|------------------------------|
| <b>Employee Benefit Expenses</b>                         |                              |                              |
| (a) Salaries, Wages, Ex-gratia etc.                      | 85,301.25                    | 89,112.20                    |
| (b) Contribution to Provident and other funds            | 11,852.52                    | 10,655.45                    |
| (c) Provision for gratuity                               | (611.17)                     | (949.75)                     |
| (d) Provision for Leave (Including Compensatory Absence) | 3,720.85                     | 5,458.15                     |
| (e) Post Retirement Medical & Terminal Benefits          | 1,909.28                     | 2,593.62                     |
| (f) Staff welfare expenditure                            | 4,034.35                     | 3,951.25                     |
| <b>Sub Total:</b>                                        | <b>106,207.08</b>            | <b>110,820.92</b>            |
| Consumption of Raw materials, Stores and Spares          | 102,600.69                   | 80,986.09                    |
| Royalty                                                  | 182,076.48                   | 136,057.02                   |
| OIDB Cess                                                | 159,294.42                   | 141,261.00                   |
| National Calamity Contingent Duty                        | 933.31                       | 973.58                       |

| Particular                                                                      | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|---------------------------------------------------------------------------------|------------------------------|------------------------------|
| Excise Duty                                                                     | 110,038.65                   | 265.33                       |
| Port Trust Charges                                                              | 347.81                       | 542.72                       |
| Other Levies                                                                    | 151.41                       | 222.72                       |
| Rent                                                                            | 3,485.69                     | 3,177.84                     |
| Rates and taxes                                                                 | 327.88                       | 341.70                       |
| Hire charges of equipments and vehicles                                         | 44,663.79                    | 35,476.96                    |
| Power, fuel and water charges                                                   | 6,820.07                     | 5,758.23                     |
| Contractual drilling, logging, workover etc.                                    | 98,592.83                    | 58,868.81                    |
| Contractual security                                                            | 10,223.50                    | 9,437.76                     |
| Repairs to building                                                             | 1,262.12                     | 1,365.21                     |
| Repairs to plant and equipment                                                  | 17,454.32                    | 12,506.50                    |
| Other repairs                                                                   | 2,528.06                     | 2,440.54                     |
| Insurance                                                                       | 3,657.72                     | 2,595.84                     |
| Expenditure on Tour / Travel                                                    | 4,159.16                     | 2,816.39                     |
| CSR expenditure (Note No. 34.2)                                                 | 4,517.39                     | 4,503.17                     |
| Exchange Loss (Net) (Note No. 35.1)                                             | 10,047.39                    | 2,983.70                     |
| Miscellaneous expenditure (Note No. 34.3)                                       | 15,903.53                    | 13,400.24                    |
|                                                                                 | <b>885,293.30</b>            | <b>626,802.27</b>            |
| <b>Less:</b>                                                                    |                              |                              |
| Allocated to exploration, development drilling, capital jobs, recoverables etc. | 173,185.20                   | 126,606.52                   |
| <b>Production, Transportation, Selling and Distribution Expenditure</b>         | <b>712,108.10</b>            | <b>500,195.75</b>            |

## 34.2 CSR Expenditure

### 34.2.1 Break-up of various heads of CSR expenditure

| (₹ in Million) |                                                                                                        |                              |                              |
|----------------|--------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| Sl.No.         | Heads of Expenditure                                                                                   | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
| i.             | Promoting Education & Livelihood enhancement projects                                                  | 1,290.77                     | 1,222.19                     |
| ii.            | Promoting Health Care & Eradicating hunger, poverty and malnutrition                                   | 1,411.19                     | 1,417.81                     |
| iii.           | Promoting Gender Equality and reducing Inequalities faced by Socially and Economically Backward groups | 239.78                       | 60.04                        |
| iv.            | Promotion of Nationally recognized and Para-Olympic Sports                                             | -                            | 35.82                        |
| v.             | Imparting Employment by Enhancing Vocational Skills                                                    | -                            | 402.86                       |
| vi.            | Swachh Bharat Abhiyaan                                                                                 | -                            | 79.17                        |
| vii.           | Environment Sustainability                                                                             | 135.10                       | 81.55                        |
| viii.          | PM CARES Fund                                                                                          | 1,000.00                     | 700.00                       |
| ix.            | Women Empowerment                                                                                      | -                            | 6.80                         |
| x.             | Rural Infrastructure Development                                                                       | 161.63                       | 212.23                       |
| xi.            | Protection of National Heritage, Promotion of Art, Culture & Handicraft                                | 28.30                        | 24.38                        |
| xii.           | Disaster Management                                                                                    | 10.12                        | 33.11                        |
| xiii.          | Contributions or funds provided to technology incubators                                               | 194.35                       | -                            |
| xiv.           | Measures for the benefit of armed forces                                                               | 0.65                         | -                            |
| xv.            | Promotion of Sports                                                                                    | 20.95                        | -                            |
| xvi.           | Others                                                                                                 | 266.08                       | 304.01                       |
|                | <b>Total</b>                                                                                           | <b>4,758.92</b>              | <b>4,579.97</b>              |



### 34.2.2 The CSR expenditure comprises the following:

(a) Gross amount required to be spent by the Company during the year ₹4,517.39 Million (Previous year ₹4,503.17 Million) as against the budget approved by the Board of ₹4,517.39 Million (Previous year ₹4,503.17 Million). ₹219.82 Million overspent during FY 2021-22 was set-off from the budget of FY 2022-23 with the approval of the Board and the net Budget to be spent during FY 2022-23 was ₹4,297.57 Million.

(b) Amount spent during the year on:

(₹ in Million)

| Sl. No. | Particulars                           | Year ended March 31, 2023 |                        |                 | Year ended March 31, 2022 |                        |                 |
|---------|---------------------------------------|---------------------------|------------------------|-----------------|---------------------------|------------------------|-----------------|
|         |                                       | 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       | 4,657.06                  | 101.86                 | 4,758.92        | 4,133.28                  | 446.69                 | 4,579.97        |
|         | <b>Total</b>                          | <b>4,657.06</b>           | <b>101.86</b>          | <b>4,758.92</b> | <b>4,133.28</b>           | <b>446.69</b>          | <b>4,579.97</b> |

(c) Contribution to ONGC Foundation, a trust of the Company, in relation to CSR expenditure during the year is ₹1,496.19 Million (Previous year ₹1,511.68 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, 2023 | Year ended March 31, 2022 |
|---------------------------------------------|---------------------------|---------------------------|
| <b>Opening Balance</b>                      | <b>219.82</b>             | <b>143.02</b>             |
| Amount required to be spent during the year | 4,517.39                  | 4,503.17                  |
| Amount spent during the year                | 4,758.92                  | 4,579.97                  |
| <b>Closing Balance</b>                      | <b>461.35</b>             | <b>219.82</b>             |

### 34.3 The Miscellaneous Expenditure in Note No. 34 includes Statutory Auditors Remuneration as under:

(₹ in Million)

| Payment to Auditors                   | Year ended March 31, 2023 | Year ended March 31, 2022 |
|---------------------------------------|---------------------------|---------------------------|
| Audit Fees                            | 38.94                     | 38.94                     |
| Certification and Other Services      | 16.14                     | 17.70                     |
| Travelling and Out of Pocket Expenses | 18.58                     | 2.50                      |
| <b>Total</b>                          | <b>73.66</b>              | <b>59.14</b>              |

## 35. Finance Cost

(₹ in Million)

| Particulars                                                                 | Year ended March 31, 2023 | Year ended March 31, 2022 |
|-----------------------------------------------------------------------------|---------------------------|---------------------------|
| <b>Interest:</b>                                                            |                           |                           |
| - On Non-convertible Debentures                                             | 2,107.37                  | 2,107.37                  |
| - On Foreign Currency Bonds                                                 | 658.38                    | 479.51                    |
| - On Foreign Currency Term Loan and Working Capital Loans                   | 430.84                    | 301.04                    |
| - On Cash Credit                                                            | 0.13                      | 1.23                      |
| - On Commercial Papers                                                      | -                         | 158.36                    |
| - Others                                                                    | 1.63                      | 4.90                      |
| Borrowing Cost-Exchange difference on Foreign Currency Loan (Note No. 35.1) | 288.16                    | 473.15                    |



| Particulars                                       | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|---------------------------------------------------|------------------------------|------------------------------|
| <b>Unwinding of:</b>                              |                              |                              |
| - Decommissioning Provisions                      | 17,911.65                    | 14,564.07                    |
| - Lease liabilities                               | 2,287.16                     | 2,202.91                     |
| - Financial liabilities                           | 17.81                        | 24.12                        |
| - Liability for Compulsory Convertible Debentures | 3,292.88                     | 3,281.96                     |
| <b>Total</b>                                      | <b>26,996.01</b>             | <b>23,598.62</b>             |

**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<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|-----------------------------------------------------|------------------------------|------------------------------|
| Depletion of Oil and Gas Assets                     | 142,524.91                   | 126,254.84                   |
| Depreciation of other Property, Plant and Equipment | 21,203.15                    | 19,564.23                    |
| Depreciation of right-of-use assets                 | 53,906.45                    | 50,343.15                    |
| Total Depreciation                                  | 75,109.60                    | 69,907.38                    |
| <b>Less : Allocated to:</b>                         |                              |                              |
| Exploratory Drilling                                | 9,582.96                     | 10,665.91                    |
| Development Drilling                                | 25,938.95                    | 19,597.38                    |
| Others                                              | 133.41                       | 152.32                       |
| Amortisation of intangible assets                   | 769.91                       | 784.07                       |
| Impairment Loss (Note No. 47)                       |                              |                              |
| Provided during the year                            | 12,520.73                    | 33,462.27                    |
| <b>Less: Reversed during the year</b>               | <b>27,318.28</b>             | <b>24,535.94</b>             |
| <b>Total</b>                                        | <b>167,951.55</b>            | <b>175,457.01</b>            |

### 37. Other impairment and Write Offs

(₹ in Million)

| Particulars                                     | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|-------------------------------------------------|------------------------------|------------------------------|
| <b>Impairment for:</b>                          |                              |                              |
| Doubtful Debts                                  | 957.22                       | 547.62                       |
| Doubtful Claims/Advances                        | 1,767.92                     | 3,078.67                     |
| Non-Moving Inventory                            | 372.26                       | 949.13                       |
| Disputed taxes (Note No. 24.4)                  | 28,723.32                    | -                            |
| Others                                          | -                            | 144.30                       |
|                                                 | <b>31,820.72</b>             | <b>4,719.72</b>              |
| <b>Write-Offs</b>                               |                              |                              |
| Disposal/Condemnation of Other PPE & ROU Assets | 882.44                       | 208.56                       |
| Claims/Advances                                 | 0.53                         | 3.76                         |
| Inventory                                       | 247.01                       | 373.12                       |
| Receivables                                     | 0.13                         | -                            |
|                                                 | <b>1,130.11</b>              | <b>585.44</b>                |
| <b>Total</b>                                    | <b>32,950.83</b>             | <b>5,305.16</b>              |



### 38. Tax Expense

(₹ in Million)

| Particulars                        | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|------------------------------------|------------------------------|------------------------------|
| <b>Current tax in relation to:</b> |                              |                              |
| - Current year                     | 126,200.00                   | 94,540.00                    |
| - Earlier years                    | (28,448.24)                  | (4,779.99)                   |
|                                    | <b>97,751.76</b>             | <b>89,760.01</b>             |
| <b>Deferred tax</b>                | 17,912.80                    | (82,417.52)                  |
|                                    | <b>17,912.80</b>             | <b>(82,417.52)</b>           |
| <b>Total</b>                       | <b>115,664.56</b>            | <b>7,342.49</b>              |

**38.1** Pursuant to the introduction of Section 115BAA of the Income Tax Act, 1961 vide Taxation Laws (Amendment) Act, 2019 the Company had 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 had decided to avail the option of lower rate with effect from the financial year 2020-21. Accordingly, the Company had recognized provision for tax expenses during the previous year and re-measured its net Deferred Tax liabilities on the basis of the provision prescribed

in the said section.

The net impact in the previous year due to availing the above option had resulted in decrease in deferred tax by ₹90,905.15 Million (of which ₹(-)1,382.25 Million was accounted in Other Comprehensive Income) and decrease in current tax by ₹28,019.77 Million (including ₹1,639.72 Million relating to earlier years).

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 ₹6,293.64 Million (previous year ₹4,245.04 Million) on current tax expense.

### 39. The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ in Million)

| Particulars                                                                                | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|--------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| <b>Profit before tax</b>                                                                   | 503,953.23                   | 410,399.86                   |
| Income tax expense calculated at 25.168%<br>(FY 2021-2022: 25.168%)                        | 126,834.95                   | 103,289.43                   |
| <b>Less: Exemptions / Deductions</b>                                                       |                              |                              |
| Deduction under section 80-M                                                               | 6,293.64                     | 10,683.92                    |
| <b>Add: Effect of expenses that are not deductible in determining taxable profit</b>       |                              |                              |
| Corresponding Effect of temporary differences on account of current tax of earlier periods | 4,342.03                     | (82,223.53)                  |
| Current Tax on CSR Expenditure                                                             | 1,136.94                     | 1,133.36                     |
| Expenses not allowed in Income Tax                                                         | 220.55                       | 603.99                       |
| <b>Sub total</b>                                                                           | <b>126,240.83</b>            | <b>12,119.33</b>             |
| Others*                                                                                    | 17,871.97                    | 3.15                         |
|                                                                                            | <b>144,112.80</b>            | <b>12,122.48</b>             |
| Adjustments recognised in the current year in relation to the current tax of prior years   | (28,448.24)                  | (4,779.99)                   |
| Income tax expense recognised in profit or loss (relating to continuing operations)        | <b>115,664.56</b>            | <b>7,342.49</b>              |

\* Includes effect of tax adjustment on exceptional items.

(₹ in Million)

| Income tax recognised in other comprehensive income                           | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|-------------------------------------------------------------------------------|------------------------------|------------------------------|
| <b>Deferred tax</b>                                                           |                              |                              |
| Arising on income and expenses recognised in other comprehensive income:      |                              |                              |
| Net fair value gain/(loss) on investments in equity shares at FVTOCI          | (2,483.16)                   | (3,037.27)                   |
| Remeasurement of defined benefit obligation                                   | 116.74                       | (1,979.12)                   |
| <b>Total income tax recognised in other comprehensive income</b>              | <b>(2,366.42)</b>            | <b>(5,016.39)</b>            |
| Bifurcation of the income tax recognised in other comprehensive income into:- |                              |                              |
| -Items that will not be reclassified to profit or loss                        | (2,366.42)                   | (5,016.39)                   |

#### 40. Earnings per Equity share

| Particulars                                                                      | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|----------------------------------------------------------------------------------|------------------------------|------------------------------|
| Profit after tax for the year attributable to equity shareholders (₹ in Million) | 388,288.67                   | 403,057.37                   |
| Weighted average number of equity shares (No. in Million)                        | 12,580.28                    | 12,580.28                    |
| Basic and Diluted earnings per equity share (₹)                                  | 30.86                        | 32.04                        |
| 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<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|----------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| Depreciation expense on right-of-use assets                                                        | 53,906.45                    | 50,343.16                    |
| Interest expense on lease liabilities                                                              | 3,483.39                     | 3,291.28                     |
| Expense relating to short-term leases                                                              | 8,198.55                     | 8,594.18                     |
| Expense relating to leases of low value assets                                                     | 3,422.57                     | 3,051.64                     |
| Expense relating to variable lease payments not included in the measurement of the lease liability | 6,360.97                     | 7,761.40                     |

##### 41.2 Estimated future undiscounted cash flows for lease payments

(₹ in Million)

| Particulars                                 | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|---------------------------------------------|------------------------------|------------------------------|
| Future Lease payable from end of the year : |                              |                              |
| Up to 1 year                                | 44,984.48                    | 47,719.94                    |
| Between 1 to 3 year                         | 34,299.07                    | 40,691.18                    |
| Between 3 to 5 year                         | 7,583.62                     | 7,366.26                     |
| More than 5 year                            | 7,405.31                     | 9,517.02                     |
| <b>Total</b>                                | <b>94,272.48</b>             | <b>105,294.40</b>            |
| Impact of discount                          | 5,861.67                     | 5,555.90                     |
| <b>Net lease liability</b>                  | <b>88,410.81</b>             | <b>99,738.50</b>             |
| Perpetual lease liability                   | 417.96                       | 417.96                       |
| <b>Total lease liability</b>                | <b>88,828.77</b>             | <b>100,156.46</b>            |



## 42. Employee benefit plans

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'.

### 42.1 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 had introduced NPS for its employees during the financial year 2020-21 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.

During the year, the Company has made an additional contribution of ₹991.91 Million to CSSS Trust on account of increment in financial support over and above the existing financial support for cases of death/permanent total disability of the regular employee due to accident while on duty.

**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 |         |
|-----------------------------------------|--------------------------|----------|-------------------------------------------|---------|
|                                         | 2022-23                  | 2021-22  | 2022-23                                   | 2021-22 |
| Provident Fund                          | 4,445.77                 | 4,489.16 | 2.81                                      | 2.74    |
| Post Retirement Benefit Scheme (PRBS)   | 4,129.87                 | 4,400.36 | 2.90                                      | 2.85    |
| Employee Pension Scheme-1995 (EPS)      | 243.83                   | 262.77   | 0.05                                      | 0.07    |
| Composite Social Security Scheme (CSSS) | 1,590.19                 | 537.01   | 0.20                                      | 0.18    |
| National Pension Scheme (NPS)           | 1,442.55                 | 966.15   | 0.50                                      | 0.33    |

## 42.5 Defined benefit plans

### 42.5.2 Provident Fund

**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.

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, 2023 | As at March 31, 2022* |
|--------------------------------------------------|----------------------|-----------------------|
| Obligations at the end of the year               | 149,927.87           | 147,347.22            |
| Fair Value of Plan Assets at the end of the year | 151,345.40           | 149,402.30            |

\* Fair value of Plan Assets is reinstated based on Audited Balance Sheet of the Provident Fund Trust as at March 31, 2022 and figure of Obligation is reinstated based on re-computation of liability at official rates declared by Employees Provident Fund Organization for the FY 2022-2023.

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

Gratuity is payable for 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 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. During the year, Company has given an option to retired employees to include their dependent parents in Company's PRMB scheme. 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.

As per the approved PRMB scheme of the Company, "ONGC PRMB Trust" was formed and subsequently registered in financial year 2021-22. During the same 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. In the following year i.e. financial year 2022-23, Post-Retirement Medical Liability was fully funded and the Company has contributed ₹23,895.34 Million (including ₹86.39 Million contributed by separated employees) 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 defined benefit 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, 2023 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.

#### 42.5.7 Other long term employee benefits

##### 42.5.8 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 are 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. Department of Public Enterprise 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 Pay Revision Committee recommendations, which is effective January 1, 2017 and Central Public Sector Enterprises 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.

#### 42.5.9 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.

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

| S. No. | Particulars                                              | As at March 31, 2023                                           | As at March 31, 2022                                           |
|--------|----------------------------------------------------------|----------------------------------------------------------------|----------------------------------------------------------------|
|        | <b>Gratuity</b>                                          |                                                                |                                                                |
| I.     | Discount rate (%)                                        | 7.51                                                           | 7.25                                                           |
| II.    | Expected return on plan assets (%)                       | 7.25                                                           | 6.81                                                           |
| III.   | Annual increase in salary (%)                            | 7.50                                                           | 7.50                                                           |
|        | <b>Leave</b>                                             |                                                                |                                                                |
| IV.    | Discount rate (%)                                        | 7.51                                                           | 7.25                                                           |
| V.     | Expected return on plan assets (%)                       | 7.25                                                           | 6.81                                                           |
| VI.    | Annual increase in salary (%)                            | 7.50                                                           | 7.50                                                           |
|        | <b>Post-Retirement Medical Benefits</b>                  |                                                                |                                                                |
| VII.   | Discount rate (%)                                        | 7.51                                                           | 7.25                                                           |
| VIII.  | Expected return on plan assets (%)                       | 7.25                                                           | 6.81                                                           |
| IX.    | Annual increase in costs (%)                             | 7.50                                                           | 7.50                                                           |
|        | <b>Terminal Benefits</b>                                 |                                                                |                                                                |
| X.     | Discount rate (%)                                        | 7.51                                                           | 7.25                                                           |
| XI.    | Expected return on plan assets (%)                       | NA                                                             | NA                                                             |
| XII.   | Annual increase in costs (%)                             | 7.50                                                           | 7.50                                                           |
|        | <b>Employee Turnover (%)</b>                             |                                                                |                                                                |
| XIII.  | Up to 30 Years                                           | 3.00                                                           | 3.00                                                           |
| XIV.   | From 31 to 44 years                                      | 2.00                                                           | 2.00                                                           |
| XV.    | Above 44 years                                           | 1.00                                                           | 1.00                                                           |
| XVI.   | Weighted Average Duration of Present Benefit Obligations | 14.16                                                          | 13.73                                                          |
|        | <b>Mortality Rate</b>                                    |                                                                |                                                                |
| XVII.  | Before retirement                                        | As per Indian Assured Lives Mortality Table (2012-14)          | As per Indian Assured Lives Mortality Table (2012-14)          |
| XVIII. | After retirement                                         | As per Indian Individual Annuitant's Mortality Table (2012-15) | As per Indian Individual Annuitant's Mortality Table (2012-15) |

The discount rate is based upon the market yield available on Government securities 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 March 31, 2023 as per 100% of Indian Assured Life Mortality (2012-14) issued by Institute of Actuaries of India on August 2, 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 April 01, 2021.

**42.6** Amounts recognized in the Financial Statements before allocation in respect of these defined benefit plans and other long term employee benefits are as follows:

| Particulars                                                                        | (₹ in Million)            |                           |                           |                           |                                  |                           |                           |                           |
|------------------------------------------------------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|----------------------------------|---------------------------|---------------------------|---------------------------|
|                                                                                    | Gratuity                  |                           | Leave                     |                           | Post-Retirement Medical Benefits |                           | Terminal Benefits         |                           |
|                                                                                    | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023        | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 |
| <b>Service Cost :</b>                                                              |                           |                           |                           |                           |                                  |                           |                           |                           |
| Current service cost                                                               | 675.31                    | 677.60                    | 1,842.35                  | 1,847.17                  | 975.62                           | 980.42                    | 83.58                     | 80.98                     |
| Past service cost and (gain)/loss from settlements                                 | -                         | -                         | -                         | -                         | -                                | -                         | -                         | -                         |
| Net interest expense                                                               | (76.70)                   | (7.59)                    | 387.53                    | 473.06                    | 114.46                           | 3,402.22                  | 102.55                    | 102.88                    |
| Increase or decrease due to adjustment in opening corpus consequent to audit       | (113.72)                  | (140.87)                  | (29.66)                   | (29.26)                   | (7.70)                           | -                         | -                         | -                         |
| Incremental Contribution in Fund                                                   | (1,329.64)                | (690.64)                  | -                         | -                         | -                                | -                         | -                         | -                         |
| Separated Employees' Contribution                                                  | -                         | -                         | -                         | -                         | (86.39)                          | -                         | -                         | -                         |
| <b>Components of defined benefit costs recognised in Employee Benefit expenses</b> | <b>(844.75)</b>           | <b>(161.50)</b>           |                           |                           | <b>995.99</b>                    | <b>4,382.64</b>           | <b>186.13</b>             | <b>183.86</b>             |
| <b>Re-measurement on the net defined benefit liability:</b>                        |                           |                           |                           |                           |                                  |                           |                           |                           |
| Actuarial (gains) / losses arising from changes in demographic assumptions         | -                         | -                         | -                         | -                         | -                                | -                         | -                         | -                         |
| Actuarial (gains) / losses arising from changes in financial assumptions           | (341.84)                  | (610.11)                  | (655.74)                  | (1,095.88)                | (1,212.32)                       | (2,532.19)                | (29.17)                   | (47.46)                   |
| Actuarial (gains) / losses arising from experience adjustments                     | (332.07)                  | (65.39)                   | 2,372.21                  | 4,572.96                  | 1,907.24                         | 1,364.23                  | 42.94                     | (34.32)                   |
| Return on Plan Assets excluding amount included in net interest cost               | (27.83)                   | (107.24)                  | (230.43)                  | (390.27)                  | (246.99)                         | (17.36)                   | -                         | -                         |
| <b>Components of Re-measurement</b>                                                | <b>(701.74)</b>           | <b>(782.74)</b>           |                           |                           | <b>(447.93)</b>                  | <b>(1,185.32)</b>         | <b>13.77</b>              | <b>(81.78)</b>            |
| <b>Total</b>                                                                       | <b>(1,546.49)</b>         | <b>(944.24)</b>           | <b>3,686.26</b>           | <b>5,377.78</b>           | <b>1,443.92</b>                  | <b>3,197.32</b>           | <b>199.90</b>             | <b>102.08</b>             |

The Components of Re-measurement of the net defined benefit liability recognized in other comprehensive income is actuarial loss of ₹463.84 Million (previous year: actuarial gain ₹1,708.08 Million).



**42.7** Movements in the present value of the defined benefit obligation and other long term employee benefits are as follows:

| Particulars                                                                | (₹ in Million)            |                           |                           |                           |                                  |                           |                           |                           |
|----------------------------------------------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|----------------------------------|---------------------------|---------------------------|---------------------------|
|                                                                            | Gratuity                  |                           | Leave                     |                           | Post-Retirement Medical Benefits |                           | Terminal Benefits         |                           |
|                                                                            | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023        | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 |
| Opening 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 service cost                                                       | 681.24                    | 684.24                    | 1,868.86                  | 1,872.18                  | 982.73                           | 990.00                    | 84.50                     | 81.82                     |
| Interest cost                                                              | 1,506.26                  | 1,569.93                  | 2,325.71                  | 2,121.16                  | 3,711.95                         | 3,539.20                  | 102.92                    | 103.24                    |
| <b>Re-measurement (gains)/losses:</b>                                      |                           |                           |                           |                           |                                  |                           |                           |                           |
| Actuarial (gains) / losses arising from changes in demographic assumptions | -                         | -                         | -                         | -                         | -                                | -                         | -                         | -                         |
| Actuarial (gains) / losses arising from changes in financial assumptions   | (343.11)                  | (612.21)                  | (659.10)                  | (1,101.59)                | (1,213.22)                       | (2,533.65)                | (29.27)                   | (47.59)                   |
| Actuarial (gains) / losses arising from experience adjustments             | (332.84)                  | (65.47)                   | 2,408.74                  | 4,540.17                  | 1,894.43                         | 1,348.47                  | 42.25                     | (35.66)                   |
| Past service cost, including losses/(gains) on curtailments                | -                         | -                         | -                         | -                         | -                                | -                         | -                         | -                         |
| Benefits paid                                                              | (3,465.44)                | (3,853.82)                | (6,469.19)                | (6,500.88)                | (3,991.71)                       | (4,115.36)                | (197.78)                  | (198.33)                  |
| <b>Closing defined benefit obligation</b>                                  | <b>18,822.13</b>          | <b>20,776.02</b>          | <b>31,553.80</b>          | <b>32,078.78</b>          | <b>52,583.47</b>                 | <b>51,199.29</b>          | <b>1,422.17</b>           | <b>1,419.55</b>           |
| <b>Current obligation</b>                                                  | <b>18,822.13</b>          | <b>20,776.02</b>          | <b>31,553.80</b>          | <b>32,078.78</b>          | <b>52,583.47</b>                 | <b>51,199.29</b>          | <b>176.00</b>             | <b>185.37</b>             |
| <b>Non-Current obligation</b>                                              | <b>-</b>                  | <b>-</b>                  | <b>-</b>                  | <b>-</b>                  | <b>-</b>                         | <b>-</b>                  | <b>1,246.17</b>           | <b>1,234.18</b>           |

**42.8** 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:

| Particulars                                                           | Gratuity                  |                           | Leave                     |                           | Post-Retirement Medical Benefits |                           | Terminal Benefits         |                           |
|-----------------------------------------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|----------------------------------|---------------------------|---------------------------|---------------------------|
|                                                                       | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023        | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 |
| Present value of funded defined benefit obligation                    | 18,822.13                 | 20,776.02                 | 31,553.80                 | 32,078.78                 | 52,583.47                        | 51,199.29                 | 1,422.18                  | 1,419.56                  |
| Fair value of plan assets                                             | 20,355.30                 | 21,721.64                 | 27,804.70                 | 26,711.54                 | 55,132.64                        | 27,390.34                 | NA                        | NA                        |
| Funded status                                                         | 1,533.15                  | 945.62                    | (3,749.10)                | (5,367.24)                | 2,549.17                         | (23,808.95)               | NA                        | NA                        |
| Restrictions on asset recognized                                      | NA                        | NA                        | NA                        | NA                        | NA                               | NA                        | NA                        | NA                        |
| <b>Net liability/(assets) arising from defined benefit obligation</b> | <b>(1,533.17)</b>         | <b>(945.62)</b>           | <b>3,749.10</b>           | <b>5,367.24</b>           | <b>(2,549.17)</b>                | <b>23,808.95</b>          | <b>1,422.18</b>           | <b>1,419.56</b>           |

**42.9** Movements in the fair value of the plan assets are as follows:

| Particulars                                                                | Gratuity                  |                           | Leave                     |                           | PRMB                      |                           |
|----------------------------------------------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
|                                                                            | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 | Year ended March 31, 2023 | Year ended March 31, 2022 |
| Opening fair value of plan assets                                          | 21,721.64                 | 22,584.69                 | 26,711.54                 | 24,159.06                 | 27,390.34                 | -                         |
| Adjustment in opening corpus consequent to audit of the Trust              | 103.48                    | 143.94                    | 28.01                     | 25.49                     | 2.81                      | -                         |
| Incremental Contribution in Fund                                           | -                         | 468.67                    | -                         | -                         | -                         | -                         |
| Expected return on plan assets                                             | 1,582.32                  | 1,579.74                  | 1,938.62                  | 1,646.97                  | 3,596.90                  | 132.96                    |
| Re-measurement gain (loss):                                                |                           |                           |                           |                           |                           |                           |
| Return on plan assets (excluding amounts included in net interest expense) | 27.91                     | 107.78                    | 231.36                    | 392.23                    | 247.24                    | 17.38                     |
| Contributions from the employer                                            | 385.39                    | 690.64                    | 5,364.36                  | 6,988.67                  | 23,808.96                 | 27,240.00                 |
| Separated Employees' Contribution                                          | -                         | -                         | -                         | -                         | 86.39                     | -                         |
| Benefits paid                                                              | (3,465.44)                | (3,853.82)                | (6,469.19)                | (6,500.88)                | -                         | -                         |
| <b>Closing fair value of plan assets</b>                                   | <b>20,355.30</b>          | <b>21,721.64</b>          | <b>27,804.70</b>          | <b>26,711.54</b>          | <b>55,132.64</b>          | <b>27,390.34</b>          |





Expected Contribution in respect of Gratuity for next year will be ₹588.65 Million (for the year ended March 31, 2022 ₹595.37 Million).

Expected Contribution in respect of Leave Liability for next year will be ₹2,275.09 Million (for the year ended March 31, 2022 ₹2,346.83 Million).

Expected Contribution in respect of PRMB Liability for

next year will be ₹820.89 Million (for the year ended March 31, 2022 ₹2,767.05 Million).

The Company has recognized a gratuity liability of ₹71.60 Million as on March 31, 2023 (As at March 31, 2022 ₹81.13 Million) as per actuarial valuation for 131 contingent employees (As at March 31, 2022: 150 employees) engaged in different work centers.

**42.10** 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<br>March 31, 2023 | Year ended<br>March 31, 2022 |
| <b>Gratuity</b>                                                                  |                              |                              |
| Cash and cash equivalents                                                        | 0.02                         | 0.05                         |
| Investments in Mutual Fund                                                       | 0.50                         | 1.50                         |
| <b>Debt investments (Corporate Bonds) categorized by issuers' credit rating:</b> |                              |                              |
| - AAA                                                                            | 877.01                       | 931.44                       |
| - AA+                                                                            | 397.21                       | 397.34                       |
| <b>Group Gratuity Cash Accumulation Scheme (Traditional Fund)</b>                |                              |                              |
| Insurance Companies                                                              | 20,078.35                    | 20,789.63                    |
| <b>Other Assets</b>                                                              |                              |                              |
| Bank Deposits                                                                    | -                            | 643.80                       |
| Net Current Assets                                                               | (997.79)                     | (1,042.12)                   |
| <b>Total Gratuity</b>                                                            | <b>20,355.30</b>             | <b>21,721.64</b>             |
| <b>Leave</b>                                                                     |                              |                              |
| 100% managed by Insurance Company (through Trust)                                | <b>27,804.70</b>             | <b>26,711.54</b>             |
| <b>PRMB</b>                                                                      |                              |                              |
| 100% managed by Insurance Company (through Trust)                                | <b>55,132.64</b>             | <b>27,390.34</b>             |
| <b>Total</b>                                                                     | <b>103,292.64</b>            | <b>75,823.52</b>             |

**42.10.1** 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.

**42.10.2** Cost of Investment is taken as fair value of Investment in Mutual funds and Bank TDR.

**42.10.3** All Investments in PSU Bonds are quoted in active market.

**42.10.4** Fair value of Investment in Group Gratuity Cash Accumulation Scheme (Traditional Fund) of Insurance Company is taken as book value on reporting date.

**42.10.5** Net Current Assets represent accrued

interest on Investments less outstanding gratuity reimbursements as on reporting date.

**42.10.6** The actual return on plan assets of gratuity during FY 2022-23 was ₹1,610.23 Million (during FY 2021-22 ₹1,687.52 Million), on plan asset of leave ₹2,169.97 Million (during FY 2021-22 ₹2,039.20 Million) and on plan asset of PRMB ₹3,844.14 Million (during FY 2021-22 ₹150.34 Million).

**42.10.7** 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.



#### 42.10.8 Sensitivity Analysis as at March 31, 2023

(₹ in Million)

| Significant actuarial assumptions           | Gratuity | Leave      | Post-Retirement Medical Benefits | Terminal Benefits | Provident Fund |
|---------------------------------------------|----------|------------|----------------------------------|-------------------|----------------|
| <b>Discount Rate</b>                        |          |            |                                  |                   |                |
| - Impact due to increase of 50 basis points | (622.71) | (1,049.38) | (2,591.44)                       | (55.57)           | (30.43)        |
| - Impact due to decrease of 50 basis points | 674.94   | 1,136.57   | 2,671.45                         | 57.98             | 31.91          |
| <b>Salary increase</b>                      |          |            |                                  |                   |                |
| - Impact due to increase of 50 basis points | 188.75   | 1,884.17   | -                                | -                 | -              |
| - Impact due to decrease of 50 basis points | (203.11) | (1,053.89) | -                                | -                 | -              |
| <b>Cost increase</b>                        |          |            |                                  |                   |                |
| - Impact due to increase of 50 basis points | -        | -          | 2,660.51                         | 57.55             | -              |
| - Impact due to decrease of 50 basis points | -        | -          | (2,635.38)                       | (55.91)           | -              |
| <b>Statutory Interest rate</b>              |          |            |                                  |                   |                |
| - Impact due to increase of 50 basis points | -        | -          | -                                | -                 | 31.56          |
| - Impact due to decrease of 50 basis points | -        | -          | -                                | -                 | (30.39)        |

#### 42.10.9 Sensitivity Analysis as at March 31, 2022

(₹ in Million)

| Significant actuarial assumptions           | Gratuity | Leave      | Post-Retirement Medical Benefits | Terminal Benefits | Provident Fund |
|---------------------------------------------|----------|------------|----------------------------------|-------------------|----------------|
| <b>Discount Rate</b>                        |          |            |                                  |                   |                |
| - 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          |
| <b>Salary increase</b>                      |          |            |                                  |                   |                |
| - 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) | -                                | -                 | -              |
| <b>Cost increase</b>                        |          |            |                                  |                   |                |
| - 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)           | -              |
| <b>Statutory Interest rate</b>              |          |            |                                  |                   |                |
| - Impact due to increase of 50 basis points | -        | -          | -                                | -                 | 29.66          |
| - Impact due to decrease of 50 basis points | -        | -          | -                                | -                 | (28.59)        |

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.

#### 42.11 Maturity Profile of Defined Benefit Obligation and other long term employee benefits:

(₹ in Million)

| Defined Benefit:                         | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|------------------------------------------|-------------------------|-------------------------|
| <b>Gratuity:</b>                         |                         |                         |
| Less than One Year                       | 2,964.55                | 3,578.77                |
| One to Three Years                       | 4,676.92                | 5,079.28                |
| Three to Five Years                      | 3,059.89                | 3,538.76                |
| More than Five Years                     | 8,120.77                | 8,579.21                |
| <b>Leave:</b>                            |                         |                         |
| Less than One Year                       | 4,699.80                | 5,204.74                |
| One to Three Years                       | 7,345.64                | 7,111.69                |
| Three to Five Years                      | 5,473.40                | 5,595.45                |
| More than Five Years                     | 14,034.96               | 14,166.90               |
| <b>Post-Retirement Medical Benefits:</b> |                         |                         |
| Less than One Year                       | 3,448.31                | -                       |
| One to Three Years                       | 8,127.19                | -                       |
| Three to Five Years                      | 9,678.65                | -                       |
| More than Five Years                     | 31,329.32               | -                       |

#### 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<br>March 31, 2023 | Year ended<br>March 31, 2022 | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
| Offshore                            | 1,041,138.04                 | 715,413.31                   | 430,095.99                   | 325,066.64                   |
| Onshore                             | 514,035.11                   | 388,040.67                   | 61,830.19                    | 70,430.85                    |
| <b>Total</b>                        | <b>1,555,173.15</b>          | <b>1,103,453.98</b>          | <b>491,926.18</b>            | <b>395,497.49</b>            |
| Unallocated corporate expense (Net) |                              |                              | (14,257.92)                  | (15,792.03)                  |
| Finance costs                       |                              |                              | (26,996.01)                  | (23,598.62)                  |
| Interest/Dividend income            |                              |                              | 53,280.98                    | 54,293.02                    |
| <b>Profit before tax</b>            |                              |                              | <b>503,953.23</b>            | <b>410,399.86</b>            |

**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<br>March 31, 2023 | As at<br>March 31, 2022 |
|----------------------------|-------------------------|-------------------------|
| <b>Segment assets</b>      |                         |                         |
| Offshore                   | 1,499,830.13            | 1,494,378.00            |
| Onshore                    | 734,526.53              | 737,311.96              |
| Total segment assets       | <b>2,234,356.66</b>     | <b>2,231,689.96</b>     |
| Unallocated                | 1,436,014.27            | 1,140,952.42            |
| <b>Total assets</b>        | <b>3,670,370.93</b>     | <b>3,372,642.38</b>     |
| <b>Segment liabilities</b> |                         |                         |
| Offshore                   | 551,996.87              | 481,069.86              |
| Onshore                    | 176,394.76              | 159,088.66              |
| Total segment liabilities  | <b>728,391.63</b>       | <b>640,158.52</b>       |
| Unallocated                | 363,520.89              | 361,003.00              |
| <b>Total liabilities</b>   | <b>1,091,912.52</b>     | <b>1,001,161.52</b>     |

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<br>March 31, 2023              | Year ended<br>March 31, 2022 | Year ended<br>March 31, 2023                   | Year ended<br>March 31, 2022 |
| Offshore    | 120,307.60                                | 110,071.25                   | 19,207.83                                      | 4,343.86                     |
| Onshore     | 60,655.59                                 | 55,085.56                    | 13,704.63                                      | 926.29                       |
| Unallocated | 1,785.91                                  | 1,373.87                     | 38.37                                          | 35.01                        |
|             | <b>182,749.10</b>                         | <b>166,530.68</b>            | <b>32,950.83</b>                               | <b>5,305.16</b>              |

### 43.5 Impairment loss (refer Note No. 47)

(₹ in Million)

| Particulars | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|-------------|------------------------------|------------------------------|
| Offshore    | (12,969.73)                  | 21,258.01                    |
| Onshore     | (1,827.82)                   | (12,331.68)                  |
|             | <b>(14,797.55)</b>           | <b>8,926.33</b>              |

### 43.5.1 Exceptional Items- (refer Note No 24.4)

(₹ in Million)

| Particulars | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|-------------|------------------------------|------------------------------|
| Offshore    | 50,810.33                    | -                            |
| Onshore     | 41,540.81                    | -                            |
|             | <b>92,351.14</b>             | -                            |

### 43.6 Additions to non- current assets

(₹ in Million)

| Particulars  | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|--------------|------------------------------|------------------------------|
| Offshore     | 54,488.58                    | 39,923.32                    |
| Onshore      | 20,151.89                    | 46,983.27                    |
| Unallocated  | 336.32                       | (385.69)                     |
| <b>Total</b> | <b>74,976.79</b>             | <b>86,520.90</b>             |

### 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 ₹1,385,309.74 Million in 2022-23 and ₹930,188.42 Million in 2021-22.

No other single customer contributed 10% or more to the Company's revenue for 2022-23 and 2021-22.

### 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<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|---------------------------------|------------------------------|------------------------------|
| India                           | 1,484,018.42                 | 1,022,999.71                 |
| Other Countries (including SEZ) | 63,522.93                    | 76,623.27                    |
| <b>Total</b>                    | <b>1,547,541.35</b>          | <b>1,099,622.98</b>          |

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<br>March 31, 2023 | As at<br>March 31, 2022 |
|---------------------------------|-------------------------|-------------------------|
| India                           | 1,889,904.94            | 1,814,928.15            |
| Other Countries (including SEZ) | -                       | -                       |
| <b>Total</b>                    | <b>1,889,904.94</b>     | <b>1,814,928.15</b>     |

### 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. 30.4.

- 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

## 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 Limitada
- 1.1.2. ONGC Nile Ganga (San Cristobal) B.V.





- |                                                                                             |                                                                                                      |
|---------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| 1.6.6. Imperial Frac Services (Cyprus) Limited                                              | 8. Mansarovar Energy Colombia Limited, Colombia (through OVL)                                        |
| 1.6.7. San Agio Investments Limited                                                         | 9. Himalaya Energy Syria BV, Netherlands (through OVL)                                               |
| 1.6.8. LLC Sibinterneft                                                                     | 10. Shell MRPL Aviation Fuels and Services Limited (SMASL) (through MRPL)                            |
| 1.6.9. LLC Allianceneftgaz                                                                  | 11. Hindustan Colas Private Limited (through HPCL)                                                   |
| 1.6.10. LLC Nord Imperial                                                                   | 12. HPOIL Gas Private Limited (through HPCL)                                                         |
| 1.6.11. LLC Rus Imperial Group                                                              | 13. HPCL Rajasthan Refinery Limited (through HPCL)                                                   |
| 1.6.12. LLC Imperial Frac Services                                                          | 14. South Asia LPG Company Private Limited (through HPCL)                                            |
| 1.7. Beas Rovuma Energy Mozambique Limited                                                  | 15. HPCL Mittal Energy Limited (through HPCL)                                                        |
| 1.8. ONGC Videsh Rovuma Limited                                                             | 16. Godavari Gas Private Limited (through HPCL)                                                      |
| 1.9. ONGC Videsh Atlantic Inc.                                                              | 17. Petronet India Limited (through HPCL, in process of voluntary winding up w.e.f. August 30, 2018) |
| 1.10. ONGC Videsh Singapore Pte. Limited                                                    | 18. Mumbai Aviation Fuel Farm Facility Private Limited (through HPCL)                                |
| 1.10.1. ONGC Videsh Vankorneft Pte. Limited                                                 | 19. Aavantika Gas Limited (through HPCL)                                                             |
| 1.11. Indus East Mediterranean Exploration Limited.                                         | 20. Bhagyanagar Gas Limited (through HPCL)                                                           |
| 2. Mangalore Refinery and Petrochemicals Limited (MRPL)                                     | 21. Ratnagiri Refinery & Petrochemicals Limited (through HPCL)                                       |
| 3. Hindustan Petroleum Corporation Limited (HPCL)                                           | 22. IHB Limited (through HPCL)                                                                       |
| 3.1. Prize Petroleum Company Limited                                                        | <b>C. Associates</b>                                                                                 |
| 3.1.1. Prize Petroleum International Pte. Limited                                           | 1. Pawan Hans Limited                                                                                |
| 3.2. HPCL Biofuels Limited                                                                  | 2. Petronet LNG Limited                                                                              |
| 3.3. HPCL Middle East FZCO                                                                  | 3. Rohini Heliport Limited                                                                           |
| 3.4. HPCL LNG Limited (HPCLNG) formerly known as HPCL Shapoorji Energy Pvt. Limited (HSEPL) | 4. Petro Carabobo SA, Venezuela (through OVL)                                                        |
| 4. Petronet MHB Limited                                                                     | 5. Carabobo Ingenieria Y Construcciones, SA, Venezuela (through OVL)                                 |
| <b>B. Joint Ventures</b>                                                                    | 6. Petrolera Indovenezolana SA, Venezuela (through OVL)                                              |
| 1. Mangalore SEZ Limited (MSEZ)                                                             | 7. South East Asia Gas Pipeline Limited, Hongkong (through OVL)                                      |
| 2. ONGC Petro additions Limited (OPaL)                                                      | 8. Tamba BV, Netherlands (through OVL)                                                               |
| 3. ONGC Tripura Power Company Limited (OTPC)                                                | 9. JSC Vankorneft, Russia (through OVL)                                                              |
| 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)                                          |                                                                                                      |

10. Falcon Oil & Gas BV, Netherlands (through OVL)
  11. Bharat Energy Office LLC, Russia (through ONGC Videsh Singapore Pte Limited-OVL)
  12. Moz LNG1 Holding Company Limited (through OVL)
  13. GSPL India Gasnet Limited (through HPCL)
  14. GSPL India Transco Limited (through HPCL)
- D. Trusts**
1. ONGC Contributory Provident Fund Trust
  2. ONGC CSSS Trust
  3. ONGC Sahyog Trust
  4. ONGC PRBS Trust
  5. ONGC Gratuity Fund
  6. ONGC Post Retirement Medical Benefit Trust
  7. ONGC Energy Center
  8. ONGC Foundation
  9. ONGC Start Up Fund Trust
  10. MRPL Gratuity Fund Trust (through MRPL)
  11. MRPL Provident Fund Trust (through MRPL)
  12. MRPL Education Trust (through MRPL)
  13. MRPL Janseva Trust (through MRPL)
  14. Ujjwala Plus Foundation (through HPCL)
  15. Hindustan Petroleum Corporation Limited Provident Fund
  16. Hindustan Petroleum Corporation Limited Employees Post Retirement Med Benefit Fund
  17. Hindustan Petroleum Corporation Limited Employees Group Gratuity Assurance Scheme
  18. Hindustan Petroleum Corporation Limited Employees Superannuation Benefit Fund Scheme
- E. Key Management Personnel**
- E.1. Whole-time Directors**
1. Shri Arun Kumar Singh, Chairman (w.e.f. December 7, 2022) and CEO (w.e.f. January 1, 2023)
  2. Dr Alka Mittal, Director (HR) and Chairman & Managing Director - Additional Charge (Up to August 31, 2022)
  3. Shri Rajesh Kumar Srivastava, Director (Exploration) (Up to December 31, 2022) and Chairman & Managing Director - Additional Charge (w.e.f. September 01, 2022 Up to December 6, 2022)
  4. Shri O.P.Singh, Director(T&FS)
  5. Shri Anurag Sharma, Director (Onshore) (Up to 28 February 2023) and Director(Finance) - Additional Charge (Up to April 18, 2022)
  6. Shri Pankaj Kumar, Director (Offshore) (upto 28 February 2023) now Director (Production)\*
  7. Ms. Pomila Jaspal, Director (Finance) (w.e.f. April 19,2022)
  8. Ms. Sushma Rawat, Director (Exploration) (w.e.f. January 1, 2023)
- \* Post created after merger of the posts of Director (Onshore) and Director (Offshore), (w.e.f. March 01, 2023)
- E.2. Company Secretary**
1. Shri Rajni Kant, Company Secretary
- E.3. Independent Directors**
1. Shri Amitava Bhattacharya (Up to July 7, 2022)
  2. Shri Syamchand Ghosh
  3. Shri V Ajit Kumar Raju
  4. Shri Manish Pareek
  5. Ms. Reena Jaitly
  6. Dr Prabhaskar Rai
  7. Dr Madhav Singh
- E.4. Government Nominee – Directors**
1. Shri Amar Nath (Up to May 14, 2022)
  2. Shri Praveen Mal Khanooja (w.e.f. September 23, 2022)
  3. Shri Shrinivas Gudey (w.e.f. June 14, 2022 to September 22, 2022)



## 44.2 Details of Transactions:

### 44.2.1 Transactions with Subsidiaries

(₹ in Million)

|              | Name of related party                                                     | Nature of transaction                                                               | Year ended<br>March 31,<br>2023 | Year ended<br>March 31,<br>2022 |
|--------------|---------------------------------------------------------------------------|-------------------------------------------------------------------------------------|---------------------------------|---------------------------------|
| <b>(i)</b>   | <b>Sale of products to:</b>                                               |                                                                                     |                                 |                                 |
|              | Mangalore Refinery and Petrochemicals Limited                             | Sale of crude oil                                                                   | 118,133.11                      | 71,437.55                       |
|              | Hindustan Petroleum Corporation Limited                                   | Sale of crude oil & value added products                                            | 244,949.41                      | 192,469.32                      |
| <b>(ii)</b>  | <b>Purchase of product from:</b>                                          |                                                                                     |                                 |                                 |
|              | Mangalore Refinery and Petrochemicals Limited                             | Purchase of petroleum oil and lubricants/high speed diesel                          | 9,403.30                        | 11,047.25                       |
|              | Hindustan Petroleum Corporation Limited                                   |                                                                                     | 1,679.37                        | 2,117.69                        |
| <b>(iii)</b> | <b>Services received from:</b>                                            |                                                                                     |                                 |                                 |
|              | Prize Petroleum Corporation Limited (Subsidiary of HPCL)                  | Development of Field                                                                | -                               | 2.11                            |
|              | ONGC Videsh Limited                                                       | Rent For Office                                                                     | 929.05                          | -                               |
| <b>(iv)</b>  | <b>Services provided to:</b>                                              |                                                                                     |                                 |                                 |
|              | Mangalore Refinery and Petrochemicals Limited                             | Leasing of office and Maintenance                                                   | 61.24                           | 54.43                           |
|              |                                                                           | Tanker/Vehicle hiring charges & other services                                      | -                               | 12.17                           |
|              |                                                                           | Guarantee fee                                                                       | 35.64                           | 19.55                           |
|              |                                                                           | Manpower deputation and other reimbursements                                        | 2.17                            | -                               |
|              | ONGC Videsh Limited                                                       | Reimbursement of Expenses incurred                                                  | 574.17                          | 415.34                          |
|              |                                                                           | Guarantee fee (OVVL)                                                                | 552.72                          | 209.41                          |
|              |                                                                           | Guarantee fee (BREML)                                                               | 5.81                            | 2.76                            |
|              | Hindustan Petroleum Corporation Limited                                   | Rent for Office                                                                     | 0.10                            | 0.06                            |
|              |                                                                           | Other expenses                                                                      | 39.14                           | 35.84                           |
| <b>(v)</b>   | <b>Deemed Investments -Non cash transaction (Ind AS fair valuations):</b> |                                                                                     |                                 |                                 |
|              | ONGC Videsh Limited                                                       | Deemed equity investment on issue of Financial guarantees by ONGC on behalf of OVL  | -                               | 239.97                          |
|              | ONGC Videsh Limited                                                       | Deemed equity investment on issue of Financial guarantees by ONGC on behalf of OVRL | -                               | 11.13                           |
|              | Mangalore Refinery and Petrochemicals Limited                             | Deemed equity investment for Financial guarantees of interest                       | 9.83                            | -                               |
| <b>(vi)</b>  | <b>Dividend income from:</b>                                              |                                                                                     |                                 |                                 |
|              | ONGC Videsh Limited                                                       | Dividend income                                                                     | 4,800.00                        | 6,000.00                        |
|              | Hindustan Petroleum Corporation Limited                                   |                                                                                     | 10,903.84                       | 17,718.73                       |
|              | Petronet MHB limited                                                      |                                                                                     | 403.27                          | 438.93                          |

|              | Name of related party                                 | Nature of transaction                                                                                                                                           | Year ended<br>March 31,<br>2023 | Year ended<br>March 31,<br>2022 |
|--------------|-------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|---------------------------------|
| <b>(vii)</b> | <b>Non cash transaction (Ind AS fair valuations):</b> |                                                                                                                                                                 |                                 |                                 |
|              | ONGC Videsh Limited                                   | Guarantee fee in respect of financial guarantee (OVL)                                                                                                           | 427.69                          | 370.41                          |
|              |                                                       | Guarantee fee in respect of financial guarantee (OVRL)                                                                                                          | 2.47                            | 2.09                            |
|              | 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 01, 2021 | -                               | 0.62                            |

#### 44.2.2 Outstanding balances with subsidiaries

(₹ in Million)

|              | Name of related party                                                  | Nature of transaction        | Year ended<br>March 31,<br>2023 | Year ended<br>March 31,<br>2022 |
|--------------|------------------------------------------------------------------------|------------------------------|---------------------------------|---------------------------------|
| <b>(i)</b>   | <b>Amount receivable:</b>                                              |                              |                                 |                                 |
|              | Mangalore Refinery and Petrochemicals Limited                          | Trade and other receivables  | 13,809.60                       | 6,874.94                        |
|              | ONGC Videsh Limited                                                    | Other receivables            | 273.74                          | 365.58                          |
|              |                                                                        | Guarantee Fees (OVVL)        | 550.15                          | 209.41                          |
|              |                                                                        | Guarantee Fees (OVRL)        | 0.76                            | 0.38                            |
|              |                                                                        | Guarantee Fee (BREML)        | 8.59                            | 2.77                            |
|              | Hindustan Petroleum Corporation Limited                                | Trade and other receivables  | 13,363.83                       | 27,060.40                       |
| <b>(ii)</b>  | <b>Amount payable:</b>                                                 |                              |                                 |                                 |
|              | Mangalore Refinery and Petrochemicals Limited                          | Trade payables               | 521.99                          | 642.69                          |
|              | Hindustan Petroleum Corporation Limited                                |                              | 114.21                          | 187.74                          |
|              | Prize Petroleum Corporation Limited (Subsidiary of HPCL)               |                              | -                               | 0.62                            |
|              | ONGC Videsh Limited                                                    | Other payable                | 150.06                          | 4.30                            |
| <b>(iii)</b> | <b>Corporate Financial guarantee issued on behalf of subsidiaries:</b> |                              |                                 |                                 |
|              | ONGC Videsh Limited (including its subsidiaries)                       | Value of financial guarantee | 3,99,201.49                     | 366,614.37                      |
|              | Mangalore Refinery and Petrochemicals Limited                          | Value of financial guarantee | -                               | 207,804.98                      |
| <b>(iv)</b>  | <b>Outstanding value of commitment made:</b>                           |                              |                                 |                                 |
|              | ONGC Videsh Limited                                                    | Performance guarantee        | 8,601.11                        | 8,688.53                        |



#### 44.2.3 Transactions with joint ventures

(₹ in Million)

|       | Name of related party                                             | Nature of transaction                                                                                                              | Year ended<br>March 31,<br>2023 | Year ended<br>March 31,<br>2022 |
|-------|-------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|---------------------------------|
| (i)   | Sale of products to:                                              |                                                                                                                                    |                                 |                                 |
|       | ONGC Tripura Power Company Limited                                | Sale of natural gas                                                                                                                | 7,955.16                        | 6,430.57                        |
|       | ONGC Petro additions Limited                                      | Sale of natural gas, naphtha & C2-C3                                                                                               | 70,572.36                       | 76,623.27                       |
| (ii)  | Services received from:                                           |                                                                                                                                    |                                 |                                 |
|       | ONGC Teri Biotech Limited                                         | Bio-remediation services                                                                                                           | 375.86                          | 172.99                          |
|       | Dahej SEZ Limited                                                 | Lease rent for SEZ land and ROU charges for pipeline                                                                               | 19.88                           | 16.96                           |
| (iii) | Services provided to:                                             |                                                                                                                                    |                                 |                                 |
|       | ONGC Petro additions Limited                                      | ROU Charges for pipeline received                                                                                                  | 0.44                            | 0.22                            |
|       |                                                                   | Charges for Operation & Maintenance                                                                                                | 110.67                          | -                               |
|       | ONGC Teri Biotech Limited                                         | Field study charges and rent                                                                                                       | 0.60                            | 0.56                            |
|       |                                                                   | Manpower deputation                                                                                                                | 0.09                            | -                               |
|       | ONGC Tripura Power Company Limited                                | Rent of office space                                                                                                               | 24.44                           | 23.77                           |
|       | Indradhanush Gas Grid Limited                                     | Manpower deputation                                                                                                                | 39.90                           | 24.95                           |
| (iv)  | Loans and Advances                                                |                                                                                                                                    |                                 |                                 |
|       | ONGC Petro additions Limited                                      | Advance received for transfer of Land                                                                                              | 17.30                           | -                               |
| (v)   | Subscription to equity shares                                     |                                                                                                                                    |                                 |                                 |
|       | Indradhanush Gas Grid Limited                                     | Subscription to Equity                                                                                                             | 1,130.00                        | 240.00                          |
| (vii) | Dividend Income from:                                             |                                                                                                                                    |                                 |                                 |
|       | ONGC Tripura Power Company Limited                                | Dividend income                                                                                                                    | 392.00                          | 392.00                          |
|       | ONGC Teri Biotech Limited                                         |                                                                                                                                    | 12.50                           |                                 |
| (x)   | Deemed Investments Non cash transaction (Ind AS fair valuations): |                                                                                                                                    |                                 |                                 |
|       | ONGC Petro additions Limited                                      | Deemed equity Investment - Financial Guarantee Obligation & Financial guarantees for interest on Compulsory Convertible Debentures | 22.74                           | 13.47                           |
|       | Indradhanush Gas Grid Limited                                     | Deemed equity Investment - Financial Guarantee Obligation & Amortisation of Financial Guarantee Fee                                | 7.68                            | -                               |

#### 44.2.4 Outstanding balances with joint ventures

(₹ in Million)

|    | Name of related party              | Nature of transaction       | Year ended<br>March 31,<br>2023 | Year ended<br>March 31,<br>2022 |
|----|------------------------------------|-----------------------------|---------------------------------|---------------------------------|
| A. | Amount receivable:                 |                             |                                 |                                 |
|    | ONGC Petro additions Limited       | Trade and other receivables | 3,732.06                        | 5,001.19                        |
|    | ONGC Tripura Power Company Limited |                             | 393.44                          | 434.93                          |
|    | Indradhanush Gas Grid Limited      |                             | 3.16                            | 14.00                           |
| B. | Amount payable:                    |                             |                                 |                                 |
|    | ONGC Teri Biotech Limited          | Trade payables              | 62.36                           | 19.17                           |



|           | Name of related party         | Nature of transaction                                      | Year ended<br>March 31,<br>2023 | Year ended<br>March 31,<br>2022 |
|-----------|-------------------------------|------------------------------------------------------------|---------------------------------|---------------------------------|
| <b>C.</b> | <b>Advance outstanding:</b>   |                                                            |                                 |                                 |
|           | ONGC Petro addition Limited   | Advance against subscription to share warrants             | 33,649.59                       | 33,649.59                       |
|           | Indradhanush Gas Grid Limited | Advance for subscription of equity shares                  | -                               | 830.00                          |
| <b>D.</b> | <b>Commitments:</b>           |                                                            |                                 |                                 |
|           | ONGC Petro addition Limited   | Unpaid subscription of share warrants                      | 862.81                          | 862.81                          |
|           |                               | Backstopping support for Interest outstanding towards CCDs | 1,766.85                        | 1,699.28                        |
|           | Indradhanush Gas Grid Limited | Loan taken by IGGL from OADB                               | 200.00                          | -                               |
| <b>E.</b> | <b>Letter of Comfort:</b>     |                                                            |                                 |                                 |
|           | ONGC Petro addition Limited   | Letter of Comfort - Term Loan (Refer Note No. 11.1.3)      | 65,000.00                       | 65,000.00                       |
|           |                               | Letter of Comfort – NCDs (Refer Note No. 11.1.3)           | 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 Daheh 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.

The arbitration award was pronounced against the Company in the ongoing dispute with M/s Punj Llyod

Limited, and the Company has challenged arbitral award in the Hon'ble High Court of Bombay. The matter was heard by Hon'ble High Court of Bombay on September 29, 2022 wherein the Company was directed to deposit ₹380 Million within 6 weeks. Accordingly the Company has deposited the aforesaid amount on February 1, 2023 in consultation with OPaL and obtained stay on the impugned arbitration award. Management of OPaL has agreed to reimburse the same to the Company in terms of the Asset Transfer Agreement for which the Company is in the process of raising a claim for reimbursement.

#### 44.2.5 Transactions with associates

(₹ in Million)

|           | Name of related party          | Nature of transaction                | Year ended March<br>31, 2023 | Year ended March<br>31, 2022 |
|-----------|--------------------------------|--------------------------------------|------------------------------|------------------------------|
| <b>A.</b> | <b>Services received from:</b> |                                      |                              |                              |
|           | Pawan Hans Limited (PHL)       | Hiring of helicopter services        | 1,342.06                     | 1,259.84                     |
|           | Petronet LNG Limited           | Purchase of LNG (Net of custom duty) | 15,472.58                    | 18,319.61                    |
|           |                                | Facilities charges                   | 555.47                       | 770.86                       |
| <b>B.</b> | <b>Services provided to:</b>   |                                      |                              |                              |
|           | Pawan Hans Limited (PHL)       | Miscellaneous receipt                | -                            | 60.83                        |
|           | Petronet LNG Limited           | Miscellaneous charges                | 0.14                         | -                            |
| <b>C.</b> | <b>Income received from:</b>   |                                      |                              |                              |
|           | Petronet LNG Limited           | Dividend Income                      | 2,156.25                     | 1,968.75                     |



#### 44.2.6 Outstanding balances with associates

(₹ in Million)

|           | Name of related party     | Nature of transaction       | Year ended March 31, 2023 | Year ended March 31, 2022 |
|-----------|---------------------------|-----------------------------|---------------------------|---------------------------|
| <b>A.</b> | <b>Amount receivable:</b> |                             |                           |                           |
|           | Petronet LNG Limited      | Trade and other receivables | 0.16                      | -                         |
| <b>B.</b> | <b>Amount payable:</b>    |                             |                           |                           |
|           | Pawan Hans Limited (PHL)  | Trade payables              | 129.27                    | 250.55                    |
|           | Petronet LNG Limited      |                             | 1,869.79                  | 652.49                    |

#### 44.2.7 Transactions with Trusts

(₹ in Million)

|    | Name of related party                                      | Nature of transaction                                           | Year ended<br>March 31,<br>2023 | Year ended<br>March 31,<br>2022 |
|----|------------------------------------------------------------|-----------------------------------------------------------------|---------------------------------|---------------------------------|
| A. | Remittance of payment:                                     |                                                                 |                                 |                                 |
|    | ONGC Contributory Provident Fund Trust                     | Contribution                                                    | 11,605.08                       | 12,369.79                       |
|    | ONGC CSSS Trust                                            |                                                                 | 2,209.08                        | 1,077.05                        |
|    | ONGC Sahyog Trust                                          |                                                                 | 43.60                           | 31.34                           |
|    | ONGC PRBS Trust                                            |                                                                 | 8,983.56                        | 8,510.23                        |
|    | ONGC Gratuity Trust                                        |                                                                 | 423.45                          | 1,097.73                        |
| B. | Reimbursement of Gratuity payment made on behalf of Trust: |                                                                 |                                 |                                 |
|    | ONGC Gratuity Fund                                         | Reimbursement                                                   | 4,545.17                        | 2,088.10                        |
| C. | Services provided to:                                      |                                                                 |                                 |                                 |
|    | ONGC Energy Center                                         | Rental income                                                   | 3.24                            | 4.07                            |
| D. | Payment to Trust                                           |                                                                 |                                 |                                 |
|    | ONGC Energy Center                                         | For research and development                                    | 195.00                          | 75.00                           |
|    | ONGC Start Up Fund Trust                                   | Investment                                                      | 250.00                          | 365.00                          |
|    | ONGC Foundation                                            | Supply of Oxygen Concentrator                                   | -                               | 93.57                           |
|    |                                                            | CSR Activities                                                  | 1,496.19                        | 1,511.68                        |
| E. | Sale/Purchase of Securities                                |                                                                 |                                 |                                 |
|    | 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, 2023 | Year ended March 31, 2022 |
|------------------------------|---------------------------|---------------------------|
| Short term employee benefits | 57.48                     | 62.98                     |
| Post-employment benefits     | 2.66                      | 5.35                      |
| Long-term benefits           | 6.46                      | 6.17                      |
| <b>Total</b>                 | <b>66.60</b>              | <b>74.50</b>              |

(₹ in Million)

| Particulars       | As at March 31, 2023 | As at March 31, 2022 |
|-------------------|----------------------|----------------------|
| Amount receivable | 0.47                 | 3.50                 |
| Amount payable    | 5.68                 | 24.75                |
|                   | <b>6.15</b>          | <b>28.25</b>         |

**(b) Independent Directors**

(₹ in Million)

| Particulars  | Year ended March<br>31, 2023 | Year ended March<br>31, 2022 |
|--------------|------------------------------|------------------------------|
| Sitting fees | 8.04                         | 3.26                         |
| <b>Total</b> | <b>8.04</b>                  | <b>3.26</b>                  |

**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 |
| 19.     | Life Insurance Corporation of India              | Central PSU |

**44.3.2 Transactions with Government Related Entities**

(₹ in Million)

| Name of related party                               | Nature of transaction                                       | Year ended<br>March 31,<br>2023 | Year ended<br>March 31,<br>2022 |
|-----------------------------------------------------|-------------------------------------------------------------|---------------------------------|---------------------------------|
| <b>Sale of products during year to:</b>             |                                                             |                                 |                                 |
| a) Indian Oil Corporation Limited                   | Sale of Crude Oil C2-C3, SKO, HSD, LPG and related services | 449,191.91                      | 319,310.36                      |
| b) Bharat Petroleum Corporation Limited             | Sale of Crude Oil C2-C3, SKO, HSD, LPG                      | 173,920.40                      | 153,444.49                      |
| c) Chennai Petroleum Corporation Limited            | Sale of Crude Oil                                           | 102,464.42                      | 72,808.50                       |
| d) Numaligarh Refinery Limited                      | Sale of Crude Oil                                           | 49,426.79                       | 33,717.05                       |
| e) GAIL (India) Limited                             | Sale of Natural Gas                                         | 327,876.27                      | 99,469.27                       |
| f) Brahmaputra Cracker and Polymer Limited          | Sale of Natural Gas                                         | 1,049.90                        | 506.65                          |
| g) North Eastern Electric Power Corporation Limited | Sale of Natural Gas                                         | 1,669.55                        | 1,242.47                        |



| Name of related party                        | Nature of transaction                                                              | Year ended<br>March 31,<br>2023 | Year ended<br>March 31,<br>2022 |
|----------------------------------------------|------------------------------------------------------------------------------------|---------------------------------|---------------------------------|
| <b>Purchase of product during year from:</b> |                                                                                    |                                 |                                 |
| a) Indian Oil Corporation Limited            | Purchase of Petrol Oil & lubricant                                                 | 1,765.33                        | 3,543.17                        |
| b) Bharat Petroleum Corporation Limited      |                                                                                    | 5,453.95                        | 3,993.72                        |
| c) GAIL (India) Limited                      | Purchase of LNG                                                                    | 11,532.31                       | 5,142.94                        |
| d) Bharat Heavy Electricals Limited          | Purchase of drilling rig related items including spares and related services       | 2,030.99                        | 1,627.94                        |
| e) Numaligarh Refinery Limited               | Purchase of HSD                                                                    | 14.04                           | 6.73                            |
| f) Bharat Electronics Limited                | Purchase of product                                                                | 308.75                          | 1,023.20                        |
| g) Bharat Pumps and Compressors Limited      | Purchase of spare parts                                                            | -                               | 53.11                           |
| <b>Services Received from:</b>               |                                                                                    |                                 |                                 |
| a) United India Insurance Company Limited    | Insurance premium                                                                  | 2,359.22                        | 1,263.74                        |
| b) Life Insurance Corporation of India       | Remittance for Post Retirement Medical Benefit Scheme, Leave Encashment and others | 29,269.91                       | 33,327.80                       |
| c) Balmer Lawrie & Co Limited                | Travel expenses                                                                    | 1,373.65                        | 552.45                          |
| d) Shipping Corporation of India Limited     | Hiring of vessels                                                                  | 5,135.54                        | 4,854.12                        |
| e) Oil India Limited                         | Pipe line service                                                                  | 181.69                          | 237.77                          |
| <b>Dividend Income received from:</b>        |                                                                                    |                                 |                                 |
| a) Indian Oil Corporation Limited            | Dividend income                                                                    | 4,813.97                        | 14,040.76                       |
| b) GAIL (India) Limited                      |                                                                                    | 1,524.68                        | 1,960.30                        |
| <b>Amount receivable:</b>                    |                                                                                    |                                 |                                 |
| a) Indian Oil Corporation Limited            | Trade & other receivable                                                           | 24,707.02                       | 32,584.08                       |
| b) Bharat Petroleum Corporation Limited      |                                                                                    | 9,434.05                        | 12,323.96                       |
| c) Chennai Petroleum Corporation Limited     |                                                                                    | 4,470.73                        | 9,902.24                        |
| d) Numaligarh Refinery Limited               |                                                                                    | 2,882.79                        | 3,114.44                        |
| e) GAIL (India) Limited                      |                                                                                    | 23,271.37                       | 9,995.77                        |
| f) Oil India Limited                         |                                                                                    | 371.96                          | 840.09                          |
| g) Brahmaputra Cracker and Polymer Limited   |                                                                                    | 69.40                           | 89.26                           |
| h) Kochi Refineries Limited                  |                                                                                    | -                               | 0.05                            |
| i) Coal India Limited                        |                                                                                    | 992.37                          | 897.44                          |
| j) Life Insurance Corporation of India       | Receivable against Post Retirement Medical Benefit Scheme                          | 3,990.86                        | -                               |
| <b>Amount payable:</b>                       |                                                                                    |                                 |                                 |
| a) Indian Oil Corporation Limited            | Trade & other payable                                                              | 96.79                           | 79.25                           |
| b) Bharat Petroleum Corporation Limited      |                                                                                    | 674.02                          | 1,028.32                        |
| c) GAIL (India) Limited                      |                                                                                    | 321.02                          | 320.76                          |
| d) Bharat Heavy Electricals Limited          |                                                                                    | 424.89                          | 112.70                          |
| e) Balmer Lawrie & Co Limited                |                                                                                    | 56.09                           | 32.68                           |
| f) Shipping Corporation of India Limited     |                                                                                    | 1,905.08                        | 1,971.23                        |
| g) Bharat Electronics Limited                |                                                                                    | 91.32                           | 383.08                          |
| h) Oil India Limited                         |                                                                                    | 580.93                          | 4.35                            |
| i) Bharat Pumps and Compressors Limited      |                                                                                    | -                               | 4.30                            |
| j) Life Insurance Corporation of India       |                                                                                    | 79.64                           |                                 |

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, 2023 | As at 31 March, 2022 |
|--------------------------------------|----------------------|----------------------|
| Current Borrowings (Note No.27)      | 32,689.47            | -                    |
| Non-Current Borrowings (Note No. 27) | 39,499.32            | 63,969.02            |
| Cash & Bank Balances                 | 216,340.46           | 2,362.28             |
| Net Debt                             | -                    | 61,606.72            |
| Total Equity                         | 2,578,458.41         | 2,371,480.86         |
| <b>Net Debt to Equity Ratio</b>      | <b>-*</b>            | <b>2.60%</b>         |

\* The cash & bank balance of the Company is more than its total borrowing as on March 31, 2023. Hence, gearing ratio is treated as NIL.

### 45.2 Categories of financial instruments

(₹ in Million)

| Particulars                                                      | As at 31 March, 2023 | As at 31 March, 2022 |
|------------------------------------------------------------------|----------------------|----------------------|
| <b>Financial assets</b>                                          |                      |                      |
| <b>Measured at fair value through profit or loss (FVTPL)</b>     |                      |                      |
| (a) Investment in Alternative Investment Fund *                  | 594.21               | 441.21               |
| <b>Measured at amortised cost</b>                                |                      |                      |
| (a) Investment in GoI Special Bonds                              | 1,975.08             | 1,975.08             |
| (b) Trade and other receivables                                  | 102,503.05           | 117,884.84           |
| (c) Cash and cash equivalents                                    | 771.94               | 501.05               |
| (d) Other bank balances                                          | 215,568.52           | 1,861.25             |
| (e) Deposit under Site Restoration Fund                          | 264,105.99           | 246,305.67           |
| (f) Loans                                                        | 19,556.72            | 16,912.82            |
| (g) Other financial assets                                       | 73,035.54            | 28,442.01            |
| <b>Measured at FVTOCI</b>                                        |                      |                      |
| (a) Investments in equity instruments (Note No. 11.1.6 & 11.1.7) | 190,644.77           | 193,000.96           |





| Particulars                          | As at 31 March, 2023 | As at 31 March, 2022 |
|--------------------------------------|----------------------|----------------------|
| <b>Financial liabilities</b>         |                      |                      |
| <b>Measured at amortised cost</b>    |                      |                      |
| (a) Short Term Borrowings            | 32,689.47            | -                    |
| (b) Long Term Borrowings             | 39,499.32            | 63,969.02            |
| (c) Trade payables                   | 62,555.96            | 61,547.25            |
| (d) Other financial liabilities      |                      |                      |
| i. Compulsory Convertible Debentures | 75,725.94            | 76,401.82            |
| ii. Financial guarantee contracts    | 740.09               | 1,095.72             |
| iii. Others                          | 149,204.85           | 129,818.63           |
| (e) Lease Liabilities                | 88,828.77            | 100,156.46           |

\* During the year the Company has subscribed an additional 15,000,000 no's (previous year 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 ₹150 Million (previous year ₹444.21 Million). (refer note 11.1.11)

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 5.00% (Previous year 7.88%) 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, 2023 is ₹401,168.34 Million (As at March 31, 2022 ₹389,094.14 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             |
|------------------------------------------------|-------------------|-------------------|------------------|-------------------|-------------------|
| <b>As at March 31, 2023</b>                    |                   |                   |                  |                   |                   |
| Trade Payable                                  | 62,555.96         | -                 | -                | -                 | <b>62,555.96</b>  |
| Security Deposits from Contractors & Customers | 2,653.33          | 244.18            | 1,425.71         | 35.81             | <b>4,359.03</b>   |
| Non-Current Borrowings #                       | -                 | -                 | 5,000.00         | 34,499.32         | <b>39,499.32</b>  |
| Lease Liabilities #                            | -                 | -                 | -                | -                 | <b>88,828.77</b>  |
| Current Borrowings                             | -                 | 32,689.47         | -                | -                 | <b>32,689.47</b>  |
| Compulsory Convertible Debentures              | -                 | 75,725.94         | -                | -                 | <b>75,725.94</b>  |
| Other Financial Liabilities                    | 143,361.09        | -                 | -                | -                 | <b>143,361.09</b> |
| <b>Total</b>                                   | <b>208,570.38</b> | <b>108,659.59</b> | <b>6,425.71</b>  | <b>34,535.13</b>  | <b>447,019.58</b> |
| Financial Guarantee Obligation*                |                   |                   |                  |                   | <b>401,168.34</b> |
| <b>As at March 31, 2022</b>                    |                   |                   |                  |                   |                   |
| Trade Payable                                  | 61,547.25         | -                 | -                | -                 | <b>61,547.25</b>  |
| Security Deposits from Contractors & Customers | 4,856.85          | 340.34            | 476.35           | 18.56             | <b>5,692.10</b>   |
| Non-Current Borrowings #                       | -                 | -                 | 26,400.00        | 37,569.02         | <b>63,969.02</b>  |
| Lease Liabilities #                            | -                 | -                 | -                | -                 | <b>100,156.46</b> |
| Current Borrowings                             | -                 | -                 | -                | -                 | <b>-</b>          |
| Compulsory Convertible Debentures              | -                 | 60,423.29         | 15,978.53        | -                 | <b>76,401.82</b>  |
| Other Financial Liabilities                    | 122,633.88        | -                 | -                | -                 | <b>122,633.88</b> |
| <b>Total</b>                                   | <b>189,037.98</b> | <b>60,763.63</b>  | <b>42,854.88</b> | <b>37,587.58</b>  | <b>430,400.53</b> |
| Financial Guarantee Obligation*                |                   |                   |                  |                   | <b>389,094.14</b> |

\*Represents Company's maximum exposure as on March 31, 2023 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 the obligation.

# refer Note No. 41.2 for Maturity Analysis of Lease Liabilities and refer Note No. 27.2 & 27.3 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 USD 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. However, further update in EMTN program would be carried out depending upon the visibility on the requirement of funds.

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, 2023 are given under Note no 27.2.

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, 2023 | As at March 31, 2022 |
|---------------------------------------------------------------------------|----------------------|----------------------|
| amount used                                                               | -                    | -                    |
| amount unused #                                                           | 45,000               | 40,000               |

# At the year-end, the cash credit limit was ₹45,000 Million (Previous year ₹40,000 Million) considering business requirement of the Company. The cash credit limit of ₹ NIL (Previous year ₹ NIL Million) was utilized as working capital loan.

Further, at the year-end, the Company had arrangement for facility of loan against term deposit facility was ₹73,013.50 Million (Previous year NIL). Against the same, the loan against term deposit of ₹6,289.99 Million (Previous year NIL) was utilized.

Besides the above, the Company had arrangement for unutilized short term loan facilities of ₹50,000 Million as on March 31, 2023 (Previous year ₹40,000 Million) with other banks.

The Company also had an unutilized limit of ₹100,000 Million (Previous year ₹100,000 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 Ukraine – Russia conflict 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 (USD) though billed and received in Indian Rupees (₹). The Company is, therefore, exposed to foreign currency risk principally out of ₹ appreciating against USD. 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 USD 500 Million. During the year, no hedging decision was necessitated as net exposure of USD 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, 2023 | As at March 31, 2022 | As at 31 March, 2023 | As at March 31, 2022 |
| USD          | 115,526.62           | 91,711.16            | 8,207.15             | 8,149.03             |
| GBP          | 737.22               | 1,329.20             | -                    | -                    |
| EURO         | 1,618.05             | 1,762.69             | -                    | -                    |
| JPY          | 24.04                | 27.72                | -                    | -                    |
| Others       | 41.90                | 61.39                | -                    | -                    |
| <b>Total</b> | <b>117,826.20</b>    | <b>94,892.16</b>     | <b>8,207.15</b>      | <b>8,149.03</b>      |

#### 45.7.1 Foreign currency sensitivity analysis

The Company is principally exposed to risk against USD. Sensitivity of profit or loss arises mainly from USD denominated receivables and payables.

As per management's assessment of reasonable possible changes in the exchange rate of (+/-) 5% between USD- ₹ currency pair, sensitivity of profit or loss only on outstanding USD denominated monetary items at the period end is presented below:

(₹ in Million)

| USD sensitivity at year end | Year ended March 31, 2023 | Year ended March 31, 2022 |
|-----------------------------|---------------------------|---------------------------|
| <b>Assets:</b>              |                           |                           |
| Weakening of ₹ by 5%        | 410.36                    | 407.45                    |
| Strengthening of ₹ by 5%    | (410.36)                  | (407.45)                  |
| <b>Liabilities:</b>         |                           |                           |
| Weakening of ₹ by 5%        | (5,776.33)                | (4,585.56)                |
| Strengthening of ₹ by 5%    | 5,776.33                  | 4,585.56                  |

The Sensitivity of Revenue from operation (net of levies) to change in (+/-) Re. 1 in exchange rate between ₹-USD currency pair is presented as under:

(₹ in Million)

| Sensitivity of Revenue from operation (net of levies)              | 2022-2023          | 2021-2022           |
|--------------------------------------------------------------------|--------------------|---------------------|
| Impact on Revenue from operation (net of levies) for exchange rate | (+/-)<br>13,701.63 | (+/-)<br>)11,061.47 |

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 USD 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, 2023 was 5.98% p.a. (Previous year 3.39% 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 risks

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, 2023 would increase / decrease by ₹9,532.24 Million (for the year ended March 31, 2022 would increase / decrease by ₹9,650.05 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 USD in prices of Crude Oil, Natural Gas & Value Added Products (VAP)

(₹ in Million)

| Sensitivity of Revenue from operation (net of levies)                                              | 2022-2023       | 2021-2022       |
|----------------------------------------------------------------------------------------------------|-----------------|-----------------|
| Impact on Revenue from operation (net of levies) for USD in prices of crude oil, natural gas & VAP | (+/-) 54,992.82 | (+/-) 52,562.42 |

#### 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, 2023   | March 31, 2022 |                      |                                                                                                                     |
| Investment in Equity Instruments (quoted)         | 190,607.83       | 192,964.02     | Level 1              | Quoted bid prices from Stock exchange-NSE.                                                                          |
| Investment in other Equity Instruments (unquoted) | 36.95            | 36.95          | Level 2              | Discounted Free Cash Flow Methodology                                                                               |
| Investment in Alternative Investment Fund         | 594.21           | 444.21         | Level 2              | Discounted Free Cash Flow Methodology                                                                               |
| Employee Loans                                    | 19,556.72        | 16,912.82      | Level 2              | Discounted Cash Flows i.e. present value of expected receipt/payment discounted using appropriate discounting rate. |
| Financial Guarantees                              | (740.09)         | (1,095.72)     | Level 2              | Interest Rate Differential Model.                                                                                   |
| Lease Liabilities                                 | (88,828.78)      | (100,156.46)   | Level 2              | Discounted Cash Flows i.e. present value of expected receipt/payment discounted using appropriate discounting rate. |



| Financial Assets/ (Financial Liabilities) | Fair value as at |                | Fair value hierarchy | Valuation technique(s) and key input(s)                                                                             |
|-------------------------------------------|------------------|----------------|----------------------|---------------------------------------------------------------------------------------------------------------------|
|                                           | March 31, 2023   | March 31, 2022 |                      |                                                                                                                     |
| Security Deposits from Contractors        | (4,265.47)       | (5,656.93)     | Level 2              | Discounted Cash Flows i.e. present value of expected receipt/payment discounted using appropriate discounting rate. |
| Compulsory Convertible Debentures         | (75,725.94)      | (76,401.82)    | 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.

#### 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:

#### 46. Disclosure of Interests in Joint Arrangements and Associates:

| Sl. No.  | Blocks                                     | Company's Participating Interest |                      | Others Partners and their PI in the JO/ Operatorship |
|----------|--------------------------------------------|----------------------------------|----------------------|------------------------------------------------------|
|          |                                            | As at March 31, 2023             | As at March 31, 2022 |                                                      |
| <b>A</b> | <b>Jointly Operated JOs</b>                |                                  |                      |                                                      |
| 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>B</b> | <b>ONGC Operated JOs</b>                   |                                  |                      |                                                      |
| 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%                                            |



| Sl. No.  | Blocks                         | Company's Participating Interest |                      | Others Partners and their PI in the JO/ Operatorship                          |
|----------|--------------------------------|----------------------------------|----------------------|-------------------------------------------------------------------------------|
|          |                                | As at March 31, 2023             | As at March 31, 2022 |                                                                               |
| 19       | KG-OSN-2001/3                  | 80%                              | 80%                  | GSPC 10%, JODPL 10%                                                           |
| 20       | KG/OSDSF/Chandrika/2021        | 70%                              | -                    | IOC 30%                                                                       |
| 21       | MB/OSDSF/W05/2021              | 70%                              | -                    | IOC 30%                                                                       |
| <b>C</b> | <b>Operated by JO Partners</b> |                                  |                      |                                                                               |
| 22       | Ravva                          | 40%                              | 40%                  | Vedanta Ltd (erstwhile Cairn India Ltd) (Operator) 22.5%, VIL 25%, ROPL 12.5% |
| 23       | CY-OS-90/1                     | 40%                              | 40%                  | HEPI (operator) 18%, HOEC 21%, TPL 21%                                        |
| 24       | RJ-ON-90/1                     | 30%                              | 30%                  | Vedanta Ltd (erstwhile Cairn India Ltd) (Operator) 35%, CEHL 35%              |
| 25       | CB-OS/2                        | 50%                              | 50%                  | Vedanta Ltd (erstwhile Cairn India Ltd) (operator) 40% , TPL 10%              |
| 26       | CB-ON/7                        | 30%                              | 30%                  | HOEC (Operator) 35%, GSPC 35%                                                 |
| 27       | CB-ON/3                        | 30%                              | 30%                  | EOGEPL (Operator) 70%                                                         |
| 28       | CB-ON/2                        | 30%                              | 30%                  | GSPC (Operator) 56%, Geo-Global Resources 14%                                 |
| 29       | AA-ONN-2010/2                  | 30%                              | 30%                  | OIL 50% (Operator), GAIL 20%                                                  |
| 30       | AA-ONN-2010/3                  | 40%                              | 40%                  | OIL 40% (Operator), BPRL 20%                                                  |
| 31       | CB-ONHP-2017/9                 | 40%                              | 40%                  | BPRL 60% (Operator)                                                           |
| 32       | AA-ONHP-2017/10                | 30%                              | 30%                  | OIL 70% (Operator)                                                            |
| 33       | 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, BGEPL-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** During the year 2022-23, Company has entered into Revenue Sharing Contracts with Government of India for 29 blocks acquired under Open Acreage Licensing Policy (OALP) and Discovered Small Fields (DSF) as detailed below:

| S.NO. | OALP/DSF Round | Name of Revenue sharing contracts/Blocks | Participating Interest | Nature of Activity |
|-------|----------------|------------------------------------------|------------------------|--------------------|
| 1     | OALP-VI        | CB-ONHP-2020/1                           | 100%                   | Exploration        |
| 2     | OALP-VI        | AA-ONHP-2020/2                           | 100%                   | Exploration        |
| 3     | OALP-VI        | CD-ONHP-2020/1                           | 100%                   | Exploration        |
| 4     | OALP-VI        | NM-ONHP-2020/1                           | 100%                   | Exploration        |
| 5     | OALP-VI        | MB-OSHP-2020/1                           | 100%                   | Exploration        |

| S.NO. | OALP/DSF Round | Name of Revenue sharing contracts/Blocks | Participating Interest | Nature of Activity |
|-------|----------------|------------------------------------------|------------------------|--------------------|
| 6     | OALP-VI        | MB-OSHP-2020/2                           | 100%                   | Exploration        |
| 7     | OALP-VI        | AN-UDWHP-2020/1                          | 100%                   | Exploration        |
| 8     | OALP-VI        | AN-UDWHP-2020/2                          | 100%                   | Exploration        |
| 9     | OALP-VI        | CB-ONHP-2021/1                           | 100%                   | Exploration        |
| 10    | OALP-VI        | CB-ONHP-2021/2                           | 100%                   | Exploration        |
| 11    | OALP-VI        | GK-ONHP-2021/1                           | 100%                   | Exploration        |
| 12    | OALP-VI        | GS-ONHP-2021/1                           | 100%                   | Exploration        |
| 13    | OALP-VI        | GV-ONHP-2021/1                           | 100%                   | Exploration        |
| 14    | OALP-VI        | GV-ONHP-2021/2                           | 100%                   | Exploration        |
| 15    | OALP-VI        | BP-ONHP-2021/1                           | 100%                   | Exploration        |
| 16    | OALP-VI        | AA-ONHP-2021/1                           | 100%                   | Exploration        |
| 17    | OALP-VI        | AS-ONHP-2021/1                           | 100%                   | Exploration        |
| 18    | OALP-VI        | MB-OSHP-2021/1                           | 100%                   | Exploration        |
| 19    | OALP-VII       | AA-ONHP-2021/2                           | 100%                   | Exploration        |
| 20    | OALP-VII       | CY-UDWHP-2021/1                          | 100%                   | Exploration        |
| 21    | OALP-VII       | SR-ONHP-2021/1                           | 100%                   | Exploration        |
| 22    | CBM-2021       | BP-ONHP(CBM)-2021/2                      | 100%                   | Exploration        |
| 23    | CBM-2021       | SR-ONHP(CBM)-2021/5                      | 100%                   | Exploration        |
| 24    | DSF-III        | MB/OSDSF/W05/2021                        | 70%                    | Development        |
| 25    | DSF-III        | KG/OSDSF/Chandrika/2021                  | 70%                    | Development        |
| 26    | DSF-III        | MB/OSDSF/B37/2021                        | 100%                   | Development        |
| 27    | DSF-III        | MB/OSDSF/Ratna/2021                      | 100%                   | Development        |
| 28    | DSF-III        | KG/OSDSF/YS6/2021                        | 100%                   | Development        |
| 29    | DSF-III        | KG/OSDSF/GS49/2021                       | 100%                   | Development        |

**46.1.2 During the year, the following ONGC Operated NELP Block has been relinquished:**

| S.NO. | NELP Round | Block Name    | ONGC's PI | Partner's PI |
|-------|------------|---------------|-----------|--------------|
| 1     | NELP-VI    | KG-OSN-2004/1 | 100%      | NA           |

**46.1.3 Financial position of the Joint Operation –Company's share are as under:**

The financial statements of 179 nos. (Previous year 154) out of 194 nos. (Previous year 166) 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 15 (Previous year 12) 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, 2023

(₹ 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 (8)                                 | 2,300.17         | 266,101.13         | 1,052.16            | 3,729.67                | 19,534.54         | (7,231.95)                                  | (0.40)                     | (7,232.35)                 |
| OALP -100% PI (45)                                | 68.43            | 3,456.63           | 53.74               | -                       | -                 | (16,515.98)                                 | (0.03)                     | (16,516.01)                |
| DSF 100% (9)                                      | 12.34            | 2,833.10           | 9.31                | 60.22                   | -                 | (437.45)                                    | -                          | (437.45)                   |
| NELP/Pre NELP Block with other partner (28)       | 51,833.38        | 101,734.91         | 65,497.14           | 18,190.27               | 114,485.35        | (20,805.50)                                 | (2.33)                     | (20,805.39)                |
| OALP Blocks with other partners (3)               | 0.69             | 7.06               | 14.94               | -                       | -                 | (44.69)                                     | -                          | (44.69)                    |
| DSF Blocks with other partners (2)                | 34.77            | 7.19               | -                   | -                       | -                 | (37.65)                                     | -                          | (37.65)                    |
| Surrendered (99)                                  | 319.80           | 52.69              | 18,107.87           | 59.07                   | -                 | (1,275.22)                                  | 0.01                       | (1,275.21)                 |
| <b>Total (194)</b>                                | <b>54,569.58</b> | <b>374,192.71</b>  | <b>84,735.16</b>    | <b>22,039.23</b>        | <b>134,019.89</b> | <b>(46,348.44)</b>                          | <b>(2.75)</b>              | <b>(46,348.75)</b>         |
| <b>Further Break-up of above blocks as under:</b> |                  |                    |                     |                         |                   |                                             |                            |                            |
| Audited (169)                                     | 5,641.92         | 324,212.17         | 19,535.96           | 6,091.47                | 23,574.48         | (40,144.14)                                 | (2.65)                     | (40,144.35)                |
| Certified (10)#                                   | 44,192.98        | 45,738.07          | 54,271.26           | 15,839.90               | 110,395.89        | (2,248.19)                                  | (0.02)                     | (2,248.21)                 |
| Unaudited (15)                                    | 4,734.68         | 4,242.47           | 10,927.94           | 107.86                  | 49.52             | (3,956.11)                                  | (0.08)                     | (3,956.19)                 |
| <b>Total (194)</b>                                | <b>54,569.58</b> | <b>374,192.71</b>  | <b>84,735.16</b>    | <b>22,039.23</b>        | <b>134,019.89</b> | <b>(46,348.44)</b>                          | <b>(2.75)</b>              | <b>(46,348.75)</b>         |

# Certified by other Chartered Accountants as per PSC provisions.

## 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)                |
| OALP -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)                 |
| OALP 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)                   |
| <b>Total (166)</b>                                | <b>53,990.82</b> | <b>337,477.83</b>  | <b>64,871.08</b>    | <b>17,892.07</b>        | <b>105,381.26</b> | <b>(23,157.16)</b>                        | <b>3.09</b>                | <b>(23,154.07)</b>         |
| <b>Further Break-up of above blocks as under:</b> |                  |                    |                     |                         |                   |                                           |                            |                            |
| 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)                   |
| <b>Total (166)</b>                                | <b>53,990.82</b> | <b>337,477.83</b>  | <b>64,871.08</b>    | <b>17,892.07</b>        | <b>105,381.26</b> | <b>(23,157.16)</b>                        | <b>3.09</b>                | <b>(23,154.07)</b>         |

# Certified by other Chartered Accountants as per PSC provisions

**46.1.4 Additional Financial information related to Joint Operation blocks are as under:**
**As at March 31, 2023**
**(₹ in Million)**

| Particulars                                       | Cash and Cash Equivalents | Current Financial Liabilities | Depreciation and Amortisation | Interest Income | Interest Expense |
|---------------------------------------------------|---------------------------|-------------------------------|-------------------------------|-----------------|------------------|
| NELP -100% PI (8)                                 | 0.02                      | 348.04                        | 6,218.89                      | 5.31            | 305.40           |
| OALP -100% PI (45)                                | -                         | 53.74                         | 1.13                          | 0.30            | -                |
| DSF 100% (9)                                      | -                         | 4.08                          | 0.19                          | 0.30            | 1.27             |
| NELP/Pre NELP Block with other partner (28)       | 205.46                    | 43,429.69                     | 26,117.08                     | 740.03          | 1,110.56         |
| OALP Blocks with other partners (3)               | 0.01                      | 14.94                         | -                             | -               | -                |
| DSF Blocks with other partners (2)                | -                         | -                             | 0.20                          | 0.01            | -                |
| Surrendered (99)                                  | 1.16                      | 18,058.95                     | (3,861.76)                    | 19.62           | -                |
| <b>Total (194)</b>                                | <b>206.65</b>             | <b>61,909.44</b>              | <b>28,475.73</b>              | <b>765.57</b>   | <b>1,417.23</b>  |
| <b>Further Break-up of above blocks as under:</b> |                           |                               |                               |                 |                  |
| Audited (169)                                     | 1.13                      | 18,159.29                     | 14,888.60                     | 30.29           | 452.63           |
| Certified (10)#                                   | 69.22                     | 38,393.80                     | 13,583.62                     | 568.40          | 963.81           |
| Unaudited (15)                                    | 136.30                    | 5,356.35                      | 3.51                          | 166.88          | 0.79             |
| <b>Total (194)</b>                                | <b>206.65</b>             | <b>61,909.44</b>              | <b>28,475.73</b>              | <b>765.57</b>   | <b>1,417.23</b>  |

# Certified by other Chartered Accountants as per PSC provisions.

**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           |
| OALP -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         |
| OALP Blocks with other partners (3)               | 0.01                      | (2.00)                        | -                             | -               | -                |
| Surrendered (99)                                  | 0.09                      | 17,018.10                     | -                             | 0.92            | -                |
| <b>Total (166)</b>                                | <b>264.49</b>             | <b>56,644.47</b>              | <b>28,773.69</b>              | <b>503.34</b>   | <b>1,132.57</b>  |
| <b>Further Break-up of above blocks as under:</b> |                           |                               |                               |                 |                  |
| 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            |
| <b>Total (166)</b>                                | <b>264.49</b>             | <b>56,644.47</b>              | <b>28,773.69</b>              | <b>503.34</b>   | <b>1,132.57</b>  |

# Certified by other Chartered Accountants as per PSC provisions.





**46.1.5** In respect of 1 Pre NELP block and 2 OALP blocks (Previous year 1 Pre NELP block), the Company's share of Unfinished Minimum Work Programme (MWP) / Committed Work Programme (CWP) amounting to ₹6,855.05 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 and as per relevant clause of RSCs of said OALP Blocks, which are under active consideration of Gol. 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 ₹6,855.05 Million (previous year ₹493.81 Million) is included in MWP/CWP commitment under note no. 48.2.2 (i).

As per the Production Sharing Contracts/ Revenue Sharing Contracts signed by the Company with the Gol, the Company is required to complete Minimum Work Programme (MWP) / Committed Work Programme (CWP) within stipulated time. In case of delay in completion of the MWP/CWP, Liquidated Damages (LD) are payable for extension of time to complete MWP/CWP. Further, in case the Company does not complete MWP/CWP or surrender the block without completing the MWP/CWP, the estimated cost of completing balance work programme is required to be paid to the Gol. LD amounting to ₹5.54 Million (Previous year ₹5.47 Million) and cost of unfinished MWP/CWP amounting to Nil (Previous year nil), paid/ payable to the Gol is included in survey and wells written off expenditure respectively.

**46.1.6** Government of India vide its letter dated June 01, 2017 has approved the relinquishment of 30% Participating Interest (PI) of the Company in block RJ-ON/6 and assignment of its future rights and obligations to acquire 30% PI in any of the discoveries in the block in favour of operator Focus Energy Limited (FEL) and other JV partners in proportion to their respective PIs on the condition that Focus Energy Limited (Operator) will reimburse all past cost incurred by the Company towards royalty, PEL/ML fees, other statutory levies and bear the unpaid liability of the Company in development and production cost in SGL Field of the block. Pending the recovery of outstanding dues towards royalty, PEL/ML fees, other statutory levies, no adjustment in the accounts has been made post relinquishment from the block RJ-ON/6. During the year the Company has

invoked arbitration against FEL and other JV partners to recover its outstanding dues. Total outstanding dues recoverable towards royalty, PEL/ML fees, other statutory levies as on March 03, 2023 is ₹2,415.90 Million.

**46.1.7** 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. 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. Operator has recovered exploration cost (beyond exploration phase of PSC) of USD 203.92 Million (equivalent to ₹16,752.14 Million) being 30% of USD 679.74 Million (equivalent to ₹55,840.47 Million) up to FY 2021-22 (Previous year USD 167.08 Million and equivalent ₹12,656.35 Million). The Company has disclosed the sum of USD 203.92 Million (equivalent to ₹16,752.14 Million) under Contingent Liabilities, as the issues are presently under Arbitration proceedings. Partial award of the arbitration was received during the year and the final award of the arbitration is expected in Q2 2023-24.

Pending finalization of arbitration award, an amount of USD 190.52 Million (equivalent to ₹15,650.81 Million), which is 30% of USD 635.05 Million pertaining to development and production expenditure have been accounted for as per the participating interest of the Company.

Royalty on production was being paid by the Company as licensee and the JO Partners' share of Royalty was recoverable through revenue from Sale of Crude Oil and Gas. Accordingly, an amount of ₹15,583.41 Million outstanding from JV Partners has been included in the revenue up to March 31, 2023.

**46.1.8** 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. During the year an Addendum No. 2 to PSC was executed on October 27, 2022 extending the term of the PSC of the block for a period of 10 years retrospectively w.e.f. May 15, 2020.

Government of India demanded payment of Additional Profit Petroleum of USD 654.83 Million (₹53,794.28 Million) in respect of the Block RJ-ON-90/1 against the audit exceptions as per the PSC provisions. The other Partners in the JO have disputed the demand with a Notice of Arbitration dated May 14, 2020 against the

Government of India. The Company is not a party to the Arbitration against Government of India and will pay the amount, once liability, if any, arises out of the Audit Exceptions is finalized for the Contractors.

The Company share of USD 196.45 Million (₹16,138.29 Million), being 30% of USD 654.83 Million (₹53,794.28 Million) of the demand for additional profit petroleum on account of Audit Exceptions has been disclosed under Contingent liabilities.

**46.1.9** In respect of Jharia CBM Block, revised Feasibility Report (FR) has been approved in the meeting of Steering Committee (SC) held on September 9, 2019. In the light of overlap issue with Bharat Coking Coal Limited Companies and in view of better techno-economics, the Company has decided to implement the revised FR in phases for early implementation and monetization. The Parbatpur and adjoining areas was taken up in Phase-I under the approved FR and accordingly, implementation strategy for Stage-I for Jharia CBM Block has been approved by the Company on November 21, 2019 and the Operating Committee (OC) in its meeting held on December 10, 2019. The same was communicated to the JO 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 Joint Operating Agreement (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 which is the start date of development phase activity and the date of commencement of PI enhancement as per JOA, 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 and cash calls

amounting to ₹272.29 Million at the rate of 10% PI up to January 24, 2021.

**46.1.10** In respect of Raniganj (N) CBM Block, the Feasibility Report (FR) exploring different variants to optimize the cost has been worked out for early implementation and monetization, in light of overlap issue with Bengal Aerotropolis Project Limited, CM (SP) Blocks and the Company has decided to implement the Revised FR in stages. The area excluding all overlap issue was taken up in current phase under the approved FR and accordingly, implementation strategy has been approved by the Company on December 8, 2022 and the Operating Committee (OC) on February 13, 2023. Revised Feasibility Report (FR) has been approved in-principal in the Steering Committee (SC) held on March 3, 2023. Pending final decision on the Block, an impairment provision of ₹617.75 Million has been provided in the books.

**46.1.11** 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 USD 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 2022-23, 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 ₹993.92 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 USD 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 JO 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, 2023 is ₹1,800.05 Million (Previous year: ₹1,624.86 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 ₹1,800.05 Million (Previous year: ₹1,624.86 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 ₹1,600.04 Million (Previous year: ₹1,444.32 Million) has been made against the said cash call receivables from JODPL, being the Company's share as per PI ratios.

**46.1.12** In case of Block CB-ONN-2004/3, the discovery well Uber#2 ceased to flow from June 23, 2020. The Company in consultation with JV partner Gujarat State Petroleum Corporation Limited has initiated a proposal for examination / surrendering the block CB-ONN-2004/3 and relinquishment of the development area of 10.78 sq. km. During Management Committee (MC) meeting in May 2022, Government nominee advised to submit firm future plans within 60 days from receipt of the MC approval or else relinquish the field for future bidding round. The proposal for surrender of the block has been initiated by the Company being the Operator for internal approval. Pending approval of the same, an impairment loss of ₹372 Million has been provided in the books.

**46.1.13** The designated currency, for the purpose of cost recovery under the Production Sharing Contracts (PSC) is USD. Thus, the expenditure incurred in Indian Rupees (₹) needs to be converted in USD 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 USD 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.

**46.1.14** During the year 2021-22 Directorate General of Hydrocarbon had referred issues of 22 NELP blocks relating to cost of unfinished work program (CoUWP) and interest thereon (18 CoUWP plus 4 Interest on CoUWP) of the Company / Consortium of JO to the Committee of External Eminent Experts (CEEE) to act as a conciliator for conciliation proceedings between the Government of India and the Company / its JO-Partners (Contractors) based on the consent of the contractors. Out of the said 22 blocks, the Company is an Operator in 19 blocks and remaining 3 blocks were operated by other Operator(s). The CEEE had various meetings on representations made by the Company and its JO partners during 2021-22 and 2022-23.

CEEE vide its communication dated March 30, 2023 has shared the proposed settlement offers for 10 blocks requesting for observations of the Company and its JO Partners on the same. Subsequently, on the invitation of the Secretary, CEEE, the Company and its JO partners presented their observations on the proposed settlement offers to the CEEE members on April 17, 2023. Further, the Company vide its communication dated April, 21 2023, made written submissions for said 10 blocks for a revised settlement offer for above blocks on the basis of fair

and equitable consideration, by the CEEE.

A meeting of CEEE was held on May 2, 2023 to discuss the submission made by the Company and the CEEE informed that they will further review and propose the revised offers for said blocks. Pending final settlement regarding the 22 blocks, firm liability of CoUWP and interest on CoUWP amounting to ₹7,127.86 Million and ₹166.30 Million respectively is carried in the financial statements and disputed balance of CoUWP and interest on CoUWP amounting to ₹163.94 Million and ₹942.53 Million respectively is disclosed as contingent liabilities.

**46.1.15** Director General of Hydrocarbons (DGH) vide their letter dated April 4, 2017 demanded ₹645.24 Million towards liquidated damages on account of non-completion of Minimum Work Program within fixed time frame for Shale Gas & Oil exploration & exploitation. The Company in its reply to the demand raised informed that Shale Gas Policy 2013 / Permission letter of the Govt. of India for grant of Shale Gas and Oil exploration/exploitation rights at para V of section-I stipulates 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 August 08, 2018 issued by the Government 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.

The matter was discussed and followed up in various meetings with DGH / MoPNG. The Company again vide its letter dated August 30, 2022 to DGH submitted that no LD is applicable in the instant case and on the basis of this submission, the matter be considered as closed and no further communication / demand has been received from DGH after the said submissions and accordingly no liability /contingent liability is recognised / disclosed.

**46.1.16** During the financial year 2020-21, Director General of Hydrocarbons had demanded ₹4,881.35 Million on account of unpaid/short payment of

Royalty for blocks KG-OSN-2001/3 and CB-OS/2, consisting of principal amount of ₹262.41 Million and penal interest of ₹148.74 Million in respect of 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 Block CB-OS/2 for the period 2006-07 to 2020-2021.

The Company had taken up with DGH / MoPNG through various meetings and written communications, the last correspondence being letter dated 09th Sep 2021 in respect of the block KG-OSN-2001/3 and 26th Oct 2021 in respect of the block CB-OS/2 and stated that 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 accounts. 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. 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.

During the financial year 2022-23, DGH vide its letter dated August 5, 2022 has raised a revised demand of ₹505.37 Million towards unpaid/short payment of Royalty upto March 31, 2022 and penal interest upto June 30, 2022 for block KG-OSN-2001/3. DGH has also vide letter dated November 30, 2022, raised demand of ₹5,416.67 Million towards unpaid/short payment of Royalty upto March 31, 2022 and penal interest upto June 30, 2022 for block CB-OS/2. The matter has again been taken up with DGH / MoPNG through various meetings and it is understood that the matter is under active consideration of MoPNG and the matter shall be resolved soon.

Pending final decision of DGH / MoPNG, the said demands totaling ₹5,922.04 Million have been disclosed as contingent liabilities.





## 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 16.10% (as at March 31, 2022: 14.74%) for Rupee transactions and 12.16% (as at March 31, 2022: 10.10%) for crude oil, natural gas and value added products revenue, which are measured in USD. 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 prices, discounted applying the rate applicable to the cash flows measured in USD.

**47.4** The Company has considered the prevailing business conditions to make an assessment of future crude oil, natural gas and value added product

prices based on internal and external information / indicators of future economic conditions. Based on the assessment, the Company has recorded a net impairment loss to the extent carrying amount exceeds the value in use, amounting to ₹5,270.26 Million (Previous year: net impairment reversal of ₹11,904.07 Million), this consist of net impairment loss at Onshore CGUs amounting to ₹559.68 Million (Previous year: net impairment reversal of ₹14,746.95 Million) and net impairment loss at Offshore CGUs amounting to ₹4,710.58 Million (Previous year ₹2,842.88 Million).

**47.5** The following 2P reserves for respective CGU were considered as a basis for the impairment testing as at March 31, 2023:

| Name of the CGU             | Quantity of Reserves used for Impairment Assessment (In MMT0E) |
|-----------------------------|----------------------------------------------------------------|
| Assam Onshore Asset         | 41.11                                                          |
| KG-OSN-2001/3 Block         | 22.91                                                          |
| S1 Vashishta                | 4.43                                                           |
| RJ-ON-90/1 Block            | 9.44                                                           |
| WO 16 (Western Offshore)    | 9.02                                                           |
| KG-DWN-98/2 Block           | 65.69                                                          |
| Silchar Onshore Asset       | 0.98                                                           |
| Rajasthan Exploratory Asset | 0.10                                                           |

Impairment testing of assets under exploratory phase (Exploratory wells in progress) has been carried out as on March 31, 2023 and a net impairment reversal of ₹20,067.81 Million (Previous year: net impairment loss of ₹20,830.40 Million) has been provided during the year.

**47.6** The Company's investment in subsidiaries, associates and joint ventures are tested for impairment when there is any significant indication that those investments have suffered an impairment loss. During the year impairment assessment of such investments was carried out and the value in use / fair value of such investments were more than the carrying value and therefore no impairment loss has been provided on such investments.

## 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, 2023 | As at March 31, 2022 |
|----------|----------------------------------------------------------|----------------------|----------------------|
| <b>A</b> | <b>In respect of Company</b>                             |                      |                      |
| I        | Income Tax                                               | 83,171.90            | 83,171.90            |
| II       | Excise Duty                                              | 7,963.79             | 7,591.65             |
| III      | Custom Duty                                              | 119.92               | 451.24               |
| IV       | Royalty                                                  | 496.82               | 496.82               |
| VI       | AP Mineral Bearing Lands (Infrastructure) Cess           | 3,538.42             | 3,425.29             |
| VII      | Sales Tax                                                | 28,424.43            | 27,443.75            |
| VIII     | Service Tax (Note No. 48.1.1.b)                          | 18,697.89            | 32,929.48            |
| IX       | GST (Note No. 48.1.1.b)                                  | 3,235.87             | 69,560.79            |
| X        | Octroi and other Municipal Taxes                         | 141.28               | 91.86                |
| XI       | Specified Land Tax (Assam)                               | 15,970.90            | 14,465.76            |
| XII      | Claims of contractors (Incl. LAQ) in Arbitration / Court | 172,260.09           | 166,305.17           |
| XIII     | Employees Provident Fund                                 | 66.35                | 66.35                |
| XIV      | Others                                                   | 24,274.41            | 24,260.68            |
|          | <b>Sub Total (A)</b>                                     | <b>358,362.07</b>    | <b>430,260.74</b>    |
| <b>B</b> | <b>In respect of Joint Operations</b>                    |                      |                      |
| I        | Income Tax                                               | 8.91                 | 8.91                 |
| II       | Municipal Taxes                                          | 143.80               | 75.34                |
| III      | Royalty                                                  | 5,922.04             | -                    |
| IV       | Sales Tax                                                | 2,621.66             | 2,621.66             |
| V        | Service Tax (Note No. 48.1.1.b)                          | 23,239.44            | 24,469.90            |
| VI       | GST (Note No. 48.1.1.b)                                  | 37,198.45            | 36,122.04            |
| VII      | Claims of contractors in Arbitration / Court             | 12,335.72            | 10,688.82            |
| VIII     | Others (Note No. 48.1.1.c & d)                           | 167,886.61           | 151,213.64           |
|          | <b>Sub Total (B)</b>                                     | <b>249,356.63</b>    | <b>225,200.31</b>    |
|          | <b>Total (A + B)</b>                                     | <b>607,718.70</b>    | <b>655,461.05</b>    |

**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 Hon. Gujarat High Court. In this matter, Hon. Gujarat High Court in the hearing held on January 4, 2021 directed the revenue authorities to file counter affidavit by January 21, 2021. The Central Government has filed counter affidavit on January 20,

2021. The next date of hearing before Hon. 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 1, 2019 on account of GST on Royalty in the State of Rajasthan against which the Company filed writ petition (4919/2019) before Hon. High Court of Rajasthan. The Hon. 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. High Court of Madras seeking stay on the levy of GST on royalty. The Hon. High Court of Madras heard the matter on April 3, 2019 and issued notice to Central Government and State Government. The Central Government filed their counter affidavit on August 26, 2019. The Company filed additional grounds to the writ petition and filed rejoinder to the counter of the Central Government on January 24, 2020. The Hon. High Court of Madras closed the writ petition in hearing held on July 6, 2022 based on the department's rejection of Company's



GST refund applications without further examination on merit. However liberty was granted to challenge the refund rejection order of department in accordance with law, accordingly, an appeal has been filed before the appellate authority challenging the department's refund rejection order dated June 24, 2022. Disputes are also pending at various forums for various work centres in respect to GST on Royalty.

As an abundant caution, the Company has deposited the disputed Service Tax and GST on royalty along-with interest under-protest amounting to ₹115,581.52 Million up to March 31, 2023 (₹87,567.87 Million up to March 31, 2022).

The Company shall continue to contest such disputed matters before various forums based on the legal opinion as per which the Service Tax/GST on Royalty in respect of Crude oil and Natural gas is not applicable. However, considering the pending final decision in a similar matter by the Nine Judges' Bench of Hon'ble Supreme Court, which is yet to be constituted and keeping in view the considerable time elapsed, during the year, the company has reviewed the entire issue of disputed Service tax and GST on royalty and has decided to make a provision towards these disputed taxes as a prudent and conservative practice in respect of the nominated fields, as per agreed terms in JV blocks where there are no disputes amongst the JV partners and to the extent of company's participating interest in the JV blocks where there are disputes amongst the JV partners. Accordingly, during the year the Company has provided ₹92,351.14 Million towards disputed taxes for the period from April 1, 2016 to March 31, 2022 together with interest thereon up to March 31, 2023 towards the ST/GST on Royalty and being material has been disclosed as an exceptional item. Further, a similar provision of ₹28,723.32 Million has also been made during the year for disputed taxes for the financial year 2022-23.

The Company has also obtained a legal opinion from the Additional Solicitor General, Supreme Court of India and other legal expert, with respect to JV blocks where there are disputes with JV partners, as per which the Service Tax/GST, if applicable on royalty, will required to be discharged by the JV partners in their respective share of participating interest in the JV blocks, and pending resolution of the disputes, other partners' share of disputed ST/GST on Royalty in such JV blocks together with interest up to March 31, 2023 amounting to ₹43,318.13 Million has not been considered for provision and the same has

been disclosed as contingent liability.

The remaining disputed demand received by the Company towards penalty and other differences i.e. ₹18,624.60 Million has also been disclosed as contingent liability.

Considering the Income tax experts' opinion on the subject, the aforesaid amount deposited under protest has been claimed in the Income Tax return / in the ongoing assessment & appellate proceedings, as an allowable expenditure under section 37 read with section 43B of the Income Tax Act, 1961 for the relevant earlier assessment years and has also been considered as an allowable expenditure while calculating the current tax for the earlier years and also towards the current tax for the year ended March 31, 2023. The Company has also created deferred tax asset amounting to ₹879.86 Million in respect of the amounts yet to be deposited against the provision made for disputed taxes for the above periods. (refer Note no. 24.4)

**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 USD 203.92 Million - equivalent to ₹16,752.14 Million (Previous year: USD 167.08 Million – equivalent to ₹12,656.35 Million) under contingent liability as on March 31, 2023. For further details, please refer Note No. 46.1.7.

**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 (BGEPI) 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 & BGEPI (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 (BGEPIIL & RIL). MoP&NG has also stated that the Arbitral Award would be applicable to the Company also as a constituent of the Contract for both the PSCs.

Directorate General of Hydrocarbons (DGH), vide letter 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 BGEPIIL that on issues relating to the aforesaid disputes, additional Audit Award on January 11, 2018, Agreement Case Award on October 1, 2018 and Jurisdictional Award on March 12, 2019 were pronounced. However, the details of proceedings of the FPA and other Orders are not available with the Company. DGH, vide their letters 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 Government's interpretation of the FPA (40% share of the Company amounting to USD 1,624.05 Million, including interest up to November 30, 2016) equivalent to ₹133,415.71 Million (March 31, 2022: ₹123,021.60 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 Government of India (GOI) 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 GOI 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 BGEPIIL and RIL and also remitted the matter in the Revised Award back to Arbitral Tribunal for reconsideration. BGEPIIL has informed that the Tribunal issued a

verdict in January 2021, favouring BGEPIIL/RIL on the remitted matter, which was challenged by the GOI before the English Court. The English Court delivered its verdict on June 9, 2022 dismissing the GOI's challenges and upholding the Revised Agreements Award. The GOI filed an appeal against the English Court verdict of June 9, 2022 that was rejected by the English courts in August 2022.

Based on the information shared by BGEPIIL, GOI has also filed an execution petition before the Hon'ble Delhi High Court seeking enforcement and execution of the October 12, 2016 FPA. In January 2018, the Company along with the JV partners had filed an application with MC for increase in CRL in terms of the PSCs. BGEPIIL / RIL contend that GOI's execution petition is not maintainable and have opposed the reliefs sought by the GOI under the said petition. The hearings in the matter before the Hon'ble Delhi High Court concluded on August 4, 2022. Final orders on the reliefs sought by the GOI is awaited.

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 during the quarter of October – December 2021. Substantial hearings have taken place since 2021 in respect of the Cost Recovery Limit increase applications filed by BGEPIIL & RIL and an award is presently expected by Q4 2023-24 i.e. Jan – March 2024.

DGH vide letter dated January 14, 2019 has advised to 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 GOI recovered USD 80.18 Million (Share of the Company USD 32.07 Million equivalent to ₹2,634.55 Million (March 31, 2022: ₹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 DGH under the two PSCs for the period 2002-03 to 2005-06 in respect of cost and profit petroleum share payable to GOI (refer Note no. 15.1).

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 USD 1,624.05 Million equivalent to ₹133,415.71 Million @ ₹82.15 i.e. closing rate as on March 31, 2023 (March 31, 2022: ₹123,021.60 Million) has been considered as contingent liability.

The Company's share of USD 32.07 Million ₹2,634.55 Million @ ₹82.15 i.e. closing rate as on March 31, 2023 (March 31, 2022: ₹2,429.30 Million) recovered by Government of India has been disclosed under Note No.15 in the financial statements.

**e.** The Company is operating various 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.

Considering the time taken to resolve the matter, State Government of Assam has formulated a way

out so that the lease may be signed. The Director, Directorate of Geology and Mines, had obtained the approval of the Additional Chief Secretary to the State Government of Assam vide letter dated June 10, 2021 to allow for signing the deeds for petroleum Mining Lease (PML) with companies on the basis of dead rent as was done earlier with the insertion of clause in the deed that balance amount of stamp duty which will accrue after finalization of the method of calculating stamp duty shall have to be paid by the respective companies. The Company has been asked by the Directorate of Geology and Mines, Assam to submit the draft deed for all the pending PMLs for ascertainment of Stamp Duty and execution.

Presently proceedings are going on before Registrar of Stamp, Ahmedabad for ascertainment of Stamp duty payable for execution of mining lease agreements in respect of some of the Mining Lease's for ascertainment of Stamp duty payable.

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: ₹115,409.12 Million (Previous year ₹126,849.43 Million).
- ii)** In respect of Joint Operations: ₹39,542.56 Million (Previous year ₹60,403.60 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/OALP/DSF blocks in which the Company has 100% participating interest: ₹116,310.45 Million (Previous year ₹71,458.41 Million).

b) In respect of NELP/OALP/DSF blocks in Joint Operations, Company's share: ₹11,049.98 Million (Previous year ₹1,573.30 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, 2023 is

₹1,766.85 Million (Previous year ₹1,699.28 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 ₹2,075.97 Million as on March 31, 2023 (₹1,959.54 Million as on March 31, 2022), 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, 2023 | As at March 31, 2022 | As at March 31, 2023      | As at March 31, 2022 | As at March 31, 2023          | As at March 31, 2022 |
| Offshore    | Opening    | 166.01               | 173.88               | 163.67                    | 175.19               | 329.68                        | 349.07               |
|             | Addition   | 4.04                 | 5.01                 | 8.08                      | 4.62                 | 12.12                         | 9.63                 |
|             | Production | 12.35                | 12.88                | 15.92                     | 16.14                | 28.27                         | 29.02                |
|             | Closing    | 157.70               | 166.01               | 155.83                    | 163.67               | 313.53                        | 329.68               |
| Onshore     | Opening    | 126.68               | 128.70               | 115.17                    | 119.08               | 241.85                        | 247.78               |
|             | Addition   | 5.23                 | 5.63                 | (4.88)                    | 1.47                 | 0.35                          | 7.10                 |
|             | Production | 7.52                 | 7.65                 | 5.28                      | 5.38                 | 12.80                         | 13.03                |
|             | Changes*   | (0.11)               | -                    | (0.01)                    | -                    | (0.12)                        | -                    |
|             | Closing    | 124.28               | 126.68               | 105.00                    | 115.17               | 229.28                        | 241.85               |
| Total       | Opening    | 292.69               | 302.58               | 278.84                    | 294.27               | 571.53                        | 596.85               |
|             | Addition   | 9.27                 | 10.64                | 3.20                      | 6.09                 | 12.47                         | 16.73                |
|             | Production | 19.87                | 20.53                | 21.20                     | 21.52                | 41.07                         | 42.05                |
|             | Changes*   | (0.11)               | -                    | (0.01)                    | -                    | (0.12)                        | -                    |
|             | Closing    | 281.98               | 292.69               | 260.83                    | 278.84               | 542.81                        | 571.53               |

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, 2023 | As at March 31, 2022 | As at March 31, 2023      | As at March 31, 2022 | As at March 31, 2023          | As at March 31, 2022 |
| Offshore    | Opening    | 126.37               | 134.30               | 108.13                    | 118.77               | 234.50                        | 253.07               |
|             | Addition   | 4.70                 | 4.95                 | 8.55                      | 5.50                 | 13.25                         | 10.45                |
|             | Production | 12.35                | 12.88                | 15.92                     | 16.14                | 28.27                         | 29.02                |
|             | Closing    | 118.72               | 126.37               | 100.76                    | 108.13               | 219.48                        | 234.50               |
| Onshore     | Opening    | 62.82                | 66.09                | 39.35                     | 42.33                | 102.17                        | 108.42               |
|             | Addition   | 2.39                 | 4.38                 | 2.99                      | 2.40                 | 5.38                          | 6.78                 |
|             | Production | 7.52                 | 7.65                 | 5.28                      | 5.38                 | 12.80                         | 13.03                |
|             | Changes*   | (0.11)               | -                    | (0.01)                    | -                    | (0.12)                        | -                    |
|             | Closing    | 57.58                | 62.82                | 37.05                     | 39.35                | 94.63                         | 102.17               |
| Total       | Opening    | 189.19               | 200.39               | 147.48                    | 161.10               | 336.67                        | 361.49               |
|             | Addition   | 7.09                 | 9.33                 | 11.54                     | 7.90                 | 18.63                         | 17.23                |
|             | Production | 19.87                | 20.53                | 21.20                     | 21.52                | 41.07                         | 42.05                |
|             | Changes*   | (0.11)               | -                    | (0.01)                    | -                    | (0.12)                        | -                    |
|             | Closing    | 176.30               | 189.19               | 137.81                    | 147.48               | 314.11                        | 336.67               |

\*Reserves pertaining to fields relinquished under DSF-III were removed from Reserve Book during the year.

# 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 well head 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, 2023 | Maximum Amount Outstanding during the year 2022-23 | Outstanding as at March 31, 2022 | Maximum Amount Outstanding during the year 2021-22 |
|-----------------------------------------------------------------------------------------|----------------------------------|----------------------------------------------------|----------------------------------|----------------------------------------------------|
| (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)

| Import Creditors                        | As at March 31, 2023 |                  | As at March 31, 2022 |                  |
|-----------------------------------------|----------------------|------------------|----------------------|------------------|
|                                         | Foreign Currency     | Equivalent ₹     | Foreign Currency     | Equivalent ₹     |
| United Arab Emirates Dirham- ا.د. (AED) | 0.00                 | 0.01             | 0.02                 | 0.41             |
| Australian Dollar- \$ (AUD)             | 0.06                 | 3.25             | 0.06                 | 3.34             |
| Euro - € (EUR)                          | 18.06                | 1,618.05         | 20.85                | 1,762.69         |
| Great Britain Pound- £ (GBP)            | 7.24                 | 737.22           | 13.38                | 1,329.20         |
| Japanese Yen- ¥ (JPY)                   | 38.89                | 24.04            | 44.75                | 27.72            |
| Norwegian Krone - kr (NOK)              | 3.99                 | 31.58            | 1.89                 | 16.62            |
| Swedish Krona - kr (SEK)                | -                    | -                | 0.03                 | 0.23             |
| Singapore Dollar - \$ (SGD)             | 0.10                 | 6.03             | 0.70                 | 38.92            |
| US Dollar - \$ (USD)                    | 846.78               | 69,563.27        | 687.46               | 52,075.16        |
| Malaysian ringgit - RM (MYR)            | 0.06                 | 1.04             | 0.10                 | 1.88             |
| <b>Total</b>                            |                      | <b>71,984.49</b> |                      | <b>55,256.16</b> |
| <b>Short Term Borrowings</b>            |                      |                  |                      |                  |
| US Dollar (USD)                         | <b>8.69</b>          | <b>713.76</b>    | -                    | -                |
| <b>Long Term Borrowings</b>             |                      |                  |                      |                  |
| US Dollar (USD)                         | <b>300.00</b>        | <b>24,645.00</b> | <b>300.00</b>        | <b>22,725.00</b> |
| <b>MWP</b>                              |                      |                  |                      |                  |
| US Dollar (USD)                         | <b>201.16</b>        | <b>16,525.63</b> | <b>201.48</b>        | <b>15,261.96</b> |
| <b>Cash Call Payable</b>                |                      |                  |                      |                  |
| US Dollar (USD)                         | <b>49.65</b>         | <b>4,078.95</b>  | <b>21.77</b>         | <b>1,649.04</b>  |
| <b>Receivables</b>                      |                      |                  |                      |                  |
| US Dollar (USD)                         | <b>46.55</b>         | <b>3,823.90</b>  | <b>87.27</b>         | <b>6,610.80</b>  |
| <b>Cash Call Receivable</b>             |                      |                  |                      |                  |
| US Dollar (USD)                         | <b>53.36</b>         | <b>4,383.25</b>  | <b>20.31</b>         | <b>1,538.23</b>  |

**52. Disclosure on relationship with Struck off Companies u/s 248 of Companies Act, 2013:**
**(i) Details of Vendors and Customers (Companies Struck off as on March 31, 2023)**

(₹ in Million)

| Name of the Company                              | Nature of transactions with struck off Company | Transactions during the year March 31, 2023 | Balance Outstanding as on March 31, 2023 | Relationship with the Struck off Company |
|--------------------------------------------------|------------------------------------------------|---------------------------------------------|------------------------------------------|------------------------------------------|
| Bioniche Life Sciences Pvt..Ltd.                 | Payables                                       | -*                                          | -                                        | Vendor                                   |
| Serdia Pharmaceuticals                           | Payables                                       | -                                           | -*                                       | Vendor                                   |
| Ambarish Builders Pvt. Ltd.                      | Payables                                       | -*                                          | -                                        | Vendor                                   |
| Hindustan Relocator Pvt. Ltd.                    | Payables                                       | -*                                          | -                                        | Vendor                                   |
| Planet 3 Studios Architecture Pvt. Ltd.          | Payables                                       | -                                           | -*                                       | Vendor                                   |
| Management and Technology Application India Ltd. | Payables                                       | -*                                          | -                                        | Vendor                                   |
| CC&L Engineering Pvt. Ltd.                       | Payables                                       | -                                           | 2.02                                     | Customer                                 |
| Kusalava Power Pvt. Ltd.                         | Receivable                                     | -*                                          | -                                        | Customer                                 |
| Pon Pure Chem Pvt. Ltd.                          | Receivable                                     | -*                                          | -                                        | Customer                                 |
| Emerald Petrochemicals Pvt. Ltd.                 | Receivable                                     | -                                           | -*                                       | Customer                                 |
| Sai Refichem Pvt. Ltd.                           | Receivable                                     | -                                           | -*                                       | Customer                                 |

\* Less than ₹1 Million.



**(ii) Details of Vendors and Customers (Companies Struck off as on March 31, 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 March 31, 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.

**(iii) Details of Shareholders (Companies Struck off as on March 31, 2023)**

| Name of the Company                  | Nature of transactions with struck off Company | No. of Shares as on March 31, 2023 | Relationship with the Struck off Company |
|--------------------------------------|------------------------------------------------|------------------------------------|------------------------------------------|
| Vikram Textiles Ltd.                 | Shareholding                                   | 450                                | Shareholder                              |
| Icrea Infotech Pvt. Ltd.             | Shareholding                                   | 1,000                              | Shareholder                              |
| Kothari Intergroup Ltd.              | Shareholding                                   | 21                                 | Shareholder                              |
| Astral Auto Parts Pvt. Ltd.          | Shareholding                                   | 5,000                              | Shareholder                              |
| Hemlata Investment Pvt. Ltd.         | Shareholding                                   | 5,350                              | Shareholder                              |
| Mascon Global Limited                | Shareholding                                   | 900                                | Shareholder                              |
| Globeearth Traders Pvt. Ltd.         | Shareholding                                   | 20                                 | Shareholder                              |
| Century Marbles & Granites Pvt. Ltd. | Shareholding                                   | 10,000                             | Shareholder                              |
| Fayda Portfolio Pvt. Ltd.            | Shareholding                                   | 300                                | Shareholder                              |
| Fairtrade securities Ltd.            | Shareholding                                   | 100                                | Shareholder                              |
| Unicon 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                              |
| Suvion Products Pvt. Ltd.            | Shareholding                                   | 277                                | Shareholder                              |

| Name of the Company                | Nature of transactions with struck off Company | No. of Shares as on March 31, 2023 | Relationship with the Struck off Company |
|------------------------------------|------------------------------------------------|------------------------------------|------------------------------------------|
| 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 (Companies Struck off as on March 31, 2022)**

| Name of the Company                | Nature of transactions with struck off Company | No. of Shares as on March 31, 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                              |
| Suvion 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                              |



### 53. Additional Regulatory Information:

#### Financial Ratios

| Sl. No. | Particulars                               | 2022-23 | 2021-22  | Change in % | Reasons for variance                                                                                                                                                                                                             |
|---------|-------------------------------------------|---------|----------|-------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| a.      | Current ratio                             | 1.29    | 0.98     | 31.63%      | This is mainly due to increase in current assets on account of increase in bank deposits.                                                                                                                                        |
| b.      | Debt-Equity ratio                         | 0.03    | 0.03     | -           |                                                                                                                                                                                                                                  |
| c.      | Debt Service Coverage ratio               | 194.88  | 142.18   | 37.07%      | This is mainly due to increase in earnings before interest & tax on account of increase in revenue from operations.                                                                                                              |
| d.      | Return on Equity ratio                    | 0.16    | 0.18     | (11.11)%    |                                                                                                                                                                                                                                  |
| e.      | Inventory Turnover ratio                  | 19.22   | 13.51    | 42.26%      | 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           | 14.11   | 11.27    | 25.20%      | This is mainly due to increase in revenue from operations.                                                                                                                                                                       |
| g.      | Trade payable turnover ratio              | 25.06   | 17.61    | 42.31%      | This is mainly due to increase in revenue from operations and decrease in average trade payable during the financial year as compared to previous financial year.                                                                |
| h.      | Net capital turnover ratio                | 13.04   | (163.50) | (107.98)%   | This is cumulative impact of increase in revenue from operations and increase in working capital on account of increase in bank deposits during the financial year as compared to previous financial year.                       |
| i.      | Net profit ratio                          | 24.97   | 36.53    | (31.65)%    | This is cumulative impact of reduction in profit for the period mainly on account of exceptional item and tax expenses and increase in revenue from operations during the financial year as compared to previous financial year. |
| j.      | Return on Capital employed                | 38.79   | 29.01    | 33.71%      | This is mainly due to increase in earnings before interest & tax on account of increase in revenue from operations during the financial year as compared to previous financial year.                                             |
| k.      | Return on investment (%)                  |         |          |             |                                                                                                                                                                                                                                  |
|         | -Subsidiary, Associates and Joint Venture | 2.98    | 3.31     | (9.97)%     |                                                                                                                                                                                                                                  |
|         | -Investment in Government bonds           | 8.39    | 8.39     | -           |                                                                                                                                                                                                                                  |
|         | -Other Investments                        | 1.64    | 33.13    | (95.05)%    | This is mainly due to decrease in dividend received from other entities and increase in fair valuation of investment in other entities during the financial year as compared to previous financial year.                         |

#### 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** Certain improvements / changes have been made in the wordings of some of the Significant Accounting Policies for improved disclosures, understandability and clarity. However, such changes have no impact on the Standalone Ind AS financial statements.

**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 May 26, 2023.

### **FOR AND ON BEHALF OF THE BOARD**

Sd/-  
(Rajni Kant)  
Company Secretary

Sd/-  
(Pomila Jaspal)  
Director (Finance)  
(DIN: 08436633)

Sd/-  
(Arun Kumar Singh)  
Chairman & CEO  
(DIN: 06646894)

### **In terms of our report of even date attached**

**For SARC & Associates**  
Chartered Accountants  
Firm Reg. No: 006085N

Sd/-  
(Pankaj Sharma)  
Partner (M.No. 086433)

**For S. Bhandari & Co. LLP**  
Chartered Accountants  
Firm Reg. No. 000560C/C400334

Sd/-  
(Sudha Jaideep Shetty)  
Partner (M. No. 047684)

**Date :** 26 May 2023  
**Place:** New Delhi

**For Kalani & Co.**  
Chartered Accountants  
Firm Reg. No. 000722C

Sd/-  
(Bhupender Mantri)  
Partner (M. No. 108170)

**For J Gupta & Co. LLP**  
Chartered Accountants  
Firm Reg. No.314010E/E300029

Sd/-  
(Abhishek Raj)  
Partner (M. No. 302648)

**For R.G.N. Price & Co.**  
Chartered Accountants  
Firm Reg. No.002785S

Sd/-  
(G Surendranath Rao)  
Partner (M. No. 022693)

**Form-AOC-1**

**Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures as on 31.03.2023**

**ANNEXURE-D**

(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)

| Sl. No. | Name of the subsidiary                      | Date since when subsidiary was acquired | Reporting period for the subsidiary | Reporting currency and Exchange rate (note 3) | As at 31.03.2023 |                    |              |                   | For the year 2022-23 |              |                        |                        |                       |                   | Extent of share holding (percentage) |
|---------|---------------------------------------------|-----------------------------------------|-------------------------------------|-----------------------------------------------|------------------|--------------------|--------------|-------------------|----------------------|--------------|------------------------|------------------------|-----------------------|-------------------|--------------------------------------|
|         |                                             |                                         |                                     |                                               | Share capital    | Reserves & surplus | Total assets | Total Liabilities | Investments          | Turnover     | Profit before taxation | Provision for taxation | Profit after taxation | Proposed Dividend |                                      |
| 1       | ONGC Videsh Limited                         | 05.03.1965                              | 31.03.2023                          | INR                                           | 1,50,000.00      | 2,81,757.54        | 8,56,643.01  | 4,24,885.47       | 5,32,697.74          | 77,792.84    | 40,172.50              | 9,552.34               | 30,620.16             | -                 | 100.00%                              |
| 2       | Mangalore Refinery & Petrochemicals Limited | 30.03.2003                              | 31.03.2023                          | INR                                           | 17,526.64        | 80,819.95          | 3,51,155.66  | 2,52,809.07       | 160.93               | 12,47,360.30 | 42,388.81              | 16,004.88              | 26,383.93             | -                 | 80.94%                               |
| 3       | Hindustan Petroleum Corporation Limited     | 31.01.2018                              | 31.03.2023                          | INR                                           | 14,189.36        | 2,62,944.90        | 15,44,850.30 | 12,67,716.00      | 51,688.90            | 46,61,923.50 | (1,19,149.10)          | (29,408.80)            | (89,740.30)           | -                 | 54.90%                               |
| 4       | ONGC Nile Ganga B.V.                        | 12.03.2003                              | 31.03.2023                          | USD                                           | 4.56             | 1,83,716.46        | 2,07,286.63  | 23,565.61         | 1,12,373.59          | 53,674.41    | 4,232.02               | 482.50                 | 3,749.52              | -                 | 100% for A&B and 77.491% for Class C |
| 5       | ONGC Campos Ltda.                           | 16.03.2007                              | 31.03.2023                          | USD                                           | 35,581.80        | (23,852.19)        | 32,540.41    | 20,810.80         | -                    | 16,495.80    | 6,913.54               | 2,099.50               | 4,814.04              | -                 | 100.00%                              |
| 6       | ONGC Nile Ganga (San Cristobal) B.V.        | 29.02.2008                              | 31.03.2023                          | USD                                           | 4.82             | 55,723.14          | 55,728.48    | 0.52              | 21,794.65            | -            | (13,476.50)            | (1.55)                 | (13,474.95)           | -                 | 100.00%                              |
| 7       | ONGC Amazon Alaknanda Limited               | 08.08.2006                              | 31.03.2023                          | USD                                           | 10,269.83        | 20,926.65          | 31,210.82    | 14.34             | -                    | -            | 1,479.59               | -                      | 1,479.59              | -                 | 100.00%                              |
| 8       | ONGC Narmada Limited                        | 07.12.2005                              | 31.03.2023                          | USD                                           | 12.79            | (2,567.35)         | 25.21        | 2,579.77          | -                    | -            | (0.40)                 | -                      | (0.40)                | -                 | 100.00%                              |
| 9       | ONGC (BTC) Limited                          | 28.03.2013                              | 31.03.2023                          | USD                                           | 80.00            | (16.20)            | 124.39       | 60.60             | -                    | -            | 164.51                 | 59.28                  | 105.22                | -                 | 100.00%                              |
| 10      | Carabobo One AR                             | 05.02.2010                              | 31.03.2023                          | USD                                           | 468.80           | 4,336.32           | 4,814.38     | 9.26              | 4,813.82             | -            | (2.50)                 | -                      | (2.50)                | -                 | 100.00%                              |



| Sl. No. | Name of the subsidiary                  | Date since when subsidiary was acquired | Reporting period for the subsidiary | Reporting currency and Exchange rate (note 3) | As at 31.03.2023 |                    |              |                   | For the year 2022-23 |          |                        |                        |                       | Extent of share holding (percentage) |                   |
|---------|-----------------------------------------|-----------------------------------------|-------------------------------------|-----------------------------------------------|------------------|--------------------|--------------|-------------------|----------------------|----------|------------------------|------------------------|-----------------------|--------------------------------------|-------------------|
|         |                                         |                                         |                                     |                                               | Share capital    | Reserves & surplus | Total assets | Total Liabilities | Investments          | Turnover | Profit before taxation | Provision for taxation | Profit after taxation |                                      | Proposed Dividend |
| 11      | Petro Carabobo Ganga B.V.               | 26.02.2010                              | 31.03.2023                          | USD                                           | 1.61             | 14,640.58          | 14,893.90    | 251.54            | 164.76               | 0.43     | (5.08)                 | (0.29)                 | (4.80)                | -                                    | 100.00%           |
| 12      | Imperial Energy Limited                 | 12.08.2008                              | 31.03.2023                          | USD                                           | 24,209.82        | (3,610.74)         | 21,074.62    | 475.50            | -                    | -        | 24.49                  | 16.24                  | 8.25                  | -                                    | 100.00%           |
| 13      | Imperial Energy Toms Limited            | 13.01.2009                              | 31.03.2023                          | USD                                           | 0.20             | 789.67             | 822.24       | 32.33             | -                    | -        | (1.50)                 | -                      | (1.50)                | -                                    | 100.00%           |
| 14      | Imperial Energy (Cyprus) Limited        | 13.01.2009                              | 31.03.2023                          | USD                                           | 2.11             | 5,774.59           | 5,805.80     | 29.08             | -                    | -        | (1.39)                 | -                      | (1.39)                | -                                    | 100.00%           |
| 15      | Imperial Energy Nord Limited            | 13.01.2009                              | 31.03.2023                          | USD                                           | 2.13             | 10,966.71          | 11,080.98    | 112.18            | -                    | -        | (1.50)                 | -                      | (1.50)                | -                                    | 100.00%           |
| 16      | Biancos Holdings Limited                | 13.01.2009                              | 31.03.2023                          | USD                                           | 24,667.76        | (21,789.19)        | 2,954.57     | 76.00             | -                    | -        | 264.54                 | 54.01                  | 210.53                | -                                    | 100.00%           |
| 17      | Redcliffe Holdings Limited              | 13.01.2009                              | 31.03.2023                          | USD                                           | 0.22             | 1,183.71           | 1,198.03     | 14.13             | -                    | -        | (1.51)                 | -                      | (1.51)                | -                                    | 100.00%           |
| 18      | Imperial Frac Services (Cyprus) Limited | 13.01.2009                              | 31.03.2023                          | USD                                           | 0.19             | 98.87              | 100.32       | 1.23              | -                    | -        | (1.11)                 | -                      | (1.11)                | -                                    | 100.00%           |
| 19      | San Agio Investments Limited            | 13.01.2009                              | 31.03.2023                          | USD                                           | 0.17             | (505.28)           | 1,572.77     | 2,077.88          | -                    | -        | (67.65)                | -                      | (67.65)               | -                                    | 100.00%           |
| 20      | LLC Sibinterneft                        | 13.01.2009                              | 31.03.2023                          | USD                                           | 0.11             | (2,248.65)         | -            | 2,248.55          | -                    | -        | 48.89                  | -                      | 48.89                 | -                                    | 55.90%            |
| 21      | LLC Allianceneftgaz                     | 13.01.2009                              | 31.03.2023                          | USD                                           | 0.05             | 5,572.70           | 10,621.65    | 5,048.90          | -                    | 3,759.44 | (2,106.71)             | (168.02)               | (1,938.70)            | -                                    | 100.00%           |
| 22      | LLC Nord Imperial                       | 13.01.2009                              | 31.03.2023                          | USD                                           | 0.32             | 12,064.56          | 18,165.36    | 6,100.51          | -                    | 5,580.48 | (26.62)                | 133.24                 | (159.86)              | -                                    | 100.00%           |
| 23      | LLC Rus Imperial Group                  | 13.01.2009                              | 31.03.2023                          | USD                                           | 0.11             | (1,520.39)         | 363.14       | 1,883.41          | -                    | 199.62   | (28.51)                | 38.04                  | (66.55)               | -                                    | 100.00%           |
| 24      | LLC Imperial Frac Services              | 13.01.2009                              | 31.03.2023                          | USD                                           | 0.01             | 624.26             | 731.79       | 107.52            | -                    | 1,128.43 | 311.67                 | 0.23                   | 311.44                | -                                    | 100.00%           |



| Sl. No. | Name of the subsidiary                                       | Date since subsidiary was acquired | Reporting period for the subsidiary | Reporting currency and Exchange rate (note 3) | As at 31.03.2023 |                    |              |                   | For the year 2022-23 |          |                        |                        |                       | Extent of share holding (percentage) |                   |
|---------|--------------------------------------------------------------|------------------------------------|-------------------------------------|-----------------------------------------------|------------------|--------------------|--------------|-------------------|----------------------|----------|------------------------|------------------------|-----------------------|--------------------------------------|-------------------|
|         |                                                              |                                    |                                     |                                               | Share capital    | Reserves & surplus | Total assets | Total Liabilities | Investments          | Turnover | Profit before taxation | Provision for taxation | Profit after taxation |                                      | Proposed Dividend |
| 25      | Beas Rovuma Energy Mozambique Ltd.                           | 07.01.2014                         | 31.03.2023                          | USD                                           | 1,32,715.05      | (18,551.82)        | 1,15,118.65  | 955.41            | 2,564.62             | -        | (1,002.94)             | -                      | (1,002.94)            | -                                    | 60.00%            |
| 26      | ONGC Videsh Atlantic Inc.                                    | 14.08.2014                         | 31.03.2023                          | USD                                           | 167.59           | (62.12)            | 113.16       | 7.69              | -                    | 179.68   | 8.39                   | 1.76                   | 6.63                  | -                                    | 100.00%           |
| 27      | ONGC Videsh Singapore Pte. Ltd.                              | 15.04.2016                         | 31.03.2023                          | USD                                           | 41.08            | 57.06              | 4,220.46     | 4,122.32          | 48.19                | -        | (7.56)                 | -                      | (7.55)                | -                                    | 100.00%           |
| 28      | ONGC Videsh Vankorneft Pte. Ltd.                             | 18.04.2016                         | 31.03.2023                          | USD                                           | 41.08            | 15,127.95          | 1,10,289.75  | 79,856.36         | 1,03,774.86          | -        | 3,150.61               | (43.52)                | 3,194.14              | -                                    | 100.00%           |
| 29      | Indus East Mediterranean Exploration Ltd.                    | 27.02.2018                         | 31.03.2023                          | USD                                           | 23.26            | (22.34)            | 0.91         | -                 | -                    | -        | (0.06)                 | -                      | (0.06)                | -                                    | 100.00%           |
| 30      | ONGC Videsh Rovuma Ltd., India                               | 15.04.2019                         | 31.03.2023                          | INR                                           | 1,08,910.57      | (18,148.28)        | 3,34,125.26  | 2,43,362.97       | 2,564.62             | -        | 16,792.27              | (7,654.51)             | 24,446.77             | -                                    | 100.00%           |
| 31      | HPCL Biofuels Ltd.                                           | 31.01.2018                         | 31.03.2023                          | INR                                           | 12,146.22        | (8,211.34)         | 6,813.49     | 2,878.61          | -                    | 2,977.81 | (414.08)               | -                      | (414.08)              | -                                    | 100.00%           |
| 32      | Prize Petroleum Company Ltd.#                                | 31.01.2018                         | 31.03.2023                          | INR                                           | 2,450.00         | (8,513.00)         | 1,374.05     | 7,437.05          | -                    | 458.80   | (2,304.05)             | -                      | (2,304.05)            | -                                    | 100.00%           |
| 33      | HPCL Middle East FZCO                                        | 11.02.2018                         | 31.03.2023                          | Arab Emirates Dirham (AED)                    | 83.34            | (39.16)            | 131.41       | 87.24             | -                    | 197.13   | -                      | -                      | -                     | -                                    | 100.00%           |
| 34      | HPCL Rajasthan Refinery Ltd.*                                | 31.01.2018                         | 31.03.2023                          | INR                                           | 72,261.37        | (3,092.25)         | 2,28,391.67  | 1,59,222.55       | -                    | -        | (2,216.44)             | 0.41                   | (2,216.84)            | -                                    | 74.00%            |
| 35      | HPCL LNG Ltd. (erstwhile HPCL Shapoorji Energy Private Ltd.) | 31.03.2021                         | 31.03.2023                          | INR                                           | 12,570.00        | (338.50)           | 33,279.13    | 21,047.63         | -                    | -        | (74.83)                | -                      | (74.83)               | -                                    | 100.00%           |
| 36      | Petronet MHB Ltd (PMHBL) **                                  | 31.01.2018                         | 31.03.2023                          | INR                                           | 5,487.07         | 348.64             | 6,344.69     | 508.98            | -                    | 1,418.91 | 1,135.17               | 288.00                 | 847.17                | -                                    | 77.44%            |

**For and on behalf of the Board**

|                                                                               |                                                                                    |                                                                                                |
|-------------------------------------------------------------------------------|------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| Sd/-<br><b>(Rajni Kant)</b><br>Company Secretary                              | Sd/-<br><b>(Pomila Jaspal)</b><br>Director (Finance)<br>(DIN : 08436633)           | Sd/-<br><b>(Arun Kumar Singh)</b><br>Chairman & CEO<br>(DIN : 06646894)                        |
| <b>In terms of our report of even date attached</b>                           |                                                                                    |                                                                                                |
| <b>For Kalani &amp; Co.</b><br>Chartered Accountants<br>Firm Reg. No. 000722C | <b>For SARC &amp; Associates</b><br>Chartered Accountants<br>Firm Reg. No. 006085N | <b>For S. Bhandari &amp; Co. LLP</b><br>Chartered Accountants<br>Firm Reg. No. 000560C/C400334 |
| Sd/-<br>(Bhupender Mantri)<br>Partner (M. No. 108170)                         | Sd/-<br>(Pankaj Sharma)<br>Partner (M.No. 086433)                                  | Sd/-<br>(Abhishek Raj)<br>Partner (M. No. 302648)                                              |
| Date : 26 May 2023<br>Place : New Delhi                                       |                                                                                    | <b>For J Gupta &amp; Co. LLP</b><br>Chartered Accountants<br>Firm Reg. No.314010E/E300029      |

**Note:**

- 1 Name of subsidiaries which are yet to commence operations:
  - a) HPCL Rajasthan Refinery Limited (subsidiary as per Section 2(87) of Companies Act, 2013)
  - b) HPCL LNG Limited (Formerly known as HPCL Shapoorji Energy Private Limited) The Company was converted into a Public Limited Company effective 10th September 2021.
- 2 Name of subsidiaries which are under winding up: Indus East Mediterranean Exploration Ltd.
- 3 Exchange Rates :
 

For Balance sheet items: 1 USD = ₹82.15 (Prev Year - 1 USD = ₹75.75)

For Profit & loss items: 1 USD = ₹80.3708 (Prev Year - 1 USD = ₹74.5375)

1 AED = ₹22.3815
- 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 \*Represents HPCL's share in the Company
- 7 \$ Figures for the year 2022-23 are derived basis on Management Certified financials.



**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/<br>Associates            | Latest<br>audited<br>Balance<br>Sheet Date | Date on<br>which<br>associate<br>or joint<br>venture<br>was<br>associated<br>or acquired | Shares of Associate/Joint Ventures held by<br>the company at the year end 31.03.2023 |                                                                  | 6                      |                                     | Description of how there is<br>significant influence | Reason why<br>Associate<br>& JV not<br>consolidated | Networth<br>attributable<br>to<br>Shareholding<br>as per latest<br>audited<br>Balance<br>Sheet | Profit / Loss for the year |  |  |
|                |                                                      |                                            |                                                                                          | No.                                                                                  | Amount of<br>Investment<br>In<br>Associates/<br>Joint<br>Venture | Extend of<br>Holding % |                                     |                                                      |                                                     |                                                                                                |                            |  |  |
| Joint Venture  |                                                      |                                            |                                                                                          |                                                                                      |                                                                  |                        |                                     |                                                      |                                                     |                                                                                                |                            |  |  |
| 1              | Mangalore SEZ Ltd (MSEZ)                             | 31.03.2023                                 | 24.02.2006                                                                               | 1,30,00,000                                                                          | 130.00                                                           | 26.78                  | Share holding more than 20%         | NA                                                   | (1.66)                                              | 19.24                                                                                          | -                          |  |  |
| 2              | ONGC Petro Additions Ltd. (OPaL)                     | 31.03.2023                                 | 15.11.2006                                                                               | 99,79,80,632                                                                         | 9,979.81                                                         | 49.36                  | Share holding more than 20%         | NA                                                   | 3,064.13                                            | (20,510.59)                                                                                    | -                          |  |  |
| 3              | ONGC Tripura Power Company Ltd. (OTPC)               | 31.03.2023                                 | 27.09.2004                                                                               | 56,00,00,000                                                                         | 5,600.00                                                         | 50.00                  | Share holding more than 20%         | NA                                                   | 7,729.99                                            | 1,005.61                                                                                       | -                          |  |  |
| 4              | ONGC Teri Biotech Ltd. (OTBL)                        | 31.03.2023                                 | 26.03.2007                                                                               | 1,24,95,000                                                                          | 0.25                                                             | 49.98                  | Share holding more than 20%         | NA                                                   | 479.33                                              | 95.96                                                                                          | -                          |  |  |
| 5              | Dahej SEZ Limited (DSEZ)                             | 31.03.2022                                 | 21.09.2004                                                                               | 2,30,25,000                                                                          | 230.25                                                           | 50.00                  | Share holding more than 20%         | NA                                                   | 1,321.70                                            | 234.91                                                                                         | -                          |  |  |
| 6              | Shell MRPL Aviation Fuels & Services Limited (SMASL) | 31.03.2023                                 | 11.03.2008                                                                               | 1,50,00,000                                                                          | 150.00                                                           | 50.00                  | Share holding more than 20%         | NA                                                   | 455.35                                              | 374.51                                                                                         | -                          |  |  |
| 7              | ONGC Mittal Energy Limited                           | 31.03.2022                                 | 26.03.2009                                                                               | 2,49,90,000                                                                          | 2,052.93                                                         | 49.98                  | Share holding more than 20%         | NA                                                   | (3,604.74)                                          | -                                                                                              | -                          |  |  |
| 8              | Mansarovar Energy colombia Limited                   | 31.12.2022                                 | 20.09.2006                                                                               | 6000 Shares of USD 1 each                                                            | 10,616.40                                                        | 50.00                  | Share holding more than 20%         | NA                                                   | (5,177.60)                                          | 1,442.99                                                                                       | -                          |  |  |
| 9              | Himalya Energy Syria BV                              | 31.12.2014                                 | 07.11.2006                                                                               | 45000 shares of Euro 1 each                                                          | 198.90                                                           | 50.00                  | Share holding more than 20%         | NA                                                   | 414.89                                              | (5.38)                                                                                         | -                          |  |  |
| 10             | Hindustan Colas Pvt. Ltd. #                          | 31.03.2023                                 | 31.01.2018                                                                               | 47,25,000                                                                            | 47.25                                                            | 50.00                  | Share holding more than 20%         | NA                                                   | 2,510.33                                            | 776.73                                                                                         | -                          |  |  |
| 11             | HPCL-Mittal Energy Ltd. #                            | 31.03.2023                                 | 31.01.2018                                                                               | 3,93,95,55,200                                                                       | 39,395.55                                                        | 48.99                  | Share holding more than 20%         | NA                                                   | 72,478.54                                           | 23,999.68                                                                                      | -                          |  |  |
| 12             | South Asia LPG Co. Pvt. Ltd.                         | 31.03.2023                                 | 31.01.2018                                                                               | 5,00,00,000                                                                          | 500.00                                                           | 50.00                  | Share holding more than 20%         | NA                                                   | 116.15                                              | 40.35                                                                                          | -                          |  |  |
| 13             | Bhagyanagar Gas Ltd.                                 | 31.03.2023                                 | 31.01.2018                                                                               | 4,36,50,000                                                                          | 1,282.50                                                         | 48.73                  | Share holding more than 20%         | NA                                                   | 1,958.02                                            | 17.15                                                                                          | -                          |  |  |
| 14             | Petronet India Ltd. ^                                | 31.03.2022                                 | 31.01.2018                                                                               | 1,60,00,000                                                                          | 1.60                                                             | 16.00                  | By virtue of shareholding agreement | NA                                                   | 4.40                                                | -                                                                                              | -                          |  |  |



| 1       | 2                                                 | 3                                          | 3                                                                                        | 4                                                                                    | 5                                                                | 6                      | 7                                                    | 8                                                   | 9                                                                                              | 10                                                                                                    |
|---------|---------------------------------------------------|--------------------------------------------|------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|------------------------------------------------------------------|------------------------|------------------------------------------------------|-----------------------------------------------------|------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|
| Sl. No. | Name of the Joint Ventures/<br>Associates         | Latest<br>audited<br>Balance<br>Sheet Date | Date on<br>which<br>associate<br>or joint<br>venture<br>was<br>associated<br>or acquired | Shares of Associate/Joint Ventures held by<br>the company at the year end 31.03.2023 | Amount of<br>Investment<br>in<br>Associates/<br>Joint<br>Venture | Extend of<br>Holding % | Description of how there is<br>significant influence | Reason why<br>Associate<br>& JV not<br>consolidated | Networth<br>attributable<br>to<br>Shareholding<br>as per latest<br>audited<br>Balance<br>Sheet | Profit / Loss for the year<br>Considered in<br>Consolidation<br>Considered in<br>Not<br>Consolidation |
| 15      | HPOIL Gas Pvt Ltd.                                | 31.03.2023                                 | 30.11.2018                                                                               | 7,25,00,000                                                                          | 725.00                                                           | 50.00                  | Share holding more than<br>20%                       | NA                                                  | 743.80                                                                                         | 33.20                                                                                                 |
| 16      | Godavari Gas Pvt Ltd                              | ##                                         | 31.01.2018                                                                               | 2,59,99,999                                                                          | 260.00                                                           | 26.00                  | Share holding more than<br>20%                       | NA                                                  | 206.80                                                                                         | (9.92)                                                                                                |
| 17      | Aavantika Gas Ltd.                                | 31.03.2023                                 | 31.01.2018                                                                               | 2,95,57,038                                                                          | 500.22                                                           | 49.99                  | Share holding more than<br>20%                       | NA                                                  | 1,946.80                                                                                       | 294.62                                                                                                |
| 18      | Mumbai Aviation Fuel Farm Facilities<br>Pvt. Ltd. | 31.03.2023                                 | 31.01.2018                                                                               | 5,29,18,750                                                                          | 529.18                                                           | 25.00                  | Share holding more than<br>20%                       | NA                                                  | 1,022.65                                                                                       | 80.02                                                                                                 |
| 19      | Ratnagiri Refinery & Petrochemical<br>Ltd.        | 31.03.2023                                 | 31.01.2018                                                                               | 5,00,00,000                                                                          | 500.00                                                           | 25.00                  | Share holding more than<br>20%                       | NA                                                  | 279.73                                                                                         | (17.34)                                                                                               |
| 20      | IHB Pvt. Ltd.                                     | 31.03.2023                                 | 09.07.2019                                                                               | 76,45,00,000                                                                         | 7,645.00                                                         | 25.00                  | Share holding more than<br>20%                       | NA                                                  | 7,627.13                                                                                       | (12.48)                                                                                               |
| 21      | Indradhanush Gas Grid Ltd.                        | 31.03.2023                                 | 10.08.2018                                                                               | 19,80,00,000                                                                         | 1,980.00                                                         | 20.00                  | Share holding more than<br>20%                       | NA                                                  | 1,974.76                                                                                       | 14.69                                                                                                 |



| 1          | 2                                               | 3                                          | 3                                                                                        | 4                                                                                    | 5                                                                | 6                                                    | 7                                      | 8                                                   | 9                                                                                              | 10                                                  |
|------------|-------------------------------------------------|--------------------------------------------|------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|------------------------------------------------------------------|------------------------------------------------------|----------------------------------------|-----------------------------------------------------|------------------------------------------------------------------------------------------------|-----------------------------------------------------|
| Sl. No.    | Name of the Joint Ventures/<br>Associates       | Latest<br>audited<br>Balance<br>Sheet Date | Date on<br>which<br>associate<br>or joint<br>venture<br>was<br>associated<br>or acquired | Shares of Associate/Joint Ventures held by<br>the company at the year end 31.03.2023 |                                                                  | Description of how there is<br>significant influence |                                        | Reason why<br>Associate<br>& JV not<br>consolidated | Networth<br>attributable<br>to<br>Shareholding<br>as per latest<br>audited<br>Balance<br>Sheet | Profit / Loss for the year                          |
|            |                                                 |                                            |                                                                                          | No.                                                                                  | Amount of<br>Investment<br>in<br>Associates/<br>Joint<br>Venture | Extend of<br>Holding %                               |                                        |                                                     |                                                                                                | Considered in Not<br>Consolidation<br>Consolidation |
| Associates |                                                 |                                            |                                                                                          |                                                                                      |                                                                  |                                                      |                                        |                                                     |                                                                                                |                                                     |
| 1          | Petronet LNG Limited (PLL)                      | 31.03.2023                                 | 02.04.1998                                                                               | 18,75,00,000                                                                         | 987.50                                                           | 12.50                                                | By virtue of shareholding<br>agreement | NA                                                  | 18,668.43                                                                                      | 4,049.93                                            |
| 2          | Pawan Hans Limited. (PHL)                       | ##                                         | 15.10.1985                                                                               | 2,73,166                                                                             | 2,731.66                                                         | 49.00                                                | Share holding more than<br>20%         | NA                                                  | 4,251.50                                                                                       | (330.11)                                            |
| 3          | Rohini Heliport Limited                         | ##                                         | 07.01.2019                                                                               | 4,899                                                                                | 0.05                                                             | 49.00                                                | Share holding more than<br>20%         | NA                                                  | (0.15)                                                                                         | 0.04                                                |
| 4          | Petro Carabobo S.A.                             | 31.12.2022                                 | 12.05.2010                                                                               | 11,26,400                                                                            | 3,276.70                                                         | 11.00                                                | By virtue of shareholding<br>agreement | NA                                                  | 5,164.04                                                                                       | (401.28)                                            |
| 5          | Carabobo Ingeniería y<br>Construcciones, S.A.   | 31.12.2019                                 | 21.01.2011                                                                               | 379                                                                                  | 0.34                                                             | 0.38                                                 | Share holding more than<br>20%         | NA                                                  | 0.34                                                                                           | -                                                   |
| 6          | Petrolera Indovenezolana S.A.                   | 31.03.2023                                 | 08.04.2008                                                                               | 40,000                                                                               | 16,618.63                                                        | 40.00                                                | Share holding more than<br>20%         | NA                                                  | 26,304.84                                                                                      | (13,383.30)                                         |
| 7          | South-East Asia Gas Pipeline<br>Company Limited | 31.03.2022                                 | 25.06.2010                                                                               | 16,694                                                                               | 6,774.65                                                         | 8.35                                                 | By virtue of shareholding<br>agreement | NA                                                  | 4,043.95                                                                                       | 1,225.56                                            |
| 8          | Tamba B.V.                                      | 31.12.2021                                 | 01.11.2006                                                                               | 1,620                                                                                | 4,945.91                                                         | 27.00                                                | Share holding more than<br>20%         | NA                                                  | 345.66                                                                                         | -1.17                                               |
| 9          | JSC Vankorneft                                  | 31.12.2022                                 | 15%<br>Acquisition<br>-<br>31.05.2016<br>11%<br>Acquisition<br>-<br>28.10.2016           | 30,92,871                                                                            | 1,03,774.86                                                      | 26.00                                                | Share holding more than<br>20%         | NA                                                  | 57,980.35                                                                                      | 3,777.08                                            |
| 10         | Moz LNG1 Holding Company Ltd.                   | 31.12.2021                                 | 21.04.2019                                                                               | 6,83,36,920                                                                          | 5,129.25                                                         | 16.00                                                | By virtue of shareholding<br>agreement | NA                                                  | 4,103.40                                                                                       | (422.93)                                            |
| 11         | Falcon Oil & Gas BV                             | 31.03.2023                                 | 06.02.2018                                                                               | 40                                                                                   | 21,836.08                                                        | 40.00                                                | Share holding more than<br>20%         | NA                                                  | 21,836.08                                                                                      | 2,375.93                                            |
| 12         | Bharat Energy Office LLC                        | Unaudited                                  | 20%<br>Acquisition                                                                       | 1                                                                                    | 7.12                                                             | 20.00                                                | According to shares held               | NA                                                  | 7.12                                                                                           | (2.18)                                              |

| 1       | 2                                         | 3                                          | 3                                                                                        | 3                                                                                    | 4                                                                | 5                      | 6                                                    | 7                                                   | 8                                                                                              | 9                          | 10 |
|---------|-------------------------------------------|--------------------------------------------|------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|------------------------------------------------------------------|------------------------|------------------------------------------------------|-----------------------------------------------------|------------------------------------------------------------------------------------------------|----------------------------|----|
| Sl. No. | Name of the Joint Ventures/<br>Associates | Latest<br>audited<br>Balance<br>Sheet Date | Date on<br>which<br>associate<br>or joint<br>venture<br>was<br>associated<br>or acquired | Shares of Associate/Joint Ventures held by<br>the company at the year end 31.03.2023 |                                                                  | Extend of<br>Holding % | Description of how there is<br>significant influence | Reason why<br>Associate<br>& JV not<br>consolidated | Networth<br>attributable<br>to<br>Shareholding<br>as per latest<br>audited<br>Balance<br>Sheet | Profit / Loss for the year |    |
|         |                                           |                                            |                                                                                          | No.                                                                                  | Amount of<br>Investment<br>in<br>Associates/<br>Joint<br>Venture |                        |                                                      |                                                     |                                                                                                |                            |    |
| 13      | GSPL India Gasnet Ltd.                    | 31.03.2023                                 | 31.01.2018                                                                               | 20,81,22,128                                                                         | 2,081.22                                                         | 11.00                  | By virtue of shareholding<br>agreement               | NA                                                  | 1,941.47                                                                                       | (174.20)                   | -  |
| 14      | GSPL India Transco Ltd.                   | 31.03.2023                                 | 31.01.2018                                                                               | 6,67,70,000                                                                          | 667.70                                                           | 11.00                  | By virtue of shareholding<br>agreement               | NA                                                  | 373.04                                                                                         | (13.03)                    | -  |

**Note:**

- Names of joint ventures or associates which are yet to commence operations.
  - Ratnagiri Refinery & Petrochemicals Limited
  - IHB Limited (The Company was converted into a Public Limited Company effective 06th April 2021)
- In respect of OVL, during the year, the Company has assessed that investment in equity share capital in Sudd Petroleum Operating Company (SPOC) is in the nature of investment in Joint Operation instead of Joint Venture. Accordingly, the said entity has been removed from the list of Joint Ventures.
- In respect of HPCL, Ujjwala Plus Foundation was incorporated as not-for-profit joint venture company under Sec. 8 of Companies Act 2013 during 2017-18
- Names of associates or joint ventures which have been liquidated or sold during the year: NIL.
- ^ Petronet India Limited is in the process of voluntary winding up w.e.f. August 30,2018.
- # Figures based on Consolidated Financial Statements of the Company.
- ## Figures for the year 2022-23 are derived basis on Management Certified financials.



**For and on behalf of the Board**

Sd/-  
**(Rajni Kant)**  
Company Secretary

Sd/-  
**(Pomila Jaspal)**  
Director (Finance)  
(DIN : 08436633)

Sd/-  
**(Arun Kumar Singh)**  
Chairman & CEO  
(DIN : 06646894)

**For Kalani & Co.**  
Chartered Accountants  
Firm Reg. No. 000722C

Sd/-  
(Bhupender Mantri)  
Partner (M. No. 108170)

Place : New Delhi  
Date : May 26, 2023

**For SARC & Associates**  
Chartered Accountants  
Firm Reg. No: 006085N

Sd/-  
(Pankaj Sharma)  
Partner (M.No. 086433)

**In terms of our report of even date attached**

**For R.G.N. Price & Co.**  
Chartered Accountants  
Firm Reg. No.002785S

Sd/-  
(G Surendranath Rao)  
Partner (M. No. 022693)

**For S. Bhandari & Co. LLP**  
Chartered Accountants  
Firm Reg. No. 000560C/C400334

Sd/-  
(Sudha Jaideep Shetty)  
Partner (M. No. 047684)

**For J Gupta & Co. LLP**  
Chartered Accountants  
Firm Reg. No.314010E/E300029

Sd/-  
(Abhishek Raj)  
Partner (M. No. 302648)









## 10 Years' Group Performance at a Glance



## ONGC Group Performance at a Glance

| (₹ in Million unless otherwise stated)                          | 2022-23*         | 2021-22*         | 2020-21*         | 2019-20*         | 2018-19*         | 2017-18*         | 2016-17 *        | 2015-16 *        |
|-----------------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>FINANCIAL</b>                                                |                  |                  |                  |                  |                  |                  |                  |                  |
| Revenue from Operations                                         | 6,848,292        | 5,317,925        | 3,604,635        | 4,249,611        | 4,536,828        | 3,622,464        | 3,256,662        | 1,356,642        |
| Dividend Income                                                 | 7,027            | 17,268           | 15,405           | 9,074            | 15,263           | 15,987           | 17,527           | 10,243           |
| Other Non-operating Income                                      | 73,714           | 57,109           | 77,919           | 81,696           | 62,036           | 58,694           | 75,705           | 71,205           |
| <b>Total Revenue</b>                                            | <b>6,929,033</b> | <b>5,392,302</b> | <b>3,697,959</b> | <b>4,340,381</b> | <b>4,614,127</b> | <b>3,697,145</b> | <b>3,349,894</b> | <b>1,438,090</b> |
| Statutory Levies                                                | 898,679          | 713,669          | 745,309          | 524,150          | 603,591          | 610,944          | 651,502          | 318,823          |
| Operating Expenses ^                                            | 5,047,092        | 3,741,048        | 2,293,238        | 3,078,993        | 3,079,546        | 2,368,010        | 2,024,929        | 584,655          |
| Exchange Loss                                                   | 45,442           | 5,541            | -                | 35,184           | 13,296           | -                | -                | 1,033            |
| Exploration costs written off                                   | 101,809          | 58,931           | 71,355           | 90,234           | 92,206           | 74,620           | 52,195           | 60,785           |
| <b>Profit Before Interest, Depreciation &amp; Tax (PBITD)</b>   | <b>836,011</b>   | <b>873,113</b>   | <b>588,057</b>   | <b>611,820</b>   | <b>825,488</b>   | <b>643,571</b>   | <b>621,268</b>   | <b>472,794</b>   |
| Depreciation, Depletion, Amortisation and Impairment            | 245,571          | 268,832          | 255,385          | 266,349          | 237,037          | 231,119          | 202,192          | 163,840          |
| <b>Profit Before Interest &amp; Tax (PBIT)</b>                  | <b>590,440</b>   | <b>604,281</b>   | <b>332,672</b>   | <b>345,471</b>   | <b>588,451</b>   | <b>412,452</b>   | <b>419,076</b>   | <b>308,954</b>   |
| Finance Costs                                                   | 78,894           | 56,960           | 50,790           | 74,893           | 58,367           | 49,990           | 35,911           | 37,656           |
| <b>Profit before Tax and Exceptional Items</b>                  | <b>511,546</b>   | <b>547,321</b>   | <b>281,882</b>   | <b>270,578</b>   | <b>530,084</b>   | <b>362,462</b>   | <b>383,165</b>   | <b>271,298</b>   |
| Exceptional item                                                | (81,379)         | (21,049)         | 9,188            | (90,285)         | (15,910)         | 2,481            | 5,910            | (79,432)         |
| Share of profit/ (loss) of Joint Ventures & Associates (net)    | 341              | 14,639           | 10,194           | 9,332            | 34,282           | 27,132           | 28,100           | 8,657            |
| <b>Profit before Tax</b>                                        | <b>430,508</b>   | <b>540,911</b>   | <b>301,264</b>   | <b>189,625</b>   | <b>548,456</b>   | <b>392,075</b>   | <b>417,175</b>   | <b>200,523</b>   |
| Corporate Tax                                                   | 102,732          | 47,970           | 87,662           | 75,062           | 209,076          | 131,395          | 125,484          | 69,507           |
| <b>Profit after Tax</b>                                         | <b>327,776</b>   | <b>492,941</b>   | <b>213,602</b>   | <b>114,563</b>   | <b>339,380</b>   | <b>260,680</b>   | <b>291,691</b>   | <b>131,016</b>   |
| Profit attributable to Non Controlling interests                | (26,629)         | 37,720           | 50,558           | 6,527            | 33,920           | 39,621           | 47,499           | 2,264            |
| <b>Profit attributable to Owners of the Company</b>             | <b>354,405</b>   | <b>455,221</b>   | <b>163,044</b>   | <b>108,036</b>   | <b>305,460</b>   | <b>221,059</b>   | <b>244,192</b>   | <b>128,752</b>   |
| Dividend                                                        | (176,125)        | (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           | 62,901           | 62,902           | 62,902           | 64,166           | 64,166           | 42,778           |
| Net Worth (Equity)                                              | 2,806,473        | 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                                      | 3,012,550        | 2,833,278        | 2,425,968        | 2,235,103        | 2,350,409        | 2,196,249        | 2,076,772        | 2,004,655        |
| Long-term Borrowings##                                          | 983,595          | 880,427          | 791,621          | 729,316          | 521,680          | 550,249          | 527,723          | 402,292          |
| Working Capital                                                 | (232,885)        | (267,471)        | (355,630)        | (497,081)        | (473,776)        | (495,362)        | (535,501)        | 38,978           |
| Capital Employed                                                | 2,349,545        | 2,308,133        | 2,025,625        | 1,981,199        | 1,950,175        | 1,844,539        | 1,649,004        | 1,756,994        |
| <b>FINANCIAL PERFORMANCE RATIOS</b>                             |                  |                  |                  |                  |                  |                  |                  |                  |
| PBITD to Turnover (%)                                           | 12.21            | 16.42            | 16.31            | 14.40            | 18.20            | 17.77            | 19.08            | 34.85            |
| PBDT to Turnover (%)                                            | 11.06            | 15.35            | 14.90            | 12.63            | 16.91            | 16.39            | 17.97            | 32.07            |
| Profit Margin (%) - incl. exceptional items                     | 4.78             | 8.99             | 5.64             | 2.48             | 6.72             | 6.45             | 8.09             | 9.02             |
| Return on Capital Employed (%) (ROCE)                           | 24.83            | 25.43            | 15.66            | 16.98            | 29.39            | 21.49            | 24.35            | 17.00            |
| Return on Capital Employed (%) (ROCE) - incl. exceptional items | 21.37            | 24.52            | 16.12            | 12.42            | 28.58            | 21.63            | 24.71            | 12.48            |
| Net Profit to Equity (%) - incl. exceptional items              | 12.63            | 17.54            | 7.38             | 5.27             | 14.08            | 10.84            | 12.56            | 6.51             |
| <b>BALANCE SHEET RATIOS</b>                                     |                  |                  |                  |                  |                  |                  |                  |                  |
| Current Ratio                                                   | 0.86:1           | 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                          | 0.37:1           | 0.33:1           | 0.36:1           | 0.38:1           | 0.25:1           | 0.27:1           | 0.28:1           | 0.21:1           |
| - Total Debt to Total Equity Ratio                              | 0.43:1           | 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)                                   | 11               | 14               | 15               | 12               | 13               | 15               | 13               | 34               |
| <b>PER SHARE DATA</b>                                           |                  |                  |                  |                  |                  |                  |                  |                  |
| Earning Per Share (₹) #                                         | 28.17            | 36.19            | 12.96            | 8.59             | 23.85            | 17.23            | 19.03            | 10.03            |
| Dividend (%)                                                    | 225              | 210              | 72               | 100              | 140              | 132              | 121              | 170              |
| <b>Book Value Per Share (₹) (Restated)#</b>                     | <b>223</b>       | <b>206</b>       | <b>176</b>       | <b>163</b>       | <b>172</b>       | <b>159</b>       | <b>151</b>       | <b>154</b>       |





## ONGC Group Performance at a Glance

| (₹ in Million unless otherwise stated)                          | 2014-15          | 2013-14          |
|-----------------------------------------------------------------|------------------|------------------|
| <b>FINANCIAL</b>                                                |                  |                  |
| Income form Operations                                          | 1,663,888        | 1,782,051        |
| Dividend Income                                                 | 6,074            | 4,383            |
| Other Non-operating Income                                      | 53,179           | 64,516           |
| <b>Total Revenue</b>                                            | <b>1,723,141</b> | <b>1,850,950</b> |
| Statutory Levies                                                | 306,836          | 299,174          |
| Operating Expenses ^                                            | 824,585          | 901,110          |
| Exchange Loss/(Gain)                                            | (465)            | (650)            |
| Exploration costs written off                                   | 109,514          | 84,881           |
| <b>Profit Before Interest, Depreciation &amp; Tax (PBITD)</b>   | <b>482,671</b>   | <b>566,435</b>   |
| Depreciation, Depletion, Amortisation and Impairment            | 180,330          | 166,057          |
| <b>Profit Before Interest &amp; Tax (PBIT)</b>                  | <b>302,341</b>   | <b>400,377</b>   |
| Finance Cost                                                    | 28,637           | 6,243            |
| <b>Profit before Tax and Exceptional Items</b>                  | <b>273,704</b>   | <b>394,134</b>   |
| Exceptional item                                                | -                | -                |
| <b>Profit before Tax</b>                                        | <b>273,704</b>   | <b>394,134</b>   |
| Corporate Tax                                                   | 96,974           | 127,604          |
| <b>Profit after Tax</b>                                         | <b>176,730</b>   | <b>266,530</b>   |
| Share of profit/(loss) in Associates for the year (net)         | 303              | 118              |
| Profit relating to minority                                     | (6,302)          | 1,583            |
| <b>Profit after Tax &amp; Minority Interest</b>                 | <b>183,335</b>   | <b>265,065</b>   |
| Dividend                                                        | (81,277)         | (81,277)         |
| Tax on Dividend                                                 | (16,317)         | (13,842)         |
| Share Capital                                                   | 42,778           | 42,778           |
| Net Worth (Equity)                                              | 1,794,742        | 1,710,556        |
| Total Equity                                                    | 1,819,473        | 1,739,676        |
| Long-term Borrowings                                            | 475,755          | 316,809          |
| Working Capital                                                 | 15,427           | (44,857)         |
| Capital Employed                                                | 1,781,995        | 1,447,991        |
| <b>FINANCIAL PERFORMANCE RATIOS</b>                             |                  |                  |
| PBITD to Turnover (%)                                           | 29.01            | 31.79            |
| PBDT to Turnover (%)                                            | 27.29            | 31.44            |
| Profit Margin (%) - incl. exceptional items                     | 10.62            | 14.96            |
| Return on Capital Employed (%) (ROCE)                           | 16.63            | 27.35            |
| Return on Capital Employed (%) (ROCE) - incl. exceptional items | 16.63            | 27.35            |
| Net Profit to Equity (%) - incl. exceptional items              | 10.22            | 15.50            |
| <b>BALANCE SHEET RATIOS</b>                                     |                  |                  |
| Current Ratio                                                   | 1.03:1           | 0.93:1           |
| Debt Equity Ratio                                               |                  |                  |
| - Long Term Debt to Equity Ratio                                | 0.27:1           | 0.2:1            |
| - Total Debt to Equity Ratio                                    | 0.3:1            | 0.28:1           |
| Debtors Turnover Ratio (Days)                                   | 38               | 33               |
| <b>PER SHARE DATA</b>                                           |                  |                  |
| Earning Per Share (₹) #                                         | 14.29            | 20.65            |
| Dividend (%)                                                    | 190              | 190              |
| <b>Book Value Per Share (₹) (Restated)#</b>                     | <b>140</b>       | <b>133</b>       |

\*The figures of FY 2022-23, 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 requirement 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 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 Liabilities

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 Operations)\*365

12. Earning per share = Profit after Tax attributable to Owners of the Company / No. of Equity Shares

13. Book value per share = Equity/ No. of Equity Shares

14. ROCE = (PBIT excluding Dividend income) / Capital Employed.







## Statement of Income and Retained Earnings of ONGC Group

| (₹ in Million)                                                   | 2022-23*         | 2021-22*         | 2020-21*         | 2019-20*         | 2018-19*         | 2017-18*         | 2016-17 *        | 2015-16 *        |
|------------------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>REVENUES</b>                                                  |                  |                  |                  |                  |                  |                  |                  |                  |
| <b>Sale of Products</b>                                          | <b>6,820,134</b> | <b>5,297,931</b> | <b>3,587,875</b> | <b>4,227,808</b> | <b>4,515,709</b> | <b>3,606,428</b> | <b>3,232,749</b> | <b>1,348,162</b> |
| Other Operating Revenue                                          | 28,158           | 19,994           | 16,760           | 21,803           | 21,119           | 16,036           | 23,913           | 8,480            |
| <b>Total Revenue from Operations</b>                             | <b>6,848,292</b> | <b>5,317,925</b> | <b>3,604,635</b> | <b>4,249,611</b> | <b>4,536,828</b> | <b>3,622,464</b> | <b>3,256,662</b> | <b>1,356,642</b> |
| Dividend Income                                                  | 7,027            | 17,268           | 15,405           | 9,074            | 15,263           | 15,987           | 17,527           | 10,243           |
| Other Non-operating Income                                       | 73,714           | 57,109           | 77,919           | 81,696           | 62,036           | 58,694           | 75,705           | 71,205           |
| <b>Total Revenues</b>                                            | <b>6,929,033</b> | <b>5,392,302</b> | <b>3,697,959</b> | <b>4,340,381</b> | <b>4,614,127</b> | <b>3,697,145</b> | <b>3,349,894</b> | <b>1,438,090</b> |
| <b>COST &amp; EXPENSES</b>                                       |                  |                  |                  |                  |                  |                  |                  |                  |
| <b>Operating, Selling &amp; General</b>                          |                  |                  |                  |                  |                  |                  |                  |                  |
| Statutory Levies                                                 |                  |                  |                  |                  |                  |                  |                  |                  |
| (a) Royalties                                                    | 204,941          | 159,173          | 91,385           | 127,846          | 147,730          | 109,379          | 125,242          | 99,152           |
| (b) Cess                                                         | 159,294          | 141,261          | 80,188           | 107,878          | 128,568          | 99,638           | 89,045           | 101,916          |
| (c) Excise Duty                                                  | 525,033          | 404,920          | 565,713          | 281,985          | 320,753          | 395,407          | 431,601          | 115,901          |
| (d) Natural Calamity Contingent Duty- Crude Oil                  | 933              | 974              | 989              | 1,020            | 1,063            | 1,122            | 1,129            | 1,137            |
| (e) Octroi & Port Trust Charges #                                | 348              | 543              | 433              | 347              | 322              | 389              | 354              | 333              |
| (f) Other Levies                                                 | 8,130            | 6,798            | 6,601            | 5,074            | 5,155            | 5,009            | 4,131            | 384              |
| <b>Sub-Total (a to f)</b>                                        | <b>898,679</b>   | <b>713,669</b>   | <b>745,309</b>   | <b>524,150</b>   | <b>603,591</b>   | <b>610,944</b>   | <b>651,502</b>   | <b>318,823</b>   |
| (Accretion) / Decretion in stock                                 | 25,661           | (23,031)         | (100,471)        | 11,456           | (30,956)         | (82)             | (47,847)         | 7,560            |
| Production, Transportation, Selling and Distribution Expenditure | 2,322,770        | 1,499,826        | 970,084          | 1,280,146        | 1,439,817        | 1,135,340        | 1,027,440        | 569,416          |
| Purchase of Stock-in-Trade                                       | 2,661,200        | 2,256,169        | 1,412,015        | 1,760,064        | 1,654,387        | 1,216,894        | 1,041,983        | -                |
| Provisions and Write-offs                                        | 37,461           | 8,084            | 11,610           | 27,327           | 16,298           | 15,858           | 3,353            | 7,679            |
| Exchange Loss                                                    | 45,442           | 5,541            | -                | 35,184           | 13,296           | -                | -                | 1,033            |
| Exploration Costs Written off                                    |                  |                  |                  |                  |                  |                  |                  |                  |
| -Survey Costs                                                    | 39,794           | 19,885           | 19,677           | 19,015           | 19,607           | 15,968           | 19,019           | 17,389           |
| -Exploratory Well Costs                                          | 62,015           | 39,046           | 51,678           | 71,219           | 72,599           | 58,652           | 33,176           | 43,396           |
| <b>Profit Before Depreciation, Interest &amp; Tax</b>            | <b>836,011</b>   | <b>873,113</b>   | <b>588,057</b>   | <b>611,820</b>   | <b>825,488</b>   | <b>643,571</b>   | <b>621,268</b>   | <b>472,794</b>   |
| Depreciation, Depletion, Amortisation and Impairment             | 245,571          | 268,832          | 255,385          | 266,349          | 237,037          | 231,119          | 202,192          | 163,840          |
| <b>Total Cost &amp; Expenses</b>                                 | <b>6,338,593</b> | <b>4,788,021</b> | <b>3,365,287</b> | <b>3,994,910</b> | <b>4,025,676</b> | <b>3,284,693</b> | <b>2,930,818</b> | <b>1,129,136</b> |
| <b>Profit Before Interest &amp; Tax</b>                          | <b>590,440</b>   | <b>604,281</b>   | <b>332,672</b>   | <b>345,471</b>   | <b>588,451</b>   | <b>412,452</b>   | <b>419,076</b>   | <b>308,954</b>   |
| Finance Cost                                                     | 78,894           | 56,960           | 50,790           | 74,893           | 58,367           | 49,990           | 35,911           | 37,656           |
| <b>Profit before Tax and Exceptional item</b>                    | <b>511,546</b>   | <b>547,321</b>   | <b>281,882</b>   | <b>270,578</b>   | <b>530,084</b>   | <b>362,462</b>   | <b>383,165</b>   | <b>271,298</b>   |
| Exceptional item                                                 | (81,379)         | (21,049)         | 9,188            | (90,285)         | (15,910)         | 2,481            | 5,910            | (79,432)         |
| Share of profit of Joint Ventures & Associates                   | 341              | 14,639           | 10,194           | 9,332            | 34,282           | 27,132           | 28,100           | 8,657            |
| <b>Profit before Tax</b>                                         | <b>430,508</b>   | <b>540,911</b>   | <b>301,264</b>   | <b>189,625</b>   | <b>548,456</b>   | <b>392,075</b>   | <b>417,175</b>   | <b>200,523</b>   |
| Corporate Tax ( Net)                                             | 102,732          | 47,970           | 87,662           | 75,062           | 209,076          | 131,395          | 125,484          | 69,507           |
| <b>Profit after Tax (A)</b>                                      | <b>327,776</b>   | <b>492,941</b>   | <b>213,602</b>   | <b>114,563</b>   | <b>339,380</b>   | <b>260,680</b>   | <b>291,691</b>   | <b>131,016</b>   |
| <b>Other comprehensive income (B)</b>                            | <b>28,713</b>    | <b>43,972</b>    | <b>18,647</b>    | <b>(122,321)</b> | <b>(8,965)</b>   | <b>(31,728)</b>  | <b>137,070</b>   | <b>22,465</b>    |
| <b>Total Comprehensive Income (A) + (B)</b>                      | <b>356,489</b>   | <b>536,913</b>   | <b>232,249</b>   | <b>(7,758)</b>   | <b>330,415</b>   | <b>228,952</b>   | <b>428,761</b>   | <b>153,481</b>   |
| <b>Profit after tax for the year attributable to:</b>            |                  |                  |                  |                  |                  |                  |                  |                  |
| - Owners of the Company                                          | 354,405          | 455,221          | 163,044          | 108,036          | 305,460          | 221,059          | 244,192          | 128,752          |
| - Non-controlling interests                                      | (26,629)         | 37,720           | 50,558           | 6,527            | 33,920           | 39,621           | 47,499           | 2,264            |
| <b>Other comprehensive income attributable to:</b>               |                  |                  |                  |                  |                  |                  |                  |                  |
| - Owners of the Company                                          | 30,129           | 42,968           | 17,894           | (119,087)        | (8,531)          | (31,914)         | 136,283          | 22,467           |
| - Non-controlling interests                                      | (1,416)          | 1,004            | 753              | (3,234)          | (434)            | 186              | 787              | (2)              |
| <b>Total comprehensive income attributable to:</b>               |                  |                  |                  |                  |                  |                  |                  |                  |
| - Owners of the Company                                          | 384,534          | 498,189          | 180,938          | (11,051)         | 296,929          | 189,146          | 380,475          | 151,219          |

| (₹ in Million)                                               | 2022-23*       | 2021-22*       | 2020-21*       | 2019-20*       | 2018-19*       | 2017-18*       | 2016-17 *      | 2015-16 *      |
|--------------------------------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| - Non-controlling interests                                  | (28,045)       | 38,724         | 51,311         | 3,293          | 33,486         | 39,806         | 48,286         | 2,262          |
| <b>Retained Earnings at beginning of the year</b>            | <b>297,351</b> | <b>246,090</b> | <b>152,456</b> | <b>204,656</b> | <b>190,809</b> | <b>184,724</b> | <b>100,418</b> | <b>214,095</b> |
| Effect of restatement                                        | -              | -              | 2,488          | (12,491)       | (12,551)       | -              | 62,524         | (91,995)       |
| <b>Retained Earnings at beginning of the year (restated)</b> | <b>297,351</b> | <b>246,090</b> | <b>154,944</b> | <b>192,165</b> | <b>178,258</b> | <b>184,724</b> | <b>162,942</b> | <b>122,100</b> |
| Profit after tax for the year                                | 354,405        | 455,221        | 163,044        | 108,036        | 305,460        | 221,059        | 244,192        | 128,752        |
| Other comprehensive income                                   | (1,345)        | 504            | (889)          | (3,691)        | (2,912)        | (534)          | (3,121)        | (299)          |
| Other adjustments (including joint ventures & associates)    | 64             | (83)           | (1,500)        | (2,690)        | 681            | (420)          | (132)          | (24)           |
| Adjustments due to Cross holding of Investment               | 2,208          | 2,589          | 1,572          | (2,433)        | 1,001          | 2,989          | 2,834          | -              |
| Preacquisition Adjustment for Bonus share by HPCL            | -              | -              | -              | -              | -              | (2,483)        | (3,311)        | -              |
| Dividend                                                     | (176,125)      | (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                              | (7,664)        | (1,776)        | 27,436         | -              | (6,890)        | (9,530)        | (581)          | (8,082)        |
| Transfer to general Reserve                                  | (214,699)      | (289,518)      | (75,488)       | (50,216)       | (154,592)      | (110,472)      | (64,691)       | (76,067)       |
| Transfer from/to Debenture Redemption Reserve                | 169            | (12)           | (173)          | (2,418)        | (295)          | 387            | (17,482)       | (6,763)        |
| <b>Retained Earnings at end of the year</b>                  | <b>254,364</b> | <b>297,351</b> | <b>246,090</b> | <b>152,456</b> | <b>204,656</b> | <b>190,809</b> | <b>184,724</b> | <b>100,418</b> |





## Statement of Income and Retained Earnings of ONGC Group

| (₹ in Million)                                                   | 2014-15          | 2013-14          |
|------------------------------------------------------------------|------------------|------------------|
| <b>REVENUES</b>                                                  |                  |                  |
| <b>Sale of Products</b>                                          | <b>1,645,426</b> | <b>1,769,362</b> |
| Traded Products                                                  | 60               | 44               |
| Other Operating Revenue                                          | 18,402           | 12,645           |
| <b>Total Revenue from Operations</b>                             | <b>1,663,888</b> | <b>1,782,051</b> |
| Dividend Income                                                  | 6,074            | 4,383            |
| Other Non-operating Income                                       | 53,179           | 64,516           |
| <b>Total Revenues</b>                                            | <b>1,723,141</b> | <b>1,850,950</b> |
| <b>COST &amp; EXPENSES</b>                                       |                  |                  |
| <b>Operating, Selling &amp; General</b>                          |                  |                  |
| Statutory Levies                                                 |                  |                  |
| (a) Royalties                                                    | 141,451          | 150,102          |
| (b) Cess                                                         | 102,535          | 99,734           |
| (c) Motor Spirit Cess                                            | -                | 3                |
| (d) Excise Duty                                                  | 52,669           | 37,432           |
| (e) Natural Calamity Contingent Duty - Crude Oil                 | 1,123            | 1,097            |
| (f) Sales Tax                                                    | 2,586            | 3,123            |
| (g) Service Tax                                                  | 298              | 439              |
| (h) Education Cess                                               | 91               | 2,348            |
| (i) Octroi & Port Trust Charges                                  | 6,083            | 4,896            |
| <b>Sub-Total (a to i)</b>                                        | <b>306,836</b>   | <b>299,174</b>   |
| (Accretion) / Decretion in stock                                 | 17,229           | (5,285)          |
| Production, Transportation, Selling and Distribution Expenditure | 793,345          | 898,504          |
| Provisions and Write-offs                                        | 10,876           | 10,315           |
| Exchange Loss                                                    | (465)            | (650)            |
| Adjustments relating to Prior Period (Net)                       | 3,135            | (2,423)          |
| Exploration Costs Written off                                    |                  |                  |
| -Survey Costs                                                    | 20,835           | 17,471           |
| -Exploratory Well Costs                                          | 88,679           | 67,410           |
| <b>Profit Before Depreciation, Interest &amp; Tax</b>            | <b>482,671</b>   | <b>566,435</b>   |
| Depreciation, Depletion, Amortisation and Impairment             | 180,330          | 166,057          |
| <b>Total Cost &amp; Expenses</b>                                 | <b>1,420,800</b> | <b>1,450,573</b> |
| <b>Operating Income Before Interest &amp; Tax</b>                | <b>302,341</b>   | <b>400,377</b>   |
| Finance Cost                                                     | 28,637           | 6,243            |
| <b>Profit before Tax and Exceptional item</b>                    | <b>273,704</b>   | <b>394,134</b>   |
| Exceptional item                                                 | -                | -                |
| <b>Profit before Tax</b>                                         | <b>273,704</b>   | <b>394,134</b>   |
| Corporate Tax (Net)                                              | 96,974           | 127,604          |
| <b>Profit after Tax</b>                                          | <b>176,730</b>   | <b>266,530</b>   |
| Share in Associates for the year                                 | 303              | 118              |
| Profit relating to minority                                      | (6,302)          | 1,583            |
| <b>Group Profit after Tax</b>                                    | <b>183,335</b>   | <b>265,065</b>   |
| Profit & Loss Account Balance b/f                                | 233,115          | 205,773          |
| Adjustments due to change in share holding /other adjustment     | 1                | 46               |
| Transfer to Capital Redemption Reserve                           | -                | -                |
| Dividend                                                         | (81,277)         | (81,277)         |
| Tax on Dividend                                                  | (16,317)         | (13,842)         |
| Transfer to Self Insurance Reserves                              | (4)              | -                |
| Transfer to CSR Reserves                                         | -                | -                |
| Transfer to general Reserve                                      | (80,755)         | (132,250)        |
| Transfer to Debenture Redemption Reserve                         | (24,003)         | (10,400)         |
| <b>Retained Earnings at Close</b>                                | <b>214,095</b>   | <b>233,115</b>   |

\*The figures of FY 2022-23, 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 requirement 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 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.

## Statement of Financial Position of ONGC Group

| (₹ in Million)                                                            | 2022-23*         | 2021-22*         | 2020-21*         | 2019-20*         | 2018-19*         | 2017-18*         | 2016-17 *        | 2015-16 *        |
|---------------------------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>RESOURCES</b>                                                          |                  |                  |                  |                  |                  |                  |                  |                  |
| <b>A. Own</b>                                                             |                  |                  |                  |                  |                  |                  |                  |                  |
| 1. Net Worth                                                              |                  |                  |                  |                  |                  |                  |                  |                  |
| (a) Equity                                                                |                  |                  |                  |                  |                  |                  |                  |                  |
| i) Share Capital                                                          | 62,901           | 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) | 136,937          | 141,581          | 102,291          | 77,221           | 200,362          | 215,813          | 246,864          | 110,536          |
| - Others                                                                  | 2,606,635        | 2,390,547        | 2,044,618        | 1,910,923        | 1,906,083        | 1,760,210        | 1,632,822        | 1,824,823        |
| <b>Total other equity</b>                                                 | <b>2,743,572</b> | <b>2,532,128</b> | <b>2,146,909</b> | <b>1,988,144</b> | <b>2,106,445</b> | <b>1,976,023</b> | <b>1,879,686</b> | <b>1,935,359</b> |
| <b>Net worth #</b>                                                        | <b>2,806,473</b> | <b>2,595,029</b> | <b>2,209,810</b> | <b>2,051,046</b> | <b>2,169,347</b> | <b>2,040,189</b> | <b>1,943,852</b> | <b>1,978,137</b> |
| B. Long-term Borrowings                                                   | 983,595          | 880,427          | 791,621          | 729,316          | 521,680          | 550,249          | 527,723          | 402,292          |
| C. Deferred Tax Liability (Net)                                           | 297,212          | 349,345          | 427,068          | 433,745          | 449,910          | 398,070          | 352,172          | 264,456          |
| D. Non-Controlling interests                                              | 206,077          | 238,249          | 216,158          | 184,057          | 181,062          | 156,060          | 132,920          | 26,518           |
| <b>TOTAL RESOURCES (A+B+C+D)</b>                                          | <b>4,293,357</b> | <b>4,063,050</b> | <b>3,644,657</b> | <b>3,398,164</b> | <b>3,321,999</b> | <b>3,144,568</b> | <b>2,956,667</b> | <b>2,671,403</b> |
| <b>DISPOSITION OF RESOURCES</b>                                           |                  |                  |                  |                  |                  |                  |                  |                  |
| <b>A. Non-current assets</b>                                              |                  |                  |                  |                  |                  |                  |                  |                  |
| <b>1. Block Capital (Net)</b>                                             |                  |                  |                  |                  |                  |                  |                  |                  |
| i) Other Property Plant & Equipment ^                                     | 926,315          | 830,263          | 741,258          | 741,274          | 712,382          | 681,341          | 667,449          | 309,498          |
| ii) Oil and Gas Assets ^                                                  | 1,309,836        | 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                                                  | 141,894          | 157,826          | 159,064          | 147,118          | -                | -                | -                | -                |
| iv) Intangible assets                                                     | 9,736            | 10,274           | 8,868            | 7,641            | 6,768            | 6,254            | 5,749            | 1,054            |
| v) Investment Properties                                                  | 79               | 79               | 79               | 79               | 79               | 79               | 1                | -                |
| <b>Total Block Capital</b>                                                | <b>2,387,860</b> | <b>2,431,966</b> | <b>2,302,078</b> | <b>2,296,553</b> | <b>2,163,023</b> | <b>2,118,552</b> | <b>1,969,351</b> | <b>1,509,467</b> |
| 2. Goodwill on consolidation                                              | 120,334          | 112,056          | 135,386          | 142,367          | 140,884          | 142,025          | 141,904          | 153,301          |
| <b>3. Financial assets</b>                                                |                  |                  |                  |                  |                  |                  |                  |                  |
| a) Trade receivables                                                      | 26,225           | 24,765           | 25,630           | 23,741           | 20,572           | 16,564           | 13,630           | 11,695           |
| b) Loans                                                                  | 29,655           | 26,437           | 23,440           | 32,146           | 28,504           | 20,911           | 21,546           | 21,188           |
| c) Deposit with Bank Under Site Restoration Fund Scheme                   | 267,512          | 248,722          | 235,115          | 222,836          | 181,884          | 160,640          | 145,943          | 135,986          |
| d) Others                                                                 | 94,216           | 79,930           | 68,347           | 41,369           | 37,275           | 11,630           | 9,392            | 9,660            |
| <b>Total Financial assets</b>                                             | <b>417,608</b>   | <b>379,854</b>   | <b>352,532</b>   | <b>320,092</b>   | <b>268,235</b>   | <b>209,745</b>   | <b>190,511</b>   | <b>178,529</b>   |
| 4. Non-current tax assets                                                 | 142,545          | 105,186          | 95,669           | 107,600          | 105,232          | 108,314          | 98,720           | 83,615           |
| 5. Other non-current Assets (Excluding Capital Advance)                   | 19,165           | 30,463           | 24,119           | 36,279           | 44,962           | 32,400           | 25,575           | 15,362           |
| <b>6. Sub-Total (A) = (1+2+3+4+5)</b>                                     | <b>3,087,512</b> | <b>3,059,525</b> | <b>2,909,784</b> | <b>2,902,891</b> | <b>2,722,336</b> | <b>2,611,036</b> | <b>2,426,061</b> | <b>1,940,274</b> |
| <b>B. Less: Non-current Liabilities &amp; Provision</b>                   |                  |                  |                  |                  |                  |                  |                  |                  |
| a) Lease liabilities##                                                    | 84,035           | 92,167           | 96,462           | 80,149           | 6,053            | -                | -                | -                |
| b) Financial liabilities                                                  | 4,318            | 19,502           | 62,867           | 7,019            | 8,353            | 7,310            | 2,321            | 1,538            |
| c) Provisions                                                             | 404,231          | 363,830          | 361,268          | 331,006          | 278,499          | 252,002          | 231,146          | 220,487          |
| d) Other non current liabilities                                          | 12,498           | 8,422            | 7,932            | 6,437            | 5,480            | 11,823           | 8,089            | 233              |
| <b>Sub-Total (B)</b>                                                      | <b>505,082</b>   | <b>483,921</b>   | <b>528,529</b>   | <b>424,611</b>   | <b>298,385</b>   | <b>271,135</b>   | <b>241,556</b>   | <b>222,258</b>   |
| <b>Net Non Current Asset (C)=(A)-(B)</b>                                  | <b>2,582,430</b> | <b>2,575,604</b> | <b>2,381,255</b> | <b>2,478,280</b> | <b>2,423,951</b> | <b>2,339,901</b> | <b>2,184,505</b> | <b>1,718,016</b> |
| <b>D. Net Working Capital</b>                                             |                  |                  |                  |                  |                  |                  |                  |                  |
| <b>1. Current Assets</b>                                                  |                  |                  |                  |                  |                  |                  |                  |                  |
| i) Inventories                                                            | 442,381          | 541,631          | 445,733          | 330,512          | 351,341          | 305,571          | 298,817          | 99,181           |
| ii) Financial assets                                                      |                  |                  |                  |                  |                  |                  |                  |                  |
| a) Trade Receivables                                                      | 187,516          | 191,873          | 160,158          | 91,734           | 153,965          | 138,992          | 125,471          | 83,317           |
| b) Cash & Bank Balances                                                   | 291,403          | 68,409           | 71,923           | 96,402           | 48,197           | 50,628           | 132,126          | 246,890          |





|                                                          |                  |                  |                  |                  |                  |                  |                  |                  |
|----------------------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| c) Loans                                                 | 4,576            | 4,929            | 4,785            | 11,821           | 17,015           | 12,583           | 9,927            | 3,406            |
| d) Others                                                | 92,469           | 52,650           | 65,502           | 115,707          | 169,288          | 142,436          | 110,016          | 79,004           |
| iii) Others Current Assets                               | 71,472           | 146,689          | 128,935          | 107,468          | 81,315           | 24,085           | 28,435           | 42,804           |
| <b>Sub-Total (1)</b>                                     | <b>1,089,817</b> | <b>1,006,181</b> | <b>877,036</b>   | <b>753,644</b>   | <b>821,121</b>   | <b>674,295</b>   | <b>704,792</b>   | <b>554,602</b>   |
| <b>Less:</b>                                             |                  |                  |                  |                  |                  |                  |                  |                  |
| <b>II. Current Liabilities</b>                           |                  |                  |                  |                  |                  |                  |                  |                  |
| <b>a) Financial liabilities</b>                          |                  |                  |                  |                  |                  |                  |                  |                  |
| i) Short-term borrowings                                 | 308,260          | 197,331          | 398,991          | 315,056          | 493,323          | 462,212          | 216,274          | 43,185           |
| ii) Trade payables                                       | 336,426          | 401,860          | 269,250          | 229,611          | 305,575          | 264,847          | 240,138          | 297,780          |
| iii) Lease Liabilities##                                 | 46,657           | 49,933           | 44,796           | 51,552           | 1,017            | -                | -                | -                |
| iv) Others                                               | 477,223          | 434,117          | 371,480          | 543,047          | 369,207          | 322,356          | 661,557          | 130,660          |
| b) Other current liabilities                             | 97,591           | 113,948          | 90,379           | 63,335           | 69,897           | 66,659           | 63,862           | 21,244           |
| c) Short-term provisions                                 | 52,487           | 66,635           | 50,344           | 41,872           | 43,825           | 44,099           | 49,512           | 12,309           |
| d) Current tax liabilities (net)                         | 4,058            | 9,828            | 7,426            | 6,252            | 12,053           | 9,484            | 8,950            | 10,446           |
| <b>Sub-Total (II)</b>                                    | <b>1,322,702</b> | <b>1,273,652</b> | <b>1,232,666</b> | <b>1,250,725</b> | <b>1,294,897</b> | <b>1,169,657</b> | <b>1,240,293</b> | <b>515,624</b>   |
| <b>Net Working Capital (D)= (1) - (II)</b>               | <b>(232,885)</b> | <b>(267,471)</b> | <b>(355,630)</b> | <b>(497,081)</b> | <b>(473,776)</b> | <b>(495,362)</b> | <b>(535,501)</b> | <b>38,978</b>    |
| <b>E. Capital Employed</b>                               | <b>2,349,545</b> | <b>2,308,133</b> | <b>2,025,625</b> | <b>1,981,199</b> | <b>1,950,175</b> | <b>1,844,539</b> | <b>1,649,004</b> | <b>1,756,994</b> |
| <b>F. Investments</b>                                    |                  |                  |                  |                  |                  |                  |                  |                  |
| i) Non-current Investments                               | 737,037          | 612,706          | 549,028          | 514,103          | 618,252          | 623,352          | 620,026          | 303,836          |
| ii) Current Investments                                  | 51,689           | 53,715           | 54,176           | 53,449           | 50,838           | 49,994           | 87,431           | 30,032           |
| G. Capital Works in Progress (Including Capital Advance) | 755,392          | 736,149          | 641,722          | 469,445          | 311,131          | 225,378          | 332,665          | 329,976          |
| H. Intangible assets under development                   | 399,694          | 352,347          | 374,106          | 379,968          | 391,603          | 401,305          | 267,541          | 250,565          |
| <b>TOTAL DISPOSITION (E+F+G+H)</b>                       | <b>4,293,357</b> | <b>4,063,050</b> | <b>3,644,657</b> | <b>3,398,164</b> | <b>3,321,999</b> | <b>3,144,568</b> | <b>2,956,667</b> | <b>2,671,403</b> |





## Statement of Financial Position of ONGC Group

| (₹ in Million)                                             | 2014-15          | 2013-14          |
|------------------------------------------------------------|------------------|------------------|
| <b>RESOURCES</b>                                           |                  |                  |
| <b>A. Own</b>                                              |                  |                  |
| 1. Net Worth                                               |                  |                  |
| (a) Equity                                                 |                  |                  |
| i) Share Capital                                           | 42,778           | 42,778           |
| ii) Reserves & Surplus                                     | 1,761,766        | 1,678,738        |
| <b>Sub-Total</b>                                           | <b>1,804,544</b> | <b>1,721,516</b> |
| (b) Less: Miscellaneous Expenditure                        | 9,802            | 10,960           |
| <b>Net Worth</b>                                           | <b>1,794,742</b> | <b>1,710,556</b> |
| B. Long-term Borrowings                                    | 475,755          | 316,809          |
| C. Deferred Tax Liability (Net)                            | 181,759          | 178,635          |
| D. Minority Interest                                       | 24,731           | 29,120           |
| <b>TOTAL RESOURCES ( A+B+C+D )</b>                         | <b>2,476,987</b> | <b>2,235,120</b> |
| <b>DISPOSITION OF RESOURCES</b>                            |                  |                  |
| <b>A. Non-current assets</b>                               |                  |                  |
| <b>1. Block Capital (Net)</b>                              |                  |                  |
| i) Fixed Assets ^                                          | 686,712          | 462,254          |
| ii) Oil and Gas Assets/Producing Properties ^              | 910,049          | 912,681          |
| iii) Intangible assets                                     | 1,169            | 754              |
| <b>Total Block Capital</b>                                 | <b>1,597,930</b> | <b>1,375,689</b> |
| 2. Goodwill on consolidation                               | 201,399          | 183,545          |
| 3. Long-term Loans and Advances(Excluding Capital Advance) | 94,164           | 83,077           |
| 4. Deposit with Bank Under Site Restoration Fund Scheme    | 136,424          | 120,830          |
| 5. Other non-current Assets (Excluding DRE)                | 71,270           | 53,474           |
| <b>6. Sub-Total= (1+2+3+4+5)</b>                           | <b>2,101,187</b> | <b>1,816,615</b> |
| <b>7. Less: Non-current Liabilities &amp; Provision</b>    |                  |                  |
| a. Other Long Term Liabilities                             | 7,625            | 18,467           |
| b. Provision for Abandonment Cost                          | 298,198          | 274,266          |
| c. Long Term Provisions                                    | 28,796           | 31,034           |
| <b>Sub-Total (7)</b>                                       | <b>334,619</b>   | <b>323,767</b>   |
| <b>Net Non Current Asset (A)=(6)-(7)</b>                   | <b>1,766,568</b> | <b>1,492,848</b> |
| <b>B. Net Working Capital</b>                              |                  |                  |
| <b>1. Current Assets</b>                                   |                  |                  |
| i) Inventories                                             | 106,198          | 148,015          |
| ii) Trade Receivables                                      | 188,158          | 160,290          |
| iii) Cash & Bank Balances                                  | 160,969          | 244,801          |
| iv) Short-term Loans & Advances                            | 100,174          | 66,317           |
| v) Others Current Assets (Excluding DRE)                   | 9,635            | 8,135            |
| <b>Sub-Total (1)</b>                                       | <b>565,134</b>   | <b>627,558</b>   |
| <b>Less:</b>                                               |                  |                  |
| <b>2. Current Liabilities</b>                              |                  |                  |
| i) Short-term borrowings                                   | 53,448           | 139,073          |
| ii) Trade payables                                         | 304,660          | 306,803          |
| iii) Other current liabilities                             | 168,205          | 217,039          |
| iv) Short-term provisions                                  | 23,394           | 9,500            |
| <b>Sub-Total (2)</b>                                       | <b>549,707</b>   | <b>672,415</b>   |
| <b>Net Working Capital</b>                                 | <b>15,427</b>    | <b>(44,857)</b>  |
| <b>C. Capital Employed</b>                                 | <b>1,781,995</b> | <b>1,447,991</b> |
| <b>D. Investments</b>                                      |                  |                  |
| i) Non-current Investments                                 | 47,470           | 47,205           |
| ii) Current Investments                                    | 22               | 254              |
| E. Capital Works in Progress (Including Capital Advance)   | 435,533          | 557,603          |
| F. Exploratory/Development Wells in Progress               | 211,967          | 182,067          |
| <b>TOTAL DISPOSITION (C+D+E+F)</b>                         | <b>2,476,987</b> | <b>2,235,120</b> |

\* The figures of FY 2022-23, 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 requirement 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 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 liabilities for FY 2018-19



Production Asset in Colombia

# 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 31 March 2023, 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 31 March 2023 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 auditors of subsidiaries, joint ventures and associates, as per the requirement of Standard on Auditing (SA 600) on 'Using the work of Another Auditor', considering materiality:

**i.** Note No. 9.2 & 13.3, which explains that certain Discovered Small Fields (DSF) of the Holding Company have been identified by Directorate General of Hydrocarbons (DGH), Ministry of Petroleum and Natural Gas (MoPNG), Government of India (GOI) for bidding under DSF III, after considering the value of such fields as Nil. These identified contract areas have been awarded to the winning bidders (awardees) and the Petroleum Mining Lease (PML)/ Petroleum Exploration Lease (PEL) of these contract areas have been transferred to the said awardees. Accordingly, during the year, the Holding Company has charged off exploratory wells, development wells in progress and capital work in progress amounting to ₹21,837.76 Million and reversed the accumulated impairment of ₹21,718.77 Million on the said assets.

**ii.** Note No. 32.7 & 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 is contesting the same at various forums. However, as an abundant caution, the Holding Company has deposited the disputed Service Tax and GST on royalty along-with interest under-protest amounting to ₹115,581.52 Million up to 31 March 2023.

As mentioned in the said note, the Holding Company shall continue to contest such disputed matters before various forums, however, considering the pending final decision in a similar matter by the Nine Judges' Bench of Hon'ble Supreme Court, which is yet to be



constituted and keeping in view the considerable time elapsed, during the year, the Holding Company has reviewed the entire issue and has decided to make a provision towards these disputed taxes as a prudent and conservative practice in respect of the nominated fields, as per agreed terms in JV blocks where there are no disputes amongst the JV partners and to the extent of company's participating interest in the JV blocks where there are disputes amongst the JV partners. Accordingly, during the year, the Holding Company has provided ₹92,351.14 Million towards disputed taxes for the period from 1 April 2016 to 31 March 2022 together with interest thereon up to 31 March 2023 and being material has been disclosed as an exceptional item. Further, a similar provision of ₹28,723.32 Million has also been made during the year for disputed taxes for the financial year 2022-23.

As further mentioned in the note, based on the legal opinions, with respect to JV blocks where there are disputes with JV partners, the Service Tax/GST, if applicable on royalty, will required to be discharged by the JV partners in their respective share of participating interest, and pending resolution of the disputes, other partners' share of disputed ST/GST on Royalty in such JV blocks together with interest up to 31 March 2023 amounting to ₹43,318.13 Million has not been considered by the Holding Company for provision and is disclosed as contingent liability.

The remaining disputed demand received by the Holding Company towards penalty and other differences of ₹18,624.60 Million has also been disclosed as contingent liability.

As mentioned in the note, considering the experts' opinion, the amount deposited under protest has been claimed by the Holding Company in the Income Tax return / in the ongoing assessment & appellate proceedings as an allowable expenditure under Income Tax Act, 1961 for the relevant earlier assessment years and has also been considered as an allowable expenditure while calculating the current tax. Deferred tax asset has also been created for ₹879.86 Million in respect of the amounts yet to be deposited against the provision made for disputed taxes for the above periods.

**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 (BGEPIIL) and Reliance Industries Limited (RIL) (together "the Claimants") and the Holding Company (all three

together referred to as "Contractors"), towards differential Government of India (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 Holding Company amounting to USD 1,624.05 Million equivalent to ₹133,415.71 Million, including interest up to 30 November 2016). Subsequent to Tribunal Orders dated 12 October 2016, DGH vide letter dated 25 May 2017, 4 June 2018 and 14 January 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 English Commercial Court (London High Court) are not available with the Holding Company. The Holding Company has informed that the English Court has delivered its final verdict on 2 May 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 12 February 2020, the English Court passed a verdict favouring the challenges made by BGEPIIL 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 BGEPIIL/RIL on the remitted matter, which has been challenged by the GOI before the English Court. The English Court had delivered its verdict on 9 June 2022 dismissing the challenge made by GOI. The GOI filed an appeal against the English Court verdict of 9 June 2022 that was rejected by the English courts in August 2022.

Based on the information shared by BGEPIIL, 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. BGEPIIL / RIL contend that GOI's execution petition is not maintainable and have opposed the reliefs sought by the GOI under the said petition. The hearings in the matter before the Hon'ble Delhi High Court concluded on August 4, 2022, and orders are awaited.

Pending finalization of the decision of the Arbitration 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 demand raised by DGH, amounting to USD 1,624.05 Million equivalent to ₹133,415.71 Million has been considered necessary and has been treated as contingent liability.

**iv.** Note No. 63 and Note No. 14.1.12 to the Consolidated Financial Statements and para (i) of the Emphasis of Matter paragraphs (EOM) included in the Independent Auditors' Report on the Consolidated Financial Statements of ONGC Videsh Limited, a subsidiary of the Holding Company, issued by an independent firm of Chartered Accountants vide their respective report dated May 18, 2023, the said EOM is reproduced as under:

"Note No. 57(b)(i) and Note No. 12.2 of the Consolidated Financial Statements regarding significant event occurred during the year due to Decree of the Russian Federation for acquisition & transfer of all rights & obligations of the consortium under PSA of the "Sakhalin - 1 Project" to a new entity "Sakhalin- 1 LLC" formed by the Russian Federation. The Federation of Russia had asked the holding company to take the ownership right in the charter capital of said new company "Sakhalin-1 LLC" in the same proportion to the participating interest under PSA of "Sakhalin - 1 Project". The holding company is yet to receive share in the new company, since as per decree allotment of shares in the new company is subject to transfer of the proportionate share of "Investment made against the site restoration fund" by the holding company for amounting to ₹48,277.63 Million (as on 14<sup>th</sup> October 2022) in the bank account of the new Sakhalin -1 LLC company.

As a result of above, following accounting treatment has been given by the subsidiary of the holding company:

**(a)** Major Oil & Gas producing assets, which had been contributing significant portion of the operating revenue, and other assets and liabilities relating to the said project has been transferred, at its net carrying value as on 14.10.2022 amounting to ₹143,243.91 Million (refer note 12.2), to "Investment-Pending Proportionate Ownership Interest in the Equity of Sakhalin -1 LLC".

**(b)** Impairment testing of Investment carried out by the management and in their opinion, impairment provision would not be required, even though the net worth of newly formed LLC company is negative, since value in use of underlying assets is more than the value of Investment."

**v.** Note No. 23.4 to the Consolidated Financial Statements and para (iii) of the Emphasis of Matter paragraphs (EOM) included in the Independent Auditors' Report on the Consolidated Financial Statements of ONGC Videsh Limited, a subsidiary of the Holding Company, issued by an independent firm

of Chartered Accountants vide their report dated May 18, 2023 the said EOM is reproduced as under:

"Note no. 21.4 of the Consolidated Financial Statements regarding inclusion of unutilized balances of "Cash Calls" in "Cash & Cash Equivalents" amounting to ₹3,339.98 Million lying in the overseas operators' bank account and recorded on the basis of JIBs/Expenditure statement."

**vi.** Note No. 15.6 to the Consolidated Financial Statements and para (viii) of the Emphasis of Matter paragraphs (EOM) included in the Independent Auditors' Report on the Consolidated Financial Statements of ONGC Videsh Limited, a subsidiary of the Holding Company, issued by an independent firm of Chartered Accountants vide their report dated May 18, 2023, the said EOM is reproduced as under:

"Note no.13.6.1 of Consolidated Financial Statements regarding receivables from Government of Sudan amounting to ₹31,073.23 Million have been assessed for lifetime expected credit loss (ECL), and total accumulated provision of ₹4,848.38 Million has been made till 31 March 2023."

**vii.** Note No. 45 and Note No. 57.8 to the Consolidated Financial Statements and para (ix)(b) of the Emphasis of Matter paragraphs (EOM) included in the Independent Auditors' Report on the Consolidated Financial Statements of ONGC Videsh Limited (OVL), a subsidiary of the Holding Company, issued by an independent firm of Chartered Accountants vide their report dated May 18, 2023, the said EOM with regard to the subsidiary of OVL, namely, ONGC Videsh Rovuma Ltd., is reproduced as under (impact on ONGC group is ₹10,946.72 Million) :

"Note no. 39.1 and 52 of the Consolidated Financial Statements regarding the reversal of impairment of ₹25,488.11 Million by the Group and credited as exceptional item in the Statement of Profit and Loss."

**viii.** Note No. 14.1.19.(iii).(a) and Note No. 64 to the Consolidated Financial Statements and para (x) of the Emphasis of Matter paragraphs (EOM) included in the Independent Auditors' Report on the Consolidated Financial Statements of ONGC Videsh Limited, a subsidiary of the Holding Company, issued by an independent firm of Chartered Accountants vide their report dated May 18, 2023, the said EOM's with regard to the subsidiary of OVL, namely, ONGC Nile Ganga BV, are reproduced as under:

**a)** "Note no. 12.1.4.(a) the Consolidated Financial Statements regarding contingencies on account of





tax of the associates Petrolera Indovenezolana SA (PIVSA) in view of the uncertainties involved as the management has relied on information provided by the operator (PdVSA)."

**b)** "Note no. 57(f) the Consolidated Financial Statements regarding early termination of production sharing contract by the government of Sudan and due to such early termination liability, if any, will arise is yet to be determined/ ascertained."

**ix.** Note No. 66 to the Consolidated Financial Statements and the Emphasis of Matter paragraph (EOM) included in the Independent Auditor's Report on the Standalone Financial Statements of ONGC Petro Additions Ltd., a joint venture of the Holding Company, issued by an independent firm of Chartered Accountants vide their report dated May 10, 2023, the said EOM as given in note no. 40 of the standalone financial statements is reproduced as under -

"The Company has incurred a net loss after tax of ₹41,555 Million during the year ended 31 March 2023 accumulated losses to the tune of ₹130,003 Million and Company is having negative working capital of ₹70,750 Million as of that date. Net worth of the Company has reduced to ₹6,208 Million as at 31 March 2023 as compared to ₹45,837 Million as at 31 March 2022. In spite of these events or conditions which may cast a doubt on the ability of the Company to continue as a going concern, the management is of the opinion that going concern basis of accounting

is appropriate in view of the cash flow forecast and the plan management has put in place and having regard to the other fact mentioned in Note no. 40 of the standalone financial statements."

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 31 March 2023. 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 the Independent Auditors' report on the audit of Standalone/Consolidated Financial Statements of subsidiaries, joint ventures and associates:



## A. Key Audit Matters for Holding Company

| Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | How our audit addressed the matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Evaluation of adequacy of provision for impairment for tangible and intangible assets</b></p> <p>Holding Company's Management has assessed whether any provision needs to be recognised on account of impairment of tangible and intangible assets.</p> <p>The Holding Company reviews the carrying amount of its tangible and intangible assets (Oil and Gas Assets including Capital Work-in-Progress (CWIP) &amp; Development Wells in Progress (DWIP), Other Property, Plant &amp; 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.</p> <p>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, impact of climate change and the global energy transition.</p> <p>The Holding Company's management 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 of the financial performance and position.</p> <p>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.</p> <p>A key input to impairment assessments and valuations is the production forecast, in turn closely related to the Holding Company's reserves estimates, production profile and field development assumptions with reference to Oil and Gas.</p> <p>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 Holding Company's management.</p> | <p>Our audit procedures included the following</p> <p>Evaluated the appropriateness of Holding Company's management identification of the CGUs, exploration and evaluation assets and tested the operating effectiveness of controls over the impairment assessment process, including indicators of impairment, as required by relevant financial reporting standards.</p> <p>Reviewed the reasonableness of the judgments and decisions made by the Holding Company's 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.</p> <p>Reviewed the appropriateness of discount rates used in the estimation.</p> <p>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.</p> <p>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.</p> <p>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.</p> |



| Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | How our audit addressed the matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>In case of exploration and evaluation assets including other Oil and Gas Assets, based on Holding Company's management 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.</p> <p>In case of exploration and evaluation assets, based on Holding Company's management 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.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <p><b>Estimation of Decommissioning liability</b></p> <p>The Holding 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.</p> <p>The provision is based upon current cost estimates and has been determined on a discounted basis with reference to current legal requirements and technology changes. 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.</p> <p>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.</p>                                                                                                                                                 | <p>Our audit procedures included the following:</p> <p>Evaluated the approach adopted by the Holding Company's management in determining the expected costs of decommissioning.</p> <p>Identified the cost assumptions used that have the most significant impact on the provisions and tested the appropriateness of these assumptions.</p> <p>Reviewed the appropriateness of discount and inflation rates used in the estimation.</p> <p>Verified the unwinding of interest as well as understanding if any restoration was undertaken during the year.</p> <p>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.</p> <p>Relied upon Holding Company's management assessment that the Mining Lease (ML) / Petroleum Mining Lease (PML) would be regranted, till the terminal year of the field as estimated by the Holding Company's management.</p> <p>Relied on the judgments of the internal/ external experts for the purpose of technical /commercial evaluation.</p> <p>Assessed the appropriateness of the disclosures made in the financial statements.</p> |

| Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | How our audit addressed the matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
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| <p><b>Litigations and Claims</b></p> <p>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).</p> <p>In the normal course of business, financial interests or 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 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.</p> <p>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.</p> | <p>Our audit procedures included the following:</p> <p>Understood Holding Company's Management internal instructions, process and control for determining and estimating the tax litigations, other litigations and claims and its appropriate accounting and/or disclosure.</p> <p>Discussed pending matters with the Holding Company's personnel with respect to status of cases of litigation and claims.</p> <p>Assessed Holding Company's management conclusions through understanding precedents set in similar cases, reviewed the recommendations of the internal committee specially formed by the Holding Company's management, placed reliance upon the expert opinions, wherever obtained by the Holding Company's management.</p> <p>We have assessed the adequacy and appropriateness of recognition, measurement, presentation and disclosure of the Contingent liabilities in the Consolidated Financial Statements.</p>                                                                                                                                                                                                  |
| <p><b>Information Technology and General Controls</b></p> <p>The Holding Company is dependent on its Information Technology ("IT") systems for processing and recording its transactions, including financial reporting processes.</p> <p>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.</p> <p>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.</p> <p>MIS reports, relevant for financial reporting, have been developed and tested through internal and outsourced support arrangements and ultimately authenticated by the users.</p>                                                                                                                                                                                      | <p>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 Holding Company's management and review of the reports of the Information system control audits done by a third party.</p> <p>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.</p> <p>Our audit included making necessary inquiries with the Holding Company's 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.</p> |





| Key Audit Matter                                                                                                                                                                                                                                                                                                                                   | How our audit addressed the matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
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| During the year, the Holding Company transitioned to SAP HANA and 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. | <p>In response to the above IT requirements, enhancement of functionalities in IT System made during the year, we performed the following:</p> <ul style="list-style-type: none"> <li>- reviewed controls and performed additional substantive procedures of key general ledger account reconciliations.</li> <li>- observed that training sessions are also provided to users, to enable full utilization of SAP functionalities.</li> </ul> <p>Reviewed 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 materially impact the Standalone Financial Statements of the Holding Company.</p> |

**B. Key Audit Matters as reported by the Statutory Auditors of the Subsidiary Company - Hindustan Petroleum Corporation Limited (HPCL) in their Independent Auditors' Report on the Consolidated Financial Statements**

| Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Respective Auditors' Response                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
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| <p><b>Property, plant and equipment and capital work in progress</b></p> <ul style="list-style-type: none"> <li>• The Company (HPCL) 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 HPCL, 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;</li> <li>• 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.</li> </ul> | <p><b>Principal Audit Procedures Performed</b></p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• Review of Board minutes relating to approvals of the projects and changes in estimates thereof.</li> <li>• We assessed the progress of the project and the intention and ability of the management to bring the asset to its state of intended use.</li> <li>• Understood, evaluated and tested the design and operating effectiveness of key controls relating to capitalisation of various costs incurred;</li> <li>• Tested, on sample basis, 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;</li> </ul> |



| Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | How our audit addressed the matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
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| <ul style="list-style-type: none"> <li>This has been determined as a key audit matter due to the significance of the capital expenditure during the year as compared to the existing block of Property, Plant and Equipment 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.</li> </ul>                                                                                                                                                                                               | <ul style="list-style-type: none"> <li>Ensured adequacy of disclosures in the consolidated financial statements.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <p><b>Evaluation of uncertain indirect tax positions</b></p> <ul style="list-style-type: none"> <li>The Company (HPCL) has material uncertain indirect tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. HPCL has disputes pending at various levels of tax authorities over the past several years.</li> </ul>                                                                                                                                                                                                                   | <p><b>Principal Audit Procedures Performed</b></p> <ul style="list-style-type: none"> <li>We have evaluated and tested the appropriateness of the design and tested the operating effectiveness of the management's controls over the tax litigation matters;</li> <li>Obtained from the management and perused details of completed tax assessments and demands for the year ended March 31, 2023;</li> <li>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.</li> </ul> <p>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.</p> |
| <p><b>Evaluation of disputed claims against the Company (HPCL) under various non-tax matters and Recoverability of pre-deposits related thereto</b></p> <ul style="list-style-type: none"> <li>The Company (HPCL) has disputed claims against it which are pending at various courts/forums and are at various stages in the judicial process. HPCL also has 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.</li> </ul> | <p><b>Principal Audit Procedures Performed</b></p> <ul style="list-style-type: none"> <li>Read and analysed select key correspondences, internal/external legal opinions / consultations by management for key disputed non tax matters.</li> <li>Reviewed and verified other legal pronouncements wherever available in similar matters in the case of the company/other corporates.</li> <li>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.</li> <li>Assessed management's estimate of the possible outcome of the disputed cases and relied on the management judgements in such cases.</li> </ul>                               |



**C. Key Audit Matters as reported by the Statutory Auditors of the Subsidiary Company - ONGC Videsh Limited (OVL) in their Independent Auditors' Report on the Consolidated Financial Statements**

| Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Respective Auditors' Response                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Investments in Associates and Joint Venture</b></p> <p>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 OVL'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.</p>                                                                                                                                                                                                                                               | <p>All investment in Subsidiaries, Associates, Joint Ventures &amp; Joint Operations which are located outside India which we have neither have visited nor conducted audit however, we have obtained 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 company and we have relied on the same.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <p><b>Show Cause Cum Demand Notice(s) issued by Service Tax Department</b></p> <p>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 1<sup>st</sup> April, 2006 to 30<sup>th</sup> June, 2017, amounting to ₹78,779.90 Million on OVL based on foreign currency expenditure reported in the OVL's financial statements. Replies submitted by OVL have not been adjudicated by the department till date.</p> <p>OVL is of the view that the said service tax is not payable and contesting the same, hence OVL 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.</p> | <p>We have reviewed the Demand Cum Show Cause notices issued by the department and reply submitted by the Holding Company.</p> <p>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."</p> <p>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.</p> <p>Further we have relied on the management judgment and estimate for possible outflow in relation to such disputed demand in show cause notice.</p> |

| Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | How our audit addressed the matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
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| <p><b>Different basis for rates considered in the assessment of Expected Credit Loss and Impairment Testing</b></p> <p>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.</p> <p>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”.</p> | <p>We evaluated the approach adopted by the management in determining the rates for Expected credit loss and weight average Cost of Capital and reasons for considering different rates and basis for ECL &amp; Impairment for subsidiaries at corporate office and relied on the same.</p> <p>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.</p> |
| <p><b>Force Majeure</b></p> <p>Subsidiaries ONGC Videsh Rovuma Ltd., and Beas Rovuma Energy Mozambique Ltd., have accounted for ₹11,412.85 Million including borrowing costs in the Statement of Profit &amp; Loss due to Force Majeure in Project Area-1 Mozambique.</p>                                                                                                                                                                                                                                                                                                                                                                                        | <p>The amount accounted for on account of Force Majeure is based on information analysed and provided by the management. We have relied on such information as submitted by the management.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

**D. Key Audit Matters as reported by the Statutory Auditors of the Subsidiary Company - Mangalore Refinery and Petrochemicals Limited (MRPL) in their Independent Auditors' Report on the Consolidated Financial Statements**

| Key Audit Matter                                                                                                                                                                                                                                                                                   | Respective Auditors' Response                                                                                                                                                                                                                                                                                                                                                                                                                                             |
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| <p><b>Contingent Liabilities related to claims against the company/Disputed demands</b></p> <p>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.</p> | <p>Our audit procedure included, but was not limited to the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the management process for :</li> <li>- Controls and identification of legal actions initiated in respect of claims and disputed amount against the company</li> <li>- Assessment of accounting treatment for each such litigation identified under Ind AS 37 and</li> <li>- Measurement of amounts involved.</li> </ul> |



| Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Respective Auditors' Response                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
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| <p>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 MRPL's reported Profit and balance sheet position.</p> <p>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.</p>                                                                                                                                                         | <ul style="list-style-type: none"> <li>• 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</li> <li>• Assessed management's conclusions through understanding precedents set in similar cases</li> <li>• Evaluated the adequacy and completeness of disclosures made for their appropriateness in accordance with the applicable accounting standards.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                    |
| <p><b>Recognition and Measurement Deferred Tax Assets</b></p> <p>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.</p> <p>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</p> <p>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.</p> | <p>Our audit procedure included, but was not limited to the following:</p> <ul style="list-style-type: none"> <li>• Considered the company's past and current years taxable profits, taxes paid, obtained details of carry forward losses under income tax losses and unused tax credits would be recovered against future taxable income.</li> <li>• Tested the period over which the deferred tax assets on such unused tax losses and unused tax credits would be recovered against future taxable income.</li> <li>• Tested the management's underlying 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.</li> <li>• Assessed the adequacy and appropriateness of the disclosures in the Consolidated Financial Statements.</li> </ul> |
| <p><b>Capitalisation and useful life of Property, Plant and Equipment (PPE)</b></p> <p>During the year MRPL 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. The estimates of useful lives and residual value of Property, Plant and Equipment is a significant area which involves management judgement, technical assessment, consideration of historical experience, anticipated technical changes, etc.</p>                                                                                                                                                                                                                                                                                                                                                     | <p>Our audit procedure included but was not limited to the following:</p> <ul style="list-style-type: none"> <li>• 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.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

| Key Audit Matter                                                                                                                                                                                         | Respective Auditors' Response                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
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| Considering the materiality in the context of the balance sheet of the company and the level of management judgement and estimates required, the above matter has been determined as a key audit matter. | <ul style="list-style-type: none"> <li>Understood, evaluated and tested the design and operating effectiveness of key controls relating capitalization of various cost incurred</li> <li>Reviewed the judgement and assessment of the management including the nature of underlying and capitalized, determination of realizable value of the assets, appropriateness of assets lives applied in the calculation of depreciation.</li> <li>Test checked the depreciation calculation</li> <li>Observed that the management has regularly reviewed the judgements and estimation.</li> <li>Assessed the adequacy and appropriateness of the disclosures in the Consolidated Financial Statements.</li> </ul> |

## 5. Other Matters

**a.** 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.

**b.** As mentioned in Note No. 53.1.3, the Consolidated Financial Statements include the Holding Company's share in the total value of assets, liabilities, expenditure, and income of 194 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:

**i.** 10 NELPs/ HELPs/ JOs accounts have been certified by other Chartered Accountants. In respect of these NELPs/ HELPs/ JOs, Consolidated Financial Statements include proportionate share in assets and liabilities as on 31 March 2023, amounting to ₹89,931.05 Million and ₹70,111.16 Million respectively and revenue and profit/(loss) including other comprehensive Income for the year ended 31 March 2023 amounting to ₹110,395.89 Million

and ₹(2,248.21) Million respectively. Our opinion is based solely on the certificate of the other Chartered Accountants.

**ii.** 15 NELPs / HELPs/ JOs have been certified by the Holding Company's management in respect of NELPs / HELPs/ JOs operated by other operators. In respect of these NELPs / HELPs/ JOs, Consolidated Financial Statements include proportionate share in assets and liabilities as on 31 March 2023 amounting to ₹8,977.15 Million and ₹11,035.80 Million respectively and revenue and profit/(loss) including other comprehensive Income for the year ended 31 March 2023 amounting to ₹49.52 Million and ₹(3,956.19) Million respectively. Our opinion is based solely on management certified accounts.

**c.** The Consolidated Financial Statements of the Group for the year ended 31 March 2022 were audited by joint auditors of the Company, two of which were the predecessor audit firms, and have expressed an unmodified opinion dated 28 May 2022 on such Consolidated Financial Statements.

**d.** We did not audit the financial statements and other financial information in respect of four subsidiaries included in the Consolidated Financial Statements, whose financial statements reflect total assets of ₹3,133,353.88 Million as at 31 March 2023, total revenues of ₹6,030,528.62 Million, total loss (net) of ₹(25,799.00) Million and total comprehensive income of ₹8,121.95 Million for the year ended 31 March 2023. The Consolidated Financial Statements also include the Group's share of net loss of





₹(15,193.51) Million and total comprehensive income of ₹(15,193.56) Million for the year ended 31 March 2023 as considered in the Consolidated Financial Statements, in respect of five joint ventures and one associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the 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 is based solely on the reports of the other auditors.

e. The Consolidated Financial Statements also include the Group's share of total loss (net) of ₹(139.78) Million and a total comprehensive income of ₹(139.78), in respect of one joint venture and two associates, whose financial statements have not been audited by us. These financial statements and other financial information are unaudited and have been certified and furnished to us by the Holding Company's management and our opinion, in so far as it relates to the amounts and disclosures included in respect of this joint venture and associates and our report in terms of sub-section (3) to section 143 of the Companies Act, 2013 in so far as it relates to the aforesaid joint venture and associates, is based solely on such unaudited financial statements / financial information which have been certified and furnished to us by the Management. In our opinion and according to the information and explanation furnished 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 Auditors' 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. Auditors' 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 4 (Four) subsidiary companies, 5 (Five) joint ventures and 2 (Two) associates since they are Government Companies;

Further, on the basis of the reports of the auditors of 1 (One) associate incorporated in India, none of the directors of the said associate are disqualified as on 31 March 2023 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, 5 (Five) joint ventures and 2 (Two) associates since they are Government Companies;

Further, on the basis of the reports of the auditor 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 as at 31 March 2023 on its financial position in its Consolidated Financial Statements – Refer Note No. 58 to the Consolidated Financial Statements;

**ii.** Refer Note No. 74, the Group did not have any

long-term contract for which there are any material foreseeable losses that needs to be provided for. However, there are derivative contracts which have been accounted as per the significant accounting policies.

**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.** (a) 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.

**(b)** The interim dividend declared and paid by the Holding Company, is in accordance with section 123 of the Companies Act 2013.

**(c)** 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:

**a)** 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.

**b)** The interim dividend declared and paid by 2 (Two) subsidiaries, 1 (One) joint venture and 1 (One) associate are in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

**c)** The Board of Directors of 1 (One) subsidiary and 1 (One) joint venture 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 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 (CARO) issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditors' report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding Company and by the auditors of the subsidiaries, Joint Ventures and Associates included in the Consolidated Financial Statements of the Holding Company, to which

reporting under CARO is applicable, provided to us by the Management of the Holding Company and based on the identification of matters of qualifications or adverse remarks in their CARO reports by the respective component auditors in their report on Consolidated/ Standalone Financial Statements provided to us, we report that the auditors of such companies have reported qualifications or adverse remarks in their CARO reports, as follows:

| Sl. No. | Name                                 | CIN                   | Holding Company/subsidiary/ Associate/ Joint Venture | Clause Number of the CARO report which is qualified or adverse |
|---------|--------------------------------------|-----------------------|------------------------------------------------------|----------------------------------------------------------------|
| 1.      | Oil and Natural Gas Corporation Ltd. | L74899DL1993GOI054155 | Holding Company                                      | Clause (i)(c), (xi)(a), (xiv)(a),                              |
| 2.      | ONGC Videsh Rovuma Ltd.              | U11201DL2019GOI348673 | Subsidiary of ONGC Videsh Ltd.                       | Clause (iv)                                                    |

**Particulars of Unaudited Components as considered in this report (with no CARO report) –**

| Sl. No. | Name                    | CIN                   | Holding Company/ Subsidiary/ Associate/ Joint Venture |
|---------|-------------------------|-----------------------|-------------------------------------------------------|
| 1.      | Dahej SEZ Ltd.          | U45209GJ2004PLC044779 | Joint Venture                                         |
| 2.      | Pawan Hans Limited      | U62200UP1985GOI129953 | Associate                                             |
| 3.      | Rohini Heliport Limited | U62100DL2019GOI343879 | Associate                                             |





3. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company and its subsidiaries, associates and joint venture companies incorporated in India, only w.e.f. April 1, 2023, reporting under clause 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

**For SARC & Associates**

Chartered Accountants  
Firm Reg. No.: 006085N

Sd/-  
(Pankaj Sharma)  
Partner (M. No. 086433)  
UDIN: 23086433BGZHXJ5718

**For Kalani & Co.**

Chartered Accountants  
Firm Reg. No.: 000722C

Sd/-  
(Vikas Kumar Pareek)  
Partner (M. No. 422687)  
UDIN: 23422687BGYMUY1571

**For R.G.N. Price & Co.**

Chartered Accountants  
Firm Reg. No.: 002785S

Sd/-  
(Aditya Kumar S)  
Partner (M. No. 232444)  
UDIN: 23232444BGYTBR7263

**For S. Bhandari & Co. LLP**

Chartered Accountants  
Firm Reg. No.:  
000560C/C400334

Sd/-  
(P. P. Pareek)  
Partner (M. No. 071213)  
UDIN: 23071213BGZHWU9419

**For J Gupta & Co LLP**

Chartered Accountants  
Firm Reg. No.:  
314010E/E300029

Sd/-  
(Abhishek Raj)  
Partner (M. No. 302648)  
UDIN: 23302648BGYBES8871

**Place: New Delhi**

**Date: May 26, 2023**





## **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, 2023, 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 auditors' 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 and based on the audit reports of the component auditors made available to us on which we have placed reliance, 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, 2023, 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.

#### **For SARC & Associates**

Chartered Accountants  
Firm Reg. No.: 006085N

Sd/-  
(Pankaj Sharma)  
Partner (M. No. 086433)  
UDIN: 23086433BGZHXJ5718

#### **For Kalani & Co.**

Chartered Accountants  
Firm Reg. No.: 000722C

Sd/-  
(Vikas Kumar Pareek)  
Partner (M. No. 422687)  
UDIN: 23422687BGYMUY1571

#### **For R.G.N. Price & Co.**

Chartered Accountants  
Firm Reg. No.: 002785S

Sd/-  
(Aditya Kumar S)  
Partner (M. No. 232444)  
UDIN: 23232444BGYTBR7263

#### **For S. Bhandari & Co. LLP**

Chartered Accountants  
Firm Reg. No.:  
000560C/C400334

Sd/-  
(P. P. Pareek)  
Partner (M. No. 071213)  
UDIN: 23071213BGZHWU9419

#### **For J Gupta & Co LLP**

Chartered Accountants  
Firm Reg. No.:  
314010E/E300029

Sd/-  
(Abhishek Raj)  
Partner (M. No. 302648)  
UDIN: 23302648BGYBES8871

**Place: New Delhi**  
**Date: May 26, 2023**



## Consolidated Balance Sheet as at March 31, 2023

(₹ in Million)

|            | Particulars                                               | Note No. | As at March 31, 2023 | As at March 31, 2022 |
|------------|-----------------------------------------------------------|----------|----------------------|----------------------|
| <b>I.</b>  | <b>ASSETS</b>                                             |          |                      |                      |
| <b>(1)</b> | <b>Non-current assets</b>                                 |          |                      |                      |
|            | <b>(a) Property, plant and equipment</b>                  |          |                      |                      |
|            | (i) Oil and gas assets                                    | 6        | 1,309,836.32         | 1,433,523.60         |
|            | (ii) Other property, plant and equipment                  | 7        | 926,315.04           | 830,262.64           |
|            | (iii) Right of Use Assets                                 | 8        | 141,894.16           | 157,826.03           |
|            | <b>(b) Capital work-in-progress</b>                       | 9        |                      |                      |
|            | (i) Oil and gas assets                                    |          |                      |                      |
|            | a) Development wells in progress                          |          | 97,259.87            | 76,128.40            |
|            | b) Oil and gas facilities in progress                     |          | 353,018.22           | 322,607.70           |
|            | (ii) Others                                               |          | 289,473.62           | 316,109.40           |
|            | <b>(c) Investment Property</b>                            | 10       | 78.68                | 78.69                |
|            | <b>(d) Goodwill (including Goodwill on Consolidation)</b> | 11       | 120,334.12           | 112,056.49           |
|            | <b>(e) Other intangible assets</b>                        | 12       | 9,736.07             | 10,274.28            |
|            | <b>(f) Intangible assets under development</b>            | 13       |                      |                      |
|            | (i) Exploratory wells in progress                         |          | 163,924.94           | 158,604.73           |
|            | (ii) Acquisition cost                                     |          | 232,833.05           | 191,656.42           |
|            | (iii) Others                                              |          | 2,936.37             | 2,085.62             |
|            | <b>(g) Financial assets</b>                               |          |                      |                      |
|            | (i) Investments in:                                       | 14       |                      |                      |
|            | (a) Joint Ventures and Associates                         |          | 536,711.54           | 369,150.98           |
|            | (b) Other Investments                                     |          | 200,325.59           | 243,555.13           |
|            | (ii) Trade receivables                                    | 15       | 26,224.86            | 24,765.01            |
|            | (iii) Loans                                               | 16       | 29,655.59            | 26,437.17            |
|            | (iv) Deposit under site restoration fund                  | 17       | 267,511.58           | 248,721.80           |
|            | (v) Finance lease receivables                             | 18       | -                    | -                    |
|            | (vi) Others                                               | 19       | 94,215.88            | 79,930.57            |
|            | <b>(h) Deferred tax assets (net)</b>                      | 33       | 24,145.86            | 33,279.35            |
|            | <b>(i) Non-current tax assets (net)</b>                   | 36       | 142,545.02           | 105,185.89           |
|            | <b>(j) Other non-current assets</b>                       | 20       | 34,805.57            | 51,766.30            |
|            | <b>Total non-current assets</b>                           |          | <b>5,003,781.95</b>  | <b>4,794,006.20</b>  |

**Consolidated Balance Sheet as at March 31, 2023**

(₹ in Million)

|            | Particulars                                         | Note No. | As at March 31, 2023 | As at March 31, 2022 |
|------------|-----------------------------------------------------|----------|----------------------|----------------------|
| <b>(2)</b> | <b>Current assets</b>                               |          |                      |                      |
|            | <b>(a) Inventories</b>                              | 21       | 442,380.68           | 541,630.99           |
|            | <b>(b) Financial assets</b>                         |          |                      |                      |
|            | (i) Investments                                     | 22       | 51,688.97            | 53,715.24            |
|            | (ii) Trade receivables                              | 15       | 187,515.81           | 191,872.83           |
|            | (iii) Cash and cash equivalents                     | 23       | 26,399.98            | 50,346.67            |
|            | (iv) Other bank balances                            | 24       | 265,003.29           | 18,062.72            |
|            | (v) Loans                                           | 16       | 4,576.10             | 4,928.80             |
|            | (vi) Others                                         | 19       | 92,468.76            | 52,650.49            |
|            | <b>(c) Current Tax Assets (net)</b>                 | 36       | 1,340.16             | 1,209.94             |
|            | <b>(d) Other current assets</b>                     | 20       | 69,593.30            | 144,840.52           |
|            | <b>Total current assets</b>                         |          | <b>1,140,967.05</b>  | <b>1,059,258.20</b>  |
|            | Assets classified as held for sale                  | 25       | 538.26               | 638.48               |
|            | <b>Total assets</b>                                 |          | <b>6,145,287.26</b>  | <b>5,853,902.88</b>  |
| <b>II.</b> | <b>EQUITY AND LIABILITIES</b>                       |          |                      |                      |
| <b>(1)</b> | <b>Equity</b>                                       |          |                      |                      |
|            | (a) Equity share capital                            | 26       | 62,901.39            | 62,901.39            |
|            | (b) Other equity                                    | 27       | 2,743,571.57         | 2,532,127.71         |
|            | <b>Equity attributable to owners of the Company</b> |          | <b>2,806,472.96</b>  | <b>2,595,029.10</b>  |
|            | Non-controlling interests                           | 28       | 206,077.39           | 238,249.33           |
|            | <b>Total Equity</b>                                 |          | <b>3,012,550.35</b>  | <b>2,833,278.43</b>  |





## Consolidated Balance Sheet as at March 31, 2023

(₹ in Million)

|     | Particulars                                 | Note No. | As at March 31, 2023 | As at March 31, 2022 |
|-----|---------------------------------------------|----------|----------------------|----------------------|
| (2) | <b>Liabilities</b>                          |          |                      |                      |
|     | <b>Non-current liabilities</b>              |          |                      |                      |
|     | (a) Financial liabilities                   |          |                      |                      |
|     | (i) Borrowings                              | 29       | 983,595.45           | 880,426.76           |
|     | (ii) Lease Liabilities                      | 30       | 84,035.29            | 92,167.21            |
|     | (iii) Others                                | 31       | 4,317.57             | 19,502.43            |
|     | (b) Provisions                              | 32       | 404,230.68           | 363,830.08           |
|     | (c) Deferred Tax liabilities (net)          | 33       | 321,357.90           | 382,623.55           |
|     | (d) Other non-current liabilities           | 34       | 12,498.21            | 8,421.99             |
|     | <b>Total non-current liabilities</b>        |          | <b>1,810,035.10</b>  | <b>1,746,972.02</b>  |
|     | <b>Current Liabilities</b>                  |          |                      |                      |
|     | (a) Financial liabilities                   |          |                      |                      |
|     | (i) Borrowings                              | 29       | 308,260.11           | 197,331.30           |
|     | (ii) Lease Liabilities                      | 30       | 46,657.31            | 49,933.31            |
|     | (iii) Trade payables                        | 35       |                      |                      |
|     | - to micro and small enterprises            |          | 7,490.94             | 7,948.49             |
|     | - to other than micro and small enterprises |          | 328,935.08           | 393,911.65           |
|     | (iv) Others                                 | 31       | 477,222.64           | 434,116.92           |
|     | (b) Other current liabilities               | 34       | 97,590.84            | 113,948.21           |
|     | (c) Provisions                              | 32       | 52,487.36            | 66,634.68            |
|     | (d) Current Tax Liabilities (net)           | 36       | 4,057.53             | 9,827.87             |
|     | <b>Total current liabilities</b>            |          | <b>1,322,701.81</b>  | <b>1,273,652.43</b>  |
|     | <b>Total liabilities</b>                    |          | <b>3,132,736.91</b>  | <b>3,020,624.45</b>  |
|     | <b>Total equity and liabilities</b>         |          | <b>6,145,287.26</b>  | <b>5,853,902.88</b>  |

Accompanying notes to the Consolidated Financial Statements – 1 to 78

### FOR AND ON BEHALF OF THE BOARD

Sd/-  
**(Rajni Kant)**  
Company Secretary

Sd/-  
**(Pomila Jaspal)**  
Director (Finance)  
(DIN: 08436633)

Sd/-  
**(Arun Kumar Singh)**  
Chairman & CEO  
(DIN: 06646894)

### In terms of our report of even date attached

**For SARC & Associates**  
Chartered Accountants  
Firm Reg. No.: 006085N

**For Kalani & Co.**  
Chartered Accountants  
Firm Reg. No.: 000722C

**For R.G.N. Price & Co.**  
Chartered Accountants  
Firm Reg. No.: 002785S

Sd/-  
(Pankaj Sharma)  
Partner (M. No. 086433)

Sd/-  
(Vikas Kumar Pareek)  
Partner (M. No. 422687)

Sd/-  
(Aditya Kumar S)  
Partner (M. No. 232444)

**For S. Bhandari & Co. LLP**  
Chartered Accountants  
Firm Reg. No.:  
000560C/C400334

**For J Gupta & Co LLP**  
Chartered Accountants  
Firm Reg. No.:  
314010E/E300029

Sd/-  
(P. P. Pareek)  
Partner (M. No. 071213)

Sd/-  
(Abhishek Raj)  
Partner (M. No. 302648)

**Place: New Delhi**  
**Date: May 26, 2023**

**Consolidated Statement of Profit and Loss for the year ended March 31, 2023**
**(All amounts are in ₹ Million unless otherwise stated)**

|      | Particulars                                                                                                                      | Note No. | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
|------|----------------------------------------------------------------------------------------------------------------------------------|----------|------------------------------|------------------------------|
| I    | Revenue from operations                                                                                                          | 37       | 6,848,292.23                 | 5,317,925.40                 |
| II   | Other income                                                                                                                     | 38       | 80,740.80                    | 74,377.10                    |
| III  | <b>Total income (I+II)</b>                                                                                                       |          | <b>6,929,033.03</b>          | <b>5,392,302.50</b>          |
| IV   | <b>Expenses</b>                                                                                                                  |          |                              |                              |
|      | Purchase of Stock-in-Trade                                                                                                       | 39       | 2,661,200.41                 | 2,256,169.30                 |
|      | Changes in inventories of finished goods, stock-in-trade and work-in progress                                                    | 40       | 25,660.82                    | (23,030.69)                  |
|      | Production, transportation, selling and distribution expenditure                                                                 | 41       | 3,266,890.09                 | 2,219,035.74                 |
|      | Exploration costs written off                                                                                                    |          |                              |                              |
|      | (a) Survey costs                                                                                                                 |          | 39,794.31                    | 19,885.29                    |
|      | (b) Exploration well costs                                                                                                       |          | 62,015.40                    | 39,046.13                    |
|      | Finance costs                                                                                                                    | 42       | 78,893.56                    | 56,960.43                    |
|      | Depreciation, depletion, amortisation and impairment                                                                             | 43       | 245,570.55                   | 268,831.64                   |
|      | Other impairment and write offs                                                                                                  | 44       | 37,461.46                    | 8,083.80                     |
|      | <b>Total expenses (IV)</b>                                                                                                       |          | <b>6,417,486.60</b>          | <b>4,844,981.64</b>          |
| V    | <b>Profit before exceptional items and tax (III-IV)</b>                                                                          |          | <b>511,546.43</b>            | <b>547,320.86</b>            |
| VI   | Exceptional items - Income/(expenses)                                                                                            | 45       | (81,379.42)                  | (21,049.11)                  |
| VII  | Share of profit of Associates                                                                                                    |          | (3,192.34)                   | 8,095.19                     |
| VIII | Share of profit of Joint Ventures                                                                                                |          | 3,532.85                     | 6,544.08                     |
| IX   | <b>Profit before tax (V+VI+VII+VIII)</b>                                                                                         |          | <b>430,507.52</b>            | <b>540,911.02</b>            |
| X    | <b>Tax expense</b>                                                                                                               | 46       |                              |                              |
|      | (a) Current tax relating to:                                                                                                     |          |                              |                              |
|      | - current year                                                                                                                   |          | 146,209.30                   | 140,172.79                   |
|      | - earlier years                                                                                                                  |          | (28,914.32)                  | (6,652.55)                   |
|      | (b) Deferred tax                                                                                                                 |          | (14,563.51)                  | (85,549.79)                  |
|      | <b>Total tax expense (X)</b>                                                                                                     |          | <b>102,731.47</b>            | <b>47,970.45</b>             |
| XI   | <b>Profit for the year (IX-X)</b>                                                                                                |          | <b>327,776.05</b>            | <b>492,940.57</b>            |
| XII  | <b>Other comprehensive income</b>                                                                                                |          |                              |                              |
|      | <b>A Items that will not be reclassified to profit or loss</b>                                                                   |          |                              |                              |
|      | (a) Remeasurement of the defined benefit plans                                                                                   |          | (2,878.81)                   | 3,511.35                     |
|      | - Deferred tax                                                                                                                   |          | 730.82                       | (2,431.84)                   |
|      | (b) Equity instruments through other comprehensive income                                                                        |          | (2,001.80)                   | 43,723.75                    |
|      | - Deferred tax                                                                                                                   |          | (2,483.16)                   | (3,037.27)                   |
|      | (c) Share of other comprehensive income in associates and joint ventures, to the extent not to be reclassified to profit or loss |          | (26.68)                      | 26.98                        |
|      | - Deferred tax                                                                                                                   |          | -                            | -                            |
|      | <b>B Items that will be reclassified to profit or loss</b>                                                                       |          |                              |                              |
|      | (a) Exchange differences in translating the financial statement of foreign operation                                             |          | 56,541.36                    | 6,573.48                     |
|      | - Deferred tax                                                                                                                   |          | (19,902.04)                  | (2,350.38)                   |
|      | (b) Effective portion of gains (losses) on hedging instruments in cash flow hedges                                               |          | 40.14                        | (1,853.13)                   |
|      | - Deferred tax                                                                                                                   |          | (10.10)                      | 466.40                       |
|      | (c) Share of other comprehensive income in associates and joint ventures, to the extent to be reclassified to profit or loss     |          | (1,296.89)                   | (656.75)                     |
|      | <b>Total other comprehensive income (net of tax) (XII)</b>                                                                       |          | <b>28,712.84</b>             | <b>43,972.59</b>             |



## Consolidated Statement of Profit and Loss for the year ended March 31, 2023

(All amounts are in ₹ Million unless otherwise stated)

|             | Particulars                                               | Note No. | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|-------------|-----------------------------------------------------------|----------|---------------------------|---------------------------|
| <b>XIII</b> | <b>Total Comprehensive Income for the year (XI + XII)</b> |          | <b>356,488.89</b>         | <b>536,913.16</b>         |
|             | Profit for the year attributable to:                      |          |                           |                           |
|             | - Owners of the Company                                   |          | 354,404.78                | 455,221.06                |
|             | - Non-controlling interests                               |          | (26,628.73)               | 37,719.51                 |
|             |                                                           |          | <b>327,776.05</b>         | <b>492,940.57</b>         |
|             | Other comprehensive income for the year attributable to:  |          |                           |                           |
|             | - Owners of the Company                                   |          | 30,129.40                 | 42,968.18                 |
|             | - Non-controlling interests                               |          | (1,416.56)                | 1,004.41                  |
|             |                                                           |          | <b>28,712.84</b>          | <b>43,972.59</b>          |
|             | Total comprehensive income for the year attributable to:  |          |                           |                           |
|             | - Owners of the Company                                   |          | 384,534.18                | 498,189.24                |
|             | - Non-controlling interests                               |          | (28,045.29)               | 38,723.92                 |
|             |                                                           |          | <b>356,488.89</b>         | <b>536,913.16</b>         |
|             | Earnings per equity share:                                | 47       |                           |                           |
|             | (a) Basic (₹)                                             |          | <b>28.17</b>              | <b>36.19</b>              |
|             | (b) Diluted (₹)                                           |          | <b>28.17</b>              | <b>36.19</b>              |

Accompanying notes to the Consolidated Financial Statements – 1 to 78

### FOR AND ON BEHALF OF THE BOARD

Sd/-  
**(Rajni Kant)**  
Company Secretary

Sd/-  
**(Pomila Jaspal)**  
Director (Finance)  
(DIN: 08436633)

Sd/-  
**(Arun Kumar Singh)**  
Chairman & CEO  
(DIN: 06646894)

#### In terms of our report of even date attached

**For SARC & Associates**  
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Firm Reg. No.: 006085N

**For Kalani & Co.**  
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Firm Reg. No.: 000722C

**For R.G.N. Price & Co.**  
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Partner (M. No. 232444)

**For S. Bhandari & Co. LLP**  
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Chartered Accountants  
Firm Reg. No.:  
314010E/E300029

Sd/-  
(P. P. Pareek)  
Partner (M. No. 071213)

Sd/-  
(Abhishek Raj)  
Partner (M. No. 302648)

**Place: New Delhi**  
**Date: May 26, 2023**

## Consolidated Statement of Changes in Equity

### (i) Equity share capital

| Particulars                                  | (₹ in Million)   |
|----------------------------------------------|------------------|
| <b>Balance as at April 01, 2021</b>          | <b>62,901.39</b> |
| Changes due to prior period errors           | -                |
| <b>Restated balance as at April 01, 2021</b> | <b>62,901.39</b> |
| Changes during the year                      | -                |
| <b>Balance as at April 01, 2022</b>          | <b>62,901.39</b> |
| Changes due to prior period errors           | -                |
| <b>Restated balance as at April 01, 2022</b> | <b>62,901.39</b> |
| Changes during the year                      | -                |
| <b>Balance as at March 31, 2023</b>          | <b>62,901.39</b> |



## Consolidated Statement of Changes in Equity

### (ii) Other Equity

For the year ended 31 March 2023

| Particulars                                                   | Reserves and surplus |                                      |                            |                               |                     |                  |                   | Exchange difference on translating the financial statements of foreign operations | Cash Flow Hedge Reserve | Equity Instruments through Other comprehensive Income | Attributable to owners of the parent | Non Controlling interest (NCI) | Total               |
|---------------------------------------------------------------|----------------------|--------------------------------------|----------------------------|-------------------------------|---------------------|------------------|-------------------|-----------------------------------------------------------------------------------|-------------------------|-------------------------------------------------------|--------------------------------------|--------------------------------|---------------------|
|                                                               | Capital reserve      | Other Capital Reserve Common Control | Capital Redemption Reserve | Debtenture redemption reserve | General reserve     | Legal reserve    | Retained earnings |                                                                                   |                         |                                                       |                                      |                                |                     |
| <b>Balance as at April 01, 2021</b>                           | 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           |
| <b>Total comprehensive income for the year</b>                | -                    | -                                    | -                          | -                             | -                   | -                | <b>455,724.95</b> | <b>4,296.12</b>                                                                   | <b>(1,121.87)</b>       | <b>39,290.04</b>                                      | <b>498,189.24</b>                    | <b>38,723.92</b>               | <b>536,913.16</b>   |
| Equity accounting adjustments w.r.t JVs/Associates            | -                    | -                                    | -                          | -                             | -                   | -                | (383.78)          | -                                                                                 | -                       | -                                                     | (383.78)                             | -                              | (383.78)            |
| 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 from / 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#                                 | -                    | -                                    | -                          | -                             | -                   | -                | (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)          |
| <b>Balance as at March 31, 2022</b>                           | <b>614.61</b>        | <b>(354,420.79)</b>                  | <b>1,917.49</b>            | <b>28,318.13</b>              | <b>2,240,359.54</b> | <b>30,357.95</b> | <b>297,350.86</b> | <b>147,411.53</b>                                                                 | <b>(1,362.98)</b>       | <b>141,581.37</b>                                     | <b>2,532,127.71</b>                  | <b>238,249.33</b>              | <b>2,770,377.04</b> |
| Profit for the year                                           | -                    | -                                    | -                          | -                             | -                   | -                | 354,404.78        | -                                                                                 | -                       | -                                                     | 354,404.78                           | (26,628.73)                    | 327,776.05          |
| Remeasurement of defined benefit plans (net of tax)           | -                    | -                                    | -                          | -                             | -                   | -                | (1,331.37)        | -                                                                                 | -                       | -                                                     | (1,331.37)                           | (816.62)                       | (2,147.99)          |
| Other items of comprehensive income for the year (net of tax) | -                    | -                                    | -                          | -                             | -                   | -                | (13.75)           | 36,814.81                                                                         | (695.50)                | (4,644.79)                                            | 31,460.77                            | (599.94)                       | 30,860.83           |
| <b>Total comprehensive income for the year</b>                | -                    | -                                    | -                          | -                             | -                   | -                | <b>353,059.66</b> | <b>36,814.81</b>                                                                  | <b>(695.50)</b>         | <b>(4,644.79)</b>                                     | <b>384,534.18</b>                    | <b>(28,045.29)</b>             | <b>356,488.89</b>   |
| Equity accounting adjustments w.r.t JVs/Associates            | -                    | -                                    | -                          | -                             | -                   | -                | 115.38            | -                                                                                 | -                       | -                                                     | 115.38                               | -                              | 115.38              |









## Consolidated Statement of Cash Flows for the year ended March 31, 2023

(₹ in Million)

|           | Particulars                                                | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
|-----------|------------------------------------------------------------|------------------------------|------------------------------|
| <b>A.</b> | <b>CASH FLOW FROM OPERATING ACTIVITIES:</b>                |                              |                              |
|           | <b>Net Profit After Tax</b>                                | <b>327,776.05</b>            | <b>492,940.57</b>            |
|           | Adjustments For:                                           |                              |                              |
|           | - Income Tax Expense                                       | 102,731.47                   | 47,970.45                    |
|           | - Share of profit of joint ventures and associates         | (340.51)                     | (14,639.27)                  |
|           | - Exceptional Items                                        | 81,379.42                    | 21,049.11                    |
|           | - Depreciation, Depletion, Amortisation & Impairment       | 245,570.55                   | 268,831.64                   |
|           | - Exploratory Well Costs Written off                       | 62,015.40                    | 39,046.13                    |
|           | - Finance cost                                             | 78,893.56                    | 56,960.43                    |
|           | - Unrealized Foreign Exchange Loss/(Gain)                  | 28,810.35                    | 1,752.93                     |
|           | - Other impairment and Write offs                          | 37,461.46                    | 8,083.80                     |
|           | - Excess Provision written back                            | (4,101.61)                   | (7,074.18)                   |
|           | - Gain on revaluation of financial liability towards CCDs  | (3,968.76)                   | (963.82)                     |
|           | - Interest Income                                          | (37,763.04)                  | (21,084.92)                  |
|           | - Loss / (gain) on fair valuation of financial instruments | 3,600.06                     | 2,276.38                     |
|           | - Amortization of Financial Guarantee                      | (20.91)                      | (10.68)                      |
|           | - Amortization of prepayments                              | 6.75                         | 6.75                         |
|           | - Liabilities no longer required written back              | (3,146.04)                   | (1,962.97)                   |
|           | - Amortization of Government Grant                         | (293.29)                     | (226.06)                     |
|           | - Loss/(Profit) on sale of investment                      | -                            | (49.44)                      |
|           | - Loss/(Profit) on sale of non current assets              | 330.34                       | (1,317.40)                   |
|           | - Dividend Income                                          | (7,027.20)                   | (17,268.44)                  |
|           | - Remeasurement of Defined benefit plans                   | (446.97)                     | 1,729.52                     |
|           | - Other expenditure/income                                 | 411.11                       | 4,231.39                     |
|           | <b>Operating Profit before Working Capital Changes</b>     | <b>911,878.19</b>            | <b>880,281.92</b>            |
|           | Adjustments for:-                                          |                              |                              |
|           | - Receivables                                              | 6,152.52                     | (30,670.49)                  |
|           | - Loans and Advances                                       | 5,264.97                     | (4,508.83)                   |
|           | - Other Assets                                             | 25,810.74                    | (14,515.14)                  |
|           | - Inventories                                              | 92,383.10                    | (96,724.36)                  |
|           | - Trade Payable and Other Liabilities                      | (46,388.83)                  | 183,582.78                   |
|           | <b>Cash generated from Operations</b>                      | <b>995,100.69</b>            | <b>917,445.88</b>            |
|           | Income Taxes Paid (Net of tax refund)                      | (152,987.35)                 | (134,963.42)                 |
|           | <b>Net Cash generated by Operating Activities 'A'</b>      | <b>842,113.34</b>            | <b>782,482.46</b>            |

(₹ in Million)

|           | Particulars                                                                                               | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
|-----------|-----------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| <b>B.</b> | <b>CASH FLOW FROM INVESTING ACTIVITIES:</b>                                                               |                              |                              |
|           | Payments for Property, plant and equipment                                                                | (367,924.53)                 | (334,572.91)                 |
|           | Proceeds from disposal of Property, plant and equipment                                                   | 3,388.49                     | 3,668.56                     |
|           | Exploratory and Development Drilling                                                                      | (122,114.59)                 | (110,692.21)                 |
|           | Redemption/(Investments) in Term deposits                                                                 | (244,791.97)                 | 13,708.57                    |
|           | Redemption/(Investment) in Mutual funds                                                                   | (2,756.06)                   | (7,812.44)                   |
|           | Redemption/(Investment) in Joint Venture and Associates                                                   | (34,065.06)                  | (24,466.65)                  |
|           | Repayment of loan by Joint ventures/Associates                                                            | 779.41                       | 1,998.08                     |
|           | Investments- Others                                                                                       | (156.15)                     | (548.54)                     |
|           | Deposit in Site Restoration Fund                                                                          | (18,568.63)                  | (13,546.66)                  |
|           | Dividend Received from Associates and Joint Ventures                                                      | 23,232.48                    | 26,608.66                    |
|           | Dividend Received from Other Investments                                                                  | 7,027.16                     | 17,268.48                    |
|           | Interest Received                                                                                         | 23,859.48                    | 15,090.83                    |
|           | <b>Net Cash used in Investing Activities 'B'</b>                                                          | <b>(732,089.97)</b>          | <b>(413,296.23)</b>          |
| <b>C.</b> | <b>CASH FLOW FROM FINANCING ACTIVITIES:</b>                                                               |                              |                              |
|           | Change in NCI                                                                                             | (6,589.05)                   | (2,778.10)                   |
|           | Proceeds from Non Current Borrowings                                                                      | 232,586.91                   | 176,845.46                   |
|           | Repayment of Non Current Borrowings                                                                       | (102,666.59)                 | (138,353.67)                 |
|           | Proceeds/(Repayment) of Current Borrowings (net)                                                          | 44,421.70                    | (168,436.39)                 |
|           | Dividend Paid on Equity Share                                                                             | (176,089.65)                 | (129,238.27)                 |
|           | Interest Paid                                                                                             | (55,073.83)                  | (37,171.86)                  |
|           | Payment of Lease Liabilities (net of interest)                                                            | (59,484.56)                  | (52,504.67)                  |
|           | Interest expense on lease liabilities                                                                     | (6,268.39)                   | (6,262.65)                   |
|           | <b>Net Cash (used in)/generated by Financing Activities 'C'</b>                                           | <b>(129,163.46)</b>          | <b>(357,900.15)</b>          |
|           | <b>Net increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b>                                       | <b>(19,140.09)</b>           | <b>11,286.08</b>             |
|           | <b>Cash and Cash Equivalents as at the beginning of the year</b>                                          | <b>27,293.18</b>             | <b>14,682.32</b>             |
|           | Add: Effect of exchange rate changes on the balance of cash and cash equivalents held in foreign currency | 4,100.26                     | 1,324.78                     |
|           | <b>Cash and Cash Equivalents as at the end of year</b>                                                    | <b>12,253.35</b>             | <b>27,293.18</b>             |



## 1. Details of cash and cash equivalents at the end of the year:

(₹ in Million)

|  | Particulars                                             | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--|---------------------------------------------------------|-------------------------|-------------------------|
|  | Balances with Banks                                     | 16,935.25               | 19,792.73               |
|  | Cash on Hand                                            | 70.37                   | 67.86                   |
|  | Bank Deposit with original maturity up to 3 month       | 9,394.36                | 30,486.08               |
|  |                                                         | <b>26,399.98</b>        | <b>50,346.67</b>        |
|  | Less :Cash Credit/Bank OD                               | 14,146.63               | 23,053.49               |
|  | <b>Cash and cash equivalents at the end of the year</b> | <b>12,253.35</b>        | <b>27,293.18</b>        |

## 2. Reconciliation of liabilities arising from financing activities: For FY 2022-23:

(₹ in Million)

| Sl. No.   | Particulars                                                          | As at<br>March 31,<br>2022 | Financing<br>cash Flows | Non-cash<br>changes | As at<br>March 31,<br>2023 |
|-----------|----------------------------------------------------------------------|----------------------------|-------------------------|---------------------|----------------------------|
| <b>I</b>  | <b>Borrowing - Non Current*</b>                                      |                            |                         |                     |                            |
| 1         | External commercial borrowing (ECB )                                 | 12,027.50                  | (8,135.46)              | 340.40              | 4,232.44                   |
| 2         | Loan from Oil Industry Development Board (OIDB)                      | 4,924.99                   | (1,735.62)              | 0.01                | 3,189.38                   |
| 3         | Non Convertible Debentures                                           | 232,638.15                 | 51,991.79               | 8.90                | 284,638.84                 |
| 4         | Compulsorily Convertible Debentures                                  | -                          | -                       | -                   | -                          |
| 5         | Deferred payment liabilities - VAT Loan                              | 509.52                     | 2,931.43                | (1,521.06)          | 1,919.89                   |
| 6         | Working capital loan from banks                                      | 41,525.06                  | 3,207.66                | 144.26              | 44,876.98                  |
| 7         | Foreign Currency Bonds                                               | 199,944.56                 | -                       | 16,938.54           | 216,883.10                 |
| 8         | Foreign Currency Term Loan (FCTL)                                    | 389,696.30                 | 1,140.55                | 31,867.85           | 422,704.70                 |
| 9         | Rupee Term Loan                                                      | 60,383.07                  | 80,519.97               | (7.02)              | 140,896.02                 |
| 10        | Other Loans                                                          | 292.60                     | -                       | 8.65                | 301.25                     |
| 11        | Other financial liabilities (Non current) - Net Derivative Contracts | 207.39                     | -                       | 443.90              | 651.29                     |
|           | <b>Total</b>                                                         | <b>942,149.15</b>          | <b>129,920.32</b>       | <b>48,224.43</b>    | <b>1,120,293.90</b>        |
| <b>II</b> | <b>Borrowing - Current</b>                                           |                            |                         |                     |                            |
| 1         | Working capital loan from banks                                      | -                          | 6,289.99                | -                   | 6,289.99                   |
| 2         | Commercial Papers                                                    | 7,990.80                   | (7,990.80)              | -                   | -                          |
| 3         | Loan repayable on demand                                             | 44,681.11                  | (27,544.99)             | -                   | 17,136.12                  |
| 4         | Other Loans                                                          | 10,496.91                  | (10,496.91)             | -                   | -                          |
| 5         | Clearcorp Repo Order Matching System                                 | -                          | 30,385.72               | -                   | 30,385.72                  |
| 6         | Rupee Term Loans                                                     | 49,593.99                  | 53,778.69               | 881.81              | 104,254.49                 |
|           | <b>Total</b>                                                         | <b>112,762.81</b>          | <b>44,421.70</b>        | <b>881.81</b>       | <b>158,066.32</b>          |

\* includes current maturities of long term debt

**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 |
|-----------|----------------------------------------------------------------------|----------------------|----------------------|------------------|----------------------|
| <b>I</b>  | <b>Borrowing - Non Current*</b>                                      |                      |                      |                  |                      |
| 1         | External commercial borrowing (ECB )                                 | 21,041.69            | (9,466.52)           | 452.33           | 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             | (0.00)               |
| 5         | Deferred payment liabilities - VAT Loan                              | 418.09               | 86.33                | 5.10             | 509.52               |
| 6         | Working capital loan from banks                                      | 39,981.96            | -                    | 1,543.10         | 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 | 840.14               | (1,154.28)           | 521.53           | 207.39               |
|           | <b>Total</b>                                                         | <b>884,875.54</b>    | <b>38,491.79</b>     | <b>18,781.82</b> | <b>942,149.15</b>    |
| <b>II</b> | <b>Borrowing - Current</b>                                           |                      |                      |                  |                      |
| 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            |
|           | <b>Total</b>                                                         | <b>281,064.73</b>    | <b>(168,436.39)</b>  | <b>134.47</b>    | <b>112,762.81</b>    |

\* includes current maturities of long term debt

**FOR AND ON BEHALF OF THE BOARD**

Sd/-  
**(Rajni Kant)**  
Company Secretary

Sd/-  
**(Pomila Jaspal)**  
Director (Finance)  
(DIN: 08436633)

Sd/-  
**(Arun Kumar Singh)**  
Chairman & CEO  
(DIN: 06646894)

**In terms of our report of even date attached**
**For SARC & Associates**  
Chartered Accountants  
Firm Reg. No.: 006085N

**For Kalani & Co.**  
Chartered Accountants  
Firm Reg. No.: 000722C

**For R.G.N. Price & Co.**  
Chartered Accountants  
Firm Reg. No.: 002785S

Sd/-  
(Pankaj Sharma)  
Partner (M. No. 086433)

Sd/-  
(Vikas Kumar Pareek)  
Partner (M. No. 422687)

Sd/-  
(Aditya Kumar S)  
Partner (M. No. 232444)

**For S. Bhandari & Co. LLP**  
Chartered Accountants  
Firm Reg. No.:  
000560C/C400334

**For J Gupta & Co LLP**  
Chartered Accountants  
Firm Reg. No.:  
314010E/E300029

Sd/-  
(P. P. Pareek)  
Partner (M. No. 071213)

Sd/-  
(Abhishek Raj)  
Partner (M. No. 302648)

**Place: New Delhi**  
**Date: May 26, 2023**





## Notes to the Consolidated Financial Statements for the year ended 31 March 2023

### 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, 2023 on 31 March 2023, whereby the amendments to various Indian Accounting Standards (Ind AS) has been made applicable with effect from April 1, 2023 onwards. Amended requirements as per these rules in relation to various Standards are as follows:

#### Ind AS 1 – Presentation of Financial Statements:

The amendments require companies to disclose their material accounting policy information rather than their significant accounting policies. The Company has evaluated the requirements of the amendment and its impact on Financial Statements is not likely to be material.

#### Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors: The definition of

a change in accounting estimates has been replaced with a definition of accounting estimates. The amendments will help entities to distinguish between accounting policies and accounting estimates. The Company has evaluated the requirements of the amendment and there is no impact on its Financial Statements.

**Ind AS 12 – Income Taxes:** The amendments narrowed the scope of the recognition exemption so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company has evaluated the requirements of the amendment and there is no impact on its Financial Statements.

Amendments to other Indian Accounting Standards viz. Ind AS 101- First-time Adoption of Indian Accounting Standards, Ind AS 102 – Share Based Payments, Ind AS 103- Business Combinations, Ind AS 107- Financial Instruments - Disclosures, Ind AS 109 - Financial Instruments, and Ind AS 34 Interim Financial Reporting are either consequential to above amendments or clerical in nature. The Company has evaluated the requirements of the amendments and there is no impact on its Financial Statements.

### 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.

Items of property, plant and equipment acquired/constructed subsequent to transition date are initially recognized at cost. 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.

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. 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 USD 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 (except lease hold land where the ownership will be transferred to the company)

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:

Depreciation on refurbished/revamped PPE which

| 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              |

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         | 3-60                 |
| Plant & Machinery | 2-42                 |
| Furniture         | 3-15                 |
| Office equipment  | 3-15                 |
| Vehicles          | 4-15                 |
| Railway Siding    | 15                   |
| Roads             | 5                    |

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 years             |
| Cavern Structure                                                                                | 60 years             |
| LPG cylinders & regulators (excluding cylinders held for sale)                                  | 15 years             |
| CNG Compressors                                                                                 | 10 years             |
| CNG Cascades and SS tubing in CNG Stations                                                      | 20 years             |

In cases of LPG Cylinders & pressure regulators and Catalysts with noble 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/ technical evaluation (whichever is earlier) 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 that are acquired subsequent to transition date 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.

### **3.1.4 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 acquired/constructed subsequent to transition date are initially recognized at Cost and then subsequently carried at 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 (being residual in nature) and carbon credits are valued at net realisable value. The value of inventories includes amortization cost of relevant production related costs, 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.

#### **(ii) Refining & Petrochemicals**

Finished products other than Lubricants and petrochemicals are valued at cost (on FIFO basis month-wise) or at net realisable value, whichever is lower Cost of finished goods (other than lubricants and petrochemical) is determined based on raw material cost, conversion cost and excise duty.

Finished products (lubricants and petrochemical) 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 on deposit with banks is recognised at effective interest rate applicable, interest income from other financial assets is recognised at the effective interest rate method 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 31 March 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 (in case of some subsidiary), 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 contributory provident fund, 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 contributory provident fund and gratuity respective 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 respect 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. Capitalisation of borrowing costs is suspended when active development on the qualifying assets is interrupted except when temporary and charged to the Consolidated Statement of Profit and Loss during such periods. 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 [INR(₹)] 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.

An onerous contract provision is recognised when the unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable cost under a contract is the lower of the cost of fulfilling the contract and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract. Before an onerous provision is recognised the Company first recognises any impairment loss that has occurred on assets dedicated to that contract.

### **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 except for trade receivables which are initially measured at transaction price . 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.

The 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 31.03.2023 |
|------------|------------------------------------------------------------------|--------------------------|------------------------------------------------|------------------------------------------------|----------------------------------|
|            |                                                                  |                          | March 31, 2023                                 | March 31, 2022                                 |                                  |
| 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 (Note no.4(k))                     | Cyprus                   | 100%                                           | 100%                                           | Audited                          |
| 1.4 (ii)   | Imperial Energy (Cyprus) Limited (Note no.4(k))                  | Cyprus                   | 100%                                           | 100%                                           | Audited                          |
| 1.4 (iii)  | Imperial Energy Nord Limited (Note no.4(k))                      | Cyprus                   | 100%                                           | 100%                                           | Audited                          |
| 1.4 (iv)   | Biancus Holdings Limited (Note no.4(k))                          | Cyprus                   | 100%                                           | 100%                                           | Audited                          |
| 1.4 (v)    | Redcliffe Holdings Limited (Note no.4(k))                        | Cyprus                   | 100%                                           | 100%                                           | Audited                          |
| 1.4 (vi)   | Imperial Frac Services (Cyprus) Limited                          | Cyprus                   | 100%                                           | 100%                                           | Audited                          |
| 1.4 (vii)  | San Agio Investments Limited (Note no.4(k))                      | Cyprus                   | 100%                                           | 100%                                           | Audited                          |
| 1.4 (viii) | LLC Sibinterneft (Note no.4(k))                                  | Russia                   | 55.90%                                         | 55.90%                                         | Audited                          |
| 1.4 (ix)   | LLC Allianceneftgaz                                              | 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%                                           | Audited                          |
| 1.5 (i)    | Petro Carabobo Ganga B.V.                                        | The Netherlands          | 100%                                           | 100%                                           | Audited                          |
| 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(j))         | 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)) | India                    | 80.94%                                         | 80.94%                                         | Audited                          |
| 3          | Hindustan Petroleum Corporation Ltd (HPCL)                       | India                    | 54.90%                                         | 54.90%                                         | Audited                          |
| 3.1        | Prize Petroleum Company Ltd (Note No. 4(c))                      | India                    | 100%                                           | 100%                                           | Unaudited                        |
| 3.1.1      | Prize Petroleum International PTE Ltd.                           | India                    | 100%                                           | 100%                                           | Unaudited                        |
| 3.2        | HPCL Bio Fuels Ltd.(Note no.(d))                                 | India                    | 100%                                           | 100%                                           | Audited                          |
| 3.3        | HPCL Middle East FZCO (Note No. 4(e))                            | Dubai                    | 100%                                           | 100%                                           | Audited                          |
| 3.4        | HPCL LNG Ltd. (HPLNG) (Note No. 4(f))                            | India                    | 100%                                           | 100%                                           | Audited                          |
| 4          | Petronet MHB Ltd (PMHBL)(Note No. 4(b))                          | India                    | 77.44%                                         | 77.44%                                         | Audited                          |



| S. No. | Name of the Company                                                 | Country of Incorporation | Proportion of ownership interest as at |                | Status of Audit as on 31.03.2023           |
|--------|---------------------------------------------------------------------|--------------------------|----------------------------------------|----------------|--------------------------------------------|
|        |                                                                     |                          | March 31, 2023                         | March 31, 2022 |                                            |
| B      | Joint Ventures                                                      |                          |                                        |                |                                            |
| 1      | Mangalore SEZ Ltd (MSEZ)                                            | India                    | 26.78%                                 | 26.78%         | 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      | Mansarovar Energy Colombia Ltd. (through OVL)                       | Colombia                 | 50.00%                                 | 50.00%         | Audited                                    |
| 9      | Himalaya Energy Syria BV(through OVL)                               | The Netherlands          | 50.00%                                 | 50.00%         | Audited                                    |
| 10     | Shell MRPL Aviation Fuels & Services Limited (SMASL) (through MRPL) | India                    | 50.00%                                 | 50.00%         | Audited                                    |
| 11     | HPCL Rajasthan refinery Ltd. (through HPCL)                         | India                    | 74.00%                                 | 74.00%         | Audited                                    |
| 12     | HPCL Mittal Energy Ltd. (through HPCL)                              | India                    | 48.99%                                 | 48.99%         | Audited                                    |
| 13     | Hindustan Colas Pvt. Ltd. (through HPCL)                            | India                    | 50.00%                                 | 50.00%         | Audited                                    |
| 14     | South Asia LPG Co. Private Ltd. (through HPCL)                      | India                    | 50.00%                                 | 50.00%         | Audited                                    |
| 15     | Bhagyanagar Gas Ltd. (through HPCL) (Note No. 4(g))                 | India                    | 48.73%                                 | 48.73%         | Audited                                    |
| 16     | Godavari Gas Pvt Ltd. (through HPCL)                                | India                    | 26.00%                                 | 26.00%         | Unaudited                                  |
| 17     | Petronet India Ltd. (through HPCL)                                  | India                    | 16.00%                                 | 16.00%         | Financials for the FY 2022-23 not received |
| 18     | Aavantika Gas Ltd. (through HPCL)                                   | India                    | 49.99%                                 | 49.99%         | Audited                                    |
| 19     | Ratnagiri Refinery & Petrochemical Ltd. (through HPCL)              | India                    | 25.00%                                 | 25.00%         | Audited                                    |
| 20     | Mumbai Aviation Fuel Farm Facility Pvt Ltd. (through HPCL)          | India                    | 25.00%                                 | 25.00%         | Audited                                    |
| 21     | HPOIL Gas Pvt Ltd (through HPCL)                                    | India                    | 50.00%                                 | 50.00%         | Audited                                    |
| 22     | 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)                                              | The Netherlands          | 27.00%                                 | 27.00%         | Audited                                    |
| 6      | South East Asia Gas Pipeline Company Limited (through OVL)          | Hong Kong                | 8.347%                                 | 8.347%         | Audited                                    |
| 7      | Petrolera Indovenezolana SA (through OVL)                           | Venezuela                | 40.00%                                 | 40.00%         | Audited                                    |
| 8      | Petro Carabobo SA (through OVL)                                     | Venezuela                | 11.00%                                 | 11.00%         | Audited                                    |
| 9      | Carabobo Ingenieria Y Construcciones, S.A (through OVL)             | Venezuela                | 37.93%                                 | 37.93%         | Audited                                    |
| 10     | Falcon Oil & Gas B.V. (through OVL)                                 | The 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%                                 | 20.00%         | Audited                                    |
| 13     | GSPL India Gasnet Ltd.(through HPCL)                                | India                    | 11.00%                                 | 11.00%         | Audited                                    |
| 14     | GSPL India Transco Ltd. (through HPCL)                              | India                    | 11.00%                                 | 11.00%         | Audited                                    |

**a)** Represents effective Group ownership interest in MRPL along with subsidiary HPCL.

**b)** Represents effective Group ownership interest in Petronet MHB Limited along with subsidiary HPCL

**c)** Prize Petroleum Company Limited together with its subsidiary is engaged in the business of exploration & production of hydrocarbons and providing services for management of E&P Blocks.

**d)** HPCL Biofuels Limited is engaged in the business of manufacturing ethanol and sugar from crushing of sugarcane and generation of power from the bagasse generated in the process

**e)** 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.

**f)** HPCL LNG Limited (formerly known as HPCL Shapoorji Energy Private Limited) is engaged in the construction of facilities to operate and maintain a Liquefied Natural Gas (LNG) regasification terminal at Chhara Port in Gir Somnath, District of Gujarat

**g)** As of 31 March 2014, Bhagyanagar Gas Limited (BGL) had a paid up equity capital of ₹0.50 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 20<sup>th</sup> August 2014, BGL allotted 2,24,87,500 shares on preferential basis to each of HPCL and GAIL towards the money paid earlier. Accordingly, the Corporation's shareholding in BGL had increased to 48.73%. KSPL challenged this in the Company Law Board (CLB), Chennai Bench which dismissed it on 14<sup>th</sup> 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), the shareholding was considered at 24.99% till 31 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, effective financial year 2020-21.

**h)** 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 21<sup>st</sup> 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.

**i)** Petronet India Limited (PIL) in which HPCL holds 16% stake is in the process of winding up w.e.f. 30<sup>th</sup> August 2018. In the absence of receipt of financial statements of the Company, PIL has not been considered for Group consolidation for FY 2022-23.

**j)** Subsidiary Indus East Mediterranean Exploration Ltd., whose management certified financials for the year ended 31 March 2023 have been incorporated in the Group consolidated financial statements is under the process of winding up.

**k)** In order to simplify the holding structure of Imperial Energy group, during the year ONGC Videsh Board has accorded approval for the following:

**1.** Merger of following Cypriot subsidiaries of Imperial Energy Ltd with Imperial Energy Ltd.:

**a)** Biancus Holdings Limited

**b)** San Agio Investments Limited

**c)** Imperial Energy (Cyprus) Limited

**d)** Imperial Energy Nord Limited

**e)** Imperial Energy Tomsk Limited

**f)** Redcliffe Holdings Limited

**2.** Surrender of shares held by Imperial Energy Tomsk Ltd. in LLC Sibinterneft and thereafter initiating the liquidation process of LLC Sibinterneft

**i)** During the year, the Company has assessed that Investment in equity share capital in Sudd Petroleum Operating Company (SPOC) is in the nature of investment in Joint Operation instead of Joint Venture. Accordingly, the said entity has been removed from the list of Joint Ventures.

## **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 31 March 2023 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 31 March 2023 is ₹1,766.85 Million (Previous year ₹1,699.28 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 USD. 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 USD in view of the new pricing guidelines issued by Gol.

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 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 Ultimate 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.

#### **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 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.

#### **h) 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 considered the above aspect in assessing the impairment of its CGUs in Russia under the consolidated financial statements and the accounting impact of which are considered in note no. 63 of the consolidated financial statements.



## 6. Oil and Gas assets

|                                                                                  | (₹ in Million)          |                         |
|----------------------------------------------------------------------------------|-------------------------|-------------------------|
| Particulars                                                                      | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| <b>Gross Cost</b>                                                                |                         |                         |
| Opening Balance (Note No. 6.1 and 6.2)                                           | 2,761,408.14            | 2,547,323.55            |
| Transfer from Intangible assets under development- Exploratory wells in progress | 6,106.32                | 20,629.81               |
| Transfer from Development Wells-in-Progress                                      | 87,169.56               | 76,686.50               |
| Increase/(Decrease) in decommissioning cost estimates                            | 53,511.87               | 25,485.76               |
| Additions during the year                                                        | 66,841.47               | 63,997.02               |
| Acquisition Cost                                                                 | 0.02                    | -                       |
| Transfer during the year (Note no. 6.7)                                          | (424,567.47)            | -                       |
| Deletion/Retirement during the year                                              | (692.33)                | (405.86)                |
| Reclassification/Other Adjustments                                               | 100.77                  | 282.26                  |
| Foreign currency translation adjustment (Note No. 6.5)                           | 61,423.92               | 27,409.10               |
| <b>Total</b>                                                                     | <b>2,611,302.27</b>     | <b>2,761,408.14</b>     |
| <b>Less: Accumulated Depletion &amp; Impairment</b>                              |                         |                         |
| <b>Accumulated Depletion</b>                                                     |                         |                         |
| Opening Balance                                                                  | 1,269,706.89            | 1,084,070.35            |
| Depletion for the year (Note No. 43)                                             | 162,541.93              | 167,251.93              |
| Deletion/Retirement during the year                                              | (126.11)                | (8.10)                  |
| Transfer during the year (Note no. 6.7)                                          | (230,643.97)            | -                       |
| Reclassification/Other Adjustments                                               | 33.29                   | (1.77)                  |
| Foreign currency translation adjustment (Note No. 6.5)                           | 36,485.35               | 18,394.48               |
| <b>Total</b>                                                                     | <b>1,237,997.38</b>     | <b>1,269,706.89</b>     |
| <b>Accumulated Impairment</b>                                                    |                         |                         |
| Opening Balance                                                                  | 58,177.65               | 70,444.67               |
| Impairment provided during the year                                              | 11,644.06               | 12,274.99               |
| Write back of Impairment                                                         | (3,697.41)              | (25,165.00)             |
| Deletion/Retirement during the year                                              | -                       | -                       |
| Transfer during the year (Note no. 6.7)                                          | (4,531.21)              | -                       |
| Foreign currency translation adjustment (Note No. 6.5)                           | 1,875.48                | 622.99                  |
| <b>Total</b>                                                                     | <b>63,468.57</b>        | <b>58,177.65</b>        |
| <b>Carrying amount of Oil and Gas Assets</b>                                     | <b>1,309,836.32</b>     | <b>1,433,523.60</b>     |

**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 19 February 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. During the year 2021-22 in the 1st Bid round the Company issued notice of award (NOA) for 49 marginal fields covering 13 contract areas through the bidding process. Contracts were signed 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. For bid out of balance 43 marginal nomination fields in 11 Contract Areas, the Company had issued notice inviting tenders under 2nd Bid round. During the year the Company has issued NOAs to the successful bidders for 39 Fields in 9 Contract Areas for which post award activities are in progress. Currently 17 Fields, awarded under 1st bid round, are being operated under PEC contracts. The impact of same on the financial statements for the year ended 31 March 2023 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 damages to offshore facilities/platforms. The occurrence of incident was intimated to the Insurance Company, under offshore insurance package policy and surveyors / Loss adjustors were appointed by them for the incident. During the year the physical survey of facilities/platforms have been undertaken by the surveyors / Loss adjustors and the Company has submitted the estimated claim amount of ₹8,255.00 Million (USD 103 Million) for the expenditure incurred / likely to be incurred on restoration of damages caused by the cyclone. Since various activities under the claim viz. the actual completion of all repairs, incurrance of expenditure, completion of review of documentation by the surveyors and submission of full findings to the insurers, is likely to take some more time, the company has requested for release of 'On Account' payment against the claim, During the year Company has received 'On Account' payment of ₹1,314.54 Million (USD 16 Million; Gross USD 36 Million less policy deductible of USD 20 Million) and same has been accounted for as miscellaneous receipts. (refer Note No. 38 and 7.2.3)

**6.5** The subsidiary company OVL has determined its

functional currency as USD. Above foreign exchange difference represents differences on account of translation of the consolidated financial statements of the ONGC Videsh Limited from USD 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 31 March 2023 of ₹87.32 Million (previous year ₹80.52 Million).

**6.7** During the year, amount pertaining to Sakhalin-1 project has been transferred to "Investment Pending Proportionate Ownership Interest in Equity of Sakhalin-1 LLC". (Note no. 14.1.12 and 63)

## 7. Other Property, Plant and Equipment

(₹ in Million)

| Carrying amount of: (Note No. 7.1)      | As at March 31, 2023 | As at March 31, 2022 |
|-----------------------------------------|----------------------|----------------------|
| Freehold Land                           | 24,959.02            | 23,120.50            |
| Building & bunk Houses (Note No. 7.2.1) | 104,651.98           | 99,224.03            |
| Roads and Culverts                      | 20,909.19            | 17,686.65            |
| Plant & equipment (Note No. 7.2.2)      | 736,566.45           | 652,102.96           |
| Railway Siding & Rolling Stock          | 5,190.02             | 5,379.15             |
| Furniture & fixtures                    | 4,262.85             | 3,699.42             |
| Office equipments                       | 25,493.15            | 23,531.90            |
| Vehicles, Ships & Boats                 | 4,282.38             | 5,518.03             |
| <b>Total</b>                            | <b>926,315.04</b>    | <b>830,262.64</b>    |





(₹ in Million)

| 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               |
|------------------------------------------------|------------------|-------------------------|--------------------|---------------------|--------------------------------|----------------------|-------------------|-------------------------|---------------------|
| <b>Balance at April 1, 2021</b>                | <b>20,737.46</b> | <b>118,451.92</b>       | <b>36,840.16</b>   | <b>875,699.19</b>   | <b>6,808.41</b>                | <b>17,048.76</b>     | <b>57,271.74</b>  | <b>14,157.31</b>        | <b>1,147,014.95</b> |
| 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)             | (1,885.03)        | (1,277.80)              | (11,481.01)         |
| 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            |
| <b>Balance at March 31, 2022</b>               | <b>23,206.61</b> | <b>131,728.94</b>       | <b>41,807.43</b>   | <b>996,156.61</b>   | <b>7,623.31</b>                | <b>17,407.58</b>     | <b>63,993.63</b>  | <b>15,691.03</b>        | <b>1,297,615.14</b> |
| Additions                                      | 1,839.33         | 13,440.15               | 7,659.99           | 140,892.59          | 422.70                         | 1,889.86             | 10,319.57         | 1,644.18                | 178,108.37          |
| Transfer during the year (Note no. 7.4.7)      | -                | (11,754.19)             | -                  | (38,582.26)         | -                              | (209.93)             | (7,748.10)        | (1,372.08)              | (59,666.56)         |
| Disposals/adjustments (Note No. 7.3.2)         | (1.10)           | 288.63                  | (892.90)           | (3,295.57)          | (113.28)                       | (814.53)             | (2,770.50)        | (152.11)                | (7,751.36)          |
| Effect of exchange difference (Note No. 7.4.1) | 0.53             | 1,291.90                | -                  | 4,083.14            | -                              | 111.50               | 748.91            | 267.40                  | 6,503.38            |
| <b>Balance at March 31, 2023</b>               | <b>25,045.37</b> | <b>134,995.43</b>       | <b>48,574.52</b>   | <b>1,099,254.51</b> | <b>7,932.73</b>                | <b>18,384.48</b>     | <b>64,543.51</b>  | <b>16,078.42</b>        | <b>1,414,808.97</b> |

(₹ in Million)

| 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             |
|-------------------------------------------------|---------------|-------------------------|--------------------|--------------------|--------------------------------|----------------------|-------------------|-------------------------|-------------------|
| <b>Balance at April 1, 2021</b>                 | <b>0.99</b>   | <b>27,705.53</b>        | <b>20,417.51</b>   | <b>298,027.14</b>  | <b>1,742.96</b>                | <b>13,185.67</b>     | <b>34,799.24</b>  | <b>9,877.72</b>         | <b>405,756.76</b> |
| 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          |
| <b>Balance at March 31, 2022</b>                | <b>86.11</b>  | <b>32,504.91</b>        | <b>24,120.78</b>   | <b>344,053.65</b>  | <b>2,244.16</b>                | <b>13,708.16</b>     | <b>40,461.73</b>  | <b>10,173.00</b>        | <b>467,352.50</b> |
| Depreciation expense                            | 0.14          | 4,785.49                | 3,980.15           | 53,356.70          | 498.55                         | 1,168.03             | 7,602.01          | 2,560.43                | 73,951.50         |
| Impairment loss recognised in profit or loss    | -             | -                       | -                  | 505.24             | -                              | 0.38                 | 7.70              | -                       | 513.32            |
| Transfer during the year (Note no. 7.4.7)       | -             | (7,751.84)              | -                  | (37,193.67)        | -                              | (203.91)             | (7,388.81)        | (1,077.05)              | (53,615.28)       |
| Eliminated on disposal/adjustments of assets    | -             | 41.22                   | (435.60)           | (1,896.55)         | -                              | (657.53)             | (2,333.05)        | (90.59)                 | (5,372.10)        |
| Impairment loss recognized back during the year | -             | -                       | -                  | -                  | -                              | (0.75)               | (2.29)            | -                       | (3.04)            |
| Effect of exchange difference (Note No. 7.4.1)  | 0.10          | 763.67                  | -                  | 3,862.69           | -                              | 107.25               | 703.07            | 230.25                  | 5,667.03          |
| <b>Balance at March 31, 2023</b>                | <b>86.35</b>  | <b>30,343.45</b>        | <b>27,665.33</b>   | <b>362,688.06</b>  | <b>2,742.71</b>                | <b>14,121.63</b>     | <b>39,050.36</b>  | <b>11,796.04</b>        | <b>488,493.93</b> |

**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 31 May 2019 has assigned the Panna-Mukta fields w.e.f. 22 December 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 17 May 2021 where the company's major production installations and drilling rigs are situated/operating. The cyclone has caused damages to offshore facilities/platforms. The occurrence of incident was intimated to the Insurance Company, under offshore insurance package policy and surveyors / Loss adjustors were appointed by them for the incident. During the year the physical survey of facilities/platforms have been undertaken by the surveyors / Loss adjustors and the Company has submitted the estimated claim amount of ₹8,255.00

Million (USD 103 Million) for the expenditure incurred / likely to be incurred on restoration of damages caused by the cyclone. Since various activities under the claim viz. the actual completion of all repairs, incurrance of expenditure, completion of review of documentation by the surveyors and submission of full findings to the insurers, is likely to take some more time, the company has requested for release of 'On Account' payment against the claim, During the year Company has received 'On Account' payment of ₹1,314.54 Million (USD 16 Million; Gross USD 36 Million less policy deductible of USD 20 Million) and same has been accounted for as miscellaneous receipts. (refer Note No. 38 and 6.4)

## **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 OADB 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 OADB. 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 ₹24.36 Million [Year ended 31 March 2022 ₹58.61 Million] in relation to foreign exchange differences capitalised as per para D13AA of Ind AS 101

**7.3.3** 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 1 April 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 31 March 2023 (Year ended 31 March 2022 ₹159.02 Million).





**7.3.4** 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 USD. Adjustments includes net effect of exchange differences of ₹836.36 Million (as at 31 March 2022: ₹293.63 Million) on account of translation of the financial statements of the ONGC Videsh Limited from USD to Group's presentation currency "₹". Refer Note No. 3.21 and 5.1 (a).

**7.4.2** The OVL 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 31 March 2023 ₹0.77 Million (previous year ₹0.71 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 ₹ (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.)

**7.4.7** During the year, amount pertaining to Sakhalin-1 project has been transferred to "Investment Pending Proportionate Ownership Interest in Equity of Sakhalin-1 LLC". (Note no. 14.1.12 and 63)

#### **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 three 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 ₹3.62 Million, lease cum sale agreement entered into and the absolute sale deed is yet to be executed.

#### **7.6 In respect of subsidiary HPCL**

**7.6.1** Includes assets of gross block ₹0.07 Million (31.03.2022: ₹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 Gross block of ₹10,920.10 Million (31.03.2022: ₹10,577.30 Million ) towards Land, Building, Plant & Equipment, Furniture & Fixtures, Roads and Culverts, Transport equipments, Office Equipments, Pipelines, Railway Sidings, etc. representing Corporation's Share of Assets, jointly owned with other Companies.

**7.6.3** Includes Gross block of ₹109.30 Million (31.03.2022: ₹110.30 Million) towards Roads & Culverts, Transformers & Transmission lines, Railway



Sidings & Rolling Stock for which though ownership does not vest with the Group, 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       | Gross Block          |                      |
|-------------------|----------------------|----------------------|
|                   | As at March 31, 2023 | As at March 31, 2022 |
| Roads & culverts  | 0.50                 | 0.50                 |
| Buildings         | 13.30                | 13.30                |
| Plant & Equipment | 10.90                | 11.50                |
| <b>Total</b>      | <b>24.70</b>         | <b>25.30</b>         |

**B)** Includes assets held under PAHAL (DBTL) scheme against which financial assistance is being provided by MOP&NG:

(₹ in Million)

| Description                    | Gross Block          |                      |
|--------------------------------|----------------------|----------------------|
|                                | As at March 31, 2023 | As at March 31, 2022 |
| 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                |
| <b>Total</b>                   | <b>147.00</b>        | <b>147.00</b>        |

**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 ₹548.00 Million during the year (previous year : ₹922.00 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 , 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 Group 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 a reduction in depreciation by ₹1,841.70 Million (2021-22: ₹Nil Million) on account of change in accounting estimate regarding the residual value of LPG cylinders and pressure regulators from 15% to 25% of the original cost, implemented during FY 2022-23 based on assessment carried out by the Management. The residual value of LPG cylinders and pressure regulators was earlier revised from 5% to 15% of the original cost during FY 2019-20.

**7.6.9** Includes depreciation of ₹90.50 Million (2021-22: ₹ Nil Million) on account of determining the useful life of assets at lower of life as per specific agreements pertaining to Railway Consumer Depots or Schedule II of the Companies Act, 2013.

**7.6.10** During the year, in respect of LPG consumers who have been inactive for 15 years and the useful life of equipment they are holding is also over, the equipment value (First Cost: ₹971.10 Million, 2021-22: ₹ Nil Million) along with the LPG consumer deposit (₹1,278.80 Million, 2021-22: ₹ Nil Million) has been de-recognized in the books of account.

**7.6.11** In respect of HPCL LNG Limited, all the property, plant and equipment has been offered as a security for Long term loan at the balance sheet date, representing a net block of ₹1,039.70 Million (31.03.2022: ₹998.10 Million).



## 8. Right of Use (ROU) Assets

(₹ in Million)

| Carrying amount of:     | As at March 31, 2023 | As at March 31, 2022 |
|-------------------------|----------------------|----------------------|
| Land                    | 56,720.74            | 56,811.75            |
| Building & bunk Houses  | 969.21               | 1,055.45             |
| Plant & equipments      | 67,294.99            | 76,038.11            |
| Vehicles, Ships & Boats | 16,909.22            | 23,920.72            |
| <b>Total</b>            | <b>141,894.16</b>    | <b>157,826.03</b>    |

(₹ in Million)

| Cost                                            | Land             | Building & Bunk Houses | Plant & Equip-ments* | Vehicles, Ships & Boats | Total             |
|-------------------------------------------------|------------------|------------------------|----------------------|-------------------------|-------------------|
| <b>Balance at April 01, 2021 (Note No. 8.1)</b> | <b>54,761.68</b> | <b>1,572.68</b>        | <b>163,008.69</b>    | <b>47,578.20</b>        | <b>266,921.25</b> |
| 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. 8.4.1)  | 103.46           | -                      | 3,418.03             | -                       | 3,521.49          |
| <b>Balance at March 31, 2022</b>                | <b>62,616.33</b> | <b>1,983.26</b>        | <b>173,275.24</b>    | <b>53,660.71</b>        | <b>291,535.54</b> |
| Additions                                       | 1,923.57         | 399.84                 | 34,258.80            | 6,432.41                | 43,014.62         |
| Adjustments on completion/termination of lease  | (182.16)         | (507.40)               | (2,799.69)           | (2,509.82)              | (5,999.07)        |
| Effect of exchange difference (Note No. 8.4.1)  | 292.98           | -                      | 201.03               | -                       | 494.01            |
| <b>Balance at March 31, 2023</b>                | <b>64,650.72</b> | <b>1,875.70</b>        | <b>204,935.38</b>    | <b>57,583.30</b>        | <b>329,045.10</b> |

(₹ in Million)

| Accumulated depreciation and impairment        | Land            | Building & Bunk Houses | Plant & Equip-ments* | Vehicles, Ships & Boats | Total             |
|------------------------------------------------|-----------------|------------------------|----------------------|-------------------------|-------------------|
| <b>Balance at April 01, 2021</b>               | <b>3,869.70</b> | <b>554.71</b>          | <b>84,730.13</b>     | <b>18,702.87</b>        | <b>107,857.41</b> |
| 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. 8.4.1) | -               | -                      | 3,005.62             | -                       | 3,005.62          |
| <b>Balance at March 31, 2022</b>               | <b>5,804.58</b> | <b>927.81</b>          | <b>97,237.13</b>     | <b>29,739.99</b>        | <b>133,709.51</b> |
| Depreciation expense                           | 2,540.75        | 353.58                 | 42,057.33            | 11,726.77               | 56,678.43         |
| Adjustments on completion/termination of lease | (415.35)        | (374.90)               | (1,839.32)           | (792.68)                | (3,422.25)        |
| Effect of exchange difference (Note No. 8.4.1) | -               | -                      | 185.25               | -                       | 185.25            |
| <b>Balance at March 31, 2023</b>               | <b>7,929.98</b> | <b>906.49</b>          | <b>137,640.39</b>    | <b>40,674.08</b>        | <b>187,150.94</b> |

\*ROU Plant & Equipment include right of way for pipelines ₹2,453.10 Million as at 31 March 2023 and ₹2,442.63 Million as at 31 March 2022. Similarly, Accumulated depreciation and impairment includes ₹412.01 Million as at 31 March 2023, and ₹307.07 Million as at 31 March 2022.

**8.1** Effective April 1, 2019, the Group had adopted Ind AS 116 “Leases”, applied to all lease contracts existing on April 1, 2019 using modified retrospective transition method.

## **8.2 In respect of subsidiary MRPL**

**8.2.1** 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.

**8.2.2** Right-of-Use Assets includes assets having gross carrying amount of ₹1,869.06 Million (As at 31 March 2022 ₹1,754.94 Million), which is in possession of the Company towards which formal lease deeds are yet to be executed.

**8.2.3** An amount of ₹0.71 Million (As at 31 March 2022 ₹32.35 Million) for depreciation charged to Right-of-Use Asset has been capitalized as component of cost of Capital Work-in-Progress (CWIP).

## **8.3 In respect of subsidiary HPCL**

**8.3.1** Includes Right of Use Assets includes Gross Block of ₹1,037.50 Million (31.03.2022: ₹924.30 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.

**8.3.2** 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.

## **8.4 In respect of subsidiary OVL**

**8.4.1** Group's subsidiary ONGC Videsh Limited has determined its functional currency as USD. Above foreign exchange difference represents differences on account of translation of the consolidated financial statements of the ONGC Videsh Limited from USD to Group's presentation currency “₹”. Refer Note No. 3.21 and 5.1 (a).

**8.4.2** With respect to land located at Vasant Kunj, New Delhi under a lease agreement, the lease term is till perpetuity. 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, which has been charged to the Statement of Profit & Loss.

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.

**8.4.3** BC-10, Brazil, an un-incorporated joint operation of the company, has a concession to exploit, develop and produce the project. For the operation of the project, the operator has taken Floating Production, Storage and Offloading Vessels (FPSO) on long-term lease agreement. The term of the FPSO lease was 8 years (up to 2028) with 5 additional extension options of one year each. During the year, BC-10 partners concluded that it was not economic viable to exercise the extension options. Therefore, lease liabilities were revalued assuming lease payments till December 2028. After revaluation, the implicit interest rate for the FPSO lease is 12.29%.

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, 2023 | Year ended March 31, 2022 |
|--------------------------------------------------------------------------|---------------------------|---------------------------|
| <b>Amount remaining to be amortised at the beginning of the year</b>     | <b>1,096.33</b>           | <b>1,815.55</b>           |
| Add: Exchange loss/(gain) arising during the year                        | 287.98                    | (687.06)                  |
| Less: Depletion charged to the statement of profit and loss for the year | 301.56                    | 321.72                    |
| Add: Effect of exchange differences                                      | (591.19)                  | (353.88)                  |
| <b>Amount remaining to be amortised at the end of the year</b>           | <b>1,094.68</b>           | <b>1,096.33</b>           |

## 9. Capital Work in Progress

(₹ in Million)

| Particulars                                                    | As at March 31, 2023 | As at March 31, 2022 |
|----------------------------------------------------------------|----------------------|----------------------|
| <b>A) Oil and Gas Assets (Note No. 9.1)</b>                    |                      |                      |
| <b>(i) Development Wells in progress (Note No. 13.2)</b>       |                      |                      |
| Opening Balance                                                | 78,570.26            | 60,911.93            |
| Expenditure during the year                                    | 83,431.77            | 74,522.63            |
| Depreciation during the year                                   | 25,938.95            | 19,597.38            |
| Transfer to Oil and Gas Assets                                 | (87,169.56)          | (76,686.50)          |
| Transfer during the year (Note no. 9.9)                        | (1,740.77)           | -                    |
| Foreign currency translation adjustment (Note No. 9.10)        | 972.95               | 67.31                |
| Other Adjustment                                               | 35.76                | 157.51               |
| <b>Total</b>                                                   | <b>100,039.36</b>    | <b>78,570.26</b>     |
| <b>Less: Accumulated Impairment</b>                            |                      |                      |
| Opening balance                                                | 2,441.86             | 1,904.86             |
| Provided for the year                                          | 452.89               | 1,223.01             |
| Write back during the year                                     | (125.91)             | (689.77)             |
| Foreign currency translation adjustment (Note No. 9.10)        | 10.65                | 3.76                 |
| <b>Total</b>                                                   | <b>2,779.49</b>      | <b>2,441.86</b>      |
| <b>Carrying amount of Development wells in progress</b>        | <b>97,259.87</b>     | <b>76,128.40</b>     |
| <b>(ii) Oil and Gas facilities in progress</b>                 |                      |                      |
| Oil and gas facilities                                         | 361,405.09           | 329,985.16           |
| Acquisition Costs                                              | 1,849.38             | 1,799.79             |
| <b>Total</b>                                                   | <b>363,254.47</b>    | <b>331,784.95</b>    |
| <b>Less: Accumulated Impairment</b>                            |                      |                      |
| Opening Balance                                                | 9,177.25             | 7,410.02             |
| Provided for the year                                          | 1,792.90             | 989.01               |
| Write back during the year                                     | (723.40)             | (40.50)              |
| Foreign currency translation adjustment (Note No. 9.10)        | -                    | -                    |
| Reclassification                                               | (10.50)              | 818.72               |
| <b>Total</b>                                                   | <b>10,236.25</b>     | <b>9,177.25</b>      |
| <b>Carrying amount of Oil and Gas facilities in progress</b>   | <b>353,018.22</b>    | <b>322,607.70</b>    |
| <b>B) Other Capital Works-in-Progress</b>                      |                      |                      |
| Buildings                                                      | 1,564.60             | 1,463.45             |
| Plant and equipment                                            | 286,742.43           | 312,138.87           |
| Software                                                       | -                    | 27.49                |
| Capital stores (including in transit) (Note No. 6.2 and 7.2.2) | 1,406.62             | 2,658.64             |
| Less: Impairment for Non-Moving Items                          | -                    | (8.06)               |
| <b>Total</b>                                                   | <b>289,713.65</b>    | <b>316,280.39</b>    |
| <b>Less: Accumulated Impairment</b>                            |                      |                      |
| Opening Balance                                                | 170.99               | 1,064.85             |
| Provided for the year                                          | 77.58                | 2.80                 |
| Written back during the year                                   | (8.54)               | (78.30)              |
| Reclassification                                               | -                    | (818.72)             |
| Other adjustments                                              | -                    | 0.36                 |
| <b>Total</b>                                                   | <b>240.03</b>        | <b>170.99</b>        |
| <b>Carrying amount of capital work in progress</b>             | <b>289,473.62</b>    | <b>316,109.40</b>    |

**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** Certain discovered small fields (DSF) of the Company falling under various Contract Areas were identified by Directorate General of Hydrocarbon, Ministry of Petroleum & Natural Gas, and Government of India for bidding under Discovered Small Field Round III - 2021, in terms of the said bid documents the value of such fields were considered as Nil. The identified contract areas have been awarded to the winning bidders (awardees) in the month of August 2022 and the PML/PELs of these contract areas have been transferred to the said awardees. Accordingly, during the year, the Company has charged off development wells in progress and other capital work in progress amounting to ₹124.74 Million and ₹308.08 Million respectively pertaining to the fields falling under contract areas offered under DSF – III and reversed the accumulated impairment of ₹432.82 Million on the said development in progress and other capital work in progress (refer Note no. 13.3)

**9.3** In respect of subsidiary MRPL, additions to CWIP includes borrowing costs amounting to ₹23.38 Million (for the year ended 31 March 2022 ₹508.80 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 5.22% (For the year ended 31 March 2022 was 6.20%) which is the effective interest rate on borrowings.

**9.4** In respect of subsidiary MRPL, Capital Work-in-Progress (CWIP) includes Unsecured Rupee Term Loan for Capex (refer Note No. 29.11) and Unsecured

Foreign Currency Term Loan (FCNR) (B) for Capex (refer Note No. 29.12).

**9.5** In respect of subsidiary MRPL, an amount of ₹0.90 Million (As at 31 March 2022 ₹76.93 Million) towards Finance cost on lease liability has been capitalized as a component of cost of Capital Work-in-Progress (CWIP).

**9.6** In respect of subsidiary MRPL, an amount of ₹0.71 Million (As at March 31, 2022 ₹32.35 Million) towards depreciation charged to Right-of-Use Asset has been capitalized as a component of cost of Capital Work-in-Progress (CWIP).

**9.7** In respect of subsidiary OVL, the company has 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 31 March 2023 of ₹133.66 Million (previous year ₹126.01 Million).

**9.8** In respect of subsidiary ONGC Videsh Rvuma Ltd., no borrowing costs have been capitalised under the Oil and Gas facilities in progress during the year ended 31 March 2023 (previous year: Nil) . Capitalisation of borrowing costs has been suspended with effect from April 2021 due to declaration of Force Majeure in Block Area 1, Mozambique project.

**9.9** During the year, amount pertaining to Sakhalin-1 project has been transferred to "Investment Pending Proportionate Ownership Interest in Equity of Sakhalin-1 LLC". (Note no. 14.1.12 and 63)

**9.10** Group's subsidiary ONGC Videsh Limited has determined its functional currency as USD. Above foreign exchange difference represents differences on account of translation of the consolidated financial statements of the ONGC Videsh Limited from USD 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, 2023 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           | 204,808.45                     | 139,021.01        | 98,095.63         | 164,771.23        | 606,696.32        |
| Projects temporarily suspended | 7,051.71                       | 22,871.03         | 44,004.09         | 72,384.34         | 146,311.17        |
| <b>Gross Total</b>             | <b>211,860.16</b>              | <b>161,892.04</b> | <b>142,099.72</b> | <b>237,155.57</b> | <b>753,007.49</b> |
| Less: Accumulated Impairment   |                                |                   |                   |                   | 13,255.78         |
| <b>Total</b>                   |                                |                   |                   |                   | <b>739,751.71</b> |

The completion schedule for CWIPs whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2023 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 |          |
| <b>Projects in progress:</b>                         |                    |           |           |                   |          |
| Pipeline replacement project-VII                     | -                  | 8,912.06  | -         | -                 | 8,912.06 |
| Pipeline replacement project-VI                      | 5,484.45           | -         | -         | -                 | 5,484.45 |
| Construction of Pipeyard at Kakinada                 | 4,766.11           | -         | -         | -                 | 4,766.11 |
| CBM-Bokaro field development project                 | 3,396.26           | -         | -         | -                 | 3,396.26 |
| Upgradation of Fire Protection System-Ankleshwar     | 1,991.74           | -         | -         | -                 | 1,991.74 |
| Continuous Combined Power Plants project at Hazira   | 1,926.48           | -         | -         | -                 | 1,926.48 |
| Well platform development projects-I                 | 1,788.56           | -         | -         | -                 | 1,788.56 |
| Well platform development projects-II                | 1,742.93           | -         | -         | -                 | 1,742.93 |
| Gas Turbine Power Plants project at Uran             | 1,714.68           | -         | -         | -                 | 1,714.68 |
| Upgradation of Compressor at Process Platform        | 1,351.65           | -         | -         | -                 | 1,351.65 |
| Central Processing Facility project at Madanam block | 1,130.69           | -         | -         | -                 | 1,130.69 |
| Upgradation of Flaring system at Hazira              | 850.63             | -         | -         | -                 | 850.63   |
| Upgradation of Fire Protection System-Ahmedabad      | 836.29             | -         | -         | -                 | 836.29   |
| Upgradation of SAP system                            | 750.13             | -         | -         | -                 | 750.13   |
| Lean Gas compressor development project              | 658.68             | -         | -         | -                 | 658.68   |
| Upgradation of Fire Protection System-Mehsana        | 641.49             | -         | -         | -                 | 641.49   |
| Development of Trishna EPS facility                  | -                  | 446.33    | -         | -                 | 446.33   |
| Waterline project at Ankleshwar                      | 443.74             | -         | -         | -                 | 443.74   |
| Construction of Air compressor at Ankleshwar         | 407.50             | -         | -         | -                 | 407.50   |
| Other Oil and Gas facilities in progress             | 2,093.12           | 98.27     | 151.44    | 484.43            | 2,827.26 |

| 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                                           | 124.05             | 15.33            | -             | -                 | 139.38            |
| Other CWIP-Plant and equipment                                 | 2,873.68           | 670.97           | -             | 15.42             | 3,560.07          |
| Development wells in progress at Joint Venture Southern Region | 22,364.61          | 3,151.76         | -             | -                 | 25,516.37         |
| Development wells in progress at Western Offshore Asset        | 5,834.24           | -                | -             | -                 | 5,834.24          |
| Development wells in progress at Assam Asset                   | 2,544.61           | 2,257.88         | -             | -                 | 4,802.49          |
| Development wells in progress at Joint Venture Kolkata         | 4,243.40           | -                | -             | -                 | 4,243.40          |
| Development wells in progress at Rajahmundry Asset             | 1,822.54           | 15.22            | -             | -                 | 1,837.76          |
| Development wells in progress at Ahmedabad Asset               | 1,153.49           | -                | -             | -                 | 1,153.49          |
| Development wells in progress at Others                        | 1,775.59           | 1,342.47         | -             | -                 | 3,118.06          |
| <b>Projects temporarily suspended:</b>                         |                    |                  |               |                   |                   |
| Sagar Pragati conversion project                               | -                  | -                | -             | 4,144.36          | 4,144.36          |
| Sagar Laxmi conversion project                                 | -                  | -                | -             | 2,145.26          | 2,145.26          |
| Process Gas Compressor project at B-127 platform               | -                  | -                | -             | 928.48            | 928.48            |
| Development project of field B-22                              | -                  | -                | -             | 762.21            | 762.21            |
| Assam Asset renewal project                                    | -                  | -                | 480.70        | -                 | 480.70            |
| Other Oil and Gas facilities in progress                       | 132.26             | 174.06           | 49.78         | 56.40             | 412.50            |
| Other CWIP-Buildings                                           | 13.92              | -                | 1.28          | -                 | 15.20             |
| Other CWIP-Plant and equipment                                 | 1.18               | -                | 55.86         | -                 | 57.04             |
| Development wells in progress at HPHT asset                    | -                  | 2,585.09         | -             | -                 | 2,585.09          |
| <b>Total</b>                                                   | <b>74,858.70</b>   | <b>19,669.44</b> | <b>739.06</b> | <b>8,536.56</b>   | <b>103,803.76</b> |

#### 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   | 365.89             | -         | -         | -                 | 365.89 |
| 110 KV new cable trench & cable laying  | 114.32             | -         | -         | -                 | 114.32 |
| Others                                  | 429.82             | 11.95     | -         | -                 | 441.77 |
| Total                                   | 910.03             | 11.95     | -         | -                 | 921.98 |
| Projects temporarily suspended          |                    |           |           |                   |        |
| New office building                     | -                  | -         | -         | 0.81              | 0.81   |
| Nox Reduction System                    | -                  | -         | -         | 16.73             | 16.73  |
| Stopping of TGTU water removal pump     | -                  | -         | -         | 0.21              | 0.21   |
| Routing DCU LPG tp PFCC unit            | -                  | -         | -         | 0.18              | 0.18   |
| Constn. for sulfolane purification Unit | -                  | -         | -         | 2.98              | 2.98   |
| Total                                   | -                  | -         | -         | 20.90             | 20.90  |
| Grand Total                             | 910.03             | 11.95     | -         | 20.90             | 942.88 |



## 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                             | 165,783.90         | -         | -         | -                 | 165,783.90 |
| 2G Biorefinery at Bathinda                                        | 6,545.80           | -         | -         | -                 | 6,545.80   |
| Barmer Palanpur Pipeline                                          | 5,525.50           | -         | -         | -                 | 5,525.50   |
| CB-220 KV Grid supply facility                                    | 2,716.70           | -         | -         | -                 | 2,716.70   |
| LPG Cavern at Mangalore                                           | 2,438.90           | -         | -         | -                 | 2,438.90   |
| Residual Upgradation Facility Pitch Loading Gantry                | 1,751.50           | -         | -         | -                 | 1,751.50   |
| Sulphur forming unit in Sulphur Recovery Unit                     | 1,749.90           | -         | -         | -                 | 1,749.90   |
| Hassan Cherlapalli Pipeline                                       | 1,396.20           | -         | -         | -                 | 1,396.20   |
| Sea water reverse osmosis-II with low level pump house facilities | 1,379.80           | -         | -         | -                 | 1,379.80   |
| Vacuum Pressure Swing Adsorption in Sulphur Recovery Unit         | 1,215.00           | -         | -         | -                 | 1,215.00   |
| Two Crude tanks                                                   | 1,120.20           | -         | -         | -                 | 1,120.20   |
| Office Premises at Delhi                                          | 1,047.30           | -         | -         | -                 | 1,047.30   |
| Vijayawada Dharmapuri Pipeline                                    | 811.20             | -         | -         | -                 | 811.20     |
| New LPG Plant at Varanasi                                         | -                  | 636.80    | -         | -                 | 636.80     |
| LNG Regasification Terminal [in respect of HPCL LNG Limited]      | 28,000.10          | -         | -         | -                 | 28,000.10  |
| Other Projects#                                                   | 8,555.40           | 12.40     | -         | -                 | 8567.80    |
| Projects temporarily suspended                                    |                    |           |           |                   |            |
| Aggregate of various projects                                     | 57.10              | 2.80      | -         | -                 | 59.90      |
| Total                                                             | 230,094.50         | 652.00    | -         | -                 | 230,746.50 |

#Covering project cost > ₹1,000 Million subject to open CWIP as of 31.03.2023 < ₹250 Million and others involving project cost <= ₹1,000 Million

## 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        |
| <b>Gross Total</b>             | <b>223,961.58</b>              | <b>179,562.44</b> | <b>165,257.79</b> | <b>157,861.86</b> | <b>726,643.67</b> |
| Less: Accumulated Impairment   |                                |                   |                   |                   | 11,798.17         |
| <b>Total</b>                   |                                |                   |                   |                   | <b>714,845.50</b> |

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 |                  |
| 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         |
| <b>Projects temporarily suspended:</b>                         |                    |                 |                 |                   |                  |
| 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           |
| <b>Total</b>                                                   | <b>41,638.30</b>   | <b>8,712.41</b> | <b>5,118.73</b> | <b>9,376.56</b>   | <b>64,846.00</b> |

\*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 assessed 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 | 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   |
| 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 |

#Covering project cost > ₹1,000 Million subject to open CWIP as of 31.03.2022 < ₹250 Million and others involving project cost ≤ ₹1,000 Million



## 10 Investment Property

(₹ in Million)

| Carrying amount of : | As at March 31, 2023 | As at March 31, 2022 |
|----------------------|----------------------|----------------------|
| Freehold Land        | 78.48                | 78.48                |
| Building             | 0.20                 | 0.21                 |
| <b>Total</b>         | <b>78.68</b>         | <b>78.69</b>         |

| Gross Carrying Amount               | Amount (₹)   |
|-------------------------------------|--------------|
| <b>Balance as at April 1, 2021</b>  | <b>78.78</b> |
| Additions during the year           | -            |
| Disposals/ Adjustment/ Transfer     | -            |
| <b>Balance as at March 31, 2022</b> | <b>78.78</b> |
| Additions during the year           | -            |
| Disposals/ Adjustment/ Transfer     | -            |
| <b>Balance as at March 31, 2023</b> | <b>78.78</b> |

| Accumulated Depreciation and Impairment            | Amount (₹)  |
|----------------------------------------------------|-------------|
| <b>Balance as at April 1, 2021</b>                 | <b>0.07</b> |
| Add: Depreciation Expense                          | 0.02        |
| Less: Eliminated on Disposal/ Adjustment/ Transfer | -           |
| <b>Balance as at March 31, 2022</b>                | <b>0.09</b> |
| Add: Depreciation Expense                          | 0.01        |
| Less: Eliminated on Disposal/ Adjustment/ Transfer | -           |
| <b>Balance as at March 31, 2023</b>                | <b>0.10</b> |

### 10.1 In respect of subsidiary, MRPL

**10.1.1** Freehold land includes land measuring 102.995 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 company has considered the fair value of the freehold land amounting to ₹412.00 Million as at 31 March 2023 (as at 31 March 2022 ₹409.24 Million)

based on the valuation carried out by independent valuer report dated November 17, 2022.

### 10.2 In respect of subsidiary, PMHBL

**10.2.1** Assets pledged as security:- ₹ Nil (previous year: ₹ Nil)

**10.2.1** There were 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, 2023 | As at March 31, 2022 |
|------------------------------------------------|----------------------|----------------------|
| <b>Cost or deemed cost</b>                     |                      |                      |
| Opening balance (Note No. 11.1)                | 241,229.09           | 234,393.24           |
| Addition during the year                       | -                    | -                    |
| Effect of exchange differences (Note No. 11.5) | 19,358.17            | 6,835.85             |
| <b>Total</b>                                   | <b>260,587.26</b>    | <b>241,229.09</b>    |
| <b>Less: Accumulated amortisation</b>          |                      |                      |
| Opening balance                                | 129,172.60           | 99,007.33            |
| Addition during the year                       | 166.95               | 26,686.44            |
| Effect of exchange differences (Note No. 11.5) | 10,913.59            | 3,478.83             |
| <b>Total</b>                                   | <b>140,253.14</b>    | <b>129,172.60</b>    |
| <b>Carrying amount of goodwill</b>             | <b>120,334.12</b>    | <b>112,056.49</b>    |



**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) as per the clarification in Indian Accounting Standard (Ind AS) Transition Facilitation Group (ITFG) Clarification Bulletin 9.

**11.3** In respect of subsidiary HPCL, goodwill pertaining to wholly owned subsidiary, Prize petroleum Company Limited has been

impaired during the year in accordance with Ind AS 36.

**11.4** In respect of subsidiary OVL, Goodwill represents goodwill arising on consolidation. Allocation of goodwill on consolidation to cash generating units is carried out in accordance with the accounting policy mentioned at Note No. 3.6.

**11.5** Group's subsidiary ONGC Videsh Limited has determined its functional currency as USD. Above foreign exchange difference represents differences on account of translation of the financial statements of the ONGC Videsh Limited from USD 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            |
|---------------------------------------------------------|-----------------|-----------------|------------------------------|------------------------|-----------------------|------------------|
| <b>Balance as at April 01, 2021 (Note No. 12.1)</b>     | <b>7,539.71</b> | <b>4,786.17</b> | <b>673.77</b>                | <b>1,888.43</b>        | <b>49.53</b>          | <b>14,937.61</b> |
| 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            |
| <b>Balance as at March 31, 2022</b>                     | <b>8,208.28</b> | <b>6,150.27</b> | <b>1,330.27</b>              | <b>1,932.83</b>        | <b>55.96</b>          | <b>17,677.61</b> |
| Additions during the year                               | 1,027.28        | 239.56          | -                            | -                      | -                     | 1,266.84         |
| Disposal/adjustments                                    | (67.95)         | (18.60)         | 10.80                        | -                      | 1.43                  | (74.32)          |
| Transfer during the year (Refer note 12.3)              | (359.03)        | -               | -                            | -                      | -                     | (359.03)         |
| Foreign currency translation adjustment (Note No. 12.2) | 134.02          | -               | -                            | -                      | -                     | 134.02           |
| <b>Balance as at March 31, 2023</b>                     | <b>8,942.60</b> | <b>6,371.23</b> | <b>1,341.07</b>              | <b>1,932.83</b>        | <b>57.39</b>          | <b>18,645.12</b> |
| <b>Less: Accumulated amortisation and impairment</b>    |                 |                 |                              |                        |                       |                  |
| <b>Accumulated amortisation</b>                         |                 |                 |                              |                        |                       |                  |
| <b>Balance as at April 01, 2021</b>                     | <b>4,923.26</b> | <b>3.30</b>     | <b>491.30</b>                | <b>618.29</b>          | <b>29.21</b>          | <b>6,065.36</b>  |
| 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            |
| <b>Balance as at March 31, 2022</b>                     | <b>5,987.00</b> | <b>31.60</b>    | <b>627.00</b>                | <b>706.09</b>          | <b>47.88</b>          | <b>7,399.57</b>  |
| Provision for the year                                  | 982.46          | 40.90           | 226.90                       | 109.10                 | 5.95                  | 1,365.31         |
| Disposal/adjustments                                    | (78.61)         | -               | 4.10                         | -                      | 1.36                  | (73.15)          |
| Transfer during the year (Refer note 12.3)              | (351.17)        | -               | -                            | -                      | -                     | (351.17)         |
| Foreign currency translation adjustment (Note No. 12.2) | 126.23          | -               | -                            | -                      | -                     | 126.23           |
| <b>Balance as at March 31, 2023</b>                     | <b>6,665.91</b> | <b>72.50</b>    | <b>858.00</b>                | <b>815.19</b>          | <b>55.19</b>          | <b>8,466.79</b>  |
| <b>Accumulated Impairment</b>                           |                 |                 |                              |                        |                       |                  |
| <b>Balance as at April 01, 2021</b>                     | <b>3.76</b>     | -               | -                            | -                      | -                     | <b>3.76</b>      |
| Provision for the year                                  | -               | -               | -                            | -                      | -                     | -                |
| Disposal/adjustments                                    | -               | -               | -                            | -                      | -                     | -                |

| Particulars                         | Software    | Right of Way | Technical / Process Licenses | Wind Energy Equipments | License and Franchise | Total         |
|-------------------------------------|-------------|--------------|------------------------------|------------------------|-----------------------|---------------|
| <b>Balance as at March 31, 2022</b> | <b>3.76</b> | -            | -                            | -                      | -                     | <b>3.76</b>   |
| Provision for the year              | -           | -            | -                            | 438.50                 | -                     | 438.50        |
| Disposal/adjustments                | -           | -            | -                            | -                      | -                     | -             |
| <b>Balance as at March 31, 2023</b> | <b>3.76</b> | -            | -                            | <b>438.50</b>          | -                     | <b>442.26</b> |
| Carrying amount at March 31, 2022   | 2,217.52    | 6,118.67     | 703.27                       | 1,226.74               | 8.08                  | 10,274.28     |
| Carrying amount at March 31, 2023   | 2,272.93    | 6,298.73     | 483.07                       | 679.14                 | 2.20                  | 9,736.07      |

**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 USD. Above foreign exchange difference represents differences on account of translation of the consolidated financial statements of the ONGC Videsh Limited from USD to Group's presentation currency "₹". Refer Note No. 3.21 and 5.1 (a).

**12.3** During the year, amount pertaining to Sakhalin-1 project of subsidiary OVL has been transferred to "Investment Pending Proportionate Ownership Interest in Equity of Sakhalin-1 LLC". (Note no. 14.1.12 and 63).

**12.4** 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.

**12.5** In respect of subsidiary HPCL, includes Gross block of ₹757.30 Million (as at 31 March 2022: ₹794.80 Million) towards Right of Way representing Group's Share of Assets, jointly owned with other Companies.

**12.6** The HPCL Group has entered into service concession arrangements with entities that supply electricity (referred to as "The Regulator") in order to construct, own, operate, and maintain a wind energy-based electric power generating station (referred to as the "Plant"). Pursuant to the agreement, the Group will operate and maintain the Plant, and will sell the electricity generated to the Regulator for a period covering the substantial useful life of the Plant, which may be renewed for a further period upon mutual agreement between the parties. During the concession period, the Group is responsible for providing any maintenance services required. In turn, the Group has the right to charge an agreed rate as set forth in the service concession arrangement. The value of the Plant's construction has been recognized as an Asset, which is amortized over the useful life of the asset.

### 13. Intangible assets under development

(₹ in Million)

| Particulars                                              | As at March 31, 2023 | As at March 31, 2022 |
|----------------------------------------------------------|----------------------|----------------------|
| <b>(i) Exploratory wells in progress (Note No. 13.2)</b> |                      |                      |
| <b>Cost or deemed cost</b>                               |                      |                      |
| Opening balance                                          | 221,024.95           | 229,326.25           |
| Expenditure during the year                              | 43,092.43            | 41,169.83            |
| Sale proceeds of Oil and Gas (net of levies)             | (1,302.89)           | (52.17)              |
| Depreciation during the year (Note No. 43)               | 9,582.96             | 10,665.91            |
| <b>Total (A)</b>                                         | <b>272,397.45</b>    | <b>281,109.82</b>    |
| <b>Less:</b>                                             |                      |                      |
| Transfer to Oil and Gas Assets                           | 6,106.32             | 20,643.41            |
| Wells written off during the year                        | 62,015.40            | 38,964.14            |
| Other Adjustments                                        | 1,122.43             | 2,304.39             |



| Particulars                                                            | As at March 31, 2023 | As at March 31, 2022 |
|------------------------------------------------------------------------|----------------------|----------------------|
| Effect of exchange differences (Note No. 13.4.5)                       | (3,605.10)           | (1,827.07)           |
| <b>Total (B)</b>                                                       | <b>65,639.05</b>     | <b>60,084.87</b>     |
| <b>Sub-total (A-B)</b>                                                 | <b>206,758.40</b>    | <b>221,024.95</b>    |
| <b>Less: Accumulated Impairment</b>                                    |                      |                      |
| Opening Balance                                                        | 62,420.22            | 41,419.95            |
| Provided during the year (Note No. 13.3)                               | 2,695.22             | 20,830.40            |
| Write back during the year                                             | (22,763.02)          | -                    |
| Effect of exchange differences (Note No. 13.4.5)                       | 481.04               | 169.87               |
| <b>Total</b>                                                           | <b>42,833.46</b>     | <b>62,420.22</b>     |
| <b>Carrying amount of Exploratory wells in progress</b>                | <b>163,924.94</b>    | <b>158,604.73</b>    |
| <b>(ii) Acquisition Cost</b>                                           |                      |                      |
| <b>Cost or Deemed cost</b>                                             |                      |                      |
| Opening balance                                                        | 216,590.31           | 211,029.51           |
| Addition during the year                                               | -                    | -                    |
| Write back during the year                                             | (2.01)               | (523.76)             |
| Effect of exchange differences (Note No. 13.4.5)                       | 17,230.55            | 6,084.56             |
| <b>Total</b>                                                           | <b>233,818.85</b>    | <b>216,590.31</b>    |
| <b>Less : Accumulated Impairment</b>                                   |                      |                      |
| Opening balance                                                        | 24,933.89            | 26,632.18            |
| Provided during the year (Note No. 43)                                 | -                    | -                    |
| Write back during the year                                             | (25,490.42)          | (2,477.00)           |
| Effect of exchange differences (Note No. 13.4.5)                       | 1,542.33             | 778.71               |
| <b>Total</b>                                                           | <b>985.80</b>        | <b>24,933.89</b>     |
| <b>Carrying amount of Acquisition Cost</b>                             | <b>232,833.05</b>    | <b>191,656.42</b>    |
| <b>(iii) Other intangible assets under development (Note No. 13.5)</b> |                      |                      |
| Opening balance                                                        | 2,085.62             | 1,802.51             |
| Expenditure during the year                                            | 850.75               | 939.70               |
| Capitalised during the year                                            | -                    | (656.59)             |
| <b>Total</b>                                                           | <b>2,936.37</b>      | <b>2,085.62</b>      |
| <b>Carrying amount of Intangible assets under development</b>          | <b>399,694.36</b>    | <b>352,346.77</b>    |

**13.1** 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.

**13.2** 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 28 March 2016 and by MC on 31 March 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 31 March 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 5 March 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 25 May 2020. Well U1B and Well U1\_A\_Shft were completed and put to production on 26 August 2021 and 28 April 2022 respectively.

The cost of development wells in progress, Capital work in progress and Oil & gas assets as at 31 March 2023 is ₹56,147.21 Million (Previous year ₹37,488.80 Million), ₹142,392.36 Million (Previous year ₹110,903.50 Million) and ₹27,392.38 Million (Previous year ₹24,995.63 Million) respectively under Cluster II. Considering the changes with respect to approved FDP, the Company submitted the RFDP for Cluster-II development to DGH (Directorate General of hydrocarbons) on 19 August 2022 which is under review at DGH.

Further, MC has approved the 4C-3D OBN seismic data acquisition, processing & interpretation in Cluster-II (for 500SKM) under 'Exploration in Mining Lease area after expiry of Exploration period'. The tendering process for the 500 SKM 4C-3D OBN acquisition is underway.

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 31 April 2021 under F1. The cost of development wells in progress as at 31 March 2023 is ₹885.56 Million (Previous year ₹885.56 Million).

In respect of Cluster III, the Company has submitted the FDP for UD-1 discovery of Cluster-III on August 8, 2022. The FDP, after examination, has been returned by DGH for re-submitting a robust FDP. The Company proposes to formulate a robust FDP by incorporating the results of the proposed 4C-3D OBN seismic study. Further, the Company has requested Ministry of Petroleum & Natural Gas to extend the PEL timelines by 41 months i.e. upto 1 January 2026 in order to carry out 4C-3D OBN seismic data acquisition, processing & interpretation in the UD-1 discovery area.

In view of the definite plan for development of all the clusters, the cost of exploratory wells in the block i.e. ₹32,678.81 Million (Previous year ₹46,483.78 Million) has been carried over.

**13.3** Certain discovered small fields (DSF) of the Company falling under various Contract Areas were identified by Directorate General of Hydrocarbon, Ministry of Petroleum & Natural Gas, and Government of India for bidding under Discovered Small Field Round III - 2021, in terms of the said bid documents the value of such fields were considered as Nil.





The identified contract areas have been awarded to the winning bidders (awardees) in the month of August 2022 and the PML/PELs of these contract areas have been transferred to the said awardees. Accordingly, during the year, the Company has charged off exploratory wells in progress amounting to ₹21,404.94 Million lying in the fields falling under contract areas offered under DSF – III and reversed the accumulated impairment of ₹21,285.95 Million on the said exploratory wells (refer Note no. 9.2).

### 13.4 In respect of subsidiary OVL

**13.4.1** The company 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. In view of the same provision had been made in respect of exploratory wells in progress. The impairment as at 31 March 2023 is ₹3,373.91 Million (as at 31 March 2022: ₹3,111.06 Million) in respect of the project.

**13.4.2** 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 24<sup>th</sup> June, 2009. Pending finalisation of the Development Service Contract (DSC), cost of exploratory wells amounting to ₹2,800.71 Million (previous year ₹2,582.52 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.

**13.4.3** In respect of subsidiary ONGC Videsh Rovuma Ltd., Acquisition Cost relates to the cost for acquiring mineral rights of proved gas properties in Area-1, Mozambique which is currently under development stage.

**13.4.4** In case of subsidiary ONGC Videsh Rovuma Ltd., no borrowing costs have been capitalised during the year ended 31 March 2023 in Exploratory wells in progress and in Acquisition Cost (previous year: Nil). Capitalisation of borrowing cost has been suspended with effect from April 2021 due to declaration of Force Majeure in Area-1, Mozambique project.

**13.4.5** Company has determined its functional currency as USD. Above foreign exchange difference represents differences on account of translation of the financial statements of the ONGC Videsh Limited from USD to Group's presentation currency "₹". Refer Note No. 3.21 and 5.1 (a).

**13.5** In respect of subsidiary HPCL, other intangible assets under development are related to Technical/ Process Licenses, Software, etc.

### 13.6 Ageing for intangible assets under development as at March 31, 2023 is as follows:

| Particulars                    | Amount in IAUD for a period of |                  |                  |                   | (₹ in Million)    |
|--------------------------------|--------------------------------|------------------|------------------|-------------------|-------------------|
|                                | Less than 1 year               | 1-2 years        | 2-3 years        | More than 3 years | Total             |
| Projects in progress           | 30,534.33                      | 24,649.34        | 18,566.12        | 88,798.04         | 162,547.83        |
| Projects temporarily suspended | 47.95                          | 737.29           | 4,768.96         | 275,411.59        | 280,965.79        |
| <b>Grand Total</b>             | <b>30,582.28</b>               | <b>25,386.63</b> | <b>23,335.08</b> | <b>364,209.63</b> | <b>443,513.62</b> |
| Less: Accumulated Impairment   |                                |                  |                  |                   | 43,819.26         |
| <b>Total</b>                   |                                |                  |                  |                   | <b>399,694.36</b> |

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, 2023 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 |                   |
| <b>Projects in progress:</b>              |                    |                  |                  |                   |                   |
| <b>Exploratory Wells at</b>               |                    |                  |                  |                   |                   |
| - Mumbai offshore                         | 4,894.68           | 4,009.88         | 8,109.19         | 22,282.00         | 39,295.75         |
| - Rajahmundry Asset                       | 34,200.28          | -                | -                | -                 | 34,200.28         |
| - Block KG-DWN-98/02                      | 36.88              | 12,118.22        | 5,693.36         | 14,680.13         | 32,528.59         |
| - Jointly operated blocks Mumbai offshore | -                  | 7,237.09         | 2,230.48         | 1,990.92          | 11,458.49         |
| - Agartala Asset                          | 4,903.58           | 1,938.09         | -                | -                 | 6,841.67          |
| - Assam Asset                             | 2,112.84           | 2,434.56         | 923.16           | -                 | 5,470.56          |
| - Others                                  | 9,224.39           | 1,989.61         | 229.77           | 419.07            | 11,862.84         |
| <b>Projects temporarily suspended:</b>    |                    |                  |                  |                   |                   |
| <b>Exploratory Wells at</b>               |                    |                  |                  |                   |                   |
| - Jointly operated blocks Mumbai offshore | -                  | -                | 2,608.47         | -                 | 2,608.47          |
| - Others                                  | 1,713.11           | -                | -                | -                 | 1,713.11          |
| <b>Total</b>                              | <b>57,085.76</b>   | <b>29,727.45</b> | <b>19,794.43</b> | <b>39,372.12</b>  | <b>145,979.76</b> |

**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 | 953.10             | -         | -         | -                 | 953.10   |
| ERP Modernization Project                                  | 1,983.20           | -         | -         | -                 | 1,983.20 |
| Total                                                      | 2,936.30           | -         | -         | -                 | 2,936.30 |

**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                 |                    |           |           |                   |          |
| 1. Bangladesh Block SS-04            | -                  | 103.03    | -         | -                 | 103.03   |
| 2. Bangladesh Block SS-09            | -                  | 122.71    | -         | -                 | 122.71   |
| 4. Myanmar EP-3                      | 64.59              | -         | -         | -                 | 64.59    |
| 5. Vietnam Block 128                 | 164.30             | -         | -         | -                 | 164.30   |
| 6. Sudan (Block 5A)                  | -                  | -         | -         | 439.26            | 439.26   |
| 7. Block SSJN-7                      | 794.62             | -         | -         | -                 | 794.62   |
| Projects temporarily suspended       |                    |           |           |                   |          |
| 1. Syria Onshore block N24           | -                  | -         | -         | 3,373.91          | 3,373.91 |
| 2. Libya Contract Area 43 Block 1, 2 | -                  | -         | -         | 821.50            | 821.50   |



| Particulars        | To be completed in |               |           |                   | Total           |
|--------------------|--------------------|---------------|-----------|-------------------|-----------------|
|                    | Less than 1 year   | 1-2 years     | 2-3 years | More than 3 years |                 |
| 3. Myanmar B-2     | -                  | 32.92         | -         | -                 | 32.92           |
| 4. Iran Farzad-B   | -                  | -             | -         | 2,800.71          | 2,800.71        |
| <b>Gross Total</b> | <b>1,023.51</b>    | <b>258.66</b> | <b>-</b>  | <b>7,435.38</b>   | <b>8,717.55</b> |
| Less : Provision   |                    |               |           |                   | (7,193.34)      |
| <b>Total</b>       |                    |               |           |                   | <b>1,524.21</b> |

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        |
| <b>Grand Total</b>             | <b>30,174.62</b>               | <b>26,670.82</b> | <b>25,738.76</b> | <b>357,116.68</b> | <b>439,700.88</b> |
| Less: Accumulated Impairment   |                                |                  |                  |                   | 87,354.11         |
| <b>Total</b>                   |                                |                  |                  |                   | <b>352,346.77</b> |

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 |                  |
| <b>Projects in progress:</b>              |                    |                  |                  |                   |                  |
| <b>Exploratory Wells at</b>               |                    |                  |                  |                   |                  |
| - 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        |
| - Rajahmundry 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         |
| <b>Projects temporarily suspended:</b>    |                    |                  |                  |                   |                  |
| <b>Exploratory Wells at</b>               |                    |                  |                  |                   |                  |
| - Agartala Asset                          | 807.65             | -                | -                | -                 | 807.65           |
| - Others                                  | -                  | 26.62            | -                | -                 | 26.62            |
| <b>Total</b>                              | <b>18,884.34</b>   | <b>14,224.60</b> | <b>10,564.38</b> | <b>29,835.10</b>  | <b>73,508.42</b> |

\* 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 | 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     |

**14. Investments**

(₹ in Million)

| Particulars                                                                                                    | As at March 31, 2023 | As at March 31, 2022 |
|----------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
| <b>14.1 Investment in Joint Ventures and Associates (Equity Instruments)</b>                                   |                      |                      |
| (i) Associates                                                                                                 | 174,955.59           | 177,831.41           |
| (ii) Joint Ventures                                                                                            | 218,790.49           | 191,319.57           |
| <b>Sub-Total</b>                                                                                               | <b>393,746.08</b>    | <b>369,150.98</b>    |
| <b>14.2 Investment- Pending Proportionate Ownership Interest in Equity of Sakhalin-1 LLC (Note no.14.1.12)</b> | 142,965.46           | -                    |
| <b>14.3 Other Investments</b>                                                                                  |                      |                      |
| (i) Investment in Other Equity Instruments (Note No.14.2.(i))                                                  | 197,385.14           | 199,378.92           |
| (ii) Investment in other securities (Note No.14.2.(ii))                                                        | 2,575.23             | 43,998.17            |
| (iii) Investment in Compulsorily Convertible Preference Shares (Note No.14.2.(iii))                            | 365.22               | 178.04               |
| <b>Sub-Total</b>                                                                                               | <b>200,325.59</b>    | <b>243,555.13</b>    |
| <b>Total investments</b>                                                                                       | <b>737,037.13</b>    | <b>612,706.11</b>    |



## Investment in Joint Ventures and Associates

(₹ in Million)

| Particulars                                                                                                        | As at<br>March 31, 2023 |                   | As at<br>March 31, 2022 |                   |
|--------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------|-------------------------|-------------------|
|                                                                                                                    | No. (in Million)        | Amount            | No. (in Million)        | Amount            |
| <b>Investment in Equity instruments</b>                                                                            |                         |                   |                         |                   |
| <b>(i) Associates (Note No. 14.1.14)</b>                                                                           |                         |                   |                         |                   |
| (a) Pawan Hans Limited<br>(Unquoted— Fully paid up)<br>(Face Value ₹10,000 per share) (Note No. 14.1.2)            | 0.27                    | 4,251.50          | 0.27                    | 4,581.61          |
| (b) Petronet LNG Limited<br>(Quoted— Fully paid up)<br>(Face Value ₹10 per share)                                  | 187.50                  | 19,080.70         | 187.50                  | 17,085.11         |
| (c) Rohini Heliport Limited<br>(Unquoted— Fully paid up) ***<br>(Face Value ₹10 per share)                         | -                       | -                 | -                       | -                 |
| (d) Petro Carabobo S.A<br>(Unquoted— Fully paid up)<br>(Face Value Bolivar 10 per share)                           | 1.13                    | 3,276.70          | 1.13                    | 3,399.63          |
| (e) Carabobo Ingenieria Y Construcciones, S.A<br>(Unquoted— Fully paid up) ***<br>(Face Value Boliver 1 per share) | -                       | 0.34              | -                       | 0.32              |
| (f) Petrolera Indovenezolana SA<br>(Unquoted— Fully paid up)<br>(Face Value Boliver 10 per share)                  | 0.04                    | 16,618.63         | 0.04                    | 27,937.79         |
| (g) South East Asia Gas Pipeline Ltd<br>(Unquoted— Fully paid up)<br>(Face Value \$ 1 per share)                   | 0.02                    | 6,774.65          | 0.02                    | 5,496.43          |
| (h) Tamba BV<br>(Unquoted— Fully paid up) ***<br>(Face Value Euro 10 per share)                                    | -                       | 4,945.91          | -                       | 4,745.77          |
| (i) JSC Vankorneft, Russia<br>(Unquoted— Fully paid up)<br>(Face Value Rouble 1 per share)                         | 3.09                    | 103,774.86        | 3.09                    | 89,707.92         |
| (j) Moz LNG1 Holding Company Limited<br>(Unquoted— Fully paid up)<br>(Face Value \$ 1 per share)                   | 68.34                   | 5,129.25          | 44.45                   | 3,318.54          |
| (k) Falcon Oil & Gas BV<br>(Unquoted— Fully paid up) ***<br>(Face Value \$ 1 per share)                            | -                       | 21,836.08         | -                       | 20,549.86         |
| (l) Bharat Energy Office, LLC<br>(Unquoted— Fully paid up) ***<br>(Face Value Rouble 1,000,000 per share)          | -                       | 7.12              | -                       | 6.89              |
| (m) GSPL India Transco Ltd<br>(Unquoted — Fully paid up)<br>(Face Value ₹10 per share)                             | 66.77                   | 372.78            | 66.77                   | 385.86            |
| (n) GSPL India Gasnet Ltd<br>(Unquoted — Fully paid up)<br>(Face Value ₹10 per share)                              | 208.12                  | 1,941.35          | 208.12                  | 2,116.78          |
| Less: Aggregate amount of impairment                                                                               |                         | (13,054.28)       |                         | (1,501.10)        |
| <b>Total Investments in Associates</b>                                                                             |                         | <b>174,955.59</b> |                         | <b>177,831.41</b> |



| Particulars                                                                                                            | As at<br>March 31, 2023 |           | As at<br>March 31, 2022 |           |
|------------------------------------------------------------------------------------------------------------------------|-------------------------|-----------|-------------------------|-----------|
|                                                                                                                        | No. (in Million)        | Amount    | No. (in Million)        | Amount    |
| <b>(ii) Joint Ventures (Refer Note 14.1.15)</b>                                                                        |                         |           |                         |           |
| (a) Mangalore SEZ Limited<br>(Unquoted – Fully paid up)<br>(Face Value ₹10 per share)                                  | 13.48                   | -         | 13.48                   | -         |
| (b) ONGC Petro Additions Limited<br>(Unquoted – Fully paid up)<br>(Face Value ₹10 per share) (Note No.14.1.4 & 14.1.5) | 997.98                  | 39,688.75 | 997.98                  | 59,409.02 |
| (c) ONGC Teri Biotech Limited<br>(Unquoted– Fully paid up)<br>(Face Value ₹10 per share)                               | 12.50                   | 479.33    | 12.50                   | 399.42    |
| (d) ONGC Tripura Power Company Limited<br>(Unquoted – Fully paid up)<br>(Face Value ₹10 per share)                     | 560.00                  | 7,893.87  | 560.00                  | 7,225.21  |
| (e) Dahej SEZ Limited<br>(Unquoted– Fully paid up)<br>(Face Value ₹10 per share)                                       | 23.02                   | 1,512.03  | 23.02                   | 1,321.70  |
| (f) Indradhanush Gas Grid Limited<br>(Unquoted– Fully paid up)<br>(Face Value ₹10 per share) (Note No.14.1.3 & 14.1.6) | 198.00                  | 1,975.47  | 85.00                   | 1,653.10  |
| (g) Shell MRPL Aviation Fuels and Services Limited<br>(Unquoted–Fully paid up)<br>(Face Value ₹10 per share)           | 15.00                   | 448.61    | 15.00                   | 280.07    |
| (h) ONGC Mittal Energy Limited<br>(Unquoted– Fully paid up)<br>(Face Value \$ 1 per share)                             | 24.99                   | 2,052.93  | 24.99                   | 1,892.99  |
| (i) Mansarovar Energy Colombia Limited<br>(Unquoted– Fully paid up)<br>(Face Value \$ 1 per share)                     | 0.01                    | 10,616.40 | 0.01                    | 10,247.29 |
| (j) Himalaya Energy Syria BV<br>(Unquoted– Fully paid up)<br>(Face Value Euro 1 per share)                             | 0.05                    | 198.90    | 0.05                    | 194.24    |
| (k) HPCL-Mittal Energy Limited<br>(Unquoted– Fully paid up)<br>(Face Value ₹10 per share)                              | 3,939.56                | 69,317.43 | 3,939.56                | 54,800.00 |
| (l) Hindustan Colas Pvt. Ltd.<br>(Unquoted– Fully paid up)<br>(Face Value ₹10 per share)                               | 4.73                    | 2,492.30  | 4.73                    | 2,201.46  |
| (m) HPCL Rajasthan Refinery Ltd.<br>(Unquoted– Fully paid up)<br>(Face Value ₹10 per share) (Note No.14.1.13.1)        | 7,226.14                | 69,169.12 | 4,266.14                | 41,785.96 |
| (n) Petronet India Ltd.<br>(Unquoted– Fully paid up)<br>(Face Value ₹0.10 per share) ( Note No. 14.1.13.2)             | 16.00                   | 4.40      | 16.00                   | 4.40      |
| (o) South Asia LPG Co. Pvt. Ltd.<br>(Unquoted– Fully paid up)<br>(Face Value ₹10 per share)                            | 50.00                   | 1,161.49  | 50.00                   | 907.41    |
| (p) Bhagyanagar Gas Ltd.<br>(Unquoted– Fully paid up)<br>(Face Value ₹10 per share)                                    | 43.65                   | 1,979.09  | 43.65                   | 1,962.25  |



| Particulars                                                                                                 | As at<br>March 31, 2023 |                   | As at<br>March 31, 2022 |                   |
|-------------------------------------------------------------------------------------------------------------|-------------------------|-------------------|-------------------------|-------------------|
|                                                                                                             | No. (in Million)        | Amount            | No. (in Million)        | Amount            |
| (q) Aavantika Gas Ltd.<br>(Unquoted– Fully paid up)<br>(Face Value ₹10 per share)                           | 29.56                   | 1,952.30          | 29.56                   | 1,657.54          |
| (r) Mumbai Aviation Fuel Farm Facility Pvt. Ltd.<br>(Unquoted– Fully paid up)<br>(Face Value ₹10 per share) | 52.92                   | 1,024.72          | 52.92                   | 944.67            |
| (s) Ratnagiri Refinery & Petrochemical Limited.<br>(Unquoted– Fully paid up)<br>(Face Value ₹10 per share)  | 50.00                   | 279.73            | 50.00                   | 297.07            |
| (t) Godavari Gas Pvt. Ltd.<br>(Unquoted– Fully paid up)<br>(Face Value ₹10 per share)                       | 26.00                   | 225.62            | 23.13                   | 206.83            |
| (u) HPOIL Gas Pvt. Ltd.<br>(Unquoted– Fully paid up)<br>(Face Value ₹10 per share)                          | 72.50                   | 743.80            | 72.50                   | 682.32            |
| (v) IHB Ltd.<br>(Unquoted– Fully paid up)<br>(Face Value ₹10 per share)                                     | 764.50                  | 7,627.13          | 514.50                  | 5,139.61          |
| Less: Aggregate amount of impairment                                                                        |                         | (2,052.93)        |                         | (1,892.99)        |
| <b>Total Investment in Joint ventures</b>                                                                   |                         | <b>218,790.49</b> |                         | <b>191,319.57</b> |
| <b>Total Investment in Joint Ventures and Associates</b>                                                    |                         | <b>393,746.08</b> |                         | <b>369,150.98</b> |

\*\*\* Number of shares

| Particulars                                | As at March 31, 2023 | As at March 31, 2022 |
|--------------------------------------------|----------------------|----------------------|
|                                            | 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                    | 1                    |

**14.1.1** 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.

**14.1.2** 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, 2023, 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.

**14.1.3** During the year, the Company has subscribed additional 113,000,000 nos (Previous year 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. The Company has paid share application money amounting to ₹830 Million in the previous year 2021-22 to subscribe 83,000,000 nos. equity share having face value of ₹10 per share at par value for which the allotment of shares have been made in the current period.

**14.1.4** The Company has subscribed 3,451,240,000 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. 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                                            | August 24, 2024                         |
| 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*                         |

\* The warrants have been further extended upto October 06, 2024

**14.1.5** 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, 2023 is ₹1,766.85 Million (Previous year ₹1,699.28 Million). The first and third tranche of CCDs amounting to ₹56,150 Million and ₹4,920 Million has been further extended for a period of 18 months and are due for maturity in December 2023, while and February 2024 respectively. The second tranche of CCD amounting to ₹16,710 Million will be due for maturity in May, 2023. The same has been further extended by 18 months and put option exercise date will be October 18, 2024 and conversion date will be November 18, 2024.

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 ₹62,393.68 Million (As at March 31, 2022 ₹62,381.35 Million) includes, ₹62,308.05 Million (As at March 31, 2022 ₹62,308.05 Million) towards the fair value of Financial Liability against these CCDs and ₹85.63 Million (As at March 31, 2022 ₹73.30 Million) towards the fair value of guarantee fee on financial guarantee given without any consideration for OPaL.

**14.1.6** Company's Joint Venture Indradhanush Gas Grid Limited (IGGL) had taken a loan sanction of ₹25,940 Million from Oil Industry Development Board (OIDB) on August, 25 2021 for the purpose of implementation of North East Gas Grid Project guaranteed by the promoters of IGGL in proportion of their shareholdings. During the year, loan of ₹1,000 Million has been taken by IGGL out of the sanctioned amount ₹25,940 Million. The Company has recognized a financial guarantee obligation in respect of its shareholding in IGGL with a corresponding recognition of Deemed Investment in IGGL of ₹7.68 Million (As at March 31, 2022 ₹nil) for the above financial guarantee.

**14.1.7** Movement of Impairment in value of equity accounted joint venture

| (₹ in Million)                                     |                           |                           |
|----------------------------------------------------|---------------------------|---------------------------|
| Particulars                                        | Year ended March 31, 2023 | Year ended March 31, 2022 |
| Balance at beginning of the year                   | 3,394.09                  | 7,397.36                  |
| Recognised during the year                         | 11,178.88                 | -                         |
| Reversal during the year                           | -                         | (4,163.03)                |
| Effect of exchange differences (Note No. 14.1.7.1) | 534.24                    | 159.76                    |
| <b>Balance at end of the year</b>                  | <b>15,107.21</b>          | <b>3,394.09</b>           |

**14.1.7.1** Group's subsidiary ONGC Videsh Limited has determined its functional currency as USD. Above foreign exchange difference represents differences on account of translation of the consolidated financial statements of the ONGC Videsh Limited from USD to Group's presentation currency "₹". Refer Note No. 3.21 and 5.1 (a).

**14.1.8** During the year, the Group has assessed that Investment of ₹0.02 Million (USD 241.25) in Sudd Petroleum Operating Company (SPOC) is in the nature of Joint Operation instead of Joint Venture. Accordingly, the Investment in SPOC along with it's corresponding provision for impairment of ₹0.02 Million (USD 241.25) has been reclassified under Acquisition Cost as part of Oil and Gas Assets.



**14.1.9** In respect of investment in associate Tamba BV, management of Tamba BV has informed its decision to liquidate the company due to which continuation of Tamba BV as a going concern is not foreseen by the Group. Considering the same, excess of carrying value of investment in Tamba BV as on 30.06.2022 over the Group's proportionate share in Tamba BV's net worth as on that date has been recognized as provision for impairment loss.

**14.1.10** In respect of subsidiaries ONGC Videsh Rovuma Ltd. and Beas Rovuma Energy Mozambique Ltd., the Share of Profit from Moz LNG1 Holding Company Ltd., an associate company, for current year includes loss amounting to ₹221.36 Million pertaining to previous year FY2021-22 which has been adjusted on the basis of unaudited financials of the associate company. No restatement of financials is done considering that the amount is below the materiality threshold.

**14.1.11** India is subject to the World Bank negative pledge covenant (WBNP) that is contained in the International Bank for Reconstruction and Development's General Conditions for Loans, which imposes certain restrictions on the grant of security interests (broadly defined) over "public assets" of India. Accordingly, Indian Sponsors in the Area 1 Project along with their wholly owned entities affected by the WBNP covenant and, as a result, no pledge, charge or other such security is proposed to be granted over their PI, and their share of Project's assets and receivables, in favor of the senior creditors. In view of the above, in lieu of the grant of a conventional security package, subsidiary company ONGC Videsh Rovuma Ltd. has provided Custody Arrangement over shares in its associate Moz LNG1 Holding Company Ltd. to Standard Bank, S.A acting as CSA (Common Security Agreement) Security Custodian under the project finance arrangement.

**14.1.12 Details of Investment Pending Proportionate Ownership Interest in Equity of Sakhalin-1 LLC (Refer Note No. 63):**

| Particulars                                                                                                         | Amount (₹ in Million) |                   |
|---------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------|
| <b>Assets</b>                                                                                                       |                       |                   |
| Oil and Gas Assets- Gross                                                                                           | 424,567.47            |                   |
| Less: Accumulated depletion and impairment                                                                          | (235,175.18)          | 189,392.29        |
| Other Property, Plant and Equipment- Gross                                                                          | 59,666.56             |                   |
| Less: Accumulated depreciation                                                                                      | (53,615.28)           | 6,051.28          |
| Development Wells in progress                                                                                       |                       | 1,740.77          |
| Oil and Gas Facilities in progress                                                                                  |                       | 3,952.15          |
| Intangible Assets                                                                                                   |                       | 7.86              |
| Investment in mutual funds (against site restoration fund for Sakhalin-1)                                           |                       | 48,277.63         |
| Advances recoverable in cash or kind                                                                                |                       | 412.08            |
| Other Financial Assets                                                                                              |                       | 390.73            |
| Other Assets                                                                                                        |                       | 412.72            |
| Inventories                                                                                                         |                       | 7,885.90          |
| Cash and Cash Equivalents                                                                                           |                       | 1,325.67          |
| <b>Total (A)</b>                                                                                                    |                       | <b>259,849.08</b> |
| <b>Liabilities</b>                                                                                                  |                       |                   |
| Other Financial Liabilities                                                                                         |                       | 3,370.20          |
| Provision for decommissioning                                                                                       |                       | 42,392.90         |
| Deferred Tax Liabilities                                                                                            |                       | 68,565.24         |
| Trade Payables                                                                                                      |                       | 2,268.35          |
| Other Current Liabilities                                                                                           |                       | 8.48              |
| <b>Total (B)</b>                                                                                                    |                       | <b>116,605.17</b> |
| <b>Investment Pending Proportionate Ownership Interest in Equity of Sakhalin-1 LLC as on 14.10.2022 [(A) + (B)]</b> |                       | <b>143,243.90</b> |
| Add: Exchange difference on account of translation from USD to ₹                                                    |                       | (278.45)          |
| <b>Investment Pending Proportionate Ownership Interest in Equity of Sakhalin-1 LLC as on 31.03.2023</b>             |                       | <b>142,965.45</b> |

Abandonment fund (including fair value gain up to 13th October 2022) for Sakhalin-1 project which has been transferred to “Investment Pending Proportionate Ownership Interest in Equity of Sakhalin-1 LLC”. The abandonment fund amount of ₹49,234.16 Million (USD 599.61 Million) has been received on 5th April, 2023 & 6th April, 2023 in Company’s USD account opened with SBI, Gift City branch with specific permission granted by the RBI. These funds are payable to to Sakahlin-1 LLC as per the requirements of the decree.

#### 14.1.13 In respect of Subsidiary HPCL,

**14.1.13.1** As per the guidelines issued by Department of Public Enterprises (DPE), Ministry of Finance, in February 2010, the Board of Directors of Maharatna Central Public Sector Enterprises (CPSEs) can invest in joint ventures and wholly owned subsidiaries subject to an overall ceiling of 30% of the net worth of the CPSE. 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 [viz. investment in HPCL Mittal Energy Limited (HMEI) 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, 2023, the investments in joint ventures and wholly owned subsidiaries are well within the said 30% limit.

**14.1.13.2** Petronet India Limited is in the process of voluntary winding up w.e.f August 30,2018.

#### 14.1.14 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, 2023                                                | As at March 31, 2022 |
| (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) Carabobo 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%               |
| (xi) GSPL India Transco Ltd (through HPCL)                      | Design, construct, develop operate and maintain natural gas pipeline                     | India                                                   | 11.00%                                                              | 11.00%               |





| 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, 2023                                                | As at March 31, 2022 |
| (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) | Liasioning with Russian Oil and gas industry                         | Russia                                                      | 20.00%                                                              | 20.00%               |

#### 14.1.15 Details and financial information of Joint Ventures

| 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, 2023                                                | As at March 31, 2022 |
| (i) Mangalore SEZ Limited                                           | Special Economic Zone                                                                                 | India                                                         | 26.78%                                                              | 26.78%               |
| (ii) ONGC Petro Additions Limited                                   | Petrochemicals                                                                                        | India                                                         | 49.36%                                                              | 49.36%               |
| (iii) ONGC Teri Biotech Limited                                     | Bioremediation                                                                                        | India                                                         | 49.98%                                                              | 49.98%               |
| (iv) ONGC Tripura Power Company Limited                             | Power Generation                                                                                      | India                                                         | 50.00%                                                              | 50.00%               |
| (v) Dahej SEZ Limited                                               | Special Economic Zone                                                                                 | India                                                         | 50.00%                                                              | 50.00%               |
| (vi) Indradhanush Gas Grid Limited                                  | Pipeline                                                                                              | India                                                         | 20.00%                                                              | 20.00%               |
| (vii) Shell MRPL Aviation Fuels and Services Limited (through MRPL) | Trading of aviation fuels                                                                             | India                                                         | 50.00%                                                              | 50.00%               |
| (viii) ONGC Mittal Energy Limited (through OVL)                     | Exploration and Production of hydrocarbons                                                            | Incorporated in Cyprus having operations in Syria and Nigeria | 49.98%                                                              | 49.98%               |
| (ix) Mansarovar Energy Colombia Limited (through OVL)               | Exploration and Production of hydrocarbons                                                            | Colombia                                                      | 50%                                                                 | 50%                  |
| (x) Himalaya Energy Syria BV (through OVL)                          | Exploration and Production of hydrocarbons                                                            | Incorporated in The Netherlands, having operations in Syria   | 50%                                                                 | 50%                  |
| (xi) 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 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, 2023                                                | As at March 31, 2022 |
| (xii) HPCL Mittal Energy Ltd. (through HPCL)                    | Refining of crude oil and manufacturing of petroleum products.                                                                                                             | India                                                  | 48.99%                                                              | 48.99%               |
| (xiii) Hindustan Colas Pvt. Ltd. (through HPCL)                 | Manufacture and marketing of Bitumen Emulsions & Modified Bitumen.                                                                                                         | India                                                  | 50.00%                                                              | 50.00%               |
| (xiv) 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%               |
| (xv) 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%               |
| (xvi) 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%               |
| (xvii) Petronet India Ltd. (through HPCL)                       | 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%               |
| (xviii) 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%               |
| (xix) 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%               |
| (xx) 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 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, 2023                                                | As at March 31, 2022 |
| (xxi) 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%               |
| (xxii) IHB Ltd (through HPCL)          | To set up cross country Kandla-Gorakhpur LPG Pipeline.                                                                    | India                                                  | 25.00%                                                              | 25.00%               |

#### 14.1.16 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, 2023 | As at March 31, 2022 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2023 | As at March 31, 2022 |
| Non-current assets                                                          | 13,637.89            | 13,952.54            | 267,701.56           | 277,495.91           | 42,399.85            | 18,719.13            |
| Current assets                                                              | 1,274.55             | 1,503.04             | 28,045.83            | 25,358.19            | 2,384.17             | 2,583.59             |
| Non-current liabilities                                                     | 14,056.34            | 14,654.54            | 190,743.48           | 146,792.16           | 26,739.57            | 11,962.90            |
| Current liabilities                                                         | 862.30               | 879.60               | 98,795.92            | 110,224.74           | 8,170.65             | 3,564.32             |
| <b>The above amounts of assets and liabilities includes the following:</b>  |                      |                      |                      |                      |                      |                      |
| Cash and cash equivalents                                                   | 3.18                 | 29.26                | 36.60                | 8.06                 | 1,550.89             | 1,887.64             |
| Current financial liabilities (Excluding trade payables and provisions)     | 366.64               | 367.43               | 86,371.33            | 97,928.01            | 20.79                | 439.59               |
| Non-current financial liabilities (Excluding trade payables and provisions) | 5,189.31             | 5,512.19             | 190,743.48           | 146,792.16           | 71.56                | 1.92                 |

(₹ in Million)

| Particulars                                                        | MSEZ                            |                                 | OPaL                            |                                 | IGGL                            |                                 |
|--------------------------------------------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
|                                                                    | Year Ended<br>March 31,<br>2023 | Year Ended<br>March 31,<br>2022 | Year Ended<br>March 31,<br>2023 | Year Ended<br>March 31,<br>2022 | Year Ended<br>March 31,<br>2023 | Year Ended<br>March 31,<br>2022 |
| Revenue                                                            | 2,036.35                        | 1,924.46                        | 145,930.47                      | 160,475.13                      | -                               | -                               |
| Profit or (loss) from<br>continuing operations                     | 71.83                           | (199.34)                        | (41,554.91)                     | (5,346.55)                      | 73.47                           | 19.48                           |
| Post-tax profit (loss) from<br>discontinued operations             | -                               | -                               | -                               | -                               | -                               | -                               |
| Other comprehensive<br>income                                      | 0.53                            | 0.82                            | 10.87                           | 16.85                           | -                               | -                               |
| Total comprehensive<br>income                                      | 72.36                           | (198.52)                        | (41,544.04)                     | (5,329.70)                      | 73.47                           | 19.48                           |
| <b>The above profit (loss) for the year include the following:</b> |                                 |                                 |                                 |                                 |                                 |                                 |
| Depreciation and<br>amortisation                                   | 1,769.84                        | 627.52                          | 16,057.06                       | 13,702.77                       | -                               | -                               |
| Interest income                                                    | 18.55                           | 27.09                           | 106.65                          | 30.47                           | 29.89                           | 15.66                           |
| Interest expense                                                   | 402.87                          | 399.89                          | 27,547.97                       | 18,554.01                       | -                               | -                               |
| Income tax expense or<br>income                                    | 49.42                           | 127.06                          | 2,814.91                        | (1,302.02)                      | (3.29)                          | 5.02                            |

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<br>March 31,<br>2023 | As at<br>March 31,<br>2022 | As at<br>March 31,<br>2023 | As at<br>March 31,<br>2022 | As at<br>March 31,<br>2023 | As at<br>March 31,<br>2022 |
| Net assets of the joint venture                              | (6.20)                     | (78.56)                    | 6,207.99                   | 45,837.20                  | 9,873.80                   | 5,775.50                   |
| Equity Portion of Compulsorily<br>convertible debentures     | -                          | -                          | (82,256.48)                | (80,571.69)                | -                          | -                          |
| Net assets of the joint venture<br>attributable to group     | (6.20)                     | (78.56)                    | (76,048.49)                | (34,734.49)                | 9,873.80                   | 5,775.50                   |
| Proportion of the Group's ownership<br>interest in JVs (%)   | 26.78%                     | 26.78%                     | 49.36%                     | 49.36%                     | 20.00%                     | 20.00%                     |
| Proportion of the Group's ownership<br>interest in JVs (₹)   | (1.66)                     | (21.04)                    | (37,535.86)                | (17,144.18)                | 1,974.76                   | 1,155.10                   |
| Add: Additional subscription of share<br>warrant             | -                          | -                          | 17,040.89                  | 17,040.89                  | -                          | -                          |
| Add: Additional Share application<br>money pending allotment | -                          | -                          | -                          | -                          | -                          | 498.00                     |
| Add: Deemed Investment                                       | -                          | -                          | 62,351.41                  | 62,345.17                  | 0.71                       | -                          |
| Add: Adjustment for restriction of loss                      | 1.66                       | 21.04                      | -                          | -                          | -                          | -                          |
| Less: Unrealised profit                                      | -                          | -                          | (2,167.69)                 | (2,832.86)                 | -                          | -                          |
| <b>Group's share in net assets of the<br/>joint venture</b>  | -                          | -                          | <b>39,688.75</b>           | <b>59,409.02</b>           | <b>1,975.47</b>            | <b>1,653.10</b>            |
| <b>Carrying amount of the Group's<br/>interest in JVs</b>    | -                          | -                          | <b>39,688.75</b>           | <b>59,409.02</b>           | <b>1,975.47</b>            | <b>1,653.10</b>            |



(₹ in Million)

| Particulars                                                                  | DSL                  |                      | OTPC                 |                      | OTBL                 |                      |
|------------------------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|                                                                              | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2023 | As at March 31, 2022 |
| Non-current assets                                                           | 11,086.93            | 11,215.94            | 24,131.21            | 25,820.05            | 2.43                 | 17.44                |
| current assets                                                               | 1,077.04             | 1,292.76             | 6,240.28             | 6,812.50             | 1,034.70             | 854.69               |
| Non-current liabilities                                                      | 7,834.79             | 9,111.89             | 11,423.87            | 13,627.12            | 3.21                 | 2.14                 |
| Current liabilities                                                          | 1,305.13             | 753.41               | 3,159.89             | 4,555.02             | 74.88                | 70.84                |
| <b>The above amounts of assets and liabilities includes the following:</b>   |                      |                      |                      |                      |                      |                      |
| Cash and cash equivalents                                                    | 5.29                 | 11.81                | 376.07               | 886.29               | 1.61                 | 0.29                 |
| Current financials liabilities (Excluding trade payables and provisions)     | 852.24               | 19.02                | 2,720.28             | 4,071.87             | -                    | -                    |
| Non-current financials liabilities (Excluding trade payables and provisions) | 1,690.24             | 3,087.60             | 10,269.85            | 12,407.76            | -                    | -                    |

(₹ in Million)

| Particulars                                                        | DSL                       |                           | OTPC                      |                           | OTBL                      |                           |
|--------------------------------------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
|                                                                    | Year Ended March 31, 2023 | Year Ended March 31, 2022 | Year Ended March 31, 2023 | Year Ended March 31, 2022 | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
| Revenue                                                            | 757.07                    | 670.77                    | 16,314.66                 | 12,632.20                 | 370.20                    | 188.16                    |
| Profit or (loss) from continuing operations                        | 380.65                    | 469.82                    | 2,059.81                  | 1,108.29                  | 191.99                    | 86.27                     |
| Post-tax profit (loss) from discontinued operations                | -                         | -                         | -                         | -                         | -                         | -                         |
| Other comprehensive income                                         | -                         | -                         | 0.25                      | 1.49                      | (0.49)                    | 0.08                      |
| Total comprehensive income                                         | 380.65                    | 469.82                    | 2,060.06                  | 1,109.78                  | 191.50                    | 86.35                     |
| <b>The above profit (loss) for the year include the following:</b> |                           |                           |                           |                           |                           |                           |
| Depreciation and amortisation                                      | 83.12                     | 92.54                     | 2,142.53                  | 2,078.88                  | 0.37                      | 0.38                      |
| Interest income                                                    | 59.90                     | 59.54                     | 40.46                     | 170.22                    | 39.44                     | 39.00                     |
| Interest expense                                                   | 61.00                     | 55.53                     | 1,011.99                  | 1,107.70                  | -                         | -                         |
| Income tax expense or income                                       | 171.87                    | 16.84                     | 355.91                    | 414.97                    | 65.85                     | 29.58                     |

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, 2023 | As at March 31, 2022 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2023 | As at March 31, 2022 |
| Net assets of the joint venture                         | 3,024.05             | 2,643.40             | 15,787.73            | 14,450.41            | 959.04               | 799.15               |
| 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 (₹) | 1,512.03             | 1,321.70             | 7,893.87             | 7,225.21             | 479.33               | 399.42               |
| Add: Additional advance against equity                  |                      |                      |                      |                      |                      |                      |
| <b>Group's share in net assets of the joint venture</b> | <b>1,512.03</b>      | <b>1,321.70</b>      | <b>7,893.87</b>      | <b>7,225.21</b>      | <b>479.33</b>        | <b>399.42</b>        |
| <b>Carrying amount of the Group's interest in JVs</b>   | <b>1,512.03</b>      | <b>1,321.70</b>      | <b>7,893.87</b>      | <b>7,225.21</b>      | <b>479.33</b>        | <b>399.42</b>        |



#### 14.1.17 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, 2023 | As at March 31, 2022 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2023 | As at March 31, 2022 |
| Non-current assets      | 109,055.20           | 126,464.50           | 7,002.57             | 7,676.27             | 0.11                 | -                    |
| current assets          | 118,469.70           | 87,153.20            | 5,070.94             | 5,070.94             | 0.11                 | 0.16                 |
| Non-current liabilities | 45,875.30            | 49,569.40            | 1,285.15             | 1,285.15             | -                    | -                    |
| Current liabilities     | 29,004.00            | 27,367.40            | 2,111.83             | 2,111.83             | 0.54                 | 0.48                 |

(₹ in Million)

| Particulars                                         | PLL                       |                           | PHL                       |                           | RHL                       |                           |
|-----------------------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
|                                                     | Year Ended March 31, 2023 | Year Ended March 31, 2022 | Year Ended March 31, 2023 | Year Ended March 31, 2022 | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
| Revenue                                             | 598,993.50                | 431,685.70                | 4,102.40                  | 3,885.47                  | -                         | -                         |
| Profit or (loss) from continuing operations         | 33,258.20                 | 34,381.10                 | (673.70)                  | (513.91)                  | (0.09)                    | (0.13)                    |
| Post-tax profit (loss) from discontinued operations | -                         | -                         | -                         | -                         | -                         | -                         |
| Other comprehensive income                          | (43.60)                   | (19.20)                   | -                         | -                         | -                         | -                         |
| Total comprehensive income                          | 33,214.60                 | 34,361.90                 | (673.70)                  | (513.91)                  | (0.09)                    | (0.13)                    |

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, 2023 | As at March 31, 2022 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2023 | As at March 31, 2022 |
| Net assets of the associates                                   | 152,645.60           | 136,680.90           | 8,676.53             | 9,350.23             | (0.32)               | (0.32)               |
| 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 (₹) | 19,080.70            | 17,085.11            | 4,251.50             | 4,581.61             | (0.16)               | (0.16)               |
| Add: Adjustment for restriction of loss                        | -                    | -                    | -                    | -                    | 0.16                 | 0.16                 |
| <b>Group's share in net assets of the associates</b>           | <b>19,080.70</b>     | <b>17,085.11</b>     | <b>4,251.50</b>      | <b>4,581.61</b>      | <b>-</b>             | <b>-</b>             |
| <b>Carrying amount of the Group's interest in associates</b>   | <b>19,080.70</b>     | <b>17,085.11</b>     | <b>4,251.50</b>      | <b>4,581.61</b>      | <b>-</b>             | <b>-</b>             |



#### 14.1.18 Details of financial position of subsidiary company, MRPL's Joint ventures:

(₹ in Million)

| Particulars<br>(As at March<br>31, 2023)                | Current<br>Assets | Non-<br>Current<br>Assets | Current<br>Liabilities | Non-<br>Current<br>Liabilities | Total<br>Revenue | Profit or<br>Loss from<br>continuing<br>operations | Profit or<br>Loss from<br>discontinued<br>operations | Other<br>Comprehensive<br>Income | Total<br>Comprehensive<br>Income |
|---------------------------------------------------------|-------------------|---------------------------|------------------------|--------------------------------|------------------|----------------------------------------------------|------------------------------------------------------|----------------------------------|----------------------------------|
| Shell MRPL<br>Aviation Fuels<br>and Services<br>Limited | 4,404.03          | 73.09                     | 3,566.42               | -                              | 16,333.95        | 752.21                                             | -                                                    | (3.19)                           | 749.02                           |
| <b>Total</b>                                            | <b>4,404.03</b>   | <b>73.09</b>              | <b>3,566.42</b>        | <b>-</b>                       | <b>16,333.95</b> | <b>752.21</b>                                      | <b>-</b>                                             | <b>(3.19)</b>                    | <b>749.02</b>                    |

| Particulars<br>(As at March<br>31, 2022)                | Current<br>Assets | Non-<br>Current<br>Assets | Current<br>Liabilities | Non-<br>Current<br>Liabilities | Total<br>Revenue | Profit or<br>Loss from<br>continuing<br>operations | Profit or<br>Loss from<br>discontinued<br>operations | Other<br>Comprehensive<br>Income | Total<br>Comprehensive<br>Income |
|---------------------------------------------------------|-------------------|---------------------------|------------------------|--------------------------------|------------------|----------------------------------------------------|------------------------------------------------------|----------------------------------|----------------------------------|
| Shell MRPL<br>Aviation Fuels<br>and Services<br>Limited | 3,283.92          | 82.81                     | 2,766.95               | 2.50                           | 6,731.90         | 179.22                                             | -                                                    | 0.86                             | 180.08                           |
| <b>Total</b>                                            | <b>3,283.92</b>   | <b>82.81</b>              | <b>2,766.95</b>        | <b>2.50</b>                    | <b>6,731.90</b>  | <b>179.22</b>                                      | <b>-</b>                                             | <b>0.86</b>                      | <b>180.08</b>                    |

Additional Financial information related to Joint venture are as under:

(₹ in Million)

| Particulars (As at<br>March 31, 2023)                | Cash and<br>Cash<br>Equivalents | Current<br>Financial<br>Liabilities | Non-Current<br>Financial<br>Liabilities | Depreciation<br>and<br>Amortisation | Interest<br>Income | Interest<br>Expense | Income Tax<br>Expense or Income |
|------------------------------------------------------|---------------------------------|-------------------------------------|-----------------------------------------|-------------------------------------|--------------------|---------------------|---------------------------------|
| Shell MRPL Aviation<br>Fuels and Services<br>Limited | 1,267.03                        | 3,375.96                            | -                                       | 11.14                               | 51.32              | 0.41                | 257.05                          |
| <b>Total</b>                                         | <b>1,267.03</b>                 | <b>3,375.96</b>                     | <b>-</b>                                | <b>11.14</b>                        | <b>51.32</b>       | <b>0.41</b>         | <b>257.05</b>                   |

| Particulars (As at<br>March 31, 2022)                | Cash and<br>Cash<br>Equivalents | Current<br>Financial<br>Liabilities | Non-Current<br>Financial<br>Liabilities | Depreciation<br>and<br>Amortisation | Interest<br>Income | Interest<br>Expense | Income Tax<br>Expense or Income |
|------------------------------------------------------|---------------------------------|-------------------------------------|-----------------------------------------|-------------------------------------|--------------------|---------------------|---------------------------------|
| Shell MRPL Aviation<br>Fuels and Services<br>Limited | 355.97                          | 2,646.09                            | 2.50                                    | 14.86                               | 37.81              | 2.62                | 60.90                           |
| <b>Total</b>                                         | <b>355.97</b>                   | <b>2,646.09</b>                     | <b>2.50</b>                             | <b>14.86</b>                        | <b>37.81</b>       | <b>2.62</b>         | <b>60.90</b>                    |

Summarised financial information of Company's Joint Venture

(₹ in Million)

| Particulars                                                      | Shell MRPL Aviation Fuels and Services Limited |                      |
|------------------------------------------------------------------|------------------------------------------------|----------------------|
|                                                                  | As at March 31, 2023                           | As at March 31, 2022 |
| Net assets of the Joint Venture                                  | 910.70                                         | 596.68               |
| Proportion of the Company's ownership interest in JV (%)         | 50%                                            | 50%                  |
| Proportion of the Company's ownership interest in JV (₹)         | 455.35                                         | 298.34               |
| Less : Unrealized Profit and other adjustment                    | 6.74                                           | 18.27                |
| Carrying amount of the Company's interest in JV after adjustment | 448.61                                         | 280.07               |

#### 14.1.19 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<br>March 31, 2023 | As at<br>March 31, 2022 |
|-----------------------------------------------------------------------------|-------------------------|-------------------------|
| Non - Current Assets                                                        | 11,637.40               | 14,348.70               |
| Current Assets                                                              | 9,536.67                | 8,186.02                |
| Non - Current Liabilities                                                   | 8,008.89                | 8,263.36                |
| Current Liabilities                                                         | 4,752.08                | 3,816.45                |
| <b>The above amounts of assets and liabilities includes the following:</b>  |                         |                         |
| Cash and cash equivalents                                                   | 7,713.92                | 6,315.07                |
| Current financial liabilities (excluding trade payables and provisions)     | 3,083.60                | 2,088.19                |
| Non-current financial liabilities (excluding trade payables and provisions) | -                       | -                       |

| Mansarovar Energy Colombia Limited                                 | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
|--------------------------------------------------------------------|------------------------------|------------------------------|
| Revenue                                                            | 8,667.59                     | 14,502.74                    |
| Profit or loss from continuing operations                          | 2,920.19                     | 1,454.53                     |
| Other comprehensive income for the year                            | -                            | -                            |
| Total comprehensive income for the year                            | 2,920.19                     | 1,454.53                     |
| Dividends received from the joint venture during the year          | 1,928.90                     | 3,801.41                     |
| <b>The above profit/(loss) for the year include the following:</b> |                              |                              |
| Depreciation and amortisation                                      | 1,325.85                     | 3,755.11                     |
| Interest income                                                    | 652.60                       | 488.71                       |
| Interest expense                                                   | 91.26                        | 447.15                       |
| Income tax expense (income)                                        | 2,057.07                     | 1,416.67                     |

##### (ii) JSC Vankorneft

(₹ in Million)

| JSC Vankorneft                                                              | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|-----------------------------------------------------------------------------|-------------------------|-------------------------|
| Non - Current Assets                                                        | 193,846.57              | 162,077.95              |
| Current Assets                                                              | 101,116.83              | 123,706.77              |
| Non - Current Liabilities                                                   | 31,614.83               | 26,672.58               |
| Current Liabilities                                                         | 43,232.04               | 71,814.33               |
| <b>The above amounts of assets and liabilities includes the following:</b>  |                         |                         |
| Cash and cash equivalents                                                   | 0.43                    | 0.32                    |
| Current financial liabilities (excluding trade payables and provisions)     | 22,116.85               | 39,425.72               |
| Non-current financial liabilities (excluding trade payables and provisions) | 16,323.64               | 13,870.90               |

| JSC Vankorneft                                                     | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
|--------------------------------------------------------------------|------------------------------|------------------------------|
| Revenue                                                            | 385,342.02                   | 389,590.61                   |
| Profit or loss from continuing operations                          | 30,558.50                    | 36,948.74                    |
| Other comprehensive income for the year                            | -                            | -                            |
| Total comprehensive income for the year                            | 30,558.50                    | 36,948.74                    |
| Dividends received from the joint venture during the year          | 9,710.14                     | 12,982.68                    |
| <b>The above profit/(loss) for the year include the following:</b> |                              |                              |
| Depreciation and amortisation                                      | 25,693.54                    | 33,667.95                    |
| Interest income                                                    | 1,464.00                     | 1,657.14                     |
| Interest expense                                                   | -                            | -                            |
| Income tax expense (income)                                        | 30,093.59                    | 39,129.02                    |



(iii) Petrolera Indovenzolana SA

(₹ in Million)

| Petrolera Indovenzolana SA                                                  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|-----------------------------------------------------------------------------|-------------------------|-------------------------|
| Non - Current Assets                                                        | 21,743.52               | 27,962.28               |
| Current Assets                                                              | 296,152.82              | 269,942.33              |
| Non - Current Liabilities                                                   | 13,065.99               | 2,044.30                |
| Current Liabilities                                                         | 239,068.25              | 211,242.25              |
| <b>The above amounts of assets and liabilities includes the following:</b>  |                         |                         |
| Cash and cash equivalents                                                   | 27.17                   | 25.06                   |
| Current financial liabilities (excluding trade payables and provisions)     | -                       | -                       |
| Non-current financial liabilities (excluding trade payables and provisions) | 1,405.48                | 1,295.98                |

| Petrolera Indovenzolana SA                                         | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
|--------------------------------------------------------------------|------------------------------|------------------------------|
| Revenue                                                            | 4,967.74                     | 4,328.86                     |
| Profit or loss from continuing operations                          | (33,458.27)                  | 422.89                       |
| Other comprehensive income for the year                            | -                            | -                            |
| Total comprehensive income for the year                            | (33,458.27)                  | 422.89                       |
| Dividends received from the joint venture during the year          | -                            | -                            |
| <b>The above profit/(loss) for the year include the following:</b> |                              |                              |
| Depreciation and amortisation                                      | 940.83                       | 947.20                       |
| Interest income                                                    | -                            | -                            |
| Interest expense                                                   | -                            | -                            |
| Income tax expense (income)                                        | 49,710.04                    | 1,167.18                     |

a) In respect of subsidiary company ONGC Nile Ganga BV, its investment in associate Petrolera Indovenzolana SA (PIVSA), which is a joint venture of subsidiary ONGBV and Petroleos de Venezuela, SA (PdVSA), the National Oil Company of Venezuela, PdVSA is the operator:

Functional currency of PIVSA is US Dollars. However, the tax is computed and determined in Bolivars as per local tax regulations. For tax calculation in Bolivars, all monetary assets and liabilities denominated in US Dollars are restated at closing exchange rate and consequent exchange gain/loss is offered for tax. For FY 22-23, on account of rapid devaluation of Bolivars, a substantial exchange gain is recorded in tax books and consequent tax provision is charged to the Statement of Profit and Loss of PIVSA. Accordingly, Share of Profit/(Loss) from PIVSA and Investment in PIVSA is impacted by ₹14,215.90 Million (pertaining to the Group's holding in PIVSA) on account of the said tax provisions.

As per the arrangement with PdVSA in Venezuela, taxes are paid by PdVSA on behalf of PIVSA. As at year end, tax liability for calendar year 2021 and 2022 is outstanding. PIVSA management is of view that the risk of any liability devolving on JV on account of non-payment/delayed payment of taxes is remote considering that the responsibility of payment of taxes is on PdVSA.

PIVSA and PPSA (a subsidiary of PdVSA) entered into a Hydrocarbons Purchase Agreement (the "Contract"), for sale of crude oil and associated natural gas of the project. The price calculation methodology of the Contract is under revision by PdVSA. PIVSA has recognized revenue for the year ended March 31, 2023 based on the pricing mechanism established under existing Hydrocarbons Purchase Agreement and no adjustment has been made in the financial statements for the possible impact of price revision, if any, as the same cannot be reasonably determined at this preliminary stage.

b) In respect of associate Petro Indovenzolana (PIVSA), Venezuela, dividends declared outstanding of ₹33,912.99 Million (USD 412.87 Million) are yet to be received in view of the international sanctions on the country.

(iv) South East Asia Gas Pipeline Ltd

(₹ in Million)

| South East Asia Gas Pipeline Ltd                                            | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|-----------------------------------------------------------------------------|-------------------------|-------------------------|
| Non - Current Assets                                                        | 65,279.60               | 63,927.78               |
| Current Assets                                                              | 15,433.30               | 9,828.37                |
| Non - Current Liabilities                                                   | 12,754.55               | 13,947.39               |
| Current Liabilities                                                         | 15,615.53               | 16,808.87               |
| <b>The above amounts of assets and liabilities includes the following:</b>  |                         |                         |
| Cash and cash equivalents                                                   | 11,543.25               | 6,750.33                |
| Current financial liabilities (excluding trade payables and provisions)     | 15,615.53               | 16,808.87               |
| Non-current financial liabilities (excluding trade payables and provisions) | -                       | -                       |

| South East Asia Gas Pipeline Ltd                                   | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
|--------------------------------------------------------------------|------------------------------|------------------------------|
| Revenue                                                            | 28,962.97                    | 27,475.96                    |
| Profit or loss from continuing operations                          | 14,682.62                    | 12,851.78                    |
| Other comprehensive income for the year                            | -                            | -                            |
| Total comprehensive income for the year                            | 14,682.62                    | 12,851.78                    |
| Dividends received from the joint venture during the year          | -                            | -                            |
| <b>The above profit/(loss) for the year include the following:</b> |                              |                              |
| Depreciation and amortisation                                      | 9,983.85                     | 9,333.76                     |
| Interest income                                                    | 56.86                        | 5.21                         |
| Interest expense                                                   | 418.25                       | 1,677.85                     |
| Income tax expense (income)                                        | 3,587.90                     | 2,786.58                     |

(v) Falcon Oil & Gas BV

(₹ in Million)

| Falcon Oil & Gas BV                                                         | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|-----------------------------------------------------------------------------|-------------------------|-------------------------|
| Non - Current Assets                                                        | 63,867.63               | 60,236.93               |
| Current Assets                                                              | 21,668.36               | 21,202.06               |
| Non - Current Liabilities                                                   | 19,588.09               | 18,282.66               |
| Current Liabilities                                                         | 11,357.71               | 11,781.68               |
| <b>The above amounts of assets and liabilities includes the following:</b>  |                         |                         |
| Cash and cash equivalents                                                   | 10,115.39               | 11,780.10               |
| Current financial liabilities (excluding trade payables and provisions)     | 2,429.02                | 10,802.95               |
| Non-current financial liabilities (excluding trade payables and provisions) | -                       | -                       |

| Falcon Oil & Gas BV                                                | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
|--------------------------------------------------------------------|------------------------------|------------------------------|
| Revenue                                                            | 110,017.34                   | 75,621.51                    |
| Profit or loss from continuing operations                          | 5,939.83                     | 4,043.91                     |
| Other comprehensive income for the year                            | -                            | -                            |
| Total comprehensive income for the year                            | 5,939.83                     | 4,043.91                     |
| Dividends received from the joint venture during the year          | 2,816.19                     | 1,475.84                     |
| <b>The above profit/(loss) for the year include the following:</b> |                              |                              |
| Depreciation and amortisation                                      | 3,734.00                     | 3,244.51                     |
| Interest income                                                    | 229.26                       | 4.24                         |
| Interest expense                                                   | -                            | -                            |
| Income tax expense (income)                                        | 69,329.43                    | 44,711.85                    |





(vi) Petro Carabobo S.A

(₹ in Million)

| Petro Carabobo S.A                                                           | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|------------------------------------------------------------------------------|-------------------------|-------------------------|
| Non - Current Assets                                                         | 53,735.51               | 55,093.45               |
| Current Assets                                                               | 63,993.12               | 91,808.65               |
| Non - Current Liabilities                                                    | 25,039.04               | 26,530.46               |
| Current Liabilities                                                          | 45,743.77               | 73,645.09               |
| <b>The above amounts of assets and liabilities includes the following:</b>   |                         |                         |
| Cash and cash equivalents                                                    | 1,096.85                | 1,011.38                |
| Current financials liabilities (excluding trade payables and provisions)     | -                       | -                       |
| Non-current financials liabilities (excluding trade payables and provisions) | -                       | -                       |

| Petro Carabobo S.A                                                 | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
|--------------------------------------------------------------------|------------------------------|------------------------------|
| Revenue                                                            | 17,772.72                    | 15,362.07                    |
| Profit or loss from continuing operations                          | (3,647.97)                   | (9,069.64)                   |
| Other comprehensive income for the year                            | -                            | -                            |
| Total comprehensive income for the year                            | (3,647.97)                   | (9,069.64)                   |
| Dividends received from the joint venture during the year          | -                            | -                            |
| <b>The above profit/(loss) for the year include the following:</b> |                              |                              |
| Depreciation and amortisation                                      | 5,879.28                     | 4,573.96                     |
| Interest income                                                    | 0.22                         | -                            |
| Interest expense                                                   | -                            | -                            |
| Income tax expense (income)                                        | 24,656.57                    | 13,581.99                    |

a) In respect of subsidiary company Carabobo One AB, investment in associate Petrocarabobo SA (PCSA), which is a joint venture of its subsidiary PCGBV and Petroleos de Venezuela, SA (PdVSA), the National Oil Company of Venezuela, PdVSA is the operator:

As per the arrangement between PIVSA and PdVSA in Venezuela, taxes are paid by PdVSA in Venezuela. As at year end, tax liability for calendar year 2021 and 2022 is outstanding. PIVSA management is of view that the risk of any liability devolving on JV on account of non-payment/delayed payment of taxes is remote considering that the responsibility of payment of taxes is on PdVSA.

(vii) Moz LNG1 Holding Company Ltd.

(₹ in Million)

| Moz LNG1 Holding Company Ltd.                                                | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|------------------------------------------------------------------------------|-------------------------|-------------------------|
| Non - Current Assets                                                         | 48,385.82               | 38,414.61               |
| Current Assets                                                               | 1,011.38                | 654.88                  |
| Non - Current Liabilities                                                    | 19,617.95               | 21,762.98               |
| Current Liabilities                                                          | 4,163.65                | 924.14                  |
| <b>The above amounts of assets and liabilities includes the following:</b>   |                         |                         |
| Cash and cash equivalents                                                    | 974.00                  | 964.16                  |
| Current financials liabilities (excluding trade payables and provisions)     | 1,118.27                | 902.33                  |
| Non-current financials liabilities (excluding trade payables and provisions) | 19,617.95               | 21,762.98               |

(₹ in Million)

| <b>Moz LNG1 Holding Company Ltd.</b>                               | <b>Year Ended<br/>March 31, 2023</b> | <b>Year Ended<br/>March 31, 2022</b> |
|--------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| Revenue                                                            | 720.05                               | 4,659.32                             |
| Profit or loss from continuing operations                          | (1,280.41)                           | (1,294.49)                           |
| Other comprehensive income for the year                            | -                                    | -                                    |
| Total comprehensive income for the year                            | (1,280.41)                           | (1,294.49)                           |
| Dividends received from the joint venture during the year          | -                                    | -                                    |
| <b>The above profit/(loss) for the year include the following:</b> |                                      |                                      |
| Depreciation and amortisation                                      | 28.96                                | 23.24                                |
| Interest income                                                    | -                                    | (13.84)                              |
| Interest expense                                                   | 1,115.97                             | 678.52                               |
| Income tax expense (income)                                        | 9.83                                 | 276.34                               |

**14.1.20 Details of financial position of subsidiary company HPCL's Joint ventures:**

(₹ in Million)

| <b>Particulars</b>                                                                  | <b>HMEL</b>       |                   |
|-------------------------------------------------------------------------------------|-------------------|-------------------|
|                                                                                     | <b>31.03.2023</b> | <b>31.03.2022</b> |
| <b>Assets:</b>                                                                      |                   |                   |
| <b>Non-Current Assets</b>                                                           | 526,487.80        | 462,482.80        |
| <b>Current Assets</b>                                                               |                   |                   |
| Cash and Cash equivalents                                                           | 27,624.00         | 15,812.00         |
| Other Current Assets (excluding cash and cash equivalents)                          | 132,710.00        | 148,190.10        |
| <b>Total (A)</b>                                                                    | <b>686,821.80</b> | <b>626,484.90</b> |
| <b>Liabilities:</b>                                                                 |                   |                   |
| <b>Non-Current Liabilities</b>                                                      |                   |                   |
| Non-Current Financial Liabilities (excluding Trade / Other Payables and Provisions) | 348,054.00        | 329,762.00        |
| Other Non-Current Liabilities                                                       | 45,552.00         | 44,166.10         |
| <b>Current Liabilities</b>                                                          |                   |                   |
| Current Financial Liabilities (excluding Trade / Other Payables and Provisions)     | 79,842.00         | 36,398.40         |
| Other Current Liabilities                                                           | 71,888.00         | 104,304.50        |
| <b>Total (B)</b>                                                                    | <b>545,336.00</b> | <b>514,631.00</b> |
| <b>Net Assets included in Financial Statement of Joint Venture / Associate</b>      | <b>141,485.80</b> | <b>111,853.90</b> |
| Ownership Interest                                                                  | 48.99%            | 48.99%            |
| <b>Carrying amount of Interest in Joint Venture/Associate</b>                       | <b>69,317.40</b>  | <b>54,800.00</b>  |
| Quoted Market Value of Shares                                                       | N.A.              | N.A.              |

(₹ in Million)

| <b>Other Information:</b>               | <b>2022-23</b> | <b>2021-22</b> |
|-----------------------------------------|----------------|----------------|
| Revenue                                 | 961,506.00     | 895,512.10     |
| Interest Income                         | 764.30         | 419.10         |
| Interest Expenses                       | 13,106.00      | 9,993.00       |
| Depreciation                            | 11,057.00      | 10,800.30      |
| Income tax expenses                     | 11,752.00      | 28,311.90      |
| Profit / Loss for the year              | 42,539.50      | 14,582.40      |
| Other Comprehensive Income (Net of Tax) | (2,700.10)     | (1,303.00)     |
| Total Comprehensive Income for the year | 39,839.40      | 13,279.40      |
| Dividend Received                       | 4,999.30       | 3,000.40       |



Details of all individually immaterial equity accounted investees of subsidiary company HPCL:

(₹ in Million)

| Particulars                                                 | Other immaterial Joint Ventures |           | Other immaterial Associates |          |
|-------------------------------------------------------------|---------------------------------|-----------|-----------------------------|----------|
|                                                             | 2022-23                         | 2021-22   | 2022-23                     | 2021-22  |
| Carrying amount of Investment in equity accounted investees | 89,930.90                       | 59,040.60 | 2,314.20                    | 2,502.70 |
| Group's Share of Profit or Loss from Continuing Operations  | (214.70)                        | 2,092.90  | (187.20)                    | (90.50)  |
| Group's share in other comprehensive income                 | 0.60                            | 1.40      | (1.30)                      | 0.20     |
| Group's share in Total Comprehensive Income                 | (214.10)                        | 2,094.30  | (188.50)                    | (90.30)  |

14.2 Other Investments

(i) Investment in other Equity Instruments

(₹ in Million)

| Particulars                                                                                                       | As at<br>March 31, 2023 |                   | As at<br>March 31, 2022 |                   |
|-------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------|-------------------------|-------------------|
|                                                                                                                   | No. (in Million)        | Amount            | No. (in Million)        | Amount            |
| <b>A. Financial assets measured at FVTOCI</b>                                                                     |                         |                   |                         |                   |
| (a) Indian Oil Corporation Limited<br>(Quoted – Fully paid up)<br>(Face Value ₹10 per share) (Note No. 14.2.2)    | 2,005.82                | 156,253.60        | 1,337.22                | 159,061.75        |
| (b) GAIL (India) Limited<br>(Quoted – Fully paid up)<br>(Face Value ₹10 per share) (Note No. 14.2.3)              | 326.72                  | 34,354.23         | 217.81                  | 33,902.27         |
| (c) Oil India Limited<br>(Quoted – Fully paid up)<br>(Face Value ₹10 per share)                                   | 26.75                   | 6,731.78          | 26.75                   | 6,377.33          |
| (d) Scooters India Limited<br>(Quoted – Fully paid up)<br>(Face Value ₹10 per share)                              | 0.01                    | 0.27              | 0.01                    | 0.31              |
| (e) Indian Gas Exchange Limited<br>(Unquoted – Fully paid up)<br>(Face Value ₹10 per share)                       | 3.69                    | 36.94             | 3.69                    | 36.94             |
| <b>B. Financial assets measured at FVTPL</b>                                                                      |                         |                   |                         |                   |
| (a) Oil Spill Response Limited<br>(Unquoted – Fully paid up)<br>(Face Value ₹10 per share) (Note No. 14.2.1)      | -                       | 0.01              | -                       | 0.01              |
| (b) Woodlands Multispeciality Hospital Limited<br>(Unquoted – Fully paid up)<br>(Face Value ₹10 per share)        | -                       | 0.02              | -                       | 0.02              |
| (c) Mangalam Retail Services Limited<br>(Unquoted – Fully paid up)<br>(Face Value ₹10 per share)                  | 0.02                    | 0.28              | 0.02                    | 0.28              |
| (d) Voltrez Tech Private Limited<br>(Unquoted – Fully paid up)<br>(Face Value ₹10 per share)                      | -                       | 8.00              | -                       | -                 |
| (e) Shushrusha Citizen Co-operative Hospital Limited<br>(Unquoted – Fully paid up)<br>(Face Value ₹100 per share) | -                       | 0.01              | -                       | 0.01              |
| <b>Total Investment in other equity instruments</b>                                                               |                         | <b>197,385.14</b> |                         | <b>199,378.92</b> |

**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, during the year 2021-22, 200 nos. equity shares were allotted to the Company without any consideration thereby the Company holds total 300 nos. equity shares.

**14.2.2** During the year, the Company has received 668,607,628 nos of equity shares from Indian Oil Corporation Limited (IOCL) as bonus shares in the ratio of 1:2.

**14.2.3** During the year, the Company has received 108,905,462 nos of equity shares from GAIL (India) Limited as bonus shares in the ratio of 1:2

**(ii) Investment in other securities**

(₹ in Million)

| Particulars                                                                                                | As at<br>March 31, 2023 |                 | As at<br>March 31, 2022 |                  |
|------------------------------------------------------------------------------------------------------------|-------------------------|-----------------|-------------------------|------------------|
|                                                                                                            | No. (in Million)        | Amount          | No. (in Million)        | Amount           |
| <b>A. Financial assets carried at amortized cost</b>                                                       |                         |                 |                         |                  |
| <b>(a) Investment in Government securities</b>                                                             |                         |                 |                         |                  |
| -8.40% Oil Co. GOI Special Bonds 2025<br>(Unquoted – Fully paid up)                                        | 0.20                    | 1,975.08        | 0.20                    | 1,975.08         |
| <b>B. Financial assets measured at FVTPL</b>                                                               |                         |                 |                         |                  |
| <b>(a) Investment in mutual funds</b>                                                                      |                         |                 |                         |                  |
| - For site restoration fund                                                                                |                         | -               |                         | 41,578.88        |
| <b>(b) Investment in Start up Fund</b>                                                                     |                         |                 |                         |                  |
| - ONGC Start up Fund<br>(Unquoted – Fully paid up)<br>(Face Value ₹10 per unit) (Note No. 14.2.4 & 14.2.5) | 60.01                   | 600.15          | 44.42                   | 444.21           |
| <b>Total Investment in Securities</b>                                                                      |                         | <b>2,575.23</b> |                         | <b>43,998.17</b> |
| Aggregate carrying value of unquoted investments                                                           |                         | 2,575.23        |                         | 43,998.17        |
| Aggregate amount of impairment in value of investments                                                     |                         | -               |                         | -                |

**14.2.4** During the year, the company has subscribed an additional 15,000,000 nos (previous year 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 ₹150 Million (previous year ₹444.21 Million).

**14.2.5** In respect of our subsidiary MRPL, during the year the company has subscribed 5,94,207 no's units of ONGC Startup Fund Trust (registered with SEBI as an Alternative Investment Fund category I) for total consideration of ₹5.94 Million. Further an amount of ₹1.00 Million has been paid towards subscription of units pending allotment as at March 31, 2023. The investment in Mangalam Retail Services Limited and ONGC Startup Fund have been measured at fair value through profit or loss.

**(iii) Investment in Compulsory Convertible Preference Share**

(₹ in Million)

| Particulars                                      | As at<br>March 31, 2023 |               | As at<br>March 31, 2022 |               |
|--------------------------------------------------|-------------------------|---------------|-------------------------|---------------|
|                                                  | No. (in Million)        | Amount        | No. (in Million)        | Amount        |
| <b>A. Financial assets measured at FVTPL</b>     |                         |               |                         |               |
| (a) Investments in Start - Ups (Note No. 14.2.6) | -                       | 365.22        | -                       | 178.04        |
| <b>Total Investment in Preference Share</b>      |                         | <b>365.22</b> |                         | <b>178.04</b> |
| Aggregate carrying value of unquoted investments |                         | 365.22        |                         | 178.04        |
| Aggregate market value of unquoted investments   |                         | -             |                         | -             |



**14.2.6** In respect of subsidiary HPCL, The value of investment in certain start-ups have been fair valued with corresponding recognition of fair value gain of ₹188.70 Million (2021-22: ₹ Nil Million), considering the information available about deals/funding that have taken place subsequent to our investment in such start-ups. In other cases, considering that the start-ups are in the stage of their development and are mostly in traction and refinement stages, the carrying value of such start-ups is considered as a reasonable approximation of their fair value. Further, during the year, preference shares issued by one of the start-ups, M/s Voltrez Tech Private Limited, have been converted into equity shares.

#### 14.2.7 Disclosure on carrying value and market value of investment

(₹ in Million)

| Particulars                                            | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--------------------------------------------------------|-------------------------|-------------------------|
| Aggregate carrying value of quoted investments         | 216,420.58              | 216,426.77              |
| Aggregate carrying value of unquoted investments       | 520,616.55              | 396,279.34              |
| Aggregate market value of quoted investments           | 240,249.26              | 235,669.79              |
| Aggregate amount of impairment in value of investments | (15,107.21)             | (3,394.09)              |

#### 15. Trade receivables

(₹ in Million)

| Particulars                                                | As at<br>March 31, 2023 |                   | As at<br>March 31, 2022 |                   |
|------------------------------------------------------------|-------------------------|-------------------|-------------------------|-------------------|
|                                                            | Non Current             | Current           | Non Current             | Current           |
| (a) Considered good - Secured (Note No. 15.9)              | -                       | 11,021.76         | -                       | 10,909.37         |
| (b) Considered good - Unsecured (Note No. 15.3)            | -                       | 177,777.09        | -                       | 181,312.65        |
| (c) Having significant increase in credit risk             | 26,224.86               | -                 | 24,765.01               | -                 |
| (d) Credit Impaired                                        | 5,014.63                | 5,686.38          | 4,656.54                | 4,933.80          |
| Less: Impairment for doubtful receivables (Note No. 15.10) | 5,014.63                | 6,969.42          | 4,656.54                | 5,282.99          |
| <b>Total</b>                                               | <b>26,224.86</b>        | <b>187,515.81</b> | <b>24,765.01</b>        | <b>191,872.83</b> |

#### 15.1 Ageing schedule of Trade receivables:

As at March 31, 2023

(₹ in Million)

| Particulars                               | Unbilled      | Not due           | Outstanding for following periods from due date of payment |                      |                 |                 |                      | Total             |
|-------------------------------------------|---------------|-------------------|------------------------------------------------------------|----------------------|-----------------|-----------------|----------------------|-------------------|
|                                           |               |                   | less than<br>6 months                                      | 6 months -<br>1 year | 1-2 years       | 2-3 years       | More than<br>3 years |                   |
| <b>Undisputed -</b>                       |               |                   |                                                            |                      |                 |                 |                      |                   |
| Considered Good                           | 134.00        | 136,241.57        | 43,295.74                                                  | 1,390.91             | 653.68          | 218.15          | 147.32               | 182,081.37        |
| Significant increase in credit risk       | -             | -                 | -                                                          | -                    | -               | -               | -                    | -                 |
| Credit impaired                           | -             | -                 | -                                                          | 0.13                 | 15.80           | 6.00            | 772.90               | 794.83            |
| <b>Disputed -</b>                         |               |                   |                                                            |                      |                 |                 |                      |                   |
| Considered Good                           | -             | 163.04            | 159.56                                                     | 221.62               | 681.55          | 1,037.01        | 4,473.85             | 6,736.63          |
| Significant increase in credit risk       | -             | -                 | -                                                          | -                    | -               | -               | 26,245.70            | 26,245.70         |
| Credit impaired                           | -             | -                 | -                                                          | 352.03               | 449.39          | 7.84            | 9,056.93             | 9,866.19          |
| <b>Total</b>                              | <b>134.00</b> | <b>136,404.61</b> | <b>43,455.30</b>                                           | <b>1,964.69</b>      | <b>1,800.42</b> | <b>1,269.00</b> | <b>40,696.70</b>     | <b>225,724.72</b> |
| Less: Impairment for doubtful receivables |               |                   |                                                            |                      |                 |                 |                      | 11,984.05         |
| <b>Total</b>                              |               |                   |                                                            |                      |                 |                 |                      | <b>213,740.67</b> |



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 |                   |
| <b>Undisputed -</b>                       |              |                   |                                                            |                   |                 |                 |                   |                   |
| 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            |
| <b>Disputed -</b>                         |              |                   |                                                            |                   |                 |                 |                   |                   |
| 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          |
| <b>Grand Total</b>                        | <b>75.47</b> | <b>157,092.46</b> | <b>27,760.91</b>                                           | <b>749.33</b>     | <b>1,400.74</b> | <b>1,836.13</b> | <b>37,662.33</b>  | <b>226,577.37</b> |
| Less: Impairment for doubtful receivables |              |                   |                                                            |                   |                 |                 |                   | 9,939.53          |
| <b>Total</b>                              |              |                   |                                                            |                   |                 |                 |                   | <b>216,637.84</b> |

**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 / SBI MCLR plus 4% - 6% per annum compounded each quarter on the outstanding balance.

Out of the gross trade receivables as at March 31, 2023, an amount of ₹91,745.82 Million (as at March 31, 2022 ₹101,672.40 Million) is due from Public Sector 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 Public Sector 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 Public Sector 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 ₹3,764.43 Million) due towards Pipeline Transportation Charges for the period from November 20, 2008 to July 6, 2021 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 was approved by Petroleum and Natural Gas Regulatory Board (PNGRB) for which debit notes /invoices was raised to GAIL with effect from November 20, 2008.

Mahanagar Gas Limited (MGL), one of the customers of GAIL, had filed a complaint with PNGRB on 12 February 2015 regarding applicability of tariff on supply of gas to GAIL. After hearing all parties, PNGRB vide order dated 15 October 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 18 March 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 4 April 2020 against the order of PNGRB. APTEL vide order dated 16 July 2021 remanded the matter to PNGRB for fresh adjudication and passing final order within 3 months from the date of



appointment of Member (Legal). PNGRB vide order dated September 30, 2022, directed MGL to pay the transportation charges as per the transportation tariff fixed by PNGRB for UTNGPL vide Tariff Order dated December 30, 2013 for the period from 1 January 2014 onwards within a period of 2 months of passing the order. However PNGRB rejected the transportation charges from November 20, 2008 to December 31, 2013. MGL filed a writ petition before the Hon'ble High Court of Delhi challenging the PNGRB's order dated September 30, 2022. The Hon'ble High Court of Delhi, vide order dated December 13, 2022 stayed the recovery against the PNGRB order and directed MGL to deposit a sum of ₹500 Million with GAIL. Although the Company has filed appeal against the order of PNGRB before APTEL, the same has been granted stay by APTEL due to the order of Hon'ble Supreme Court wherein stay has been granted for all cases / proceedings relating to GAIL (India) Limited before APTEL. The Company is in process of filing an appeal before Hon'ble High Court of Delhi in this matter. Pending final decision in the matter the Company has made a provision of ₹745.50 Million during the year towards the transportation charges receivable for the period from November 20, 2008 to December 31, 2013

Rashtriya Chemicals and Fertilisers Ltd (RCF), another customer of GAIL, was paying revised tariff since February 2016 and the tariff from 20 November 2008 till 31 January 2016 was under dispute. The matter was referred to Committee of Secretaries under Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD) that met on 17 June 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. Accordingly during the year 2021-22 an amount of ₹196.52 Million was received pertaining to the period 30 December 2013 to 31 January 2016. 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 2023 amounting to ₹8,717.60 Million (Previous year ₹7,371.26 Million), out of this an amount of ₹4,954.55 Million (Previous year ₹3,606.83 Million) has since been received.

In view of the above, the balance receivable (excluding provision) of ₹2,572.51 Million as at March 31, 2023 (Previous year ₹3,318.00 Million) is considered good.

**15.4** Includes an amount of ₹1,790.04 Million receivable from Public Sector Oil Marketing Companies (OMC's) towards sale of crude oil from western offshore region during the month of March'23. Sale of crude oil from Western offshore to Public Sector Oil Marketing Companies (OMC's) has been effected on provisional basis pending finalisation of Crude Oil Sales Agreements (COSA) with the OMCs. The Company has raised invoices for sale of crude oil at benchmark prices as applicable for the period from October 2022 to 2023. Pending finalisation of COSA's, OMCs have released payments for the month of March 2023 as per pricing formula benchmark applicable till September 2022 resulting into an amount of ₹1,790.04 Million receivable from OMCs as on March 31, 2023. The discussions with OMCs for finalization of pricing terms for supply of crude oil from western offshore applicable for March 2023 are in process and it is expected to be finalized soon. In view of this, the aforesaid amount of ₹1,790.04 Million receivable towards sale of crude oil from western offshore region for the month of March 2023 is considered good. (Refer note no. 37.1)

**15.5** 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 40/14 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.

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.

**15.6** In respect of subsidiary OVL, The Group assesses impairment loss on trade receivables on the basis of facts and circumstances relevant to each customer and has assessed its trade receivables for expected credit loss (ECL) including dues from Govt of Sudan (GoS) following general model for assessing 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. These trade receivables have become overdue and therefore effectively incorporate a significant financing component.

In respect of these receivables, the Group had initiated arbitration proceedings against the GoS for the recovery of the outstanding dues both under Exploration and Production Sharing Agreement (EPSA) and Sale & Purchase Agreement (SPA). On 26 January 2023, the Arbitral Tribunal has awarded in favour of the Company in SPA arbitration case. By the Award, the Tribunal has granted the full Principal Amount (USD 90.93 Million) along with the legal cost in favour of the Company.

Further, as per the agreed recovery mechanism, the Group is withholding USD 4 per barrel of crude oil transported from South Sudan to Sudan port through GoS pipeline and the same is considered as recovery for calculation of Expected Credit Loss from the year ending 31 March 2024 onwards.

Considering the arbitration award in SPA case, legal advice on a strong likelihood of Company receiving arbitration decision in its favour for EPSA case and the existing recovery mechanism by withholding pipeline tariff, the Management is of view that the full amount due from GoS is recoverable.

Accordingly, trade receivables from GoS amounting to ₹31,073.23 Million (previous year ₹29,164.39

Million) have been assessed for lifetime expected credit loss and an impairment loss of ₹75.62 Million (previous year ₹933.46 Million) has been charged in the statement of profit and loss. The total outstanding provision against these receivables stands at ₹4,848.38 Million (previous year ₹4,399.38 Million).

**15.7** In respect of subsidiary HPCL, impairment of doubtful receivables Includes loss allowance of ₹1,273.20 Million (31.03.2022 : ₹1,373.70 Million) on trade receivables of ₹1,273.20 Million (31.03.2022 : ₹1,373.70 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, 2022 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, 2022 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 ₹6,888.32 Million (as at March 31, 2022 of ₹8,719.23 Million) backed by bank guarantees and letter of credit received from customers in case of MRPL.

#### 15.10 Movement of Impairment for doubtful receivables

| Particulars                       | (₹ in Million)               |                              |
|-----------------------------------|------------------------------|------------------------------|
|                                   | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
| Balance at beginning of the year  | 9,939.53                     | 9,475.66                     |
| Recognized during the year        | 1,970.77                     | 1,843.51                     |
| Write back during the year        | (353.20)                     | (1,510.88)                   |
| Other adjustments                 | 426.95                       | 131.24                       |
| <b>Balance at end of the year</b> | <b>11,984.05</b>             | <b>9,939.53</b>              |



**15.10.1** Group's subsidiary OVL has determined its functional currency as USD. Adjustments includes net effect of exchange differences of ₹426.95 Million for the year ended March 31, 2023 (previous year ₹131.24 Million) on account of translation of the consolidated financial statements of the ONGC Videsh Limited from USD to Group's presentation currency "₹". Refer Note No. 3.21 and 5.1 (a).

## 16. Loans

(₹ in Million)

| Particulars                                                 | As at<br>March 31, 2023 |                 | As at<br>March 31, 2022 |                 |
|-------------------------------------------------------------|-------------------------|-----------------|-------------------------|-----------------|
|                                                             | Non Current             | Current         | Non Current             | Current         |
| <b>(Unsecured, Considered Good unless otherwise Stated)</b> |                         |                 |                         |                 |
| <b>A. Loans to Related Parties</b>                          |                         |                 |                         |                 |
| - Considered Good                                           | 1,405.48                | -               | 1,295.99                | 734.60          |
| - Credit Impaired                                           | 72.71                   | -               | 67.04                   | -               |
| Less: Impairment for doubtful loans                         | 72.71                   | -               | 67.04                   | -               |
| <b>Total</b>                                                | <b>1,405.48</b>         | <b>-</b>        | <b>1,295.99</b>         | <b>734.60</b>   |
| <b>B. Loans to Public Sector Undertakings</b>               |                         |                 |                         |                 |
| - Credit Impaired                                           | 170.50                  | -               | 170.50                  | -               |
| Less: Impairment for doubtful loans                         | 170.50                  | -               | 170.50                  | -               |
| <b>Total</b>                                                | <b>-</b>                | <b>-</b>        | <b>-</b>                | <b>-</b>        |
| <b>C. Loans to Employees (Note No.16.1)</b>                 |                         |                 |                         |                 |
| - Secured and Considered Good                               | 22,227.80               | 3,360.76        | 19,458.08               | 3,090.44        |
| - Unsecured and Considered Good                             | 211.83                  | 116.31          | 227.93                  | 35.32           |
| - Credit Impaired                                           | -                       | 9.21            | -                       | 8.55            |
| Less: Impairment for doubtful loans                         | -                       | 9.21            | -                       | 8.55            |
| <b>Total</b>                                                | <b>22,439.63</b>        | <b>3,477.07</b> | <b>19,686.01</b>        | <b>3,125.76</b> |
| <b>D. Loans to Others (Note No. 16.2)</b>                   |                         |                 |                         |                 |
| - Secured and Considered Good                               | 16.82                   | 0.83            | 4.21                    | 0.50            |
| - Unsecured and Considered Good                             | 5,929.57                | 1,121.54        | 6,114.10                | 1,173.64        |
| - Having significant increase in credit risk                | 55.10                   | 9.47            | 180.46                  | 28.77           |
| - Credit Impaired                                           | 22.38                   | 123.85          | 180.18                  | 148.72          |
| Less: Impairment for doubtful loans                         | 213.39                  | 156.66          | 1,023.78                | 283.19          |
| <b>Total</b>                                                | <b>5,810.48</b>         | <b>1,099.03</b> | <b>5,455.17</b>         | <b>1,068.44</b> |
| <b>Total Loans</b>                                          | <b>29,655.59</b>        | <b>4,576.10</b> | <b>26,437.17</b>        | <b>4,928.80</b> |

**16.1** Loans to employees include an amount of ₹5.35 Million (as at March 31, 2022 ₹8.04 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 ₹5,066.50 Million (as at March 31, 2022: ₹5,624.20 Million) before impairment and provision towards the same amounting to ₹ 213.39 Million (as at March 31, 2022: ₹1,023.78 Million). Similarly, Current loan to others includes loan given to Pradhan Mantri Ujjwala Yojana (PMUY) consumers of ₹870.60 Million (as at March 31, 2022: ₹896.50 Million) before impairment and provision towards the same amounting to ₹36.70 Million (as at March 31, 2022: ₹163.20 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 ₹29,604.80 Million (31.03.2022: ₹29,623.30 Million), and of this, ₹15,653.90 Million (31.03.2022: ₹17,053.20 Million) is outstanding at period end. The Loan is classified as 'subsequently measured at amortized cost' in the financial statements. 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 has resulted in change in gross carrying amount of outstanding loan, net of interest unwinding, by ₹815.70 Million (2021-22: ₹2,518.50 Million) during the year. Considering the cumulative re-measurement loss, net of interest unwinding, amounting to ₹4,433.90 Million (31.03.2022: ₹5,249.60 Million) and accounting of Deferred Expense amounting to ₹5,282.90 Million (net balance after amortisation as of 31.03.2023 is ₹3,348.90 Million), the outstanding loan at period end is carried in the books at ₹5,937.10 Million (31.3.2022: ₹6,520.70 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, a cumulative provision of ₹250.10 Million (31.03.2022: ₹1,187.00 Million) net of reversal, if any, is estimated and recognized in books. The reversal of provision during the year

amounted to ₹936.90 Million (2021-22: ₹4,993.70 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 Movement of Impairment

| (₹ in Million)                    |                              |                              |
|-----------------------------------|------------------------------|------------------------------|
| Particulars                       | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
| Balance at beginning of the year  | 1,553.06                     | 6,546.18                     |
| Recognized during the year        | 0.66                         | 0.18                         |
| Write back during the year        | (936.92)                     | (4,995.30)                   |
| Other adjustments                 | 5.67                         | 2.00                         |
| <b>Balance at end of the year</b> | <b>622.47</b>                | <b>1,553.06</b>              |

## 17. Deposits under Site Restoration Fund

| (₹ in Million)                             |                         |                         |
|--------------------------------------------|-------------------------|-------------------------|
| Particulars                                | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| Deposit under site restoration fund scheme | 267,511.58              | 248,721.80              |
| <b>Total</b>                               | <b>267,511.58</b>       | <b>248,721.80</b>       |

**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 ₹2,834.05 Million (Previous year ₹2,650.56 Million) towards Tapti A Facilities and ₹51,097.38 Million (Previous year ₹47,765.55 Million) towards Panna Mukta Fields (refer Note No. 6.2, 7.2.2 and 32.6).

**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.





## 18. Finance lease receivables

| Particulars                                                       | (₹ in Million)       |                      |
|-------------------------------------------------------------------|----------------------|----------------------|
|                                                                   | As at March 31, 2023 | As at March 31, 2022 |
| <b>Finance lease receivables (Note No.18.2)</b>                   |                      |                      |
| Unsecured, Considered Doubtful                                    | 6,140.25             | 5,661.89             |
| Less: Impairment for uncollectible lease payments (Note No. 18.1) | 6,140.25             | 5,661.89             |
| <b>Total</b>                                                      | -                    | -                    |

### 18.1 Movement of Impairment for doubtful finance lease receivables

| Particulars                                      | (₹ in Million)            |                           |
|--------------------------------------------------|---------------------------|---------------------------|
|                                                  | Year ended March 31, 2023 | Year ended March 31, 2022 |
| Balance at beginning of the year                 | 5,661.89                  | 5,492.97                  |
| Recognized during the year                       | -                         | -                         |
| Effect of exchange differences (Note No. 18.1.1) | 478.36                    | 168.92                    |
| <b>Balance at end of the year</b>                | <b>6,140.25</b>           | <b>5,661.89</b>           |

**18.1.1** Group's subsidiary OVL has determined its functional currency as USD. Above foreign exchange difference represents differences on account of translation of the consolidated financial statements of the ONGC Videsh Limited from USD 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 installments out of which 7 installments are unpaid. The unpaid lease receivables have been fully impaired. In this matter, the Arbitral Tribunal has issued a partial award dated 31st May 2022 in favour of the Company. The Company has received a communications from Government of Sudan suggesting negotiation on the Arbitration matters and also modality of making payment in cash upto some percentage respectively. The same shall be accounted for on finalisation of the modalities.

## 19. Financial assets - Others

| Particulars                                                 | (₹ in Million)       |                  |                      |                 |
|-------------------------------------------------------------|----------------------|------------------|----------------------|-----------------|
|                                                             | As at March 31, 2023 |                  | As at March 31, 2022 |                 |
|                                                             | Non Current          | Current          | Non Current          | Current         |
| <b>(Unsecured, Considered Good unless otherwise Stated)</b> |                      |                  |                      |                 |
| <b>A. Derivative asset</b>                                  | -                    | 40.14            | -                    | -               |
| <b>B. Interest accrued on loans to employees</b>            |                      |                  |                      |                 |
| Secured considered good                                     | 389.57               | 7.01             | 337.71               | 3.55            |
|                                                             | <b>389.57</b>        | <b>7.01</b>      | <b>337.71</b>        | <b>3.55</b>     |
| <b>C. Interest Accrued on deposits and loans</b>            |                      |                  |                      |                 |
| - Considered Good                                           | -                    | 10,393.89        | -                    | 1,328.53        |
| - Credit Impaired                                           | 22.87                | -                | 22.87                | -               |
| Less: Impairment for doubtful interest accrued              | 22.87                | -                | 22.87                | -               |
|                                                             | -                    | <b>10,393.89</b> | -                    | <b>1,328.53</b> |
| <b>D. Interest Accrued on carried interest</b>              |                      |                  |                      |                 |
| - Considered Good                                           | 7,548.44             | -                | 4,442.12             | -               |
| - Credit Impaired                                           | -                    | -                | -                    | -               |

| Particulars                                                                                                                     | As at<br>March 31, 2023 |                  | As at<br>March 31, 2022 |                  |
|---------------------------------------------------------------------------------------------------------------------------------|-------------------------|------------------|-------------------------|------------------|
|                                                                                                                                 | Non Current             | Current          | Non Current             | Current          |
| Less: Impairment for doubtful interest accrued                                                                                  | -                       | -                | -                       | -                |
|                                                                                                                                 | <b>7,548.44</b>         | -                | <b>4,442.12</b>         | -                |
| <b>E. Cash Call Receivable from JO Partners</b>                                                                                 |                         |                  |                         |                  |
| - Considered Good                                                                                                               | -                       | 2,049.24         | -                       | 3,250.35         |
| - Credit Impaired                                                                                                               | 8,625.43                | -                | 8,259.92                | -                |
| Less: Impairment for doubtful cash call receivables                                                                             | 8,625.43                | -                | 8,259.92                | -                |
|                                                                                                                                 | -                       | <b>2,049.24</b>  | -                       | <b>3,250.35</b>  |
| <b>F. Advance Recoverable in cash</b>                                                                                           |                         |                  |                         |                  |
| - Considered Good (Note No. 19.1)                                                                                               | 7,452.73                | 36,689.65        | 5,438.98                | 29,132.88        |
| - Credit Impaired (Note No.19.2)                                                                                                | 934.05                  | 16,454.02        | 671.76                  | 15,535.23        |
| Less: Impairment for doubtful advances                                                                                          | 934.05                  | 16,454.02        | 671.76                  | 15,535.23        |
|                                                                                                                                 | <b>7,452.73</b>         | <b>36,689.65</b> | <b>5,438.98</b>         | <b>29,132.88</b> |
| <b>G. Deposit with Banks</b>                                                                                                    | 73.43                   | 27,540.00        | 133.23                  | -                |
| <b>H. Receivable from Operators</b>                                                                                             |                         |                  |                         |                  |
| - Considered Good                                                                                                               | -                       | 1,900.89         | -                       | 2,184.47         |
| - Credit Impaired                                                                                                               | -                       | 1,410.95         | -                       | 92.21            |
| Less: Impairment for doubtful receivables                                                                                       | -                       | 1,410.95         | -                       | 92.21            |
|                                                                                                                                 | -                       | <b>1,900.89</b>  | -                       | <b>2,184.47</b>  |
| <b>I. Carried Interest</b>                                                                                                      |                         |                  |                         |                  |
| - Considered Good                                                                                                               | 39,228.08               | -                | 34,128.53               | -                |
| - Credit Impaired                                                                                                               | -                       | -                | -                       | -                |
| Less: Impairment for doubtful claims / advances                                                                                 | -                       | -                | -                       | -                |
|                                                                                                                                 | <b>39,228.08</b>        | -                | <b>34,128.53</b>        | -                |
| <b>J. Receivables from Govt of India towards Pradhan Mantri Ujjwala Yojana (PMUY) and Direct Benefit Transfer of LPG (DBTL)</b> | -                       | 4,320.30         | -                       | 1,038.39         |
| <b>K. Balance with Life Insurance Corporation of India</b>                                                                      | -                       | 4,096.41         | -                       | 9,138.55         |
| <b>L. Deposits</b>                                                                                                              |                         |                  |                         |                  |
| - Considered Good                                                                                                               | 4,527.55                | 1,198.47         | 3,629.77                | 1,885.94         |
| - Credit Impaired                                                                                                               | 9.96                    | 0.71             | 267.52                  | 0.71             |
| Less: Impairment for doubtful deposits                                                                                          | 9.96                    | 0.71             | 267.52                  | 0.71             |
|                                                                                                                                 | <b>4,527.55</b>         | <b>1,198.47</b>  | <b>3,629.77</b>         | <b>1,885.94</b>  |
| <b>M. Others</b>                                                                                                                |                         |                  |                         |                  |
| - Considered Good                                                                                                               | 36,734.98               | 9,031.20         | 33,344.66               | 7,605.47         |
| - Credit Impaired                                                                                                               | -                       | 0.10             | -                       | 0.10             |
| Less: Impairment for doubtful claims / advances                                                                                 | 1,738.90                | 4,798.54         | 1,524.43                | 2,917.74         |
|                                                                                                                                 | <b>34,996.08</b>        | <b>4,232.76</b>  | <b>31,820.23</b>        | <b>4,687.83</b>  |
| <b>Total Other financial assets</b>                                                                                             | <b>94,215.88</b>        | <b>92,468.76</b> | <b>79,930.57</b>        | <b>52,650.49</b> |



**19.1** During the year 2010-11, the Oil Marketing Companies, nominees of the Government of India (Gol) recovered USD 80.18 Million (Share of the Company USD 32.07 Million (equivalent to ₹2,634.55 Million) as per directives of Gol in respect of Joint Operation - Panna Mukta and Tapti Production Sharing Contracts (PSCs). Pending finality by Arbitration Tribunal, the Company's share of USD 32.07 Million equivalent to ₹2,634.55 Million (March 31, 2022: ₹2,429.30 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 (Gol), 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 USD 167.84 Million (equivalent to ₹13,788.44 Million) after adjustments for interest and exchange rate fluctuations which has been recovered by Gol, this includes interest amounting to USD 54.88 Million (equivalent to ₹4,437.83 Million). The Company has made impairment provision towards this recovery made by the Gol.

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 Gol 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 Gol.

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), Gol. However, according to a communication dated 13 January 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 against the amount recoverable. (Figures in ₹are restated).

### **19.3 In case of subsidiary OVL,**

**19.3.1** Carry Interest and Interest accrued thereon

relate to the Area-1, Mozambique and are recoverable from the National Oil Company of Mozambique. The said items are tested for impairment under Ind AS 36, considering the repayment being directly linked with the cash flows from the project on commercial production.

**19.3.2** In respect of subsidiary ONGC Nile Ganga BV, others include dividend receivables represent recoverable from its associate Petrolera Indovenezolana SA (PIVSA).

**19.3.3** In respect of subsidiary ONGC Videsh Rovuma Ltd., Other Current Financial Assets include receivable from operator and considered as secured and good ₹349.39 Million (previous year payable ₹600.29 Million). Confirmation in respect of the same has not been received from the operator.

### **19.4 In case of subsidiary HPCL**

**19.4.1** The HPCL Group 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, 2023, reimbursements amounting to ₹1,898.80 Million (March 31, 2022: ₹1,521.10 Million) are pending for a period beyond 6 months for which provision of ₹1,591.20 Million (31.03.2022: ₹ Nil Million) is carried in the books.

**19.4.2** Other Receivables includes an amount of ₹915.80 Million (2021-22: ₹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 (2021-22 : ₹915.80 Million) is carried in the books.

**19.4.3** Deposits with banks are earmarked with various authorities.

### **19.5 In case of subsidiary MRPL**

**19.5.1** Other current financial assets includes ₹99.37 Million (As at March 31, 2022 ₹19.96 Million) amount receivable from the Central Government. 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.

**19.5.2** Deposits with banks are earmarked in favour of Commercial Taxes Authority.

## 19.6 Movement of Impairment

(₹ in Million)

| Particulars                       | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
|-----------------------------------|------------------------------|------------------------------|
| Balance at beginning of the year  | 29,292.39                    | 26,144.82                    |
| Recognized during the year        | 4,819.15                     | 3,119.46                     |
| Write back during the year        | (370.90)                     | (123.97)                     |
| Other adjustments                 | 254.79                       | 152.08                       |
| <b>Balance at end of the year</b> | <b>33,995.43</b>             | <b>29,292.39</b>             |

**19.6.1** Group's subsidiary OVL has determined its functional currency as USD. Adjustments includes net effect of exchange differences as at March 31, 2023 of ₹254.79 Million (as at March 31, 2022 ₹152.08 Million) on account of translation of the consolidated financial statements of the ONGC Videsh Limited from USD to Group's presentation currency (₹). Refer Note No. 3.21 and 5.1 (a).

## 20. Other assets

(₹ in Million)

| Particulars                                           | As at<br>March 31, 2023 |                  | As at<br>March 31, 2022 |                   |
|-------------------------------------------------------|-------------------------|------------------|-------------------------|-------------------|
|                                                       | Non Current             | Current          | Non Current             | Current           |
| <b>A. Capital advances (Note No. 20.3)</b>            |                         |                  |                         |                   |
| - Considered Good                                     | 15,640.08               | -                | 21,303.28               | -                 |
| - Credit Impaired                                     | 346.69                  | -                | 341.99                  | -                 |
| Less: Impairment                                      | 346.69                  | -                | 341.99                  | -                 |
|                                                       | <b>15,640.08</b>        | <b>-</b>         | <b>21,303.28</b>        | <b>-</b>          |
| <b>B. Other receivables</b>                           |                         |                  |                         |                   |
| - Considered Good                                     | 55.10                   | -                | 56.50                   | -                 |
| - Credit Impaired                                     | 379.56                  | -                | 385.89                  | -                 |
| Less: Impairment                                      | 379.56                  | -                | 385.89                  | -                 |
|                                                       | <b>55.10</b>            | <b>-</b>         | <b>56.50</b>            | <b>-</b>          |
| <b>C. Deposits (Note No. 20.5 &amp; 20.7)</b>         |                         |                  |                         |                   |
| With Customs/Port Trusts etc.                         | 9,181.72                | 2,869.16         | 8,166.01                | 4,043.81          |
| With others                                           |                         |                  |                         |                   |
| - Considered Good (Note no. 32.7)                     | 5,103.16                | 23,025.97        | 14,700.62               | 98,880.35         |
| - Credit Impaired                                     | 1,936.40                | 991.82           | 1,972.43                | 723.67            |
| Less: Impairment                                      | 2,748.71                | 991.82           | 2,195.43                | 723.67            |
|                                                       | <b>13,472.57</b>        | <b>25,895.13</b> | <b>22,643.63</b>        | <b>102,924.16</b> |
| <b>D. Advance recoverable</b>                         |                         |                  |                         |                   |
| - Considered Good                                     | 2,054.33                | 35,879.09        | 1,632.51                | 35,762.17         |
| - Credit Impaired                                     | 641.86                  | 957.08           | 642.72                  | 980.51            |
| Less: Impairment                                      | 641.86                  | 957.08           | 642.72                  | 980.51            |
|                                                       | <b>2,054.33</b>         | <b>35,879.09</b> | <b>1,632.51</b>         | <b>35,762.17</b>  |
| <b>E. Carried interest (Note No. 20.1 &amp; 20.2)</b> |                         |                  |                         |                   |
| - Considered Good                                     | -                       | -                | -                       | -                 |
| - Credit Impaired                                     | 382.61                  | -                | 316.26                  | -                 |
| Less: Impairment                                      | 382.61                  | -                | 316.26                  | -                 |
|                                                       | <b>-</b>                | <b>-</b>         | <b>-</b>                | <b>-</b>          |
| <b>F. Prepaid Expenses</b>                            |                         |                  |                         |                   |
| Prepayments - Mobilisation Charges                    | -                       | 1,340.86         | -                       | 3.80              |
| Prepayments - Leasehold Land                          | 134.08                  | 275.76           | 182.71                  | 50.68             |



| Particulars                             | As at<br>March 31, 2023 |                  | As at<br>March 31, 2022 |                   |
|-----------------------------------------|-------------------------|------------------|-------------------------|-------------------|
|                                         | Non Current             | Current          | Non Current             | Current           |
| Prepaid expenses for underlift quantity | -                       | 523.89           | -                       | 617.94            |
| Other prepaid expenses                  | 3,297.08                | 3,554.08         | 3,849.71                | 3,510.60          |
|                                         | <b>3,431.16</b>         | <b>5,694.59</b>  | <b>4,032.42</b>         | <b>4,183.02</b>   |
| <b>G.Other Assets</b>                   |                         |                  |                         |                   |
| - Considered Good                       | 152.33                  | 2,124.49         | 2,097.96                | 1,971.17          |
| - Credit Impaired                       | -                       | -                | -                       | -                 |
| Less: Impairment                        | -                       | -                | -                       | -                 |
|                                         | <b>152.33</b>           | <b>2,124.49</b>  | <b>2,097.96</b>         | <b>1,971.17</b>   |
| <b>Total Other assets</b>               | <b>34,805.57</b>        | <b>69,593.30</b> | <b>51,766.30</b>        | <b>144,840.52</b> |

**20.1** In respect of subsidiary OVL, The Group 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.

**20.2** In respect of Block 5A, South Sudan which is a producing project, impairment for the balance amount of carried interest amounting to ₹88.96 Million (previous year ₹82.03 Million) has been recognised. Impairment for ₹293.65 Million (previous year ₹234.23 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, capital advance includes ₹232.79 Million (previous year ₹214.66 Million) paid as conversion fees to Delhi Development Authority (DDA) for conversion of leasehold land to freehold land.

**20.4** In respect of subsidiary OVL, Other current assets of the Group include ₹523.89 Million (as at 31st March 2022: ₹682.47 Million) which represents

the impact of underlifted oil quantity by the company during the period and the same is expected to be settled based on inter-shipper arrangement.

**20.5** In respect of subsidiary MRPL, Deposits Includes ₹2,125.25 Million relating to an appeal in the matter of classification of Reformat import pending before Hon'ble CESTAT and other amount paid under protest.

**20.6** In respect of subsidiary PMHBL, upon Payment of Allotment Consideration the Company has been given possession of land at three 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.

**20.7** In respect of subsidiary HPCL, deposits with Customs Includes an amount of ₹812.30 Million (31.03.2022: ₹812.30 Million) carried as receivable towards Customs Duty refund claims, filed relating to the periods 1992-97. As per the assessment made by the Management, these claims are legally tenable, however, considering the efflux of time, an amount of ₹812.30 Million (31.03.2022: ₹223.00 Million) is provided for. Management is continuing to pursue the matter with Authorities for early settlement of these claims.

## 20.8 Movement of Impairment

(₹ in Million)

| Particulars                             | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
|-----------------------------------------|------------------------------|------------------------------|
| <b>Balance at beginning of the year</b> | 5,586.47                     | 5,110.62                     |
| Recognized during the year              | 907.09                       | 507.28                       |
| Write back during the year              | (72.81)                      | (39.71)                      |
| Other adjustments                       | 27.58                        | 8.28                         |
| <b>Balance at end of the year</b>       | <b>6,448.33</b>              | <b>5,586.47</b>              |

**20.8.1** Group's subsidiary ONGC Videsh Limited has determined its functional currency as USD. Adjustments includes net effect of exchange differences as at March 31, 2023 of ₹27.58 Million (as at March 31, 2022 ₹8.28 Million) on account of translation of the consolidated financial statements of the ONGC Videsh Limited from USD to Group's presentation currency "₹". Refer Note No.3.21 and 5.1 (a).



## 21. Inventories

(₹ in Million)

| Particulars                                 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|---------------------------------------------|-------------------------|-------------------------|
| <b>Raw Materials (Including Condensate)</b> |                         |                         |
| -on hand                                    | 52,690.97               | 67,518.56               |
| -in Transit                                 | 23,724.18               | 77,647.64               |
|                                             | <b>76,415.15</b>        | <b>145,166.20</b>       |
| <b>Finished Goods (Note No. 21.1)</b>       | 133,885.69              | 145,444.04              |
| Less : Impairment for Stock Loss            | 5.91                    | 5.91                    |
|                                             | <b>133,879.78</b>       | <b>145,438.13</b>       |
| <b>Traded Goods</b>                         | 125,259.28              | 131,055.65              |
| <b>Stores and Spares</b>                    |                         |                         |
| -on hand                                    | 87,774.04               | 95,688.16               |
| -in transit                                 | 2,229.61                | 1,386.67                |
| Less: Impairment for non-moving items       | 9,997.90                | 11,965.81               |
|                                             | <b>80,005.75</b>        | <b>85,109.02</b>        |
| <b>Semi Finished Goods</b>                  | 26,431.83               | 34,470.45               |
| <b>Unservicable Items</b>                   | 388.89                  | 391.54                  |
| <b>Total</b>                                | <b>442,380.68</b>       | <b>541,630.99</b>       |

**21.1** In respect of the company, the value of 3,30,484 nos. Carbon Credits (CER) (Previous year 3,30,484 nos.) has been treated as nil (as at March 31, 2022 ₹5.59 Million) as the same do not have any quoted price and seems to be insignificant with respect to net realisable value. There are no CERs under certification. During the year ₹297.37 Million (₹386.62 Million for 2021-22) and ₹275.58 Million (₹335.45 Million for 2021-22) have been expensed towards Operating & maintenance cost and depreciation respectively for emission reduction equipment.

**21.2** In respect of the company, inventory amounting to ₹238.97 Million (as at March 31, 2022 ₹217.04 Million) has been valued at net realisable value of ₹150.54 Million (as at March 31, 2022 ₹168.45 Million). Consequently, an amount of ₹88.43 Million (as at March 31, 2022 ₹48.59 Million) has been recognised as an expense in the Statement of Profit and Loss under note 40.

**21.3** In respect of subsidiary MRPL, the cost of inventories recognized as an expense includes ₹NIL (Year ended March 31, 2022 ₹222.82 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 MRPL, during FY 2021-22, company was awarded with 87,748 Nos of Energy Saving Certificates (EScerts) from Bureau by Energy Efficiency (BEE) as part of "Perform, Achieve and

Trade" (PAT) scheme, India for achieving reduction in Specific Energy Consumption above targets set by them for the performance during FY 2018-19. These can be redeemed to meet Refinery's own shortfall (if any) or can be used as tradable certificates which can be sold through power exchanges in future periods. As per formula prescribed by Hon'ble Ministry of Power for determining the floor price, the calculated floor value of the ESCerts workout to ₹161.47 Million. The Company intends to redeem the ESCerts only to meet refineries own shortfall (if any) based on Monitoring & Verification to be conducted in future and hence the same has not been carried in inventory as at March 31, 2023.

**21.5** 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 ₹1,389.50 Million (31.03.2022 : ₹18,919.20 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.

**21.6** In respect of subsidiary HPCL, as on 31.03.2023, the Group has an inventory of Non-Solar Renewable Energy Certificates (RECs) numbering 3,275 Units (31.03.2022: 16,830 Units), available for sale after earmarking a requisite quantity already for captive consumption. 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. Delhi High Court has suspended online trading in certificates issued before 31-10-2022 and case is sub-judice.

**In respect of HPCL Biofuels Limited:** Renewable Energy Certificates (RECs) earned for the captive consumption of power generated from renewable sources are not valued as stock on hand on the Balance Sheet date, since the cost of obtaining them is negligible and their realization is not certain. The income from the sale of RECs is accounted as revenue in the year of its sales. The RECs on hand on 31st March 2023 is 11,806 Units (31.03.2022 : 4,358 Units).

**21.7** 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.

**21.8** In respect of subsidiary OVL, in case of joint operators where the title 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.

**21.9** In respect of subsidiary OVL, stores and spares includes ₹4,719.20 Million (previous year 13,083.36 Million) which represents the company's share in overseas joint operations.

## 22. Investments – Current

(₹ in Million)

| Particulars                                                          | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|----------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Financial assets carried at fair value through profit or loss</b> |                         |                         |
| (a) Investments in GOI Bonds (Note No. 22.1)                         | 51,688.97               | 53,715.24               |
| <b>Total</b>                                                         | <b>51,688.97</b>        | <b>53,715.24</b>        |

**22.1** In respect of Subsidiary HPCL, bonds having face value of ₹33,630 Million (31.03.2022: ₹14,760 Million) comprising 7.59 % G - Sec Bonds of ₹1,830 Million (31.03.2022: ₹1,850 Million), 7.72 % G - Sec Bonds of ₹8,000 Million (31.03.2022: ₹8,360 Million), 8.33 % G - Sec Bonds of ₹1,800 Million (31.03.2022: ₹1,800 Million), 8.15 % G - Sec Bonds of ₹2,000 Million (31.03.2022: ₹2,750 Million), 6.35% Oil Bonds 2024 of ₹5,000 Million (31.03.2022 : ₹ Nil Million) and 6.90% Oil Bonds 2026 of ₹15,000 Million (31.03.2022 : ₹ Nil Million), have been either pledged with Clearing Corporation of India Limited (CCIL) against Triparty Repo Dealing System loan or given as collateral against borrowings through CROMS segment of Clearing Corporation of India Limited.

## 22.2. Disclosure towards Cost / Market Value

(₹ in Million)

| Particulars                                               | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|-----------------------------------------------------------|-------------------------|-------------------------|
| (a) Aggregate amount of Quoted Investments (Market Value) | 51,688.97               | 53,715.24               |
| (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<br>March 31, 2023 | As at<br>March 31, 2022 |
|---------------------------------------------------|-------------------------|-------------------------|
| Balances with Banks                               | 16,935.25               | 19,792.73               |
| Cash on Hand                                      | 70.37                   | 67.86                   |
| Bank Deposit with original maturity up to 3 month | 9,394.36                | 30,486.08               |
| <b>Total Cash and cash equivalents</b>            | <b>26,399.98</b>        | <b>50,346.67</b>        |

**23.1** In respect of subsidiary OVL, Cash on hand represents cash balances held by overseas branches in respective local currencies and includes ₹1.71 Million held by imprest holders (previous year ₹1.67 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 include amount of ₹0.79 Million (previous year ₹0.74 Million) held by overseas branches in Libya and amount of ₹6,907.17 Million (previous year: nil) held by subsidiary ONGC Videsh Vankorneft Pte. Ltd. in its Russian bank which are restricted for use as at 31 March 2023.

**23.4** In respect of subsidiary OVL, cash and cash equivalents include unutilised portion of cash call of ₹3,339.98 Million (previous year ₹5,898.76 Million)

lying in bank account of overseas operators recorded based on joint interest billing (JIB) statements.

**23.5** In respect of subsidiary OVL, balance with bank includes ₹0.07 Million (previous year ₹1,452.41 Million) 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<br>March 31, 2023 | As at<br>March 31, 2022 |
|-----------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| Other bank deposits for original maturity more than 3 months upto 12 months (Note No. 29.1.1) | 261,089.98              | 15,517.97               |
| Unclaimed dividend account (Note No. 24.1)                                                    | 823.62                  | 786.56                  |
| Deposits in escrow account (Note No. 24.2)                                                    | 1,600.79                | 1,556.86                |
| Unspent CSR                                                                                   | 136.13                  | -                       |
| Other restricted bank balances                                                                | 1,352.77                | 201.33                  |
| <b>Total Other bank balances</b>                                                              | <b>265,003.29</b>       | <b>18,062.72</b>        |

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 (BGEPI) 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 \$49.72 Million (Previous year US \$ 51.90 Million) equivalent to ₹4,046.39 Million (Previous year ₹3,871.25 Million) for the PMT JV including Company's Share US \$ 19.67 Million (Previous year USD 21.18 Million) equivalent to ₹1,600.79 Million (Previous year ₹1,556.87 Million) is maintained in the Escrow account by the PMT JV Partners.

The Company has entered into settlement agreement with the PMT JO Partners on the issue in the month of April 2023, accordingly ₹432.97 Million over and above the net receivables have been accounted as miscellaneous receipts in financial year 2022-23. The proceeds towards the settlement from the escrow account has been received by the Company in the month of May 2023.



## 25. Assets classified as held for sale

(₹ in Million)

| Particulars                                              | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|----------------------------------------------------------|-------------------------|-------------------------|
| Project Surplus and other assets (Note No. 7.6.5 & 25.1) | 538.26                  | 638.48                  |
| <b>Total Assets held for sale</b>                        | <b>538.26</b>           | <b>638.48</b>           |

**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<br>March 31, 2023 | As at<br>March 31, 2022 |
|------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| Equity Share Capital                                                                                                                           | 62,901.39               | 62,901.39               |
|                                                                                                                                                | <b>62,901.39</b>        | <b>62,901.39</b>        |
| <b>Authorised:</b><br>30,000,000,000 Equity Shares of ₹5 each<br>(as at March 31, 2022: 30,000,000,000 Equity Shares of ₹5 each)               | <b>150,000.00</b>       | <b>150,000.00</b>       |
| <b>Issued and Subscribed:</b><br>12,580,279,206 Equity Shares of ₹5 each<br>(as at March 31, 2022: 12,580,279,206 Equity Shares of ₹5 each)    | <b>62,901.39</b>        | <b>62,901.39</b>        |
| <b>Fully paid equity shares:</b><br>12,580,279,206 Equity Shares of ₹5 each<br>(as at March 31, 2022: 12,580,279,206 Equity Shares of ₹5 each) | 62,901.39               | 62,901.39               |
| <b>Total</b>                                                                                                                                   | <b>62,901.39</b>        | <b>62,901.39</b>        |

## 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<br>Million | Amount           |
|-----------------------------------------|--------------------------------|------------------|
| <b>Balance at April 01, 2021</b>        | <b>12,580.28</b>               | <b>62,901.39</b> |
| Changes during the year                 | -                              | -                |
| <b>Balance as at April 01, 2022</b>     | <b>12,580.28</b>               | <b>62,901.39</b> |
| Changes during the year                 | -                              | -                |
| <b>Outstanding as at March 31, 2023</b> | <b>12,580.28</b>               | <b>62,901.39</b> |

## 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 Board of Directors of the Company, at the 312<sup>th</sup> 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 31 March 2017 and 2.34% as on 31 March 2018. The Company has completed the buy-back of 252,955,974 fully paid-up equity shares on 25 February 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).

#### 26.4 Details of shareholders holding more than 5% shares in the Company are as under:

(₹ in Million)

| Name of equity share holders        | As at March 31, 2023 |           | As at March 31, 2022 |           |
|-------------------------------------|----------------------|-----------|----------------------|-----------|
|                                     | No. in Million       | % holding | No. in Million       | % holding |
| President of India                  | 7,408.87             | 58.89     | 7,410.90             | 58.91     |
| Life Insurance Corporation of India | 1,245.54             | 9.90      | 1,223.51             | 9.73      |
| Indian Oil Corporation Limited      | 986.89               | 7.84      | 986.89               | 7.84      |

#### 26.5 Details of shareholding of promoters in equity shares of the Company

(₹ in Million)

| Name of promoters  | As at March 31, 2023 |           |                          | As at March 31, 2022 |           |                          |
|--------------------|----------------------|-----------|--------------------------|----------------------|-----------|--------------------------|
|                    | No. in Million       | % holding | % change during the year | No. in Million       | % holding | % change during the year |
| President of India | 7,408.87             | 58.89     | (0.02)                   | 7,410.90             | 58.91     | (1.50)                   |

**26.5.1** During the previous year 2021-22 President of India acting through and represented by Ministry of Petroleum and Natural Gas, Government of India had 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.

**26.5.2** During the financial year 2022-23, subsequent to the completion of transaction under OFS, the Government of India made an offer to eligible employees and sold 20,37,177 equity shares of the Company representing 0.02% of the total equity share capital of the Company.

#### 27. Other Equity excluding non-controlling interest

(₹ in Million)

| Particulars                                                                       | As at March 31, 2023 | As at March 31, 2022 |
|-----------------------------------------------------------------------------------|----------------------|----------------------|
| Capital Redemption Reserve                                                        | 1,917.49             | 1,917.49             |
| Other Capital Reserve- Common Control                                             | (354,420.79)         | (354,420.79)         |
| Capital reserves                                                                  | 615.53               | 614.61               |
| Legal Reserve                                                                     | 38,021.71            | 30,357.95            |
| Debenture Redemption Reserve                                                      | 28,149.49            | 28,318.13            |
| Exchange difference on translating the financial statements of foreign operations | 184,226.34           | 147,411.53           |
| Retained Earnings                                                                 | 254,363.85           | 297,350.86           |
| General Reserve                                                                   | 2,455,058.54         | 2,240,359.54         |
| Reserve for equity instruments through other comprehensive income                 | 136,936.58           | 141,581.37           |
| Cash Flow Hedge Reserve                                                           | (1,297.17)           | (1,362.98)           |
| <b>Total Other equity</b>                                                         | <b>2,743,571.57</b>  | <b>2,532,127.71</b>  |





(₹ in Million)

| Particulars                                                                                                  | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|--------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>A. Capital Redemption Reserves (Note No.27.8)</b>                                                         |                         |                         |
| Balance at beginning of year                                                                                 | 1,917.49                | 1,733.72                |
| Transfer from General reserve#                                                                               | -                       | 183.77                  |
| <b>Balance at end of year</b>                                                                                | <b>1,917.49</b>         | <b>1,917.49</b>         |
| <b>B. Capital reserves (Note No. 27.1 &amp; 27.9)</b>                                                        |                         |                         |
| Balance at beginning of year                                                                                 | 614.61                  | 614.79                  |
| Transfer during the year                                                                                     | 0.92                    | (0.18)                  |
| Cancellation of forfeited shares (Note No. 27.5)                                                             | -                       | -                       |
| <b>Balance at end of year</b>                                                                                | <b>615.53</b>           | <b>614.61</b>           |
| <b>C. Legal Reserve (Note No. 27.10)</b>                                                                     |                         |                         |
| Balance at beginning of year                                                                                 | 30,357.95               | 28,582.17               |
| Transfer from retained earnings                                                                              | 7,663.76                | 1,775.78                |
| <b>Balance at end of year</b>                                                                                | <b>38,021.71</b>        | <b>30,357.95</b>        |
| <b>D. Debenture Redemption Reserve (Note No. 27.11)</b>                                                      |                         |                         |
| Balance at beginning of year                                                                                 | 28,318.13               | 41,253.22               |
| Transfer from retained earnings                                                                              | -                       | 11.59                   |
| Transfer to retained earnings                                                                                | (168.64)                | (12,946.68)             |
| <b>Balance at end of year</b>                                                                                | <b>28,149.49</b>        | <b>28,318.13</b>        |
| <b>E. Exchange difference on translating the financial statements of foreign operations (Note No. 27.12)</b> |                         |                         |
| Balance at beginning of year                                                                                 | 147,411.53              | 143,115.41              |
| Adjustment during the year                                                                                   | 36,814.81               | 4,296.12                |
| <b>Balance at end of year</b>                                                                                | <b>184,226.34</b>       | <b>147,411.53</b>       |
| <b>F. Retained Earnings</b>                                                                                  |                         |                         |
| Balance at beginning of year                                                                                 | 297,350.86              | 246,089.51              |
| <b>Add:</b>                                                                                                  |                         |                         |
| Profit after tax for the year                                                                                | 354,404.78              | 455,221.06              |
| Other comprehensive income net of income tax                                                                 | (1,345.12)              | 503.89                  |
| Adjustment to Non Controlling Interest (Note No.27.7)                                                        | -                       | 558.32                  |
| Transfer from DRR                                                                                            | 168.64                  | -                       |
| Equity accounting adjustments w.r.t JVs/Associates                                                           | 115.38                  | (383.78)                |
| <b>Less:</b>                                                                                                 |                         |                         |
| Adjustments due to inter group holding of Investment                                                         | (2,207.82)              | (2,589.11)              |
| Other Adjustments                                                                                            | 51.08                   | 257.95                  |
| Payments of dividends (Note No. 27.4)                                                                        | 176,124.67              | 114,481.28              |
| Effect of buy back of shares#                                                                                | -                       | 998.94                  |
| Transfer to CRR#                                                                                             | -                       | 183.77                  |
| Transfer to General reserve                                                                                  | 214,699.00              | 289,517.94              |
| Transfer to Legal reserve                                                                                    | 7,663.76                | 1,775.78                |
| Transfer to DRR                                                                                              | -                       | 11.59                   |
| <b>Balance at end of year</b>                                                                                | <b>254,363.85</b>       | <b>297,350.86</b>       |

|                                                                                             |                     |                     |
|---------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>G. General Reserve (Note No. 27.3)</b>                                                   |                     |                     |
| Balance at beginning of year                                                                | 2,240,359.54        | 1,937,894.92        |
| Add: Transfer from retained earnings                                                        | 214,699.00          | 289,517.94          |
| Add: Transfer from DRR                                                                      | -                   | 12,946.68           |
| Less: Effect of buy back of shares#                                                         | -                   | -                   |
| Less: Transfer to CRR#                                                                      | -                   | -                   |
| <b>Balance at end of year</b>                                                               | <b>2,455,058.54</b> | <b>2,240,359.54</b> |
| <b>H. Reserve for equity instruments through other comprehensive income (Note No. 27.2)</b> |                     |                     |
| Balance at beginning of year                                                                | 141,581.37          | 102,291.33          |
| Fair value gain/(loss) on investments in equity instruments                                 | (2,161.63)          | 42,327.31           |
| Income tax on fair value gain/(loss) on investments in equity instruments                   | (2,483.16)          | (3,037.27)          |
| <b>Balance at end of year</b>                                                               | <b>136,936.58</b>   | <b>141,581.37</b>   |
| <b>I. Other Capital Reserve- Common Control (Note No. 27.6)*</b>                            |                     |                     |
| Balance at beginning of year                                                                | (354,420.79)        | (354,420.79)        |
| Changes during the year                                                                     | -                   | -                   |
| <b>Balance at end of year</b>                                                               | <b>(354,420.79)</b> | <b>(354,420.79)</b> |
| <b>J. Cash Flow Hedge Reserve (Note No. 27.13 &amp; 27.14)</b>                              |                     |                     |
| Balance at beginning of year                                                                | (1,362.98)          | (245.78)            |
| Effective Portion of Gains/(loss) in a Cash Flow Hedge                                      | (695.50)            | (1,121.87)          |
| Reclassification to Profit and loss                                                         | 761.31              | 4.67                |
| <b>Balance at end of year</b>                                                               | <b>(1,297.17)</b>   | <b>(1,362.98)</b>   |
| <b>Total Other equity</b>                                                                   | <b>2,743,571.57</b> | <b>2,532,127.71</b> |

\* 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 ₹159.59 Million) as assessed value of assets received as gift.

**27.2** 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.

**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 14 November 2022 and 14 February 2023, the Company had declared an interim dividend of ₹6.75 per share (135%) and ₹4.00 per share (80%) respectively which has since been paid.

In respect of the year ended March 31, 2023, the Board of Directors has proposed a final dividend of ₹0.50 per share (10 %) 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 ₹6,290.14 Million.

**27.5** During the 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 paid up amount of ₹0.15 Million against these shares were transferred to the Capital Reserve in 2020-21.



**27.6** Represents common control reserve on account of HPCL acquisition in the year 2017-18 and further acquisition 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.

**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** Legal Reserve pertains to subsidiary ONGC Nile Ganga BV and is created in respect of proportionate share of undistributed profits of its JVs & Associates in accordance with the statutory requirements in The Netherlands.

**27.11** 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, 2023 | As at March 31, 2022 |
| Unsecured 4.625% 10 year USD Bonds - USD 750 Million | 12,299.86            | 12,299.86            |
| Unsecured 3.75% 10 year USD Bonds - USD 500 Million  | 12,153.02            | 12,153.02            |
| <b>Total</b>                                         | <b>24,452.88</b>     | <b>24,452.88</b>     |

**27.12** Group's subsidiary ONGC Videsh Limited has determined its functional currency as USD. 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).

**27.13** 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.

**27.14** 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, 2023 | As at March 31, 2022 |
| <b>Balance at beginning of year</b>       | <b>238,249.33</b>    | <b>216,157.99</b>    |
| Share of profit for the year              | (26,628.73)          | 37,719.51            |
| Share of OCI                              | (1,416.56)           | 1,004.41             |
| Dividend Paid to NCI                      | (9,138.65)           | (14,751.26)          |
| Effect of buy back of shares#             | -                    | (8,659.65)           |
| Change in NCI due to acquisition/Disposal | 2,951.83             | 8,025.09             |
| Others (Note No. 28.1)                    | 2,060.17             | (1,246.76)           |
| <b>Balance at end of year</b>             | <b>206,077.39</b>    | <b>238,249.33</b>    |

#in respect of buy back of shares by subsidiary HPCL

**28.1** 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" (USD) to presentation currency "₹". Refer Note No. 3.21 and 5.1 (a).

**28.2 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, 2023                                                                  | As at March 31, 2022 | As at March 31, 2023                                 | As at March 31, 2022 | As at March 31, 2023                  | As at March 31, 2022 |
| HPCL                                                                | India                                                           | 45.10%                                                                                | 46.36%               | (31,480.78)                                          | 32,896.82            | 138,891.78                            | 182,183.47           |
| MRPL                                                                | India                                                           | 19.06%                                                                                | 19.28%               | 5,062.14                                             | 5,639.47             | 19,053.73                             | 13,992.52            |
| PMHBL                                                               | India                                                           | 22.56%                                                                                | 23.19%               | 191.08                                               | 135.97               | 1,316.28                              | 1,307.16             |
| Beas Rovuma Energy Mozambique Limited                               | Incorporated in Republic of Mauritius, operations in Mozambique | 40.00%                                                                                | 40.00%               | (401.17)                                             | (952.75)             | 45,665.29                             | 39,703.67            |
| Individually immaterial subsidiaries with non-controlling interests |                                                                 |                                                                                       |                      |                                                      |                      | 1,150.31                              | 1,062.51             |
| <b>Total</b>                                                        |                                                                 |                                                                                       |                      |                                                      |                      | <b>206,077.39</b>                     | <b>238,249.33</b>    |

**28.3. 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, 2023 | As at March 31, 2022 |
|----------------------------------------------|----------------------|----------------------|
| Non-current assets                           | 1,173,634.81         | 1,049,382.54         |
| Current assets                               | 439,760.36           | 496,905.99           |
| Non-current liabilities                      | 552,103.49           | 417,844.18           |
| Current liabilities                          | 738,658.99           | 714,402.46           |
| Equity attributable to owners of the Company | 183,740.91           | 231,858.42           |
| Non-controlling interests                    | 138,891.78           | 182,183.47           |

| Particulars                                                              | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--------------------------------------------------------------------------|---------------------------|---------------------------|
| Revenue                                                                  | 4,679,645.22              | 3,765,659.09              |
| Expenses                                                                 | 4,804,399.42              | 3,688,803.71              |
| Profit (loss) for the year                                               | <b>(69,802.18)</b>        | <b>72,941.95</b>          |
| Profit (loss) attributable to owners of the Company                      | (38,321.40)               | 40,045.13                 |
| Profit (loss) attributable to the non-controlling interests              | (31,480.78)               | 32,896.82                 |
| Profit (loss) for the year                                               | <b>(69,802.18)</b>        | <b>72,941.95</b>          |
| Other comprehensive income attributable to owners of the Company         | (1,721.52)                | 1,215.30                  |
| Other comprehensive income attributable to the non-controlling interests | (1,414.22)                | 998.36                    |
| Other comprehensive income for the year                                  | (3,135.74)                | 2,213.66                  |
| Total comprehensive income attributable to owners of the Company         | (40,042.92)               | 41,260.43                 |
| Total comprehensive income attributable to the non-controlling interests | (32,895.00)               | 33,895.18                 |
| Total comprehensive income for the year                                  | (72,937.92)               | 75,155.61                 |
| Dividends paid to non-controlling interests                              | 8,956.72                  | 14,553.24                 |
| Net cash inflow (outflow) from operating activities                      | (34,625.72)               | 158,184.18                |
| Net cash inflow (outflow) from investing activities                      | (113,872.69)              | (137,530.36)              |
| Net cash inflow (outflow) from financing activities                      | 160,251.67                | (20,662.38)               |
| Net cash inflow (outflow)                                                | 11,753.26                 | (8.56)                    |



(₹ in Million)

| 2. MRPL                                      | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|----------------------------------------------|-------------------------|-------------------------|
| Non-current assets                           | 232,294.26              | 246,507.00              |
| Current assets                               | 119,160.10              | 154,206.21              |
| Non-current liabilities                      | 132,304.89              | 149,047.97              |
| Current liabilities                          | 120,504.18              | 179,571.71              |
| Equity attributable to owners of the Company | 79,591.56               | 58,101.01               |
| Non-controlling interests                    | 19,053.73               | 13,992.52               |

| Particulars                                                              | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
|--------------------------------------------------------------------------|------------------------------|------------------------------|
| Revenue                                                                  | 1,249,259.97                 | 861,926.69                   |
| Expenses                                                                 | 1,207,113.66                 | 834,588.35                   |
| Profit (loss) for the year                                               | <b>26,554.07</b>             | <b>29,582.52</b>             |
| Profit (loss) attributable to owners of the Company                      | 21,491.93                    | 23,943.05                    |
| Profit (loss) attributable to the non-controlling interests              | 5,062.14                     | 5,639.47                     |
| Profit (loss) for the year                                               | <b>26,554.07</b>             | <b>29,582.52</b>             |
| Other comprehensive income attributable to owners of the Company         | (9.82)                       | 25.83                        |
| Other comprehensive income attributable to the non-controlling interests | (2.31)                       | 6.08                         |
| Other comprehensive income for the year                                  | (12.13)                      | 31.91                        |
| Total comprehensive income attributable to owners of the Company         | 21,482.12                    | 23,968.88                    |
| Total comprehensive income attributable to the non-controlling interests | 5,059.82                     | 5,645.55                     |
| Total comprehensive income for the year                                  | 26,541.94                    | 29,614.43                    |
| Dividends paid to non-controlling interests                              | -                            | -                            |
| Net cash inflow (outflow) from operating activities                      | 63,643.75                    | 45,262.86                    |
| Net cash inflow (outflow) from investing activities                      | (6,732.33)                   | (6,247.50)                   |
| Net cash inflow (outflow) from financing activities                      | (56,898.65)                  | (39,218.37)                  |
| Net cash inflow (outflow)                                                | 12.77                        | (203.01)                     |

(₹ in Million)

| 3. PMHBL                                     | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|----------------------------------------------|-------------------------|-------------------------|
| Non-current assets                           | 1,582.37                | 1,663.24                |
| Current assets                               | 4,762.32                | 4,619.60                |
| Non-current liabilities                      | 331.50                  | 335.64                  |
| Current liabilities                          | 177.48                  | 151.90                  |
| Equity attributable to owners of the Company | 4,519.43                | 4,488.14                |
| Non-controlling interests                    | 1,316.28                | 1,307.16                |

| Particulars                                                      | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
|------------------------------------------------------------------|------------------------------|------------------------------|
| Revenue                                                          | 1,682.76                     | 1,281.53                     |
| Expenses                                                         | 547.59                       | 467.53                       |
| Profit (loss) for the year                                       | <b>847.17</b>                | <b>602.83</b>                |
| Profit (loss) attributable to owners of the Company              | 656.09                       | 466.86                       |
| Profit (loss) attributable to the non-controlling interests      | 191.08                       | 135.97                       |
| Profit (loss) for the year                                       | <b>847.17</b>                | <b>602.83</b>                |
| Other comprehensive income attributable to owners of the Company | (0.12)                       | (0.10)                       |



| Particulars                                                              | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
|--------------------------------------------------------------------------|------------------------------|------------------------------|
| Other comprehensive income attributable to the non-controlling interests | (0.03)                       | (0.03)                       |
| Other comprehensive income for the year                                  | (0.15)                       | (0.13)                       |
| Total comprehensive income attributable to owners of the Company         | 655.97                       | 466.76                       |
| Total comprehensive income attributable to the non-controlling interests | 191.05                       | 135.94                       |
| Total comprehensive income for the year                                  | 847.02                       | 602.70                       |
| Dividends paid to non-controlling interests                              | 181.93                       | 198.02                       |
| Net cash inflow (outflow) from operating activities                      | 778.66                       | 1,495.18                     |
| Net cash inflow (outflow) from investing activities                      | 58.43                        | (3,971.16)                   |
| Net cash inflow (outflow) from financing activities                      | (826.02)                     | (896.77)                     |
| Net cash inflow (outflow)                                                | 11.07                        | (3,372.75)                   |

(₹ in Million)

| 4. Beas Rovuma Energy Mozambique Limited     | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|----------------------------------------------|-------------------------|-------------------------|
| Non-current assets                           | 110,216.40              | 96,051.06               |
| Current assets                               | 4,902.24                | 4,479.46                |
| Non-current liabilities                      | -                       | -                       |
| Current liabilities                          | 955.41                  | 1,271.34                |
| Equity attributable to owners of the Company | 68,497.94               | 59,555.51               |
| Non-controlling interests                    | <b>45,665.29</b>        | <b>39,703.67</b>        |

| Particulars                                                              | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
|--------------------------------------------------------------------------|------------------------------|------------------------------|
| Revenue                                                                  | 1,138.82                     | 2,246.34                     |
| Expenses                                                                 | 2,141.75                     | 4,628.22                     |
| Profit (loss) for the year                                               | <b>(1,002.93)</b>            | <b>(2,381.88)</b>            |
| Profit (loss) attributable to owners of the Company                      | (601.76)                     | (1,429.13)                   |
| Profit (loss) attributable to the non-controlling interests              | (401.17)                     | (952.75)                     |
| Profit (loss) for the year                                               | <b>(1,002.93)</b>            | <b>(2,381.88)</b>            |
| 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         | (601.76)                     | (1,429.13)                   |
| Total comprehensive income attributable to the non-controlling interests | (401.17)                     | (952.75)                     |
| Total comprehensive income for the year                                  | (1,002.93)                   | (2,381.88)                   |
| Dividends paid to non-controlling interests                              | -                            | -                            |

## 29. Borrowings

(₹ in Million)

| Particulars                                         | As at<br>March 31, 2023 |         | As at<br>March 31, 2022 |         |
|-----------------------------------------------------|-------------------------|---------|-------------------------|---------|
|                                                     | Non Current             | Current | Non Current             | Current |
| <b>Secured</b>                                      |                         |         |                         |         |
| (i) Term Loans                                      |                         |         |                         |         |
| <b>(a) From Banks</b>                               |                         |         |                         |         |
| External Commercial Borrowings (ECB) (Note No.29.3) | -                       | -       | 3,892.05                | -       |
| Foreign Currency borrowing (FCTL) (Note No.29.4)    | 20,729.87               | -       | 24,244.11               | -       |
| Rupee Term Loans (Note No. 29.20)                   | 17,684.80               | -       | 2,919.85                | -       |



| Particulars                                                       | As at<br>March 31, 2023 |                   | As at<br>March 31, 2022 |                   |
|-------------------------------------------------------------------|-------------------------|-------------------|-------------------------|-------------------|
|                                                                   | Non Current             | Current           | Non Current             | Current           |
| <b>(b) From Others</b>                                            |                         |                   |                         |                   |
| Oil Industry Development Board (OIDB)<br>(Note No.29.5 & 29.19)   | 1,453.75                | -                 | 3,189.37                | -                 |
| Deferred payment liabilities : VAT Loan<br>(Note No. 29.8 & 29.9) | 820.62                  | -                 | 461.93                  | -                 |
| Triparty Repo Dealing System Loan (Note No. 22.1)                 | -                       | -                 | -                       | 10,496.91         |
| Clearcorp Repo Order Matching System                              | -                       | 30,385.72         | -                       | -                 |
| (ii) Cash Credit from Bank                                        | -                       | 14,146.63         | -                       | 23,053.49         |
| (iii) Loan Repayable on demand (Note No. 29.6)                    | -                       | 180.26            | -                       | 5,181.94          |
| (iv) Working Capital Loan from Banks (Note No.29.1.1)             | -                       | 6,289.99          | -                       | -                 |
| (v) Current Maturities of Long Term Borrowings                    | -                       | 11,523.10         | -                       | 12,897.89         |
| <b>Unsecured</b>                                                  |                         |                   |                         |                   |
| (i) Term Loans                                                    |                         |                   |                         |                   |
| <b>(a) From Banks</b>                                             |                         |                   |                         |                   |
| Foreign currency Term Loans<br>(Note No. 29.2.2, 29.10 & 29.21)   | 380,077.62              | -                 | 351,057.64              | -                 |
| Rupee Term Loans (Note No. 29.11 & 29.22)                         | 113,461.22              | 104,254.49        | 50,213.22               | 49,593.99         |
| <b>(b) From Related Party</b>                                     | 301.25                  | -                 | 292.60                  | -                 |
| (ii) Working Capital Loan from Banks (Note No.29.15)              | 44,876.98               | -                 | 41,525.06               | -                 |
| (iii) Foreign currency bonds (Note No.29.1.3, 29.2.1, 29.17)      | 175,850.43              | -                 | 199,944.55              | -                 |
| (iv) Non Convertible Debentures (Note 29.1.2, 29.7, 29.18)        | 227,239.64              | -                 | 202,638.79              | -                 |
| (v) Deferred payment liabilities (Note No. 29.9)                  | 1,099.27                | -                 | 47.59                   | -                 |
| (vi) Commercial Paper (Net of Discount)                           | -                       | -                 | -                       | 7,990.80          |
| (vii) Loan Repayable on demand (Note No. 29.13)                   | -                       | 16,955.86         | -                       | 39,499.17         |
| (viii) Current Maturities of Long Term Borrowings                 | -                       | 124,524.06        | -                       | 48,617.11         |
| <b>Total borrowings</b>                                           | <b>983,595.45</b>       | <b>308,260.11</b> | <b>880,426.76</b>       | <b>197,331.30</b> |

## 29.1 In respect of the Company

### 29.1.1 The Working Capital Loans outstanding :

#### As at March 31, 2023

| (₹ in Million) |              |                                      |                                   |
|----------------|--------------|--------------------------------------|-----------------------------------|
| Sl. no.        | ₹ in Million | Interest Rate p.a. (payable monthly) | Date of maturity of term deposits |
| 1              | 1,764.00     | 5.40% p.a.                           | April 24, 2023                    |
| 2              | 4,525.99     | 5.43% p.a.                           | April 25, 2023                    |

#### As at March 31, 2023

| Sl. no. | ₹ in Million | Interest Rate p.a. (payable monthly) | Terms of repayment |
|---------|--------------|--------------------------------------|--------------------|
| -NIL-   |              |                                      |                    |

**Details of Working Capital Loans against Term Deposits during FY 2022-23**

(₹ in Million)

| Sanctioned Working capital loan | Amount of Term Deposits under Lien | Outstanding loan as on March 31, 2023 | Loan sanction date | Loan Start date | Loan last repayment date |
|---------------------------------|------------------------------------|---------------------------------------|--------------------|-----------------|--------------------------|
| 9,060                           | 9,060                              | -                                     | Jun 08, 2022       | Jun 12, 2022    | Jun 13, 2022             |
| 1,960                           | 1,960                              | -                                     | Jul 05, 2022       | Jul 09, 2022    | Mar 13, 2023             |
| 9,430                           | 9,430                              | -                                     | Jul 29, 2022       | Jul 31, 2022    | Aug 02, 2022             |
| 25,898                          | 25,898                             | -                                     | Jul 29, 2022       | Jul 31, 2022    | Aug 01, 2022             |
| 8,094                           | 8,094                              | -                                     | Jul 29, 2022       | Aug 01, 2022    | Aug 06, 2022             |
| 1,764                           | 1,764                              | 1,764                                 | Jul 29, 2022       | Aug 06, 2022    | Apr 21, 2023             |
| 47,439                          | 47,439                             | 4,526                                 | Jul 29, 2022       | Aug 06, 2022    | Apr 21, 2023             |
| 2,940                           | 2,940                              | -                                     | Nov 11, 2022       | Nov 12, 2022    | Mar 13, 2023             |

**29.1.2 Details of Non-Convertible Debentures outstanding**
**As at March 31, 2023**

| 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 %             |
|         | <b>Total</b>               |                  |                   | <b>41,400.00</b>             |                    |

**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 %             |
|         | <b>Total</b>               |                  |                   | <b>41,400.00</b>             |                    |

**29.1.3 Details of Foreign Currency Bonds outstanding:**
**As at March 31, 2023**

| Sl. no. | Date of Issue     | Date of repayment | USD in Million (at face value) | ₹ in Million | Interest Rate p.a. (payable half yearly) |
|---------|-------------------|-------------------|--------------------------------|--------------|------------------------------------------|
| 1.      | December 05, 2019 | December 05, 2029 | 300.00                         | 24,645.00    | 3.375 %                                  |

**As at March 31, 2022**

| Sl. No. | Date of Issue     | Date of repayment | USD 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 %                                  |



## 29.2 In respect of the subsidiary OVL:

### 29.2.1 Details of Bonds (other than ₹ Currency)

(₹ in Million)

| Particulars                                                 | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|-------------------------------------------------------------|-------------------------|-------------------------|
| (i) USD 750 Million unsecured non-convertible Reg S Bonds   | 61,128.39               | 56,366.11               |
| (ii) USD 500 Million unsecured non-convertible Reg S Bonds  | 41,032.66               | 37,835.96               |
| (iii) USD 600 Million unsecured non-convertible Reg S Bonds | 49,212.00               | 45,358.13               |
| <b>Total</b>                                                | <b>1,51,373.05</b>      | <b>139,560.20</b>       |

The terms of above bonds are mentioned below:

| Particulars                                                                                                                                    | Listed in                | Issue price | Denomination                                                       | Date of loan issued | Due date of maturities | Coupon                                   |
|------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|-------------|--------------------------------------------------------------------|---------------------|------------------------|------------------------------------------|
| (i) USD 600 Million unsecured non-convertible Reg S Bonds (for acquisition of interest in JSC Vankorneft)                                      | Singapore Exchange (SGX) | 99.810%     | USD 200,000 and integral multiples of USD 1,000 in excess thereof. | 27-Jul-16           | 27-Jul-26              | 3.750%, payable semi-annually in arrears |
| (ii) USD 750 Million unsecured non-convertible Reg S Bonds (for acquisition of participating interest in respect of Area 1 Mozambique project) | Singapore Exchange (SGX) | 99.454%     | USD 200,000 and integral multiples of USD 1,000 in excess thereof. | 15-Jul-14           | 15-Jul-24              | 4.625%, payable semi-annually in arrears |
| (iii) USD 500 Million unsecured non-convertible Reg S Bonds (for acquisition of participating interest in respect of ACG, Azerbaijan project)  | Singapore Exchange (SGX) | 99.950%     | USD 200,000 and integral multiples of USD 1,000 in excess thereof. | 07-May-13           | 07-May-23              | 3.75%, payable semi-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<br>March 31, 2023 | As at<br>March 31, 2022 | Date of Issue  | Term of Repayment                  | Coupon                                      |
|----------------------------------------------------|-------------------------|-------------------------|----------------|------------------------------------|---------------------------------------------|
| USD 1,000 Million Term loans (Refer note 29.2.2.1) | 81,246.35               | 74,916.75               | March 30, 2020 | Bullet repayment on March 30, 2025 | Libor + 0.95% payable quarterly/half yearly |
| USD 500 Million Term loans (Refer note 29.2.2.2)   | 40,787.48               | 37,609.87               | July 12, 2019  | Bullet repayment on July 12, 2024  | Libor + 1% payable quarterly/half yearly    |

| Particulars                                           | As at<br>March 31, 2023 | As at<br>March 31, 2022 | Date of Issue  | Term of Repayment                                                                         | Coupon                                      |
|-------------------------------------------------------|-------------------------|-------------------------|----------------|-------------------------------------------------------------------------------------------|---------------------------------------------|
| JPY 38 billion Term loans<br>(Refer note 29.2.2.6)    | 10,684.55               | 10,665.91               | 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             |
| USD 500 Million long term loan (Refer note 29.2.2.3)  | 40,664.25               | 37,496.25               | July 12, 2021  | Bullet repayment on July 12, 2026                                                         | Libor + 0.97% payable quarterly/half yearly |
| USD 600 Million Term loans (Refer note 29.2.2.4)      | 48,920.33               | 45,109.13               | Oct 27, 2021   | Bullet repayment on October 27, 2026.                                                     | Libor + 0.85% payable quarterly/half yearly |
| USD 100 Million Long Term loans (Refer note 29.2.2.5) | 8,132.84                | 7,499.25                | Jan 27, 2022   | Bullet repayment on January 27, 2027                                                      | 3M TERM SOFR + 0.90% payable quarterly      |
|                                                       | <b>2,30,435.80</b>      | <b>213,297.16</b>       |                |                                                                                           |                                             |

**29.2.2.1** The Term loan was obtained from a syndicate of commercial banks to part refinance the USD 1775 Million Term Loan in March 2020.

**29.2.2.2** The Term loan was obtained from a syndicate of commercial banks to part refinance the USD 750 Million bonds matured in July 2019.

**29.2.2.3** The Term loan was obtained in July 2021 from a syndicate of commercial banks for part repayment of EUR 525 Million bond matured in July 2021.

**29.2.2.4** 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.

**29.2.2.5** 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.

**29.2.2.6** The term loan was obtained by subsidiary ONGC Videsh Vankorneft Pte Ltd. to part refinance the acquisition bridge loans in respect of acquisition of 26% shares of JSC Vankorneft.

**29.2.2.7** All USD term loans are for acquisition of participating interest in respect of Area 1 Mozambique project.

**29.2.2.8** 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) in respect of subsidiary MRPL**

**29.3.1** ECB-1 taken by the company amounting to ₹4,107.30 Million (As at March 31, 2022 ₹11,356.37 Million) are USD denominated loans and carries variable rate of interest which is six month Libor plus spread (Interest rate as at March 31, 2023 is 6.13 % and interest rate as at March 31, 2022 was 1.32%).

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** ECB-2 taken by the erstwhile subsidiary company ONGC Mangalore Petrochemicals Limited (OMPL) amounting to ₹125.14 Million (As at March 31, 2022 ₹671.13 Million) are USD denominated Loans and carries variable rate of interest, which is six month libor plus spread (Interest Rate as at March 31, 2023 is 7.21 % and Interest rate as at March 31, 2022 was 3.89%).

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 and after merger on MRPL.

**29.3.3** In respect of subsidiary MRPL, ₹4,232.44 Million (As at March 31, 2022 of ₹8,135.45 Million) in respect of the above ECBs, is repayable within one year i.e. Current Maturities of long term debt has been shown as Current Borrowing. Repayment schedule of ECB loan with respect to MRPL is as follows:





(₹ in Million)

| Year of repayment | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
|-------------------|-------------------------|-------------------------|
| 2022-23           | -                       | 8,135.45                |
| 2023-24           | 4,233.89                | 3,905.31                |
| <b>Total</b>      | <b>4,233.89</b>         | <b>12,040.76</b>        |

## 29.4 Foreign Currency Borrowings (FCTL) in respect of subsidiary MRPL

**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 linked with six month Libor & three month SOFR plus spread (Interest Rate as at March 31, 2023 is 7.25% & 6.10% and Interest

rate as at March 31, 2022 was 2.93%). This borrowing is secured by first pari passu charge on Fixed Assets of the Company both present and future.

**29.4.2** ₹5,555.03 Million (As at March 31, 2022 of ₹3,026.81) 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<br>March 31, 2023 | As at<br>March 31, 2021 |
|-------------------|-------------------------|-------------------------|
| 2022-23           | -                       | 3,031.90                |
| 2023-24           | 5,555.03                | 5,123.91                |
| 2024-25           | 5,916.60                | 5,457.42                |
| 2025-26           | 5,916.60                | 5,457.42                |
| 2026-27           | 6,738.35                | 6,215.40                |
| 2027-28           | 2,169.42                | 2,001.05                |
| <b>Total</b>      | <b>26,296.00</b>        | <b>27,287.10</b>        |

## 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, 2023 and March 31, 2022 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** ₹1,485.63 Million (As at March 31, 2022 of ₹1,485.63 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<br>March 31, 2023 | As at<br>March 31, 2022 |
|-------------------|-------------------------|-------------------------|
| 2022-23           | -                       | 1,485.62                |
| 2023-24           | 1,485.63                | 1,485.62                |
| 2024-25           | 815.63                  | 815.63                  |
| 2025-26           | 138.12                  | 138.13                  |
| <b>Total</b>      | <b>2,439.38</b>         | <b>3,925.00</b>         |

**29.6** In respect of subsidiary MRPL, Working capital borrowings pertaining to the company amounting to ₹180.26 Million (As at March 31, 2022 ₹181.94) 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 ₹ nil Million (As at March 31, 2022 ₹5,000.00 Million) 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.

## 29.7 Non Convertible Debentures in respect of subsidiary MRPL

Unsecured Redeemable Non-Convertible Fixed Rate Debentures (Privately Placed):

| Sl. No.      | ISIN         | Face Value Per Debenture (₹) | Date of Allotment | As at 31-03-2023 | Coupon Rate | Maturity         |           |
|--------------|--------------|------------------------------|-------------------|------------------|-------------|------------------|-----------|
|              |              |                              |                   |                  |             | Amount           | Date      |
| 1            | INE103A08027 | 10,00,000                    | 13-Jan-20         | 4,999.98         | 6.64%       | 5,000.00         | 14-Apr-23 |
| 2            | INE103A08019 | 10,00,000                    | 13-Jan-20         | 9,997.94         | 7.40%       | 10,000.00        | 12-Apr-30 |
| 3            | INE103A08035 | 10,00,000                    | 29-Jan-20         | 10,593.75        | 7.75%       | 10,600.00        | 29-Jan-30 |
| 4            | INE103A08043 | 10,00,000                    | 29-Dec-20         | 12,166.51        | 6.18%       | 12,170.00        | 29-Dec-25 |
| 5            | INE103A08050 | 10,00,000                    | 29-Dec-21         | 11,997.06        | 7.48%       | 12,000.00        | 14-Apr-32 |
| <b>Total</b> |              |                              |                   | <b>49,755.24</b> |             | <b>49,770.00</b> |           |

## 29.8 In respect of subsidiary MRPL, details of Interest Free Loan from Govt. of Karnataka - VAT Loan

29.8.1 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.

29.8.2 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.

29.8.3 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, 2022 |
|-------------------|----------------------|----------------------|
| 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           | 517.95               | 74.88                |
| 2033-34           | 678.15               | -                    |
| <b>Total</b>      | <b>2,212.99</b>      | <b>1,091.77</b>      |

## 29.9 Deferred Payment Liabilities - From Government of Karnataka :

29.9.1 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.

29.9.2 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 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:

| Year of repayment | As at March 31, 2023 | As at March 31, 2022 |
|-------------------|----------------------|----------------------|
| 2025-26           | 379.31               | 17.27                |
| 2026-27           | 379.31               | 17.27                |
| 2027-28           | 379.31               | 17.27                |
| 2028-29           | 379.31               | 17.27                |
| 2029-30           | 379.31               | 17.27                |
| <b>Total</b>      | <b>1,896.55</b>      | <b>86.35</b>         |

## 29.10 Foreign Currency Borrowing (FCTL)

29.10.1 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 was 2.23%). The loan has been repaid during the year.

29.10.2 Repayment schedule of Foreign Currency Term Loan (FCTL) is as follows:

| Year of repayment | As at March 31, 2023 | As at March 31, 2022 |
|-------------------|----------------------|----------------------|
| 2022-23           | -                    | 11,369.63            |
| <b>Total</b>      | <b>-</b>             | <b>11,369.63</b>     |



## 29.11 Rupee Term Loan from bank in respect of subsidiary MRPL,

**29.11.1** The term loan taken by the Company amounting to ₹2,342.96 Million (As at March 31, 2022 ₹2,343.00) carries variable rate of interest which was linked to RBI Repo Rate plus spread (Interest rate as at March 31, 2023 is 7.95 % and Interest rate as at March 31, 2022 was 5.75%). The Term Loan taken by the erstwhile subsidiary company OMPL amounting to ₹9,868.26 Million (As at March 31, 2022 ₹9,870.22 Million) carries variable rate of interest which was linked to One Month MCLR rate (Interest rate as at March 31, 2023 is 8.10% and Interest rate as at March 31, 2022 was 6.35%).

**29.11.2** Repayment schedule of Term Loan is as follows:

(₹ in Million)

| Year of repayment | As at March 31, 2023 | As at March 31, 2022 |
|-------------------|----------------------|----------------------|
| 2023-24           | 2,500.00             | 3,703.18             |
| 2024-25           | 5,000.00             | 4,937.57             |
| 2025-26           | 2,371.10             | 1,234.39             |
| 2026-27           | 2,342.96             | 2,343.00             |
| <b>Total</b>      | <b>12,214.06</b>     | <b>12,218.14</b>     |

## 29.12 Foreign Currency Term Loan (FCNR) in respect of subsidiary MRPL:

**29.12.1** FCNR (B) Capex Loan taken by the company carries variable rate of interest which is six months Libor plus (Interest rate as at March 31, 2023 is 6.65% and interest rate as at March 31, 2022 was 2.29%).

**29.12.2** Repayment schedule of Foreign Currency Term Loan (FCNR) is as follows:

(₹ in Million)

| Year of repayment | As at March 31, 2023 | As at March 31, 2022 |
|-------------------|----------------------|----------------------|
| 2023-24           | 6,984.88             | 6,442.79             |
| 2024-25           | 1,232.62             | 1,136.96             |
| <b>Total</b>      | <b>8,217.50</b>      | <b>7,579.75</b>      |

## 29.13 Working capital Term Loan from Banks - ECB in respect of subsidiary MRPL,:

**29.13.1** Refinancing of existing two External Commercial Borrowing of USD 150 Million and USD 400 Million with a single loan of USD 550 Million has been done during the Financial year. The loan refinanced is USD denominated and linked to three month SOFR plus spread (Interest rate as at March

31, 2023 is 6.06 % and Interest rate as at March 31, 2022 was 2.56%).

**29.13.2** Repayment schedule of Working Capital loan ECB is as follows:

(₹ in Million)

| Year of repayment | As at March 31, 2023 | As at March 31, 2022 |
|-------------------|----------------------|----------------------|
| 2023-24           | -                    | 75.80                |
| 2024-25           | 8,217.50             | 30,243.20            |
| 2025-26           | 8,217.50             | 11,369.63            |
| 2026-27           | 12,326.25            | -                    |
| 2027-28           | 16,435.00            | -                    |
| <b>Total</b>      | <b>45,196.25</b>     | <b>41,688.63</b>     |

**29.14** In respect of subsidiary MRPL, Unsecured Bill discounting facility against Non LC bill drawn on erstwhile Subsidiary Company "ONGC Mangalore Petrochemicals Limited" (OMPL) amounting to ₹ Nil as at March 31, 2023 (As at March 31, 2022 ₹1,149.30 Million) (Interest rate as at March 31, 2023 is ₹ Nil and March 31, 2022 was 4.20%).

**29.15** Unsecured short term working capital loan from bank amounting to ₹16,955.86 Million (As at March 31, 2022 ₹21,136.40 Million) (Interest rate as at March 31, 2023 is in range of 6.84 % to 7.15 % and March 31, 2022 was in range of 3.88% to 4.00%). Unsecured Short Term Rupee loan from Banks pertaining to erstwhile subsidiary company OMPL amounting to ₹ nil (As at March 31, 2022 ₹17,213.47 Million) (interest rate as at March 31, 2022 was in the range of 4.10% to 4.20%).

**29.16** 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,**

## 29.17 Foreign currency Bonds

| Particulars of Bonds                                                                                                                                            | Date of Issue  | Date of Repayment |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-------------------|
| USD 500 Million bonds (₹ 41,009.82 Million as at March 31, 2023 & ₹ 37,813.01 Million as at 31st March 31, 2022); Interest Rate: 4% p.a. payable at Half Yearly | 12th July 2017 | July 12th 2027    |

## 29.18 Non Convertible Debentures

| Particulars of Debentures                                                                                                             | Coupon Rate of Interest     | Date of Redemption             |
|---------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|--------------------------------|
| 6.63% Non-Convertible Debentures (₹19,498.04 Million as at March 31, 2023 & ₹19,497.86 as at 31 <sup>st</sup> March 31, 2022)         | 6.63% p.a. payable Annually | April 11 <sup>th</sup> 2031    |
| 6.09% Non-Convertible Debentures (₹14,998.86 Million as at March 31, 2023 & ₹14,998.39 as at 31 <sup>st</sup> March 31, 2022)         | 6.09% p.a. payable Annually | Feb 26 <sup>th</sup> 2027      |
| 7.03% Non-Convertible Debentures (₹13,997.79 Million as at March 31, 2023 & ₹13,997.77 Million as at 31 <sup>st</sup> March 31, 2022) | 7.03% p.a. payable Annually | April 12 <sup>th</sup> 2030    |
| 5.36% Non-Convertible Debentures (₹11,999.61 Million as at March 31, 2023 & ₹11,999.43 Million as at 31 <sup>st</sup> March 31, 2022) | 5.36% p.a. payable Annually | April 11 <sup>th</sup> 2025    |
| 7.00% Non-Convertible Debentures (₹19,999.18 Million as at March 31, 2023 & ₹19,998.63 Million as at 31 <sup>st</sup> March 31, 2022) | 7.00% p.a. payable Annually | August 14 <sup>th</sup> 2024   |
| 8.00% Non-Convertible Debentures (₹4,999.27 Million as at March 31, 2023 & ₹4,998.64 Million as at 31 <sup>st</sup> March 31, 2022)   | 8.00% p.a. payable Annually | April 25 <sup>th</sup> 2024    |
| 4.79% Non-Convertible Debentures (₹19,999.76 Million as at March 31, 2023 & ₹19,999.34 Million as at 31 <sup>st</sup> March 31, 2022) | 4.79% p.a. payable Annually | October 23 <sup>rd</sup> 2023  |
| 6.38% Non-Convertible Debentures (₹5,999.97 Million as at March 31, 2023 & ₹5,999.09 Million as at 31 <sup>st</sup> March 31, 2022)   | 6.38% p.a. payable Annually | April 12 <sup>th</sup> 2023    |
| 6.80% Non-Convertible Debentures (₹nil Million as at March 31, 2023 & ₹29,999.37 Million as at 31 <sup>st</sup> March 31, 2022)       | 6.80% p.a. payable Annually | December 15 <sup>th</sup> 2022 |
| 7.81% Non-convertible debentures (₹14,998.07 Million as at March 31, 2023 & ₹nil Million as at 31 <sup>st</sup> March 31, 2022)       | 7.81% p.a. payable Annually | April 13 <sup>th</sup> 2032    |
| 7.12% Non-convertible debentures (₹17,998.35 Million as at March 31, 2023 & ₹nil Million as at 31 <sup>st</sup> March 31, 2022)       | 7.12% p.a. payable Annually | July 30 <sup>th</sup> 2025     |
| 7.64% Non-convertible debentures (₹24,998.24 Million as at March 31, 2023 & ₹nil Million as at 31 <sup>st</sup> March 31, 2022)       | 7.64% p.a. payable Annually | November 04 <sup>th</sup> 2027 |
| 7.54% Non-convertible debentures (₹7,499.25 Million as at March 31, 2023 & ₹nil Million as at 31 <sup>st</sup> March 31, 2022)        | 7.54% p.a. payable Annually | April 15 <sup>th</sup> 2033    |
| 7.74% Non-convertible debentures (₹16,498.64 Million as at March 31, 2023 & ₹nil Million as at 31 <sup>st</sup> March 31, 2022)       | 7.74% p.a. payable Annually | March 2 <sup>th</sup> 2028     |

Of the above Non-Convertible debentures ₹25,999.70 Million (31.03.2022: ₹29,999.40) is repayable within one year and the same has been included in 'Current Maturities of Long Term Borrowings'

## 29.19 Term Loans from Oil Industry Development Board (Secured)

| Repayable during | Amount in ₹ Million  |                      | Range of Interest Rate |                      |
|------------------|----------------------|----------------------|------------------------|----------------------|
|                  | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2023   | As at March 31, 2022 |
| 2022-23          | -                    | 250.00               | -                      | 5.68%                |
| 2023-24          | 250.00               | 250.00               | 5.68%                  | 5.68%                |
| 2024-25          | 250.00               | 250.00               | 5.68%                  | 5.68%                |
| 2025-26          | 250.00               | 250.00               | 5.68%                  | 5.68%                |
| <b>Total</b>     | <b>750.00</b>        | <b>1,000.00</b>      |                        |                      |

The loan outstanding has been secured with first charge on the facilities of Vishakh Refinery Modernisation Project. Of the loan amount, ₹250 Million (31.03.2022: ₹250 Million) is repayable within one year and the same has been included in 'Current Maturities of Long Term Borrowings'.



## 29.20 Rupee Term Loan from Bank

With respect to Loan taken by HPCL LNG Limited 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) all 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 limited 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 is floating rate linked to the prevailing SBI 1-year MCLR with spread of 0.05%, present effective applicable rate is 8.45% p.a (7.05% p.a. till 4 February 2023)

The Loan is to be repaid in stepped-up 38 installments over a period of 13 years including moratorium period of 2 years. The quarterly repayment schedule for Long Term loans is from 01.04.2025 to 30.09.2034.

## 29.21 Syndicated Loans from Foreign Banks (repayable in foreign currency)

### With respect to Loan taken by Hindustan Petroleum Corporation Ltd.:

The Corporation has availed Syndicated Loans from foreign Banks at fixed rate and/or 3 months floating LIBOR/Term SOFR plus spread (spread range: 90 to 105 basis point p.a). These loans are taken for a period up to 5 years. Of the total loan outstanding as on March 31, 2022, loan aggregating to \$500 Million have been refinanced through fresh ECB's during the current Financial Year. Of the loan amount, ₹ Nil Million (31.03.2022: ₹ Nil Million is repayable within one year).

| Repayable during | Amount in USD(\$) Million |                      | Amount in ₹ Million  |                      |
|------------------|---------------------------|----------------------|----------------------|----------------------|
|                  | As at March 31, 2023      | As at March 31, 2021 | As at March 31, 2023 | As at March 31, 2022 |
| 2023-24          | -                         | 500.00               | -                    | 37,898.80            |
| 2024-25          | 800.00                    | 300.00               | 65,740.00            | 22,739.30            |
| 2025-26          | 300.00                    | 300.00               | 24,652.50            | 22,739.30            |
| 2026-27          | 450.00                    | 450.00               | 36,978.80            | 34,108.90            |
| 2027-28          | 300.00                    | 100.00               | 24,652.50            | 7,579.80             |
| <b>Total</b>     | <b>1,850.00</b>           | <b>1,650.00</b>      | <b>152,023.80</b>    | <b>125,066.10</b>    |

### 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 (2021-2022: 1.2% + 6-month LIBOR per annum), which ranged from 1.38% to 6.13%.p.a. for the Financial Year ended 31 March 2023 (2021-2022: from 1.38% to 1.45% p.a.). The bank loan is repayable on the 7th anniversary of the utilization date on 28 October 2023 and has been included in 'Current Maturities of Long Term Borrowings'. Shares of the Group in PPIPL have been pledged in favour of the lender.



## 29.22 Other Loans

| Repayable during | Amount in ₹ Million  |                      | Range of Interest                                                                 |                                                            |
|------------------|----------------------|----------------------|-----------------------------------------------------------------------------------|------------------------------------------------------------|
|                  | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2023                                                              | As at March 31, 2022                                       |
| 2022-23          | -                    | 7,250.00             | 'Floating rate of interest linked to 3M T-Bill, 1M T-Bill & Bank's overnight MCLR | 'Floating rate of interest linked to 3M T-Bill & 1M T-Bill |
| 2023-24          | 7,250.00             | 7,250.00             |                                                                                   |                                                            |
| 2024-25          | 5,750.00             | 5,750.00             |                                                                                   |                                                            |
| 2025-26          | 83,000.00            | 25,000.00            |                                                                                   |                                                            |
| 2026-27          | 15,000.00            | -                    |                                                                                   |                                                            |
| <b>Total</b>     | <b>111,000.00</b>    | <b>45,250.00</b>     |                                                                                   |                                                            |

Of the loan amount ₹7,250 Million (31.03.2022: ₹7,250 Million) 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, 2023 |                  | As at March 31, 2022 |                  |
|---------------------------------|----------------------|------------------|----------------------|------------------|
|                                 | Non Current          | Current          | Non Current          | Current          |
| Lease Liabilities (Note No. 48) | 84,035.29            | 46,657.31        | 92,167.21            | 49,933.31        |
| <b>Total</b>                    | <b>84,035.29</b>     | <b>46,657.31</b> | <b>92,167.21</b>     | <b>49,933.31</b> |

### 30.1 Movement of Lease Liabilities

(₹ in Million)

| Particulars                                | Year Ended March 31, 2023 | Year Ended March 31, 2022 |
|--------------------------------------------|---------------------------|---------------------------|
| <b>Balance at beginning of the year</b>    | 142,100.52                | 141,257.71                |
| Recognized during the year                 | 42,569.80                 | 50,570.69                 |
| Unwinding of discount on lease liabilities | 6,641.93                  | 6,568.72                  |
| Payment during the year                    | (65,752.95)               | (58,767.32)               |
| Write back during the year                 | (2,432.86)                | (1,150.11)                |
| Revaluation of lease liabilities           | 5,470.62                  | 1,746.13                  |
| Effect of remeasurement / other adjustment | 2,095.54                  | 1,874.70                  |
| <b>Balance at end of the year</b>          | <b>130,692.60</b>         | <b>142,100.52</b>         |

## 31. Other financial liabilities

(₹ in Million)

| Particulars                                              | As at March 31, 2023 |            | As at March 31, 2022 |            |
|----------------------------------------------------------|----------------------|------------|----------------------|------------|
|                                                          | Non Current          | Current    | Non Current          | Current    |
| Interest Accrued on borrowings                           | 1,471.99             | 16,194.10  | 922.83               | 9,091.19   |
| Unclaimed Dividend (Note No. 31.3)                       | -                    | 339.40     | -                    | 304.38     |
| Derivative liabilities measured at FVTPL (Note No. 31.5) | 92.63                | 574.39     | 207.39               | 1,853.13   |
| Liability for Capital Goods (Note No. 31.4)              | 64.03                | 74,591.21  | 64.03                | 63,041.58  |
| Deposits from Suppliers and Contractors (Note No. 31.7)  | 1,582.39             | 178,654.68 | 321.36               | 175,702.62 |
| Liability for Employees                                  | -                    | 19,926.90  | -                    | 20,331.42  |
| Liability for Post Retirement Benefit Scheme             | -                    | 816.23     | -                    | 998.21     |
| Cash Call Payable to JV Partners                         | -                    | 32,948.65  | -                    | 33,440.63  |
| Liquidated Damages deducted from Parties                 | -                    | 31,849.34  | -                    | 26,995.30  |
| Retention Money                                          | 1.68                 | 17.70      | 1.67                 | 15.22      |



| Particulars                                                                 | As at<br>March 31, 2023 |                   | As at<br>March 31, 2022 |                   |
|-----------------------------------------------------------------------------|-------------------------|-------------------|-------------------------|-------------------|
|                                                                             | Non Current             | Current           | Non Current             | Current           |
| Financial guarantee obligation (Note No. 31.1)                              | 5.82                    | 7.44              | 0.24                    | 4.11              |
| Liability for Unspent Corporate Social Responsibility                       | -                       | 425.75            | -                       | 264.34            |
| Liability for Compulsory Convertible Debentures (Note No. 31.2)             | -                       | 75,725.94         | 15,978.53               | 60,423.29         |
| Bills Payable                                                               | -                       | -                 | -                       | -                 |
| Bonus payable for extension of Production sharing agreement (Note No. 31.6) | 1,096.03                | 1,120.76          | 1,999.11                | 1,032.55          |
| Other Liabilities                                                           | 3.00                    | 44,030.15         | 7.27                    | 40,618.95         |
| <b>Total other financial liabilities</b>                                    | <b>4,317.57</b>         | <b>477,222.64</b> | <b>19,502.43</b>        | <b>434,116.92</b> |

**31.1** This represents the fair value of fee towards financial guarantee issued on behalf of joint venture OPaL and IGGL, 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 ₹154.40 Million (As at March 31, 2022 ₹203.67 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** Derivative liabilities pertain to subsidiary ONGC Videsh Vankorneft Pte Ltd. in respect of derivatives contracts entered into by it in order to hedge its term loan in JPY currency.

**31.6** Bonus payable for extension of Production sharing agreement pertains to ACG, Azerbaijan for extension upto December 2049.

**31.7** In respect of Subsidiary HPCL, deposits from Suppliers and Contractors includes deposit received towards Rajiv Gandhi Gramin LPG Vitruk Yojana ₹2,418.90 Million (as at March 31, 2022 ₹2,418.90 Million) and Prime Minister Ujjawala Yojana of ₹35,753.60 Million (31.03.2022: ₹33,623.30 Million). These deposits have been either made by Government of India or created out of CSR fund.

## 32. Provisions

(₹ in Million)

| Particulars                                          | As at<br>March 31, 2023 |                  | As at<br>March 31, 2022 |                  |
|------------------------------------------------------|-------------------------|------------------|-------------------------|------------------|
|                                                      | Non Current             | Current          | Non Current             | Current          |
| <b>Provision for Employee benefits (Note No. 49)</b> |                         |                  |                         |                  |
| For Post Retirement Medical & Terminal Benefits      | 1,385.56                | 2,432.74         | 1,362.04                | 23,998.33        |
| Unavailed Leave and compensated absences             | 1,499.29                | 13,311.26        | 1,397.63                | 14,183.34        |
| Gratuity for Regular Employees                       | 63.86                   | 696.15           | 165.40                  | 4.03             |
| Gratuity for Contingent Employees                    | 54.11                   | 17.49            | 67.74                   | 13.39            |
| Others                                               | 438.87                  | 1,735.98         | 449.70                  | 3,191.31         |
| <b>Provision for Others</b>                          |                         |                  |                         |                  |
| Provision for decommissioning (Note No.32.5)         | 365,499.82              | 7,981.40         | 323,071.94              | 4,086.57         |
| Provision for disputed taxes (Note No. 32.7)         | -                       | 121,080.39       | -                       | -                |
| Less: Amount deposited under protest (Note No. 32.7) | -                       | (115,581.52)     | -                       | -                |
| Other Provisions (Note No. 32.1, 32.2 & 32.6)        | 35,289.17               | 20,813.47        | 37,315.63               | 21,157.71        |
| <b>Total provisions</b>                              | <b>404,230.68</b>       | <b>52,487.36</b> | <b>363,830.08</b>       | <b>66,634.68</b> |

**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, 2023 of ₹2,917.70 Million (As at March 31, 2022 ₹4,463.09 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, 2023 of ₹3,286.00 Million (as at March 31, 2022 of ₹3,030.00 Million) created in respect of Area 43, Libya and Block 128, Vietnam.

**32.3** During the year, amount pertaining to Sakhalin-1 project has been transferred to "Investment Pending Proportionate Ownership Interest in Equity of Sakhalin-1 LLC". (Refer Note No. 14.1.12 and 63)

#### 32.4 Movement of Provision for Others

(₹ in Million)

| Particulars                                        | Provision for decommissioning |                              | Other Provisions             |                              |
|----------------------------------------------------|-------------------------------|------------------------------|------------------------------|------------------------------|
|                                                    | Year Ended<br>March 31, 2023  | Year Ended<br>March 31, 2022 | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
| <b>Balance at beginning of the year</b>            | <b>327,158.51</b>             | <b>279,047.99</b>            | <b>58,473.34</b>             | <b>52,479.38</b>             |
| Recognized during the year                         | 10,249.70                     | 5,739.69                     | 123,813.02                   | 7,628.27                     |
| Amount used during the year                        | (2,666.09)                    | (234.79)                     | (1,058.00)                   | (213.00)                     |
| Unwinding of discount                              | 20,043.43                     | 17,049.73                    | -                            | -                            |
| Write back during the year                         | (1,807.22)                    | -                            | (2,928.49)                   | (1,528.96)                   |
| Transfer during the year (Note No. 14.1.12 and 63) | (42,392.90)                   | -                            | -                            | -                            |
| Effect of remeasurement/other adjustment           | 57,621.84                     | 23,989.57                    | (1,474.53)                   | -                            |
| Amount deposited under protest (Note No.32.7)      | -                             | -                            | (115,581.52)                 | -                            |
| Effect of exchange difference (Note No.32.4.1)     | 5,273.95                      | 1,566.32                     | 357.69                       | 107.65                       |
| <b>Balance at end of the year</b>                  | <b>373,481.22</b>             | <b>327,158.51</b>            | <b>61,601.51</b>             | <b>58,473.34</b>             |

**32.4.1** 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).

**32.5** 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.

**32.6** In respect of company, other provisions Includes ₹33,810.40 Million (Previous year ₹35,284.92 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).

**32.7** 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 Hon. Gujarat High Court. In this matter, Hon. Gujarat High Court in the hearing held



on 4 January 2021 directed the revenue authorities to file counter affidavit by 21 January 2021. The Central Government has filed counter affidavit on 20 January 2021. The next date of hearing before Hon. 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 1 January 2019 on account of GST on Royalty in the State of Rajasthan against which the Company filed writ petition (4919/2019) before Hon. High Court of Rajasthan. The Hon. High Court of Rajasthan heard the matter on 3 April 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. High Court of Madras seeking stay on the levy of GST on royalty. The Hon. High Court of Madras heard the matter on April 3, 2019 and issued notice to Central Government and State Government. The Central Government filed their counter affidavit on 26 August 2019. The Company filed additional grounds to the writ petition and filed rejoinder to the counter of the Central Government on 24 January 2020. The Hon. High Court of Madras closed the writ petition in hearing held on 6 July 2022 based on the department's rejection of Company's GST refund applications without further examination on merit. However liberty was granted to challenge the refund rejection order of department in accordance with law, accordingly, an appeal has been filed before the appellate authority challenging the department's refund rejection order dated June 24, 2022. Disputes are also pending at various forums for various work centres in respect to GST on Royalty.

As an abundant caution, the Company has deposited the disputed Service Tax and GST on royalty along-with interest under-protest amounting to ₹115,581.52 Million up to March 31, 2023 (₹87,567.87 Million up to March 31, 2022).

The Company shall continue to contest such disputed matters before various forums based on the legal opinion as per which the Service Tax/GST on Royalty in respect of Crude oil and Natural gas is not applicable. However, considering the pending final decision in a similar matter by the Nine Judges' Bench of Hon'ble Supreme Court, which is yet to be constituted and keeping in view the considerable time elapsed, during the year, the company has reviewed the entire issue of disputed Service tax and GST on royalty and has decided to make a provision towards

these disputed taxes as a prudent and conservative practice in respect of the nominated fields, as per agreed terms in JV blocks where there are no disputes amongst the JV partners and to the extent of company's participating interest in the JV blocks where there are disputes amongst the JV partners. Accordingly, during the year the Company has provided ₹92,351.14 Million towards disputed taxes for the period from April 1, 2016 to March 31, 2022 together with interest thereon up to March 31, 2023 towards the ST/GST on Royalty and being material has been disclosed as an exceptional item. Further, a similar provision of ₹28,723.32 Million has also been made during the year for disputed taxes for the financial year 2022-23.

The Company has also obtained a legal opinion from the Additional Solicitor General, Supreme Court of India and other legal expert, with respect to JV blocks where there are disputes with JV partners, as per which the Service Tax/GST, if applicable on royalty, will required to be discharged by the JV partners in their respective share of participating interest in the JV blocks, and pending resolution of the disputes, other partners' share of disputed ST/GST on Royalty in such JV blocks together with interest up to March 31, 2023 amounting to ₹43,318.13 Million has not been considered for provision and the same has been disclosed as contingent liability.

The remaining disputed demand received by the Company towards penalty and other differences i.e. ₹18,624.60 Million has also been disclosed as contingent liability.

Considering the Income tax experts' opinion on the subject, the aforesaid amount deposited under protest has been claimed in the Income Tax return / in the ongoing assessment & appellate proceedings, as an allowable expenditure under section 37 read with section 43B of the Income Tax Act, 1961 for the relevant earlier assessment years and has also been considered as an allowable expenditure while calculating the current tax for the earlier years and also towards the current tax for the year ended March 31, 2023. The Company has also created deferred tax asset amounting to ₹879.86 Million in respect of the amounts yet to be deposited against the provision made for disputed taxes for the above periods. (refer Note no. 58.1.2).

**32.8** A suspected fraud was noticed by the Company, wherein some of its regular / contractual employees in collusion with some vendors have made certain fictitious medical payments involving misappropriation

of funds, the matter is being investigated by internal and external agencies and the final amount of the alleged fraud shall be known after the outcome of the investigation. Pending investigations an interim amount of ₹2.41 Million has been affirmed as a fraud on the Company and accordingly provision for the said amount has been made towards doubtful claims receivable from vendors.

### 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<br>March 31, 2023 | As at<br>March 31, 2022 |
|------------------------------------------------|-------------------------|-------------------------|
| Deferred tax assets                            | 163,645.70              | 146,980.93              |
| Deferred tax liabilities                       | 460,857.74              | 496,325.13              |
| <b>Net Deferred tax assets / (liabilities)</b> | <b>(297,212.04)</b>     | <b>(349,344.20)</b>     |

(₹ in Million)

| Particulars for 2022-23                                                                            | Opening<br>balance | Adjusted against<br>Investment Pending<br>Proportionate<br>Ownership Interest<br>in Equity of S-1 LLC | Recognised<br>in Profit<br>and Loss<br>Account | Recognised<br>in other<br>comprehensive<br>income | Effect of<br>exchange<br>difference | Closing<br>balance |
|----------------------------------------------------------------------------------------------------|--------------------|-------------------------------------------------------------------------------------------------------|------------------------------------------------|---------------------------------------------------|-------------------------------------|--------------------|
| <b>Deferred tax (liabilities)/assets in relation to:</b>                                           |                    |                                                                                                       |                                                |                                                   |                                     |                    |
| <b>Deferred Tax Assets</b>                                                                         |                    |                                                                                                       |                                                |                                                   |                                     |                    |
| Unclaimed Exploratory Wells written off                                                            | 23,785.63          | -                                                                                                     | (16,116.50)                                    | -                                                 | -                                   | 7,669.13           |
| Expenses Disallowed Under Income Tax                                                               | 39,511.31          | (700.58)                                                                                              | 24,649.64                                      | -                                                 | 488.03                              | 63,948.40          |
| Financial Assets at amortised cost using EIR                                                       | 1,871.52           | -                                                                                                     | 269.74                                         | -                                                 | -                                   | 2,141.26           |
| Intangible assets                                                                                  | 306.22             | -                                                                                                     | (154.45)                                       | -                                                 | -                                   | 151.77             |
| Financial Assets at FVTPL                                                                          | 168.88             | -                                                                                                     | -                                              | -                                                 | -                                   | 168.88             |
| Financial Assets at FVTOCI                                                                         | 83.03              | -                                                                                                     | -                                              | -                                                 | -                                   | 83.03              |
| Defined benefit obligation                                                                         | 2,399.79           | -                                                                                                     | (6.35)                                         | 123.13                                            | -                                   | 2,516.57           |
| Current Investments                                                                                | (262.33)           | -                                                                                                     | 510.00                                         | -                                                 | -                                   | 247.67             |
| MAT credit entitlement                                                                             | 22,029.30          | -                                                                                                     | 7,429.38                                       | -                                                 | -                                   | 29,458.68          |
| Carry Forward tax losses/ Depreciation                                                             | 49,741.41          | -                                                                                                     | 617.19                                         | 607.80                                            | 165.91                              | 51,132.31          |
| Right of Use Assets net of Lease Liability                                                         | 36.33              | -                                                                                                     | 35.64                                          | -                                                 | -                                   | 71.97              |
| Others                                                                                             | 7,309.84           | -                                                                                                     | (774.11)                                       | (476.50)                                          | (3.20)                              | 6,056.03           |
| <b>Total Assets</b>                                                                                | <b>146,980.93</b>  | <b>(700.58)</b>                                                                                       | <b>16,460.18</b>                               | <b>254.43</b>                                     | <b>650.74</b>                       | <b>163,645.70</b>  |
| <b>Deferred Tax Liabilities</b>                                                                    |                    |                                                                                                       |                                                |                                                   |                                     |                    |
| Property, plant and equipment                                                                      | 419,148.57         | (56,740.66)                                                                                           | (2,884.18)                                     | -                                                 | 9,036.49                            | 368,560.22         |
| Exploratory wells in progress                                                                      | 27,304.25          | -                                                                                                     | 2,634.26                                       | -                                                 | -                                   | 29,938.51          |
| Development wells in progress                                                                      | 15,965.03          | -                                                                                                     | 6,951.87                                       | -                                                 | -                                   | 22,916.90          |
| Intangible assets                                                                                  | 3.70               | -                                                                                                     | (2.37)                                         | -                                                 | -                                   | 1.33               |
| Financial liabilities at amortised cost using EIR                                                  | 8.85               | -                                                                                                     | 14.70                                          | -                                                 | -                                   | 23.55              |
| Fair value gain on Investment in equity shares at FVTOCI                                           | 9,011.27           | -                                                                                                     | -                                              | 2,483.16                                          | -                                   | 11,494.43          |
| Foreign taxes                                                                                      | 12,600.10          | (12,525.16)                                                                                           | (1,170.69)                                     | -                                                 | 1,073.10                            | (22.65)            |
| Exchange differences on translating the financial statements of foreign operations (Note No. 33.7) | 11,838.14          | -                                                                                                     | -                                              | 19,902.04                                         | -                                   | 31,740.18          |
| Tax adjustment of unrealised profit                                                                | 540.53             | -                                                                                                     | (3,990.56)                                     | -                                                 | -                                   | (3,450.03)         |
| Dividend distribution tax on undistributed profit (associates)                                     | (1.19)             | -                                                                                                     | 1.19                                           | -                                                 | -                                   | -                  |
| Undistributed earnings                                                                             | 0.03               | -                                                                                                     | (0.03)                                         | -                                                 | -                                   | -                  |
| Others                                                                                             | (94.15)            | -                                                                                                     | (250.55)                                       | -                                                 | -                                   | (344.70)           |
| <b>Total Liabilities</b>                                                                           | <b>496,325.13</b>  | <b>(69,265.82)</b>                                                                                    | <b>1,303.64</b>                                | <b>22,385.20</b>                                  | <b>10,109.59</b>                    | <b>460,857.74</b>  |
| <b>Net Deferred Tax Liabilities</b>                                                                | <b>349,344.20</b>  | <b>(68,565.24)</b>                                                                                    | <b>(15,156.54)</b>                             | <b>22,130.77</b>                                  | <b>9,458.85</b>                     | <b>297,212.04</b>  |





(₹ 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   |
|----------------------------------------------------------------------------------------------------|-------------------|---------------------------------------|------------------------------------------|-------------------------------|-------------------|
| <b>Deferred tax (liabilities)/assets in relation to:</b>                                           |                   |                                       |                                          |                               |                   |
| <b>Deferred Tax Assets</b>                                                                         |                   |                                       |                                          |                               |                   |
| 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          |
| <b>Total Assets</b>                                                                                | <b>139,946.40</b> | <b>6,220.91</b>                       | <b>(1,532.46)</b>                        | <b>2,346.08</b>               | <b>146,980.93</b> |
| <b>Deferred Tax Liabilities</b>                                                                    |                   |                                       |                                          |                               |                   |
| 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)           |
| <b>Total Liabilities</b>                                                                           | <b>567,014.46</b> | <b>(79,174.44)</b>                    | <b>5,387.65</b>                          | <b>3,097.46</b>               | <b>496,325.13</b> |
| <b>Net Deferred Tax Liabilities</b>                                                                | <b>427,068.06</b> | <b>(85,395.35)</b>                    | <b>6,920.11</b>                          | <b>751.38</b>                 | <b>349,344.20</b> |

**33.1** The above includes net deferred tax asset of ₹24,145.86 Million (as at March, 2022 ₹33,279.35 Million) and net deferred tax liability of ₹321,357.90 Million (as at March 31, 2022 ₹382,623.55 Million) in respect of various components/entities consolidated as below:

| Particulars                                                       | (₹ in Million)          |                         |
|-------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                   | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| Net Deferred Tax Liability ONGC (including Group tax adjustments) | 212,418.09              | 195,977.95              |
| Net Deferred Tax Liability OVL                                    | 32,234.66               | 76,190.12               |
| Net Deferred Tax Liability Imperial energy                        | 950.31                  | 798.40                  |
| Net Deferred Tax Liability OVRL                                   | 46,325.39               | 49,930.78               |
| Net Deferred Tax Liability HPCL                                   | 29,276.29               | 59,577.14               |
| Net Deferred Tax Liability PMHBL                                  | 153.16                  | 149.16                  |
| <b>Consolidated Net Deferred Tax Liability</b>                    | <b>321,357.90</b>       | <b>382,623.55</b>       |
| Net Deferred Tax Asset ONGBV                                      | 11,614.55               | 12,267.52               |
| Net Deferred Tax Asset OVAI                                       | 2.02                    | 3.53                    |
| Net Deferred Tax Asset OVSL                                       | 98.31                   | 7.48                    |
| Net Deferred Tax Asset MRPL                                       | 12,430.98               | 21,000.82               |
| <b>Consolidated Net Deferred Tax Asset</b>                        | <b>24,145.86</b>        | <b>33,279.35</b>        |

**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 ₹653,383.76 Million (as at March 31, 2022 ₹629,176.69 Million). Distribution of the same is expected to attract tax in the range of nil to 34.944% depending on the tax rate applicable as of March 31, 2023 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 ₹3,839.09 Million (as at March 31, 2022 deferred tax assets (net) ₹3,613.29 Million).

**33.5** In respect of subsidiary MRPL, Pursuant to the Scheme of Amalgamation of erstwhile subsidiary company ONGC Mangalore Petrochemicals Limited (OMPL) ('Amalgamating Company') with the Company ('Amalgamated Company') effective from the appointed date i.e. April 1, 2021, Company had reassessed and recognised the Deferred Tax Assets on unused tax losses and unused tax credits of OMPL in line with Ind AS 12 - Income Taxes, resulting in increase in the Deferred Tax Assets by ₹14,554.27 Million for the year ended March 31, 2022

### **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 31.03.2023 on which deferred taxes assets haven't been recognised are given in the table below:



(₹ in Million)

| 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 | -                            | -                             | 23,016.95                      | -           | <b>23,016.95</b>   |
| Un-utilized Long term capital losses                                                     | -                            | 168.78                        | -                              | -           | <b>168.78</b>      |
| Impairment of Investment in unlisted shares/deemed equity                                | -                            | -                             | -                              | 1,85,183.91 | <b>1,85,183.91</b> |

**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.

**33.6.5** During the year, amount pertaining to Sakhalin-1 project has been transferred to "Investment Pending Proportionate Ownership Interest in Equity of Sakhalin-1 LLC". Refer Note No. 14.1.12 and 63.

**33.7** Represents exchange difference on account of translation of the consolidated financial statements prepared in subsidiary, OVL's, functional currency (USD) to presentation currency (₹). Refer Note No. 3.21 and 5.1 (a).

#### 34. Other liabilities

(₹ in Million)

| Particulars                                                       | As at March 31, 2023 |                  | As at March 31, 2022 |                   |
|-------------------------------------------------------------------|----------------------|------------------|----------------------|-------------------|
|                                                                   | Non Current          | Current          | Non Current          | Current           |
| Liability for Statutory Payments                                  | -                    | 75,628.41        | -                    | 85,175.22         |
| Advance from Customers                                            | -                    | 13,249.14        | -                    | 19,529.18         |
| Contract Liability-Advance MGO (Note No. 34.3, 34.4, 34.5 & 34.6) | 91.37                | 187.66           | 196.14               | 82.88             |
| Deferred government grant (Note No. 34.1)                         | 6,920.53             | 440.87           | 3,490.09             | 222.41            |
| Other Liabilities                                                 | 5,486.31             | 8,084.76         | 4,735.76             | 8,938.52          |
| <b>Total</b>                                                      | <b>12,498.21</b>     | <b>97,590.84</b> | <b>8,421.99</b>      | <b>113,948.21</b> |

**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 In respect of subsidiary HPCL, Government grant

**34.2.1** Includes ₹371.20 Million (31.03.2022: ₹ Nil Million) towards non-current portion of unamortised Capital Grant, out of total Grant of ₹375.00 Million received from GOI, on completion of first milestone against approved financial assistance for viability

gap funding (VGF) of ₹1,500 Million for setting up commercial scale 2G Ethanol refinery at Bhatinda, Punjab under PM-JIVAN Yojna. Of the total unamortised Capital Grant, ₹3.80 Million (31.03.2022: ₹ Nil Million) towards current portion is included.

**34.2.2** Includes ₹1,240.60 Million (31.03.2022: ₹ Nil Million) towards non-current portion of unamortised Capital Grant, out of total Grant of ₹1,274.00 Million received from GOI (out of approved grant of ₹1,820 Million) towards FAME India Scheme phase II for installation and commissioning of 1660 EV charging stations across India. Of the total unamortised Capital Grant, ₹33.40 Million (31.03.2022: ₹ Nil Million) towards current portion is included.

**34.2.3** Includes non-current unamortised portion of ₹664.00 Million (31.03.2022: ₹ Nil Million) towards

the impact of duty deferment under Manufacturing and Other Operations in Warehouse Regulations, 2019 scheme, which is treated as Capital Grant from GOI in accordance with Ind AS-20 "Accounting for Government Grants and Disclosure of Government Assistance". Of the total unamortised Capital Grant, ₹3.30 Million (31.03.2022: ₹ Nil Million) towards current portion is included.

**34.3 Revenue recognized that was included in the contract liability:**

| Particulars | (₹ in Million)                       |                |
|-------------|--------------------------------------|----------------|
|             | For the year ended<br>March 31, 2023 | March 31, 2022 |
| Natural gas | -                                    | 21.78          |

**34.4 Transaction price allocated to the remaining performance obligations that are unsatisfied at the reporting date:**

| Particulars | (₹ in Million)      |                     |                     |                     |
|-------------|---------------------|---------------------|---------------------|---------------------|
|             | As at               |                     | As at               |                     |
|             | March 31, 2023      |                     | March 31, 2022      |                     |
|             | Less than 12 Months | More than 12 Months | Less than 12 Months | More than 12 Months |
| Natural gas | 187.65              | 91.37               | 82.88               | 196.14              |

**34.5 Significant changes in the contract liability balances during the year are as follows:**

| Particulars                                         | (₹ in Million)            |                           |
|-----------------------------------------------------|---------------------------|---------------------------|
|                                                     | Year ended March 31, 2023 | Year ended March 31, 2022 |
| <b>Balance at beginning of the year</b>             | <b>279.02</b>             | <b>285.41</b>             |
| Add: Amount received from customers during the year | -                         | 15.39                     |
| Less: Minimum Guaranteed Offtake (MGO) refunded     | -                         | -                         |
| Less: Revenue recognised during the year            | -                         | 21.78                     |
| <b>Balance at end of the year</b>                   | <b>279.02</b>             | <b>279.02</b>             |

**34.6 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)            |                           |
|-----------------------------------------------------|---------------------------|---------------------------|
|                                                     | Year ended March 31, 2023 | Year ended March 31, 2022 |
| <b>Balance at the beginning of the year</b>         | -                         | 245.11                    |
| Add: Amount received from customers during the year | -                         | 9.22                      |
| Less: Revenue recognized during the year            | -                         | 129.33                    |
| Less: Penalty recognised during the year            | -                         | -                         |
| Less: Reversal of deferred credit                   | -                         | 128.50                    |
| Exchange Difference                                 | -                         | 3.50                      |
| <b>Balance at the end of the year</b>               | -                         | -                         |



**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, 2023 | As at March 31, 2022 |
| Trade Receivables                        | 68,323.80            | 63,403.10            |
| Liabilities under contractual obligation | 12,616.40            | 18,581.80            |

During the financial year, the company recognized revenue of ₹17,089.10 Million (2021-22: ₹8,563.20 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, 2023 | As at March 31, 2022 |
| Trade Payable - Other than Micro and Small Enterprises | 328,935.08           | 393,911.65           |
| <b>Total</b>                                           | <b>328,935.08</b>    | <b>393,911.65</b>    |

#### 35.2 Trade payables -Total outstanding dues of Micro & Small enterprises\*

| Particulars                                                                                                                                                                                                                                                                                                                      | As at March 31, 2023 | As at March 31, 2022 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
| a) Principal & Interest amount remaining unpaid but not due as at year end                                                                                                                                                                                                                                                       | 7,490.94             | 7,948.49             |
| 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, 2023

| (₹ 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                  | 4,607.75          | 14.72                                                      | -               | -             | -                 | 4,622.47          |
| 2                              | Others                | 217,335.12        | 34,850.72                                                  | 895.47          | 78.24         | 3,404.32          | 256,563.87        |
| 3                              | Disputed dues- MSME   | 201.40            | 0.60                                                       | 0.90            | -             | 0.50              | 203.40            |
| 4                              | Disputed dues- Others | 124.75            | 2,334.93                                                   | 241.99          | 88.74         | 2,696.49          | 5,486.90          |
|                                | <b>Total</b>          | <b>222,269.02</b> | <b>37,200.97</b>                                           | <b>1,138.36</b> | <b>166.98</b> | <b>6,101.31</b>   | <b>266,876.64</b> |
| Unbilled (including MSME dues) |                       |                   |                                                            |                 |               |                   | 69,549.38         |
| <b>Total trade Payables</b>    |                       |                   |                                                            |                 |               |                   | <b>336,426.02</b> |



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                  | 4,370.63          | 786.70                                                     | 0.30            | 0.20          | 0.10              | <b>5,157.93</b>   |
| 2                              | Others                | 293,736.41        | 19,210.47                                                  | 370.60          | 425.94        | 3,447.53          | <b>317,190.95</b> |
| 3                              | Disputed dues- MSME   | 133.01            | -                                                          | -               | -             | 0.46              | <b>133.47</b>     |
| 4                              | Disputed dues- Others | 163.01            | 1,305.21                                                   | 746.42          | 176.89        | 1,954.22          | <b>4,345.75</b>   |
|                                | <b>Total</b>          | <b>298,403.06</b> | <b>21,302.38</b>                                           | <b>1,117.32</b> | <b>603.03</b> | <b>5,402.31</b>   | <b>326,828.10</b> |
| Unbilled (including MSME dues) |                       |                   |                                                            |                 |               |                   | 75,032.04         |
| <b>Total trade Payables</b>    |                       |                   |                                                            |                 |               |                   | <b>401,860.14</b> |

**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, 2022 ranges from 7 to 60 days). Thereafter, interest is charged upto 6.75% per annum (Year ended March 31, 2022 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, 2023 | As at March 31, 2022 |
|------------------------------|----------------------|----------------------|
| Non current tax assets (net) | 142,545.02           | 105,185.89           |
| <b>Total</b>                 | <b>142,545.02</b>    | <b>105,185.89</b>    |

#### Current Tax Assets

(₹ in Million)

| Particulars              | As at March 31, 2023 | As at March 31, 2022 |
|--------------------------|----------------------|----------------------|
| Current tax assets (net) | 1,340.16             | 1,209.94             |
| <b>Total</b>             | <b>1,340.16</b>      | <b>1,209.94</b>      |

#### Current tax Liabilities

(₹ in Million)

| Particulars                   | As at March 31, 2023 | As at March 31, 2022 |
|-------------------------------|----------------------|----------------------|
| Current tax liabilities (net) | 4,057.53             | 9,827.87             |
| <b>Total</b>                  | <b>4,057.53</b>      | <b>9,827.87</b>      |

**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, 2023 (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.

**36.2** In respect of subsidiary OVL, the Company has accounted for net tax receivable from the Income Tax Department amounting to ₹6,986.23 Million pertaining to financial years 2002-03 to 2022-23. Assessments have been completed till the financial year 2018-19 while those for financial years 2019-20 & 2020-21 are in progress. Return of Income for the financial year 2021-22 has been filed but no proceedings have been initiated by the Income Tax Department in respect of the same, while Return of Income for the financial year 2022-23 is due to be filed by November 2023.

The net tax receivable by the Company includes an amount of ₹60.51 Million for the financial years upto 2014-15 for which the Company has received favourable orders from the Income Tax Appellate Tribunal while the remaining amount of ₹6,927.35 Million is for financial year 2015-16 and onwards. Out of this, an amount of ₹3,426.40 Million pertains to financial year 2016-17 for which appeal is pending before CIT (Appeals) and an amount of ₹1,176.82 Million pertains to financial year 2020-21 for which assessment is pending before the assessing officer.

The management is of the view that the entire amount of ₹6,986.23 Million is recoverable.

**36.3** 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.

### 37. Revenue from Operations

| (₹ in Million)                                                    |                              |                              |
|-------------------------------------------------------------------|------------------------------|------------------------------|
| Particulars                                                       | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
| <b>A. Sale of products</b>                                        |                              |                              |
| Sale of products (including excise duty)                          | 6,858,893.67                 | 5,339,240.24                 |
| Less: Transfer to Exploratory Wells in progress (includes levies) | 1,822.62                     | 59.67                        |
| Less: State's share in Profit Petroleum                           | 36,937.06                    | 41,249.64                    |
| <b>Total</b>                                                      | <b>6,820,133.99</b>          | <b>5,297,930.93</b>          |
| <b>B. Other Operating Revenue</b>                                 |                              |                              |
| Contractual Short Lifted Gas Receipts                             | 336.82                       | 408.32                       |
| Pipeline Transportation Receipts (Note No. 37.6)                  | 5,286.16                     | 3,869.84                     |
| North-East Gas Subsidy (Note No. 37.2)                            | 4,632.03                     | 1,519.06                     |
| Surplus from Gas Pool Account                                     | 79.63                        | -                            |
| Production Bonus                                                  | 69.69                        | -                            |
| Sale of Electricity                                               | 709.44                       | 754.51                       |
| Processing Charges                                                | 1,449.75                     | 576.62                       |
| Other Receipts                                                    | 15,594.72                    | 12,866.12                    |
| <b>Total</b>                                                      | <b>28,158.24</b>             | <b>19,994.47</b>             |
| <b>Total revenue from operations</b>                              | <b>6,848,292.23</b>          | <b>5,317,925.40</b>          |

**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 were extended provisionally from time to time till September 30, 2022.

Government of India (GoI) deregulated sale of domestically produced crude oil with effect from 1 October 2022. Subsequent to deregulation, crude oil from Western offshore region has been auctioned from time to time till February'23 and separate COSAs were entered into with each buyer to whom crude oil from Western offshore region has been allocated through e-auctions. All the terms of COSAs entered

into with Buyers for sale of crude oil for the month of February'23 are valid for a period of 1 year (except terms for determining pricing and allocation of quantity of crude oil). Revenue in respect of Sale of crude oil from western offshore region for the month of March 2023 is invoiced on the benchmark prices as applicable for the period from October 2022 to February 2023. The discussion with the buyer refineries (Public sector Oil Marketing Companies) for finalization of pricing terms for supply of crude oil from western offshore applicable for March 2023 are in process and it is expected to be finalized soon. (Refer note no. 15.4)

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 till March 31, 2023 (approved for extension by 1 more year till March 31, 2024) and to Numaligarh

Refinery Limited (NRL) is based on pricing formula provided by Ministry of Petroleum and Natural Gas (MoP&NG).

The process of finalizing and signing of COSAs for crude oil sale from other regions is under process as at March 31, 2023. Crude oil of these regions is being supplied to Public Sector Oil Marketing Companies on the basis of provisional prices.

**37.2** In respect of the company, majority of Sales revenue in respect of Natural Gas is based on domestic gas price of USD 6.10/mmbtu and USD 8.57/mmbtu (on GCV basis) notified by Gol for the period April 01, 2022 to September 30, 2022 and October 01, 2022 to March 31, 2023 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 Gol 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 In respect of Subsidiary HPCL:**

**37.4.1** Sale of product is net of discount of ₹32,609.20 Million (2021-22: ₹27,574.70 Million).

**37.4.2** During the current financial year 2022-23, Subsidy on PDS Kerosene and Domestic Subsidized LPG from State Governments amounting to ₹850.10 Million (2021-22: ₹655.80 Million).

**37.4.3** One-time grant of ₹56,170 Million received from Government of India (Gol) to compensate under-recoveries incurred on sale of domestic LPG during financial year 2021-22 and current period (2021-22: ₹ Nil).

**37.4.4** The MoPNG, vide letter dated 30.04.2020 had conveyed to Oil Marketing Companies (OMCs) that a) In case, the Market Determined Price (MDP) is higher than the Effective Cost to Consumer (ECC), the difference shall be transferred to consumers account via Direct Benefit Transfer of LPG (DBTL) Scheme and b) In case, MDP is less than the ECC, the OMCs will retain the difference in a separate buffer account for future adjustment. However, as on March 31, 2023, the Corporation has a negative buffer of ₹9,897.30 Million (after adjustment of uncompensated cost of ₹27,590.30 Million and after netting-off one-time grant of ₹56,170 Million) as the retail selling price was less than MDP. In absence of authorisation from GOI, receivable and revenue to the extent of negative buffer has not been recognised. As on March 31, 2022, the Corporation had reported a negative buffer of ₹26,423.30 Million.

#### **37.4.5 Disaggregation of revenue as required under Ind AS 115:**

| (₹ in Million)     |                     |                     |
|--------------------|---------------------|---------------------|
| Particulars        | 2022-23             | 2021-22             |
| Exports            | 50,191.80           | 72,576.60           |
| Other than exports | 4,599,705.20        | 3,656,102.80        |
| <b>Total</b>       | <b>4,649,897.00</b> | <b>3,728,679.40</b> |

**37.5** 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.

**37.6** 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 01.04.2022 to 31.03.2023 is recognized based on Order No. TO/2021-22/01 dated 31.12.2021."

Dispatch charges of current year is reduced by ₹2.29 Million with respect to impact of Cum-Tax Invoices (inclusive GST) for current year.



### 38. Other Income

(₹ in Million)

| Particulars                                             | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
|---------------------------------------------------------|------------------------------|------------------------------|
| <b>Interest on:</b>                                     |                              |                              |
| Deposits with Banks                                     | 14,983.00                    | 1,193.44                     |
| Income Tax Refund                                       | 20.67                        | 27.35                        |
| Delayed Payment from Customers and Others               | 5,766.18                     | 8,993.99                     |
| <b>Current Investment carried at FVTPL</b>              | <b>3,712.93</b>              | <b>3,708.98</b>              |
| <b>Financial assets measured at amortized cost</b>      |                              |                              |
| - Site Restoration Fund Deposit                         | 13,670.66                    | 9,653.70                     |
| - Employee Loan                                         | 2,005.74                     | 1,825.00                     |
| - Other Investments                                     | 165.79                       | 165.79                       |
| - Others                                                | 2,017.89                     | 2,431.77                     |
| <b>Total</b>                                            | <b>42,342.86</b>             | <b>28,000.02</b>             |
| <b>Dividend Income from:</b>                            |                              |                              |
| Other Investments                                       | 7,027.20                     | 17,268.44                    |
| <b>Total</b>                                            | <b>7,027.20</b>              | <b>17,268.44</b>             |
| <b>Other Non-Operating Income</b>                       |                              |                              |
| Excess Provision written back                           | 4,101.61                     | 7,074.18                     |
| Liabilities no longer required written back             | 3,146.04                     | 1,962.97                     |
| Exchange Gain (net)                                     | -                            | 4,540.62                     |
| Contractual Receipts                                    | 1,600.82                     | 732.02                       |
| Profit on sale of investments                           | -                            | 49.44                        |
| Profit on sale of Asset                                 | 3.93                         | 1,406.21                     |
| Amortization of financial guarantee obligation          | 20.91                        | 10.68                        |
| Gain on fair valuation of financial instruments         | 537.29                       | 49.66                        |
| Gain on revaluation of financial liability towards CCDs | 3,968.76                     | 963.82                       |
| Miscellaneous Receipts (Note no. 38.1)                  | 17,991.38                    | 12,319.04                    |
| <b>Total</b>                                            | <b>31,370.74</b>             | <b>29,108.64</b>             |
| <b>Total other income</b>                               | <b>80,740.80</b>             | <b>74,377.10</b>             |

**38.1** 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 company having participating interest in Lower Zakum Concession, UAE). The Group recognises net margin as a facilitator for marketing & administrative activities provided in respect of sale of crude on behalf of FOGBV in the miscellaneous receipts.

### 39. Purchase of Stock in Trade

(₹ in Million)

| Particulars                       | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
|-----------------------------------|------------------------------|------------------------------|
| Crude & other petroleum products* | 2,661,200.41                 | 2,256,169.30                 |
| <b>Total</b>                      | <b>2,661,200.41</b>          | <b>2,256,169.30</b>          |

\*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<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
|-------------------------------------------|------------------------------|------------------------------|
| Closing Stock                             | 285,699.15                   | 311,211.21                   |
| Opening Stock                             | 311,211.21                   | 288,015.32                   |
| Effect of exchange difference             | 148.76                       | 165.20                       |
| <b>(Increase)/Decrease in Inventories</b> | <b>25,660.82</b>             | <b>(23,030.69)</b>           |

**41. Production, Transportation, Selling and Distribution Expenditure**

(₹ in Million)

| Particulars                                                                   | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
|-------------------------------------------------------------------------------|------------------------------|------------------------------|
| Royalty                                                                       | 204,940.92                   | 159,172.77                   |
| OIDB Cess                                                                     | 159,294.42                   | 141,261.00                   |
| Natural Calamity Contingent Duty                                              | 933.31                       | 973.58                       |
| Excise Duty                                                                   | 525,032.55                   | 404,920.31                   |
| Port Trust Charges                                                            | 347.81                       | 542.72                       |
| Other Levies                                                                  | 8,129.98                     | 6,798.06                     |
| Staff expenditure                                                             | 68,069.53                    | 68,778.33                    |
| Workover operations                                                           | 15,337.20                    | 14,172.36                    |
| Water Injection, Desalting and Demulsification                                | 15,196.86                    | 11,048.95                    |
| Consumption of raw materials & stores and spares                              | 1,876,301.78                 | 1,085,764.80                 |
| Pollution control                                                             | 3,972.20                     | 3,080.03                     |
| Transport expenditure                                                         | 10,940.42                    | 7,799.22                     |
| Insurance                                                                     | 6,387.98                     | 4,903.72                     |
| Power and Fuel                                                                | 9,813.66                     | 14,261.45                    |
| Repairs and maintenance                                                       | 49,107.71                    | 41,265.08                    |
| Contractual payments including Hire charges etc.                              | 22,259.77                    | 19,510.46                    |
| Other production expenditure                                                  | 45,520.88                    | 33,597.53                    |
| Transportation and Freight of Products                                        | 102,983.48                   | 94,321.08                    |
| Research and development                                                      | 5,424.25                     | 5,133.08                     |
| General administrative expenses                                               | 39,502.40                    | 38,542.14                    |
| CSR expenditure                                                               | 6,136.21                     | 6,146.78                     |
| Exchange Loss (net) (Note No.42.1)                                            | 45,442.48                    | 5,540.97                     |
| Standby/ Stoppage/ Preservation/ Settlement Cost (Note No.41.3)               | 3,743.16                     | 6,885.59                     |
| Decrease/(increase) due to overlift/underlift quantity                        | 174.61                       | (1,005.76)                   |
| Miscellaneous expenses                                                        | 37,694.51                    | 43,214.49                    |
| Loss on sale of property, plant & equipments                                  | 334.27                       | 88.81                        |
| Loss on sale of investments                                                   | -                            | -                            |
| Loss on fair valuation of financial instruments                               | 3,867.74                     | 2,318.19                     |
| <b>Total Production, Transportation, Selling and Distribution Expenditure</b> | <b>3,266,890.09</b>          | <b>2,219,035.74</b>          |

41.1 In respect of subsidiary MRPL, the company has generated a total of 10,293,143 Kwh of Solar power for the year ended March 31, 2023 (Year ended March 31, 2022 a total of 10,683,169 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 ₹ nil Million for the year ended March 31, 2023 (Year ended March 31, 2022 ₹220.41) towards





Provident Fund contribution for likely future interest shortfall on portfolio basis.

**41.3** In respect of subsidiary OVL, during the previous year in April 2021, operator of Area-1, Mozambique intimated declaration of force majeure (FM) in the project due to security situation. In view of the continuing FM situation, expenditures in the nature of stoppage, standby, settlement and preservation costs have been incurred. The Group has assessed that these costs amounting to ₹3,743.16 Million (previous year ₹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. Further, Considering the force majeure, capitalisation of borrowing costs has been suspended effective from April, 2021 and the said borrowing costs amounting to ₹7,669.69 Million (previous year ₹3,139.38 Million) have been charged to the Statement of Profit and Loss.

**41.4** In respect of subsidiary OVL, as at the year ended March 31, 2023, the Company has Input Tax Credit (ITC) under GST amounting to ₹407.29 Million in the Electronic Credit Ledger (ECL) of the Company on GST portal. Out of this ₹407.29 Million ITC balance the Company has filed refund application of 277.94 Million for FY2020-21 in April 2023. Further, the amount of ITC claim & other GST related transactions for FY2022-23 are under review and necessary adjustments, if any, will be carried out in the period upto September 2023 (period available as per GST Act).

**41.5** In respect of subsidiary HPCL, miscellaneous expenses includes ₹3,022.80 Million (2021-22: ₹4,625.20 Million) incurred towards implementation of PMUY-2 Scheme, an initiative of Government of India, to further the consumption of LPG, which targeted releasing of free LPG connections by Oil Marketing Companies

#### 41.6 Details of Nature wise Expenditure

| Particular                                               | (₹ in Million)               |                              |
|----------------------------------------------------------|------------------------------|------------------------------|
|                                                          | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
| <b>Employee Benefit Expenses</b>                         |                              |                              |
| (a) Salaries, Wages, Ex-gratia etc.                      | 114,879.39                   | 120,933.82                   |
| (b) Contribution to Provident and other funds            | 14,614.82                    | 13,431.41                    |
| (c) Provision for gratuity                               | (590.60)                     | (924.78)                     |
| (d) Provision for Leave (Including Compensatory Absence) | 3,783.70                     | 5,447.61                     |
| (e) Post Retirement Medical & Terminal Benefits          | 5,105.27                     | 4,982.79                     |
| (f) Staff welfare expenses                               | 11,195.33                    | 8,486.50                     |
| <b>Sub Total:</b>                                        | <b>148,987.91</b>            | <b>152,357.35</b>            |
| Consumption of Raw materials, Stores and Spares          | 1,939,235.36                 | 1,133,762.28                 |
| Royalty                                                  | 204,940.92                   | 159,172.77                   |
| OIDB Cess                                                | 159,294.42                   | 141,261.00                   |
| National Calamity Contingent Duty                        | 933.31                       | 973.58                       |
| Excise Duty                                              | 525,032.55                   | 404,920.31                   |
| Port Trust Charges                                       | 347.81                       | 542.72                       |
| Other Levies                                             | 188.81                       | 222.72                       |
| Rent                                                     | 7,737.27                     | 5,787.83                     |
| Rates and taxes                                          | 11,094.81                    | 9,476.30                     |
| Hire charges of equipments and vehicles                  | 44,520.98                    | 35,557.86                    |
| Power, fuel and water charges                            | 21,744.42                    | 22,391.62                    |
| Contractual drilling, logging, workover etc.             | 98,592.83                    | 58,868.81                    |
| Contractual security                                     | 13,271.20                    | 12,221.96                    |
| Contractual Transportation                               | 85,745.38                    | 79,833.93                    |
| Repairs to building                                      | 2,257.33                     | 2,091.89                     |
| Repairs to plant and equipment                           | 35,800.05                    | 29,272.40                    |

| Particular                                                                      | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
|---------------------------------------------------------------------------------|------------------------------|------------------------------|
| Other repairs                                                                   | 8,711.85                     | 8,019.28                     |
| Decrease/(increase) due to Overlift/Underlift quantity                          | 174.61                       | (1,005.76)                   |
| Standby/ Stoppage/ Preservation/ Settlement Cost                                | 3,743.16                     | 6,885.59                     |
| Insurance                                                                       | 7,861.90                     | 5,913.39                     |
| Expenditure on Tour / Travel                                                    | 6,923.23                     | 4,790.66                     |
| CSR Expenditure                                                                 | 6,136.21                     | 6,146.78                     |
| Exchange Loss (Net) (Note No. 42.1)                                             | 45,442.48                    | 5,540.97                     |
| Other Operating expenditure*                                                    | 33,301.50                    | 34,023.94                    |
| Miscellaneous expenditure                                                       | 39,255.89                    | 41,898.21                    |
|                                                                                 | <b>3,451,276.19</b>          | <b>2,360,928.39</b>          |
| <b>Less:</b>                                                                    |                              |                              |
| Allocated to exploration, development drilling, capital jobs, recoverables etc. | 184,386.10                   | 141,892.65                   |
| <b>Production, Transportation, Selling and Distribution Expenditure</b>         | <b>3,266,890.09</b>          | <b>2,219,035.74</b>          |

\* In respect of subsidiary OVL, the other operating expenditure includes the expenses in respect of projects(s) where the details are not made available by project operator in above mentioned heads.

## 42. Finance Cost

| (₹ in Million)                                                                                                                         |                              |                              |
|----------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| Particulars                                                                                                                            | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
| <b>Interest on:</b>                                                                                                                    |                              |                              |
| - Borrowings from Banks/Financial Institutions                                                                                         | 33,745.34                    | 14,303.32                    |
| - Debentures/Bonds                                                                                                                     | 23,792.59                    | 21,155.13                    |
| - Cash credit                                                                                                                          | 734.83                       | 147.23                       |
| - Commercial Paper                                                                                                                     | 3,105.14                     | 2,396.76                     |
| <b>Borrowing Cost-Exchange difference on Foreign Currency Loan(Note no.42.1)</b>                                                       | 5,150.16                     | 5,287.83                     |
| <b>Amounts included in the cost of qualifying assets</b>                                                                               | (17,461.64)                  | (12,976.48)                  |
| <b>Unwinding of discount on:</b>                                                                                                       |                              |                              |
| - Decommissioning provision                                                                                                            | 20,043.43                    | 17,049.73                    |
| - Liability for Compulsory Convertible Debentures                                                                                      | 3,292.88                     | 3,046.51                     |
| - Lease liabilities                                                                                                                    | 5,293.61                     | 5,447.63                     |
| - Financial liabilities                                                                                                                | 387.13                       | 267.73                       |
| <b>Net loss/(gain) on fair value of derivative contracts mandatorily measured at fair value through profit or loss (Note No. 42.3)</b> | 417.15                       | 468.83                       |
| <b>Others</b>                                                                                                                          | 392.94                       | 366.21                       |
| <b>Total</b>                                                                                                                           | <b>78,893.56</b>             | <b>56,960.43</b>             |

**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 as an adjustment to foreign exchange loss.

**42.2** In respect of subsidiary OVL, no borrowing costs have been capitalized during the year.

**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 is 6.17% ( 2021-22 : 4.37%).

**42.5** In respect of subsidiary HPCL, others include interest u/s 234B / 234C of Income Tax Act, 1961 for an amount ₹45.80 Million (2021-22 : ₹22.90 Million).

**42.6** In respect of subsidiary MRPL, others include interest as per Income Tax Act, 1961 for the year ended March 31, 2023 for an amount of ₹154.60 Million (Year ended March 31, 2022 of ₹185.63 Million).

### 43. Depreciation, Depletion, Amortization and Impairment

| (₹ in Million)                                                    |                              |                              |
|-------------------------------------------------------------------|------------------------------|------------------------------|
| Particulars                                                       | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
| <b>Depletion of Oil and Gas assets</b>                            | 162,541.93                   | 167,251.93                   |
| <b>Depreciation of other Property, Plant and Equipments</b>       | 73,951.51                    | 68,638.61                    |
| <b>Depreciation of right-of-use assets</b>                        | 56,678.43                    | 53,634.97                    |
| Less: Allocated to exploratory drilling                           | (9,582.96)                   | (10,665.91)                  |
| Less: Allocated to development drilling                           | (25,938.95)                  | (19,597.38)                  |
| Less: Allocated to others                                         | (382.37)                     | (388.13)                     |
| <b>Total Depreciation</b>                                         | <b>94,725.66</b>             | <b>91,622.16</b>             |
| <b>Amortisation of intangible assets</b>                          | <b>1,365.31</b>              | <b>1,315.82</b>              |
| <b>Impairment Loss (Note No. 57)</b>                              |                              |                              |
| Provided during the year                                          | 14,255.93                    | 33,462.27                    |
| Less: Reversed during the year                                    | 27,318.28                    | 24,820.54                    |
| <b>Total</b>                                                      | <b>(13,062.35)</b>           | <b>8,641.73</b>              |
| <b>Total Depreciation, Depletion, Amortisation and Impairment</b> | <b>245,570.55</b>            | <b>268,831.64</b>            |

### 44. Other impairment and Write Offs

| (₹ in Million)                               |                              |                              |
|----------------------------------------------|------------------------------|------------------------------|
| Particulars                                  | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
| <b>Impairment For:</b>                       |                              |                              |
| Doubtful debts                               | 2,566.76                     | 1,717.93                     |
| Doubtful claims/advances                     | 4,006.72                     | 3,078.67                     |
| Non-moving inventories                       | 401.16                       | 1,335.23                     |
| Disputed taxes (Note No. 32.7)               | 28,723.32                    | -                            |
| Others                                       | 12.85                        | 1,285.98                     |
|                                              | <b>35,710.81</b>             | <b>7,417.81</b>              |
| <b>Write offs</b>                            |                              |                              |
| Disposal/Condemnation of other PPE           | 885.71                       | 223.77                       |
| Inventory                                    | 259.14                       | 392.65                       |
| Receivables                                  | 190.59                       | 2.70                         |
| Claims/advances                              | 411.40                       | 45.15                        |
| Others                                       | 3.81                         | 1.72                         |
|                                              | <b>1,750.65</b>              | <b>665.99</b>                |
| <b>Total Other impairment and write offs</b> | <b>37,461.46</b>             | <b>8,083.80</b>              |

**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 ₹75.62 Million (previous year: reversal of ₹933.46 Million) has been made. Refer Note No.15.6

**44.2** In respect of subsidiary MRPL, write off of claims/advances includes an amount of ₹301.32 Million and ₹100.60 Million respectively incurred towards Coker Heavy Gas Oil Hydro Treating Unit (CHTU) and 2G Ethanol project related activities, as no future economic benefits is expected to be derived from the corresponding expenditure towards the said activities.

#### 45. Exceptional items

| (₹ in Million)                               |                              |                              |
|----------------------------------------------|------------------------------|------------------------------|
| Particulars                                  | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
| Provision for Disputed Taxes (Note No. 32.7) | (92,351.14)                  | -                            |
| Impairment (charge)/reversal                 | 10,946.72                    | (20,749.11)                  |
| Stamp Duty on Amalgamation                   | 25.00                        | (300.00)                     |
| <b>Total</b>                                 | <b>(81,379.42)</b>           | <b>(21,049.11)</b>           |

**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 Group 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 4 CGUs and impairment reversal in respect of 1 CGUs and recognized net impairment reversal of ₹10,946.72 Million during the year ended March 31, 2023 (for the year ended March 31, 2022 net impairment of ₹20,749.11 Million was provided). The net provision for impairment is considered as exceptional item.

**45.2** In respect of subsidiary MRPL, 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), an amount of ₹300 Million had been provided towards payment of stamp duty for the year ended March 31, 2022 and out of the said amount during the year an amount of ₹275 Million has been paid and balance ₹25 Million has now been written back as same is no longer required to be paid.

#### 46. Tax Expense

| (₹ in Million)                      |                              |                              |
|-------------------------------------|------------------------------|------------------------------|
| Particulars                         | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
| <b>Current tax in relation to:</b>  |                              |                              |
| Current year                        | 146,209.30                   | 140,172.79                   |
| Earlier years                       | (28,914.32)                  | (6,652.55)                   |
| <b>Total</b>                        | <b>117,294.98</b>            | <b>133,520.24</b>            |
| <b>Deferred tax</b>                 | (14,563.51)                  | (85,549.79)                  |
| <b>Total</b>                        | <b>(14,563.51)</b>           | <b>(85,549.79)</b>           |
| <b>Total tax expense recognized</b> | <b>102,731.47</b>            | <b>47,970.45</b>             |

**46.1** The income tax expense for the year can be reconciled to the accounting profit as follows:

| (₹ in Million)                                              |                              |                              |
|-------------------------------------------------------------|------------------------------|------------------------------|
| Particulars                                                 | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
| <b>Profit before tax</b>                                    | <b>430,507.52</b>            | <b>540,911.02</b>            |
| Income tax expense calculated at 25.168% (2021-22: 25.168%) | 108,350.13                   | 136,136.49                   |
| <b>Adjustments for tax effect of:</b>                       |                              |                              |



| Particulars                                                                                | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
|--------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| Dividend                                                                                   | 4,698.32                     | 6,674.15                     |
| Deduction under section 80-IA                                                              | -                            | -                            |
| Deduction under section 80-M                                                               | (6,293.64)                   | (10,683.92)                  |
| Investment Allowance @ 15%                                                                 | -                            | 0.09                         |
| Income exempt from tax                                                                     | 1,417.72                     | (145.28)                     |
| Exceptional (income)/expense not considered in determining taxable profit                  | (2,823.11)                   | 9,811.58                     |
| Corresponding Effect of temporary differences on account of current tax of earlier periods | 707.98                       | (81,873.53)                  |
| Current Tax on CSR Expenditure                                                             | 1,136.94                     | 1,133.36                     |
| Expenses not allowed in Income Tax                                                         | 643.38                       | 1,326.76                     |
| Additional tax for foreign jurisdiction                                                    | 1,805.77                     | 968.24                       |
| Losses of subsidiary not available for set-off in Group profit                             | 702.90                       | 203.14                       |
| Profit from associate                                                                      | (6,107.30)                   | (3,320.30)                   |
| Profit from joint venture                                                                  | 4,702.04                     | 842.70                       |
| Deferred tax on unrealised profits                                                         | (781.00)                     | (32.14)                      |
| Deferred tax on undistributed profits                                                      | -                            | (3,509.78)                   |
| Other intra group eliminations                                                             | 27.63                        | (12.16)                      |
| Rupee tax base on account of change in exchange rate                                       | 902.78                       | 842.01                       |
| Timing differences                                                                         | -                            | 1.42                         |
| Change in deferred tax balance due to true up adjustments                                  | 1,134.48                     | (11,951.42)                  |
| Exemption under section 10AA of Income Tax Act, 1961.                                      | -                            | -                            |
| Differential tax rates                                                                     | 6,238.16                     | 6,848.85                     |
| <b>Sub total</b>                                                                           | <b>116,463.18</b>            | <b>53,260.26</b>             |
| Others                                                                                     | 15,182.61                    | 1,362.74                     |
|                                                                                            | <b>131,645.79</b>            | <b>54,623.00</b>             |
| Adjustments recognised in the current year in relation to the current tax of prior years   | (28,914.32)                  | (6,652.55)                   |
| <b>Income tax expense recognised in profit or loss (relating to continuing operations)</b> | <b>102,731.47</b>            | <b>47,970.45</b>             |

#### Income tax recognized in other comprehensive income

(₹ in Million)

| Particulars                                                                        | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
|------------------------------------------------------------------------------------|------------------------------|------------------------------|
| <b>Deferred tax on</b>                                                             |                              |                              |
| <b>a) Items that may be reclassified to profit or loss</b>                         |                              |                              |
| Exchange differences in translating the financial statements of foreign operations | (19,902.04)                  | (2,350.38)                   |
| Effective portion of gains (losses) on hedging instruments in cash flow hedges     | (10.10)                      | 466.40                       |
| <b>b) Items that will not be reclassified to profit or loss</b>                    |                              |                              |
| Remeasurement of defined benefit obligation                                        | 730.82                       | (2,431.84)                   |
| Net fair value gain on investments in equity shares at FVTOCI                      | (2,483.16)                   | (3,037.27)                   |
| <b>Total income tax recognised in other comprehensive income</b>                   | <b>(21,664.48)</b>           | <b>(7,353.09)</b>            |
| Bifurcation of the income tax recognised in other comprehensive income into:-      |                              |                              |
| <b>Items that will not be reclassified to profit or loss</b>                       | <b>(1,752.34)</b>            | <b>(5,469.11)</b>            |
| <b>Items that may be reclassified to profit or loss</b>                            | <b>(19,912.14)</b>           | <b>(1,883.98)</b>            |



**46.2** Pursuant to the introduction of Section 115BAA of the Income Tax Act, 1961 vide Taxation Laws (Amendment) Act, 2019 the Company had 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 had decided to avail the option of lower rate with effect from the financial year 2020-21. Accordingly, the Company had recognized provision for tax expenses during the previous year and re-measured its net Deferred Tax liabilities on the basis of the provision prescribed in the said section.

The net impact in the previous year due to availing the above 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).

Also, Subsidiary OVL and MRPL have not exercised the option and continues to recognize the taxes on income for the year ended March 31, 2023 as per the earlier provisions.

**46.3** 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 ₹6,293.64 Million (previous year ₹4,245.04 Million) on current tax expense.

#### **46.4. In respect of subsidiary HPCL**

Short or (excess) provision for tax of earlier years, for the year ended includes ₹ Nil [2021-22 : ₹(1801.80) 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.

The Corporation has recognised deferred tax assets on the current year losses which are attributable to significant higher input cost and suppressed marketing margins on certain petroleum products. Based on the business plans and future market outlook, the Corporation is reasonably certain to generate taxable income from FY 23-24 onwards which will enable setting off such carried forward losses.

#### **46.5 In respect of subsidiary OVL,**

**46.5.1** During the year FY 2022-23, long term capital gain amounting to ₹ Nil (previous year ₹2,648.51 Million) 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 ₹ Nil (including surcharge and education cess) (previous year ₹617 Million).

**46.5.2** 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 of ₹1,677.31 Million (previous year ₹968.46 Million).

**46.5.3** In respect of subsidiary company ONGC Videsh Rovuma Ltd., during the year, the subsidiary company has opted to shift from existing tax regime to new tax regime as per section 115BAA of the Income Tax Act from AY 2023-24 (relevant FY 2022-23) onward resulting in reduction of the effective tax rate from 34.944% to 25.168%. Accordingly, the subsidiary company, based on such revised effective tax rate, has accounted for reversal of deferred tax liabilities and recognized the reversal amounting to ₹7,654.51 Million to the Statement of Profit and Loss for the year ended March 31, 2023.

#### **47. Earnings per Equity share**

(All amounts are ₹ in Million unless otherwise stated)

| Particulars                                                       | Year Ended<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
|-------------------------------------------------------------------|------------------------------|------------------------------|
| Profit after tax for the year attributable to equity shareholders | 354,404.78                   | 455,221.06                   |
| Weighted average number of equity shares (No. in Million)         | 12,580.28                    | 12,580.28                    |
| Basic & Diluted earnings per equity share (₹)                     | 28.17                        | 36.19                        |
| 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<br>March 31, 2023 | Year Ended<br>March 31, 2022 |
| Depreciation expense on Right-Of-Use Assets                                                     | 56,678.43                    | 53,634.97                    |
| Interest expense on Lease Liability                                                             | 6,641.93                     | 6,568.72                     |
| Expense related to short term leases                                                            | 20,823.20                    | 18,678.44                    |
| Expense related to leases of low value assets                                                   | 3,504.41                     | 3,123.34                     |
| Expense related to variable lease payments not included in the measurement of lease liabilities | 66,243.13                    | 63,264.18                    |

**48.2 The estimated future undiscounted cash flows for lease payments:**

| (₹ in Million)                                            |                         |                         |
|-----------------------------------------------------------|-------------------------|-------------------------|
| Particulars                                               | As at<br>March 31, 2023 | As at<br>March 31, 2022 |
| <b>Future Lease payments payable from end of the year</b> |                         |                         |
| Upto one year                                             | 49,629.49               | 52,702.78               |
| Between one to three years                                | 40,380.77               | 48,649.62               |
| Between three to five years                               | 13,356.26               | 17,847.53               |
| More than five years                                      | 77,473.53               | 77,608.47               |
| <b>Total</b>                                              | <b>180,840.05</b>       | <b>196,808.40</b>       |
| Less: Impact of discount                                  | 50,231.64               | 55,193.60               |
| <b>Net Lease liability</b>                                | <b>130,608.41</b>       | <b>141,614.80</b>       |
| Add: Perpetual Lease liability                            | 787.74                  | 787.74                  |
| Less: Intra group eliminations                            | 703.55                  | 302.02                  |
| <b>Total lease liabilities</b>                            | <b>130,692.60</b>       | <b>142,100.52</b>       |

**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 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 ₹1,667.10 Million (2021-22: ₹1,619.30 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 Company 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 2023 and 31st March 2022. The present value of benefit obligation at period end is ₹50,414.20 Million (31.03.2022: ₹48,973.40 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 ₹4.20 Million has been reversed (created in FY 2019-20) being excess provision no longer required and a provision of ₹824.10 Million has been set off (created in FY 2019-20) against liability towards losses on defaulted investments.

**Superannuation Fund:**

The Company 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 2022-23, the Company has made an overall contribution of ₹2079.10 Million (2021-22 : ₹1,943.90 Million) towards Superannuation - DCS [including ₹787.30 Million (2021-22 : ₹597.00 Million) to NPS] by charging it to the statement of Profit and Loss.

#### In case of Subsidiary, MRPL:

##### Employee Benefits

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, during the current financial year, Human Resource (HR) integration of erstwhile subsidiary company ONGC Mangalore Petrochemicals Limited (OMPL) with the company is carried out w.e.f May 1, 2022 (effective date of the scheme). Consequently, during current financial year, the Employee Benefit Expenses including Actuarial valuation is accounted in the books of accounts factoring the financial implication on integrated basis.

#### Provident Fund:

##### A brief description on Provident Fund is as follows:

a) Provident Fund is governed 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 upto December 31, 2022. 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) 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 |          |
|-------------------------------------------|--------------------------|----------|-------------------------------------------|----------|
|                                           | 2022-23#                 | 2021-22* | 2022-23#                                  | 2021-22* |
| Employer's contribution to Provident Fund | 353.46                   | 327.14   | 1.58                                      | 2.52     |

# During the current financial year, the Company has contributed to MRPL Provident Fund Trust upto December 31, 2022 and from 1 January 2023 onwards contributions were made to EPFO.

\*Previous year figure includes contribution to Provident Fund for erstwhile subsidiary company OMPL for ₹35.77 Million and out of which ₹1.08 Million recognized towards key management personnel.

c) During the current financial year, pursuant to HR Integration of erstwhile subsidiary company OMPL with the company, the entire Employer's contribution have been paid to the Provident Fund Trust managed by the company except for the employees of OMPL for the month of April 2022 which was remitted to EPFO.

d) Based on the request from the Board of Trustees of Provident Fund of MRPL and also by the Company, EPFO has issued the order dated December 12, 2022, stating that the exemption granted to the establishment stands surrendered w.e.f December 31, 2022 and the company has to report the compliances as un-exempted establishment with effect from January 2023. Accordingly, from January 2023 onwards the company has started remitting the contribution towards the Provident Fund to EPFO along with the applicable administrative charges thereon. The Trustees of the Provident Fund of MRPL are in the process of surrendering the entire fund and securities along with the relevant records thereof to EPFO.



e) 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 current financial year upto December 31, 2022 an amount of ₹ Nil Million (Year ended March 31, 2022 ₹82.21 Million) has been provided and charged to Statement of Profit and Loss. As on December 31, 2022, the Trust investments included few Non-convertible Debentures of certain companies amounting to ₹245.30 Million (Year ended March 31, 2022 ₹295.30 Million) which have witnessed default in meeting interest obligations from financial year 2020-21 upto December 31, 2022. 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 31.12.2022 as per management assessment. Thus, no additional provision (Year ended March 31, 2022 ₹Nil Million) is warranted during this financial year.

f) 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, 2023 | As at March 31, 2022 |
| Fair value of Plan assets at the end of the year        | -                    | 6,250.65             |
| Present value of the obligations at the end of the year | -                    | 6,471.06             |
| <b>Interest shortfall provided</b>                      | -                    | <b>220.41</b>        |

Pursuant to surrendering of PF Trust during the current year, interest shortfall provided during year ending March 31, 2022 amounting to ₹220.41 Million on account of differential value of plan assets arising out of Actuarial valuation has been written back during the current year as the payment of future interest obligation rests with EPFO on account of surrendering of the exemption granted by EPFO.

#### In case of Subsidiary, PMHBL:

The Company makes contribution to 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, 2023 ₹3.75

Million (Year ended 31 March, 2022 ₹3.42 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

#### 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)

##### In case of Company,

The Company has introduced NPS for its employees during the financial year 2020-21 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.

##### In case of subsidiary, PMHBL

The Company made contribution to NPS @ 10% of Basic salary at the option of the employee . The company made contribution during the year ending

March 31, 2023, for ₹2.81 Million (Year ended 31 March, 2022 ₹2.65 Million ) for an optional National Pension Scheme (NPS).

#### 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.

49.5 The following are the amounts before allocation recognized in the consolidated financial statements for the defined contribution plan:

| Defined Contribution Plans              | Amount recognized during |          | Contribution for key management personnel |         |
|-----------------------------------------|--------------------------|----------|-------------------------------------------|---------|
|                                         | 2022-23                  | 2021-22  | 2022-23                                   | 2021-22 |
| Provident Fund                          | 4,874.12                 | 4,889.66 | 6.51                                      | 6.53    |
| Post Retirement Benefit Scheme          | 5,808.55                 | 5,947.01 | 6.58                                      | 5.66    |
| Employee Pension Scheme-1995 (EPS)      | 328.74                   | 355.42   | 0.13                                      | 0.11    |
| Composite Social Security Scheme (CSSS) | 1,597.47                 | 543.38   | 0.36                                      | 0.26    |
| National Pension Scheme (NPS)           | 2,317.84                 | 1,771.68 | 1.25                                      | 0.33    |

#### 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

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.

During the year, the Company has made an additional contribution of ₹991.91 Million to CSSS Trust on account of increment in financial support over and above the existing financial support, in case of death/permanent total disability of the regular employee due to accident while on duty.

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:

| Particulars                                       | As At      |            |
|---------------------------------------------------|------------|------------|
|                                                   | 31-Mar-23  | 31-Mar-22  |
| Obligations at the end of the year                | 149,927.87 | 147,300.29 |
| Fair Value of Plan Assets at the end of the year* | 151,345.40 | 149,259.15 |





\* Fair value of Plan Assets is reinstated based on Audited Balance Sheet of the Provident Fund Trust as at March 31, 2022 and figure of Obligation is reinstated based on re-computation of liability at official rates declared by Employees Provident Fund Organisation for the FY 2022-23.

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

#### **49.6.3 Gratuity**

Gratuity is payable for 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, 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 Company Gratuity Cash Accumulation Scheme (Traditional Fund) of various insurance companies.

The gratuity provision for erstwhile subsidiary company OMPL was unfunded and consequent to the HR Integration with the company during the current financial year, the same has now been classified as funded in line with the policy followed by the company

#### **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. They can also avail treatment as out-patient. During the year, Company has given an option to retired employees to include their dependent parents in Company's PRMB scheme. 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 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.

As per the approved PRMB scheme of the Company, "ONGC PRMB Trust" was formed and subsequently registered in financial year 2021-22. During the same 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. In the following year i.e. financial year 2022-23, Post-Retirement Medical Liability was fully funded and the company has contributed ₹23,895.34 Million

(including ₹86.39 Million contributed by separated employees) 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.

During the current financial year, pursuant to HR Integration, employees of erstwhile subsidiary company OMPL are also being covered under Post Retirement Medical Benefit scheme 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 Company, 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.

#### **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.

During the current financial year, pursuant to HR Integration, employees of erstwhile subsidiary company OMPL are also being covered under the Resettlement Allowance benefits of the Company.

#### **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 (re-nomenclatured now as MDCPS): 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.

e) Terminal benefits are unfunded plans, and no plan assets are involved.

#### **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 Company 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, Insurance investments, 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, 2023 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**

requisite conditions are fully met by the company.

##### **49.7.1 Earned Leave (EL) Benefit**

##### **In case of Subsidiary MRPL:**

Accrual – 30 days per year

Earned Leave Benefit (EL):

Encashment while in service – 75% of Earned Leave balance subject to a maximum of 90 days per calendar year

Accrual – 32 days per year

Accumulation up to 300 days allowed

Encashment on retirement – maximum 300 days

EL accumulated in excess of 15 days is allowed for encashment while in service provided the EL encashed is not less than 5 days.

Scheme is funded through Life Insurance Corporation of India (LIC).

##### **49.7.2 Good Health Reward (Half pay leave)**

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.

Accrual - 20 days per year

Encashment while in service - Nil

Encashment on retirement - 50% of Half Pay Leave balance.

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 1 January 2017 and CPSEs have been allowed to frame their own leave rules considering operational necessities and subject to conditions set therein. Therefore, the

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.

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

| S. No. | Particulars                                                     | 31-Mar-23   | 31-Mar-22   |
|--------|-----------------------------------------------------------------|-------------|-------------|
|        | <b>Gratuity</b>                                                 |             |             |
| I      | Discount rate                                                   | 7.49%-7.51% | 7.23%-7.27% |
| II     | Expected return on plan assets                                  | 7.25%-7.50% | 6.81%-7.27% |
| III    | Annual increase in salary                                       | 5.00%-7.50% | 5.00%-7.50% |
|        | <b>Leave</b>                                                    |             |             |
| IV     | Discount rate                                                   | 7.50%-7.51% | 6.70%-7.25% |
| V      | Expected return on plan assets                                  | 7.25%-7.80% | 6.81%       |
| VI     | Annual increase in salary                                       | 5.00%-7.50% | 5.00%-7.50% |
|        | <b>Post-Retirement Medical Benefits</b>                         |             |             |
| VII    | Discount rate                                                   | 7.51%-7.53% | 7.25%-7.40% |
| VIII   | Expected return on plan assets                                  | 7.25%-7.80% | 6.81%-7.40% |
| IX     | Annual increase in costs                                        | 7.00%-7.50% | 3.00%-7.50% |
|        | <b>Terminal Benefits</b>                                        |             |             |
| X      | Discount rate                                                   | 7.50%-7.51% | 7.23%-7.25% |
| 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    | <b>Pension</b> - Discount rate                                  | 7.35%       | 6.96%       |
| XV     | <b>Weighted Average Duration of Present Benefit Obligations</b> | 14.16       | 13.73       |

**Employee Turnover (%) :-  
In case of ONGC and OVL**

| Particular          | 31-Mar-23 | 31-Mar-22 |
|---------------------|-----------|-----------|
| Up to 30 Years      | 3.00      | 3.00      |
| From 31 to 44 years | 2.00      | 2.00      |
| Above 44 years      | 1.00      | 1.00      |

**In case of HPCL and MRPL**

| Particular                | 31-Mar-23 | 31-Mar-22 |
|---------------------------|-----------|-----------|
| Rate of employee turnover | 2.00      | 2.00      |

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 March 31, 2023 as per 100% of Indian Assured Life Mortality (2012-14) issued by Institute of Actuaries of India for Actuarial Valuation as 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.

**Company-wise Mortality Rate:**

| Particulars              | ONGC (including OVL)                                    | HPCL                                           | MRPL                                           | PMHBL                                          |
|--------------------------|---------------------------------------------------------|------------------------------------------------|------------------------------------------------|------------------------------------------------|
| <b>Before retirement</b> | Indian Assured Lives Mortality Table (2012-14)          | Indian Assured Lives Mortality (2014-12) Urban | Indian Assured lives Mortality (2012-14) Urban | Indian Assured Lives Mortality Table (2012-14) |
| <b>After retirement</b>  | Indian Individual Annuitant's Mortality Table (2012-15) | 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-23 | Year Ended 31-Mar-22 |
| <b>Service Cost :</b>                                                              |                      |                      |
| Current service cost                                                               | 868.79               | 892.86               |
| Past service cost and (gain)/loss from settlements                                 | 806.40               | -                    |
| Net interest expense                                                               | (77.38)              | 48.88                |
| Increase or decrease due to adjustment in opening corpus consequent to audit       | (103.48)             | (143.93)             |
| Incremental Contribution in Fund                                                   | (1,329.64)           | (690.64)             |
| <b>Components of defined benefit costs recognised in Employee Benefit expenses</b> | <b>164.69</b>        | <b>107.17</b>        |
| <b>Remeasurement on the net defined benefit liability:</b>                         |                      |                      |
| Actuarial (gains)/losses arising from changes in demographic assumptions           | -                    | (13.41)              |
| Actuarial (gains)/losses arising from changes in financial assumptions             | (524.66)             | (925.59)             |
| Actuarial (gains) / losses arising from experience adjustments                     | (188.69)             | (23.77)              |
| Return on Plan Assets (excluding amount included in net interest cost)             | (13.09)              | (209.02)             |
| <b>Components of Remeasurement</b>                                                 | <b>(726.44)</b>      | <b>(1,171.79)</b>    |
| <b>Total</b>                                                                       | <b>(561.75)</b>      | <b>(1,064.62)</b>    |

#### Leave

| (₹ in Million)                                                               |                      |                      |
|------------------------------------------------------------------------------|----------------------|----------------------|
| Particulars                                                                  | Year Ended 31-Mar-23 | Year Ended 31-Mar-22 |
| <b>Service Cost :</b>                                                        |                      |                      |
| Current service cost                                                         | 1,870.60             | 1,873.82             |
| Past service cost and (gain)/loss from settlements                           | -                    | -                    |
| Net interest expense                                                         | 388.30               | 475.18               |
| Increase or decrease due to adjustment in opening corpus consequent to audit | (25.13)              | (25.48)              |
| Additional Contribution Due to Pay Revision                                  |                      | -                    |
| Actuarial (gains)/losses arising from changes in demographic assumptions     |                      | -                    |
| Actuarial (gains)/losses arising from changes in financial assumptions       | (659.61)             | (1,102.46)           |
| Actuarial (gains) / losses arising from experience adjustments               | 2,410.88             | 4,542.30             |
| Return on Plan Assets (excluding amount included in net interest cost)       | (231.36)             | (392.23)             |
| <b>Components of defined benefit costs recognised</b>                        | <b>3,753.67</b>      | <b>5,371.13</b>      |

#### Post-retirement medical benefits

| (₹ in Million)                                                                     |                      |                      |
|------------------------------------------------------------------------------------|----------------------|----------------------|
| Particulars                                                                        | Year Ended 31-Mar-23 | Year Ended 31-Mar-22 |
| <b>Service Cost :</b>                                                              |                      |                      |
| Current service cost                                                               | 7.58                 | 7.56                 |
| Past service cost and (gain)/loss from settlements                                 | -                    | -                    |
| Net interest expense                                                               | 8.61                 | 7.96                 |
| <b>Components of defined benefit costs recognised in Employee Benefit expenses</b> | <b>16.19</b>         | <b>15.52</b>         |
| <b>Remeasurement on the net defined benefit liability:</b>                         |                      |                      |
| Return on Plan Assets (excluding amount included in net interest cost)             | -                    | -                    |
| Actuarial (gains)/losses arising from changes in demographic assumptions           | -                    | (0.20)               |
| Actuarial (gains)/losses arising from changes in financial assumptions             | (2.29)               | (7.24)               |
| Actuarial (gains) / losses arising from experience adjustments                     | 0.43                 | 6.98                 |
| Adjustments for restrictions on the defined benefit asset                          | -                    | -                    |
| <b>Components of Remeasurement</b>                                                 | <b>(1.86)</b>        | <b>(0.46)</b>        |
| <b>Total</b>                                                                       | <b>14.33</b>         | <b>15.06</b>         |



## Terminal Benefits

(₹ in Million)

| Particulars                                                                        | Year Ended 31-Mar-23 | Year Ended 31-Mar-22 |
|------------------------------------------------------------------------------------|----------------------|----------------------|
| <b>Service Cost :</b>                                                              |                      |                      |
| Current service cost                                                               | 108.64               | 108.99               |
| Past service cost and (gain)/loss from settlements                                 | -                    | -                    |
| Net interest expense                                                               | 111.37               | 111.94               |
| <b>Components of defined benefit costs recognised in Employee Benefit expenses</b> | <b>220.01</b>        | <b>220.93</b>        |
| <b>Remeasurement on the net defined benefit liability:</b>                         |                      |                      |
| Actuarial (gains)/losses arising from changes in demographic assumptions           | -                    | 1.11                 |
| Actuarial (gains)/losses arising from changes in financial assumptions             | (32.34)              | (51.93)              |
| Actuarial (gains) / losses arising from experience adjustments                     | 120.85               | (43.78)              |
| Adjustments for restrictions on the defined benefit asset                          | -                    | -                    |
| <b>Components of Remeasurement</b>                                                 | <b>88.51</b>         | <b>(94.60)</b>       |
| <b>Total</b>                                                                       | <b>308.52</b>        | <b>126.33</b>        |

## Pension

(₹ in Million)

| Particulars                                                                        | Year Ended 31-Mar-23 | Year Ended 31-Mar-22 |
|------------------------------------------------------------------------------------|----------------------|----------------------|
| <b>Service Cost :</b>                                                              |                      |                      |
| Current service cost                                                               |                      | -                    |
| Past service cost and (gain)/loss from settlements                                 |                      | -                    |
| Net interest expense                                                               | 10.20                | 11.00                |
| <b>Components of defined benefit costs recognised in Employee Benefit expenses</b> | <b>10.20</b>         | <b>11.00</b>         |
| <b>Remeasurement on the net defined benefit liability:</b>                         |                      |                      |
| Actuarial (gains)/losses arising from changes in demographic assumptions           |                      | -                    |
| Actuarial (gains)/losses arising from changes in financial assumptions             | (1.80)               | (3.00)               |
| Actuarial (gains) / losses arising from experience adjustments                     | 2.50                 | (5.80)               |
| Adjustments for restrictions on the defined benefit asset                          |                      | -                    |
| <b>Components of Remeasurement</b>                                                 | <b>0.70</b>          | <b>(8.80)</b>        |
| <b>Total</b>                                                                       | <b>10.90</b>         | <b>2.20</b>          |

## Ex – Gratia

(₹ in Million)

| Particulars                                                                        | Year Ended 31-Mar-23 | Year Ended 31-Mar-22 |
|------------------------------------------------------------------------------------|----------------------|----------------------|
| <b>Service Cost :</b>                                                              |                      |                      |
| Current service cost                                                               | -                    | -                    |
| Past service cost and (gain)/loss from settlements                                 | -                    | -                    |
| Net interest expense                                                               | 17.10                | 18.25                |
| <b>Components of defined benefit costs recognised in Employee Benefit expenses</b> | <b>17.10</b>         | <b>18.25</b>         |
| <b>Remeasurement on the net defined benefit liability:</b>                         |                      |                      |
| Actuarial (gains)/losses arising from changes in demographic assumptions           | -                    | -                    |
| Actuarial (gains)/losses arising from changes in financial assumptions             | (3.80)               | (1.50)               |
| Actuarial (gains) / losses arising from experience adjustments                     | (5.00)               | 18.90                |
| <b>Components of Remeasurement</b>                                                 | <b>(8.80)</b>        | <b>17.40</b>         |
| <b>Total</b>                                                                       | <b>8.30</b>          | <b>35.65</b>         |



## Gratuity Unfunded

(₹ in Million)

| Particulars                                                                        | Year Ended 31-Mar-23 | Year Ended 31-Mar-22 |
|------------------------------------------------------------------------------------|----------------------|----------------------|
| <b>Service Cost :</b>                                                              |                      |                      |
| Current service cost                                                               | 6.50                 | 6.04                 |
| Past service cost and (gain)/loss from settlements                                 | -                    | -                    |
| Net interest expense                                                               | 3.61                 | 3.46                 |
| <b>Components of defined benefit costs recognised in Employee Benefit expenses</b> | <b>10.11</b>         | <b>9.49</b>          |
| <b>Remeasurement on the net defined benefit liability:</b>                         |                      |                      |
| Actuarial (gains)/losses arising from changes in demographic assumptions           | -                    | -                    |
| Actuarial (gains)/losses arising from changes in financial assumptions             | (1.89)               | (3.42)               |
| Actuarial (gains) / losses arising from experience adjustments                     | 0.28                 | 1.72                 |
| <b>Components of Remeasurement</b>                                                 | <b>(1.60)</b>        | <b>(1.71)</b>        |
| <b>Total</b>                                                                       | <b>8.51</b>          | <b>7.79</b>          |

## Post-Retirement Medical Benefits: Funded

(₹ in Million)

| Particulars                                                                                     | Year Ended 31-Mar-23 | Year Ended 31-Mar-22 |
|-------------------------------------------------------------------------------------------------|----------------------|----------------------|
| <b>Service Cost :</b>                                                                           |                      |                      |
| Current service cost                                                                            | 1,568.13             | 1,562.41             |
| Net interest expense                                                                            | 8.45                 | 3,480.64             |
| Increase or Decrease due to adjustment in opening corpus consequent to audit                    | (2.81)               | -                    |
| Contribution by Employee                                                                        | (160.79)             | (50.78)              |
| <b>Components of defined benefit costs recognised in Employee Benefit expenses</b>              | <b>1,412.98</b>      | <b>4,992.27</b>      |
| <b>Remeasurement on the net defined benefit liability:</b>                                      |                      |                      |
| Return on Plan Assets (excluding amount included in net interest cost)                          | (372.79)             | (201.16)             |
| Actuarial (gains)/losses arising from changes in demographic assumptions                        | -                    | (3.30)               |
| Actuarial (gains)/losses arising from changes in financial assumptions                          | 348.48               | (3,253.62)           |
| Actuarial (gains) / losses arising from experience adjustments                                  | 2,939.03             | 799.96               |
| Excess (Return) / Shortfall on plan assets (excluding amounts included in net interest expense) | (0.25)               | (0.02)               |
| <b>Components of Remeasurement</b>                                                              | <b>2,914.47</b>      | <b>(2,658.14)</b>    |
| <b>Total</b>                                                                                    | <b>4,327.45</b>      | <b>2,334.14</b>      |

## In case of subsidiary HPCL, Provident Fund

(₹ in Million)

| Particulars                                                                        | Year Ended 31-Mar-23 | Year Ended 31-Mar-22 |
|------------------------------------------------------------------------------------|----------------------|----------------------|
| <b>Service Cost :</b>                                                              |                      |                      |
| Current service cost                                                               | 1,667.10             | 1,619.00             |
| Past service cost and (gain)/loss from settlements                                 | -                    | -                    |
| Net interest expense                                                               | -                    | -                    |
| <b>Components of defined benefit costs recognised in Employee Benefit expenses</b> | <b>1,667.10</b>      | <b>1,619.00</b>      |
| <b>Remeasurement on the net defined benefit liability:</b>                         |                      |                      |
| Actuarial (gains)/losses arising from changes in demographic assumptions           | -                    | -                    |
| Actuarial (gains)/losses arising from changes in financial assumptions             | -                    | -                    |
| Actuarial (gains) / losses arising from experience adjustments                     | -                    | -                    |
| Adjustments for restrictions on the defined benefit asset                          | -                    | -                    |
| <b>Components of Remeasurement</b>                                                 | <b>-</b>             | <b>-</b>             |
| <b>Total</b>                                                                       | <b>1,667.10</b>      | <b>1,619.00</b>      |

The Components of Remeasurement of the net defined benefit liability recognized in other comprehensive income is actuarial loss of ₹2,878.81 Million (Previous Year actuarial gain ₹3,511.35 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-23 | Year Ended 31-Mar-22 |
|--------------------------------------------------------------------------|----------------------|----------------------|
| Opening defined benefit obligation                                       | 30,441.40            | 33,289.98            |
| Current service cost                                                     | 868.79               | 892.87               |
| Interest cost                                                            | 2,205.67             | 2,267.65             |
| <b>Remeasurement (gains)/losses:</b>                                     | -                    | -                    |
| Actuarial (gains)/losses arising from changes in demographic assumptions | -                    | (13.41)              |
| Actuarial (gains)/losses arising from changes in financial assumptions   | (524.65)             | (925.60)             |
| Actuarial (gains) / losses arising from experience adjustments           | (188.69)             | (23.77)              |
| Past service cost, including losses/(gains) on curtailments              | 806.40               | -                    |
| Benefits paid                                                            | (4,889.46)           | (5,046.32)           |
| <b>Closing defined benefit obligation</b>                                | <b>28,719.46</b>     | <b>30,441.40</b>     |

**Leave**

(₹ in Million)

| Particulars                                                              | Year Ended 31-Mar-23 | Year Ended 31-Mar-22 |
|--------------------------------------------------------------------------|----------------------|----------------------|
| Opening defined benefit obligation                                       | 32,096.60            | 31,163.13            |
| Current service cost                                                     | 1,870.60             | 1,873.82             |
| Interest cost                                                            | 2,326.92             | 2,122.15             |
| <b>Remeasurement (gains)/losses:</b>                                     | -                    | -                    |
| Actuarial (gains)/losses arising from changes in demographic assumptions | -                    | -                    |
| Actuarial (gains)/losses arising from changes in financial assumptions   | (659.61)             | (1,102.46)           |
| Actuarial (gains) / losses arising from experience adjustments           | 2,410.87             | 4,542.30             |
| Past service cost, including losses/(gains) on curtailments              | -                    | -                    |
| Benefits paid                                                            | (6,470.87)           | (6,502.34)           |
| <b>Closing defined benefit obligation</b>                                | <b>31,574.50</b>     | <b>32,096.60</b>     |

**Post-retirement medical benefits: Unfunded**

(₹ in Million)

| Particulars                                                              | Year Ended 31-Mar-23 | Year Ended 31-Mar-22 |
|--------------------------------------------------------------------------|----------------------|----------------------|
| Opening defined benefit obligation                                       | 116.32               | 115.37               |
| Current service cost                                                     | 7.58                 | 7.56                 |
| Interest cost                                                            | 8.61                 | 7.96                 |
| <b>Remeasurement (gains)/losses:</b>                                     | -                    | -                    |
| Actuarial (gains)/losses arising from changes in demographic assumptions | -                    | (0.20)               |
| Actuarial (gains)/losses arising from changes in financial assumptions   | (2.29)               | (7.24)               |
| Actuarial (gains) / losses arising from experience adjustments           | 0.43                 | 6.98                 |
| Other Adjustments                                                        | -                    | -                    |
| Benefits paid                                                            | (6.70)               | (14.11)              |
| <b>Closing defined benefit obligation</b>                                | <b>123.95</b>        | <b>116.32</b>        |



## Terminal Benefits

(₹ in Million)

| Particulars                                                              | Year Ended<br>31-Mar-23 | Year Ended<br>31-Mar-22 |
|--------------------------------------------------------------------------|-------------------------|-------------------------|
| Opening defined benefit obligation                                       | 1,535.78                | 1,643.71                |
| Current service cost                                                     | 108.65                  | 109.00                  |
| Interest cost                                                            | 111.37                  | 111.94                  |
| <b>Remeasurement (gains)/losses:</b>                                     | -                       | -                       |
| Actuarial (gains)/losses arising from changes in demographic assumptions | -                       | 1.11                    |
| Actuarial (gains)/losses arising from changes in financial assumptions   | (32.35)                 | (51.93)                 |
| Actuarial (gains) / losses arising from experience adjustments           | 120.85                  | (43.77)                 |
| Past service cost, including losses/(gains) on curtailments              | -                       | -                       |
| Benefits paid                                                            | (242.37)                | (234.28)                |
| <b>Closing defined benefit obligation</b>                                | <b>1,601.93</b>         | <b>1,535.78</b>         |

## Pension

(₹ in Million)

| Particulars                                                              | Year Ended<br>31-Mar-23 | Year Ended<br>31-Mar-22 |
|--------------------------------------------------------------------------|-------------------------|-------------------------|
| Opening defined benefit obligation                                       | 146.80                  | 170.90                  |
| Current service cost                                                     | -                       | -                       |
| Interest cost                                                            | 10.20                   | 11.00                   |
| <b>Remeasurement (gains)/losses:</b>                                     | -                       | -                       |
| Actuarial (gains)/losses arising from changes in demographic assumptions | -                       | -                       |
| Actuarial (gains)/losses arising from changes in financial assumptions   | (1.80)                  | (3.00)                  |
| Actuarial (gains) / losses arising from experience adjustments           | 2.50                    | (5.80)                  |
| Past service cost, including losses/(gains) on curtailments              | -                       | -                       |
| Benefits paid                                                            | (25.00)                 | (26.30)                 |
| <b>Closing defined benefit obligation</b>                                | <b>132.70</b>           | <b>146.80</b>           |

## Ex-Gratia

(₹ in Million)

| Particulars                                                              | Year Ended<br>31-Mar-23 | Year Ended<br>31-Mar-22 |
|--------------------------------------------------------------------------|-------------------------|-------------------------|
| Opening defined benefit obligation                                       | 254.81                  | 281.20                  |
| Past service cost, including losses/(gains) on curtailments              | -                       | -                       |
| Interest cost                                                            | 17.10                   | 18.25                   |
| <b>Remeasurement (gains)/losses:</b>                                     | -                       | -                       |
| Actuarial (gains)/losses arising from changes in demographic assumptions | -                       | -                       |
| Actuarial (gains)/losses arising from changes in financial assumptions   | (3.80)                  | (1.50)                  |
| Actuarial (gains) / losses arising from experience adjustments           | (5.00)                  | 18.90                   |
| Past service cost, including losses/(gains) on curtailments              | -                       | -                       |
| Benefits paid                                                            | (54.10)                 | (62.04)                 |
| <b>Closing defined benefit obligation</b>                                | <b>209.01</b>           | <b>254.81</b>           |

## Gratuity Unfunded

(₹ in Million)

| Particulars                                                              | Year Ended<br>31-Mar-23 | Year Ended<br>31-Mar-22 |
|--------------------------------------------------------------------------|-------------------------|-------------------------|
| Opening defined benefit obligation                                       | 57.38                   | 50.58                   |
| Current service cost                                                     | 6.50                    | 6.04                    |
| Interest cost                                                            | 3.61                    | 3.46                    |
| <b>Remeasurement (gains)/losses:</b>                                     | -                       | -                       |
| Actuarial (gains)/losses arising from changes in demographic assumptions | -                       | -                       |
| Actuarial (gains)/losses arising from changes in financial assumptions   | (1.89)                  | (4.10)                  |
| Actuarial (gains) / losses arising from experience adjustments           | 0.28                    | 2.39                    |
| Other Adjustments                                                        | -                       | -                       |
| Benefits paid                                                            | (0.45)                  | (0.99)                  |
| <b>Closing defined benefit obligation</b>                                | <b>65.44</b>            | <b>57.38</b>            |

## Post-retirement medical benefits: Funded

(₹ in Million)

| Particulars                                                              | Year Ended<br>31-Mar-23 | Year Ended<br>31-Mar-22 |
|--------------------------------------------------------------------------|-------------------------|-------------------------|
| Opening defined benefit obligation                                       | 61,519.11               | 62,821.33               |
| Current service cost                                                     | 1,568.13                | 1,562.40                |
| Interest cost                                                            | 4,475.65                | 4,288.98                |
| <b>Remeasurement (gains)/losses:</b>                                     | -                       | -                       |
| Actuarial (gains)/losses arising from changes in demographic assumptions | -                       | (3.30)                  |
| Actuarial (gains)/losses arising from changes in financial assumptions   | 348.48                  | (3,253.62)              |
| Actuarial (gains) / losses arising from experience adjustments           | 2,939.03                | 799.97                  |
| Past service cost, including losses/(gains) on curtailments              | -                       | -                       |
| Benefits paid                                                            | (4,657.11)              | (4,696.66)              |
| <b>Closing defined benefit obligation</b>                                | <b>66,193.29</b>        | <b>61,519.11</b>        |

## In case of subsidiary HPCL, Provident Fund

(₹ in Million)

| Particulars                                                              | Year Ended<br>31-Mar-23 | Year Ended<br>31-Mar-22 |
|--------------------------------------------------------------------------|-------------------------|-------------------------|
| Opening defined benefit obligation                                       | 48,973.40               | 46,784.50               |
| Adjustment in opening corpus consequent to audit                         | 1.20                    | -                       |
| Current service cost                                                     | 1,667.10                | 1,619.10                |
| Interest cost                                                            | 3,887.10                | 3,741.00                |
| <b>Remeasurement (gains)/losses:</b>                                     | -                       | -                       |
| Actuarial (gains)/losses arising from changes in demographic assumptions | -                       | -                       |
| Actuarial (gains)/losses arising from changes in financial assumptions   | -                       | -                       |
| Actuarial (gains) / losses arising from experience adjustments           | -                       | -                       |
| Contributions from the employee                                          | 2,952.90                | 3,171.30                |
| Liability transferred in/out                                             | (13.70)                 | 26.30                   |
| Past service cost, including losses/(gains) on curtailments              | -                       | -                       |
| Benefits paid                                                            | (7,053.80)              | (6,368.80)              |
| <b>Closing defined benefit obligation</b>                                | <b>50,414.20</b>        | <b>48,973.40</b>        |





**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<br>31-Mar-23 | Year Ended<br>31-Mar-22 |
| Present value of funded defined benefit obligation                   | 28,719.46               | 30,441.40               |
| Fair value of plan assets                                            | 29,355.15               | 31,406.12               |
| Funded status                                                        | 635.69                  | 964.72                  |
| Restrictions on asset recognized                                     | NA                      | NA                      |
| <b>Net liability/(asset) arising from defined benefit obligation</b> | <b>(635.69)</b>         | <b>(964.72)</b>         |

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, 2022 Nil).

#### Leave

| (₹ in Million)                                                       |                         |                         |
|----------------------------------------------------------------------|-------------------------|-------------------------|
| Particulars                                                          | Year Ended<br>31-Mar-23 | Year Ended<br>31-Mar-22 |
| Present value of funded defined benefit obligation                   | 31,574.50               | 32,096.60               |
| Fair value of plan assets                                            | 27,804.70               | 26,711.54               |
| Funded status                                                        | (3,769.80)              | (5,385.06)              |
| Restrictions on asset recognized                                     | NA                      | NA                      |
| <b>Net liability/(asset) arising from defined benefit obligation</b> | <b>3,769.80</b>         | <b>5,385.06</b>         |

#### Post-retirement medical benefits: Unfunded

| (₹ in Million)                                                       |                         |                         |
|----------------------------------------------------------------------|-------------------------|-------------------------|
| Particulars                                                          | Year Ended<br>31-Mar-23 | Year Ended<br>31-Mar-22 |
| Present value of funded defined benefit obligation                   | 123.95                  | 116.32                  |
| Fair value of plan assets                                            | NA                      | NA                      |
| Funded status                                                        | NA                      | NA                      |
| Restrictions on asset recognized                                     | NA                      | NA                      |
| <b>Net liability/(asset) arising from defined benefit obligation</b> | <b>123.95</b>           | <b>116.32</b>           |

#### Terminal Benefits:

| (₹ in Million)                                                       |                         |                         |
|----------------------------------------------------------------------|-------------------------|-------------------------|
| Particulars                                                          | Year Ended<br>31-Mar-23 | Year Ended<br>31-Mar-22 |
| Present value of funded defined benefit obligation                   | 1,601.93                | 1,535.78                |
| Fair value of plan assets                                            | -                       | -                       |
| Funded status                                                        | NA                      | NA                      |
| Restrictions on asset recognized                                     | NA                      | NA                      |
| <b>Net liability/(asset) arising from defined benefit obligation</b> | <b>1,601.93</b>         | <b>1,535.78</b>         |

**Pension:**

|                                                                      | (₹ in Million)          |                         |
|----------------------------------------------------------------------|-------------------------|-------------------------|
| Particulars                                                          | Year Ended<br>31-Mar-23 | Year Ended<br>31-Mar-22 |
| Present value of funded defined benefit obligation                   | 132.70                  | 146.80                  |
| Fair value of plan assets                                            | -                       | -                       |
| Funded status                                                        | NA                      | NA                      |
| Restrictions on asset recognized                                     | NA                      | NA                      |
| <b>Net liability/(asset) arising from defined benefit obligation</b> | <b>132.70</b>           | <b>146.80</b>           |

**Ex- Gratia:**

|                                                                      | (₹ in Million)          |                         |
|----------------------------------------------------------------------|-------------------------|-------------------------|
| Particulars                                                          | Year Ended<br>31-Mar-23 | Year Ended<br>31-Mar-22 |
| Present value of funded defined benefit obligation                   | 209.01                  | 254.81                  |
| Fair value of plan assets                                            | -                       | -                       |
| Funded status                                                        | NA                      | NA                      |
| Restrictions on asset recognized                                     | NA                      | NA                      |
| <b>Net liability/(asset) arising from defined benefit obligation</b> | <b>209.01</b>           | <b>254.81</b>           |

**Gratuity Unfunded:**

|                                                                      | (₹ in Million)          |                         |
|----------------------------------------------------------------------|-------------------------|-------------------------|
| Particulars                                                          | Year Ended<br>31-Mar-23 | Year Ended<br>31-Mar-22 |
| Present value of funded defined benefit obligation                   | 65.44                   | 57.38                   |
| Fair value of plan assets                                            | -                       | -                       |
| Funded status                                                        | NA                      | NA                      |
| Restrictions on asset recognized                                     | NA                      | NA                      |
| <b>Net liability/(asset) arising from defined benefit obligation</b> | <b>65.44</b>            | <b>57.38</b>            |

**Post-Retirement Medical Benefits: Funded**

|                                                                      | (₹ in Million)          |                         |
|----------------------------------------------------------------------|-------------------------|-------------------------|
| Particulars                                                          | Year Ended<br>31-Mar-23 | Year Ended<br>31-Mar-22 |
| Present value of funded defined benefit obligation                   | 66,193.29               | 61,519.11               |
| Fair value of plan assets                                            | 67,932.85               | 39,150.95               |
| Funded status                                                        | 1,739.56                | (22,368.16)             |
| Restrictions on asset recognized                                     | NA                      | NA                      |
| <b>Net liability/(asset) arising from defined benefit obligation</b> | <b>(1,739.56)</b>       | <b>22,368.16</b>        |

**In case of subsidiary HPCL, Provident Fund**

|                                                                      | (₹ in Million)          |                         |
|----------------------------------------------------------------------|-------------------------|-------------------------|
| Particulars                                                          | Year Ended<br>31-Mar-23 | Year Ended<br>31-Mar-22 |
| Present value of funded defined benefit obligation                   | 50,414.20               | 48,973.40               |
| Fair value of plan assets                                            | 50,860.10               | 49,696.00               |
| Funded status                                                        | 445.90                  | 722.60                  |
| Restrictions on asset recognized                                     | NA                      | NA                      |
| <b>Net liability/(asset) arising from defined benefit obligation</b> | <b>(445.90)</b>         | <b>(722.60)</b>         |



#### 49.12 Movements in the fair value of the plan assets are as follows :

##### Gratuity:

(₹ in Million)

| Particulars                                                                | Year Ended<br>31-Mar-23 | Year Ended<br>31-Mar-22 |
|----------------------------------------------------------------------------|-------------------------|-------------------------|
| Opening fair value of plan assets                                          | 31,406.12               | 31,965.40               |
| Adjustment in opening corpus consequent to audit                           | 103.48                  | 143.94                  |
| Incremental Contribution in Fund                                           | -                       | 468.67                  |
| Expected return on plan assets                                             | 2,283.06                | 2,218.77                |
| Return on plan assets (excluding amounts included in net interest expense) | 13.08                   | 209.03                  |
| Contributions from the employer                                            | 437.94                  | 1,444.57                |
| Benefits paid                                                              | (4,888.53)              | (5,044.26)              |
| <b>Closing fair value of plan assets</b>                                   | <b>29,355.15</b>        | <b>31,406.12</b>        |

##### In respect of ONGC and OVL,

Expected Contribution in respect of Gratuity for next year will be ₹588.65 Million (For the year ended March 31, 2022 ₹595.37 Million).

The Company has recognized a gratuity liability of ₹71.60 Million as on March 31, 2023 (As at March 31, 2022 ₹81.13 Million) as per actuarial valuation for 131 employees (As at March 31, 2022 – 150 employees) contingent Employees engaged in different work centers.

##### In respect of MRPL,

Expected Contribution (Net) in respect of Gratuity for next year will be ₹191.49 Million (For the year ended March 31, 2022 ₹49.11 Million)

##### Leave:

(₹ in Million)

| Particulars                                                                | Year Ended<br>31-Mar-23 | Year Ended<br>31-Mar-22 |
|----------------------------------------------------------------------------|-------------------------|-------------------------|
| Opening fair value of plan assets                                          | 26,711.54               | 24,159.06               |
| Adjustment in opening corpus consequent to audit                           | 28.01                   | 25.49                   |
| Expected return on plan assets                                             | 1,938.62                | 1,646.97                |
| Return on plan assets (excluding amounts included in net interest expense) | 231.36                  | 392.23                  |
| Contributions from the employer                                            | 5,364.36                | 6,988.67                |
| Benefits paid                                                              | (6,469.19)              | (6,500.88)              |
| <b>Closing fair value of plan assets</b>                                   | <b>27,804.70</b>        | <b>26,711.54</b>        |

##### In respect of ONGC and OVL,

Expected Contribution in respect of Leave Liability for next year will be ₹2,275.09 Million (for the year ended March 31, 2022 ₹2,346.83 Million).

**Post-Retirement Medical Benefits:**

(₹ in Million)

| Particulars                                                                | Year Ended<br>31-Mar-23 | Year Ended<br>31-Mar-22 |
|----------------------------------------------------------------------------|-------------------------|-------------------------|
| Opening fair value of plan assets                                          | 39,150.95               | 9,773.80                |
| Adjustment in opening corpus consequent to audit                           | 2.81                    | -                       |
| Expected return on plan assets                                             | 4,467.20                | 808.33                  |
| Return on plan assets (excluding amounts included in net interest expense) | 373.04                  | 201.18                  |
| Contributions from the employer                                            | 23,852.46               | 28,367.64               |
| Benefits paid                                                              | 86.39                   | -                       |
| <b>Closing fair value of plan assets</b>                                   | <b>67,932.85</b>        | <b>39,150.95</b>        |

**In respect of ONGC and OVL,**

Expected Contribution in respect of PRMB Liability for next year will be ₹820.89 Million (for the year ended March 31, 2022 ₹2,767.05 Million).

**In case of subsidiary HPCL, Provident Fund**

(₹ in Million)

| Particulars                                                                | Year Ended<br>31-Mar-23 | Year Ended<br>31-Mar-22 |
|----------------------------------------------------------------------------|-------------------------|-------------------------|
| Opening fair value of plan assets                                          | 49,696.00               | 47,939.80               |
| Adjustment in opening corpus consequent to audit                           | -                       | -                       |
| Expected return on plan assets                                             | 3,887.10                | 3,741.00                |
| Return on plan assets (excluding amounts included in net interest expense) | (275.50)                | (432.70)                |
| Contributions from the employer                                            | 4,620.00                | 4,790.40                |
| Transfer from/to Company                                                   | (13.70)                 | 26.30                   |
| Benefits paid                                                              | (7,053.80)              | (6,368.80)              |
| <b>Closing fair value of plan assets</b>                                   | <b>50,860.10</b>        | <b>49,696.00</b>        |

**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<br>31-Mar-23 | Year Ended<br>31-Mar-22 |
|----------------------------------------------------------------|-------------------------|-------------------------|
| <b>Gratuity:</b>                                               |                         |                         |
| Cash and cash equivalents                                      | 0.03                    | 0.06                    |
| <b>Investments in Mutual Fund:</b>                             |                         |                         |
| - Mutual Fund                                                  | 23.67                   | 23.62                   |
| <b>Debt investments categorized by issuers' credit rating:</b> |                         |                         |
| AAA                                                            | 887.08                  | 941.51                  |
| AA+                                                            | 398.22                  | 398.36                  |
| AA                                                             | 18.01                   | 18.02                   |
| AA-                                                            | -                       | 1.00                    |
| A+                                                             | -                       | 2.00                    |
| A-                                                             | 2.00                    | 2.00                    |
| BBB+                                                           |                         |                         |



| Particulars                                                       | Year Ended<br>31-Mar-23 | Year Ended<br>31-Mar-22 |
|-------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Group Gratuity Cash Accumulation Scheme (Traditional Fund)</b> |                         |                         |
| Insurance Companies                                               | 28,846.11               | 30,251.68               |
| Investment in Govt. Securities                                    | 81.02                   | 86.63                   |
| Bank TDR                                                          | -                       | 643.80                  |
| Treasury Bills                                                    |                         |                         |
| Net Current Assets                                                | (900.99)                | (962.56)                |
| <b>Total Gratuity</b>                                             | <b>29,355.15</b>        | <b>31,406.12</b>        |
| <b>Leave:</b>                                                     |                         |                         |
| 100% managed by insurance company                                 | 27,804.70               | 26,711.54               |
| <b>Post-Retirement Medical Benefits:</b>                          |                         |                         |
| 100% managed by insurance company                                 | 55,132.64               | 27,390.35               |
| Investment in Govt. Securities                                    | 6,611.31                | 6,104.13                |
| Investment in Debentures/Securities                               | 4,336.71                | 4,377.68                |
| Investment in Equity/Mutual Funds                                 | 666.89                  | 502.54                  |
| Net Current Assets                                                | 1,185.30                | 776.25                  |
| <b>Total Post-Retirement Medical Benefits:</b>                    | <b>67,932.85</b>        | <b>39,150.95</b>        |
| <b>Provident Fund</b>                                             |                         |                         |
| Investment in Govt. Securities                                    | 28,023.92               | 27,755.22               |
| Investment in Debentures/Securities                               | 19,825.27               | 19,664.71               |
| Investment in Equity/Mutual Funds                                 | 1,434.25                | 1,058.52                |
| Net Current Assets                                                | 1,576.66                | 1,217.55                |
| <b>Total Provident Fund</b>                                       | <b>50,860.10</b>        | <b>49,696.00</b>        |
| <b>Total</b>                                                      | <b>175,952.80</b>       | <b>146,964.61</b>       |

**49.13.1** 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.

**49.13.2** Cost of Investment is taken as fair value of Investment in Mutual Funds and Bank TDR.

**49.13.3** All Investments in PSU Bonds 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 less outstanding gratuity reimbursements as on reporting date.

**49.13.6 In respect of ONGC and OVL**, The actual return on plan assets of gratuity during FY 2022-23 was ₹1,610.23 Million (during FY 2021-22 ₹1,687.52 Million), on plan asset of leave ₹2,169.97 Million (during FY 2021-22 ₹2,039.20 Million)

**In respect of MRPL**, the actual return on plan assets of gratuity was ₹106.54 Million (As at 31 March 2022: ₹81.13 Million)

**49.13.7** 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 Sensitivity Analysis as at March 31, 2023**
**For ONGC and OVL:**
**(₹ in Million)**

| Significant actuarial assumptions           | Gratuity | Leave      | Post-Retirement Medical Benefits | Terminal Benefits | Provident Fund |
|---------------------------------------------|----------|------------|----------------------------------|-------------------|----------------|
| <b>Discount Rate</b>                        |          |            |                                  |                   |                |
| - Impact due to increase of 50 basis points | (622.71) | (1,049.38) | (2,591.44)                       | (55.57)           | (30.43)        |
| - Impact due to decrease of 50 basis points | 674.94   | 1,136.57   | 2,671.45                         | 57.98             | 31.91          |
| <b>Salary increase</b>                      |          |            |                                  |                   |                |
| - Impact due to increase of 50 basis points | 188.75   | 1,884.17   | -                                | -                 | -              |
| - Impact due to decrease of 50 basis points | (203.11) | (1,053.89) | -                                | -                 | -              |
| <b>Cost increase</b>                        |          |            |                                  |                   |                |
| - Impact due to increase of 50 basis points | -        | -          | 2,660.51                         | 57.55             | -              |
| - Impact due to decrease of 50 basis points | -        | -          | (2,635.38)                       | (55.91)           | -              |
| <b>Statutory Interest Rate</b>              |          |            |                                  |                   |                |
| - Impact due to increase of 50 basis points | -        | -          | -                                | -                 | 31.56          |
| - Impact due to decrease of 50 basis points | -        | -          | -                                | -                 | (30.39)        |

**For HPCL:**
**(₹ in Million)**

| 31-Mar-23                                                   | Gratuity | PRMBS      | Pension | Ex - Gratia | Resettlement Allowance |
|-------------------------------------------------------------|----------|------------|---------|-------------|------------------------|
| Delta effect of +1% Change in Rate of Discounting           | (475.03) | (1,754.88) | (4.42)  | (5.90)      | (8.94)                 |
| Delta effect of -1% Change in Rate of Discounting           | 551.17   | 1,577.90   | 4.82    | 6.41        | 10.40                  |
| Delta effect of +1% Change in Future Benefit cost inflation | -        | 2,268.35   | -       | -           | -                      |
| Delta effect of -1% Change in Future Benefit cost inflation | -        | (1,766.72) | -       | -           | -                      |
| Delta effect of +1% Change in Rate of Salary Increase       | 97.94    | -          | -       | -           | -                      |
| Delta effect of -1% Change in Rate of Salary Increase       | (121.92) | -          | -       | -           | -                      |
| Delta effect of +1% Change in Rate of Employee Turnover     | 174.63   | -          | -       | -           | (9.88)                 |
| Delta effect of -1% Change in Rate of Employee Turnover     | (201.08) | -          | -       | -           | 11.44                  |

**For MRPL:**
**(₹ in Million)**

| Significant actuarial assumptions           | Gratuity | Post-Retirement Medical Benefits | Resettlement Allowance |
|---------------------------------------------|----------|----------------------------------|------------------------|
| <b>Rate of discounting</b>                  |          |                                  |                        |
| - Impact due to increase of 50 basis points | (87.77)  | (8.25)                           | (1.38)                 |
| - Impact due to decrease of 50 basis points | 95.23    | 9.19                             | 1.52                   |
| <b>Rate of salary increase</b>              |          |                                  |                        |
| - Impact due to increase of 50 basis points | 94.81    | -                                | -                      |
| - Impact due to decrease of 50 basis points | (95.13)  | -                                | -                      |
| <b>Rate of Employee turnover</b>            |          |                                  |                        |
| - Impact due to increase of 50 basis points | 9.93     | (3.17)                           | -                      |
| - Impact due to decrease of 50 basis points | (10.45)  | 2.80                             | -                      |
| <b>Future Cost Escalation</b>               |          |                                  |                        |
| - Impact due to increase of 50 basis points | -        | -                                | -                      |
| - Impact due to decrease of 50 basis points | -        | -                                | -                      |



#### 49.15 Sensitivity Analysis as at March 31, 2022

For ONGC and OVL:

(₹ in Million)

| Significant actuarial assumptions           | Gratuity | Leave      | Post-Retirement Medical Benefits | Terminal Benefits | Provident Fund |
|---------------------------------------------|----------|------------|----------------------------------|-------------------|----------------|
| <b>Discount Rate</b>                        |          |            |                                  |                   |                |
| - 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          |
| <b>Salary increase</b>                      |          |            |                                  |                   |                |
| - 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) | -                                | -                 | -              |
| <b>Cost increase</b>                        |          |            |                                  |                   |                |
| - 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)           | -              |
| <b>Statutory Interest Rate</b>              |          |            |                                  |                   |                |
| - Impact due to increase of 50 basis points | -        | -          | -                                | -                 | 29.66          |
| - Impact due to decrease of 50 basis points | -        | -          | -                                | -                 | (28.59)        |

For HPCL:

(₹ in Million)

| 31-Mar-22                                                   | 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 |
|---------------------------------------------|----------|----------------------------------|------------------------|
| <b>Rate of discounting</b>                  |          |                                  |                        |
| - Impact due to increase of 50 basis points | (81.49)  | (7.85)                           | (1.03)                 |
| - Impact due to decrease of 50 basis points | 88.47    | 8.74                             | 1.14                   |
| <b>Rate of salary increase</b>              |          |                                  |                        |
| - Impact due to increase of 50 basis points | 79.47    | -                                | -                      |
| - Impact due to decrease of 50 basis points | (79.21)  | -                                | -                      |
| <b>Rate of Employee turnover</b>            |          |                                  |                        |
| - Impact due to increase of 50 basis points | 7.78     | (2.61)                           | -                      |
| - Impact due to decrease of 50 basis points | (8.19)   | 2.36                             | -                      |
| <b>Future Cost Escalation</b>               |          |                                  |                        |
| - Impact due to increase of 50 basis points | -        | -                                | 1.13                   |
| - Impact due to decrease of 50 basis points | -        | -                                | (1.03)                 |

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.

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.

#### 49.16 Maturity Profile of Defined Benefit Obligation and other long term employee benefits:

For ONGC and OVL:

(₹ in Million)

| Defined Benefit:                         | 31-Mar-23 | 31-Mar-22 |
|------------------------------------------|-----------|-----------|
| <b>Gratuity:</b>                         |           |           |
| Less than One Year                       | 2,971.03  | 3,591.18  |
| One to Three Years                       | 4,687.15  | 5,101.85  |
| Three to Five Years                      | 3,066.58  | 3,563.75  |
| More than Five Years                     | 8,170.62  | 8,620.19  |
| <b>Leave:</b>                            |           |           |
| Less than One Year                       | 4,713.84  | 5,212.12  |
| One to Three Years                       | 7,367.58  | 7,125.11  |
| Three to Five Years                      | 5,489.75  | 5,610.30  |
| More than Five Years                     | 14,124.72 | 14,205.62 |
| <b>Post Retirement Medical Benefits:</b> |           |           |
| Less than One Year                       | 3,448.42  | -         |
| One to Three Years                       | 8,127.40  | -         |
| Three to Five Years                      | 9,678.79  | -         |
| More than Five Years                     | 31,384.24 | -         |

For HPCL:

(₹ in Million)

| 31-Mar-23              | Less than 1 Year | 1-2 Year        | 2-5 Year        | 6-10 Year        |
|------------------------|------------------|-----------------|-----------------|------------------|
| Gratuity               | 1,176.06         | 721.70          | 3,019.30        | 11,115.00        |
| PRMBS                  | 593.53           | 652.30          | 2,325.20        | 3,920.33         |
| Pension                | 21.01            | 20.60           | 59.30           | 87.67            |
| Ex - Gratia            | 40.56            | 39.60           | 112.20          | 160.04           |
| Resettlement Allowance | 25.31            | 13.70           | 64.00           | 209.75           |
| <b>Total</b>           | <b>1,856.47</b>  | <b>1,447.90</b> | <b>5,580.00</b> | <b>15,492.80</b> |

| 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           |
| <b>Total</b>           | <b>1,911.70</b>  | <b>1,353.20</b> | <b>5,133.42</b> | <b>13,417.36</b> |



## For MRPL:

(₹ in Million)

| Defined Benefit:                         | 31-Mar-23 | 31-Mar-22 |
|------------------------------------------|-----------|-----------|
| <b>Gratuity:</b>                         |           |           |
| Less than One Year                       | 85.34     | 81.00     |
| One to Three Years                       | 161.19    | 142.74    |
| Three to Five Years                      | 246.58    | 204.23    |
| More than Five Years                     | 767.01    | 698.22    |
| <b>Post-Retirement Medical Benefits:</b> |           |           |
| Less than One Year                       | 4.01      | 3.50      |
| One to Three Years                       | 8.04      | 7.54      |
| Three to Five Years                      | 9.76      | 9.16      |
| More than Five Years                     | 37.47     | 34.45     |
| <b>Resettlement Allowance:</b>           |           |           |
| Less than One Year                       | 0.61      | 0.51      |
| One to Three Years                       | 1.14      | 0.87      |
| Three to Five Years                      | 1.31      | 1.06      |
| More than Five Years                     | 3.99      | 3.20      |

## For PMHBL:

(₹ in Million)

| Defined Benefit:     | 31-Mar-23 | 31-Mar-22 |
|----------------------|-----------|-----------|
| <b>Gratuity:</b>     |           |           |
| Less than One Year   | 0.56      | 0.48      |
| One to Three Years   | 1.11      | 0.96      |
| Three to Five Years  | 1.17      | 0.98      |
| More than Five Years | 6.60      | 3.69      |
| <b>Leave:</b>        |           |           |
| Less than One Year   | 3.26      | 2.24      |
| One to Three Years   | 0.95      | 0.49      |
| Three to Five Years  | 1.01      | 0.87      |
| More than Five Years | 6.41      | 3.79      |

## 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.

| Particulars                                               | 2022-23             |                   |                         |                      |                    |                                          |                     | (₹ in Million) |
|-----------------------------------------------------------|---------------------|-------------------|-------------------------|----------------------|--------------------|------------------------------------------|---------------------|----------------|
|                                                           | In India            |                   |                         | Outside India<br>E&P | Unallocated        | Elimination of<br>Inter Segment<br>Sales | Grand Total         |                |
|                                                           | E&P                 |                   | Refining &<br>Marketing |                      |                    |                                          |                     |                |
|                                                           | Offshore            | Onshore           |                         |                      |                    |                                          |                     |                |
| <b>Segment Revenue</b>                                    |                     |                   |                         |                      |                    |                                          |                     |                |
| External Sales                                            | 728,907.41          | 460,843.66        | 5,541,105.64            | 116,763.31           | 672.21             | -                                        | 6,848,292.23        |                |
| Inter Segment Sales                                       | 312,230.63          | 50,312.81         | 374,119.40              | -                    | 746.70             | (737,409.54)                             | -                   |                |
| <b>Revenue from Operations</b>                            | <b>1,041,138.04</b> | <b>511,156.47</b> | <b>5,915,225.04</b>     | <b>116,763.31</b>    | <b>1,418.91</b>    | <b>(737,409.54)</b>                      | <b>6,848,292.23</b> |                |
| Segment Result-Profit/ (loss)                             | 427,954.03          | 63,081.61         | (56,787.80)             | 39,372.97            |                    |                                          | 473,620.81          |                |
| Unallocated Corporate Expenses                            |                     |                   |                         |                      | 13,930.30          |                                          | 13,930.30           |                |
| <b>Total</b>                                              | <b>427,954.03</b>   | <b>63,081.61</b>  | <b>(56,787.80)</b>      | <b>39,372.97</b>     | <b>(13,930.30)</b> |                                          | <b>459,690.51</b>   |                |
| Finance costs                                             |                     |                   |                         |                      | 78,893.56          |                                          | 78,893.56           |                |
| Interest income                                           |                     |                   |                         |                      | 42,342.86          |                                          | 42,342.86           |                |
| Dividend Income                                           |                     |                   |                         |                      | 7,027.20           |                                          | 7,027.20            |                |
| Share of profit / (loss) of joint ventures and associates |                     |                   | 20,403.30               | (5,394.68)           | (14,668.11)        |                                          | 340.51              |                |
| <b>Profit before tax</b>                                  | <b>427,954.03</b>   | <b>63,081.61</b>  | <b>(36,384.50)</b>      | <b>33,978.29</b>     | <b>(58,121.91)</b> |                                          | <b>430,507.52</b>   |                |
| Income taxes                                              |                     |                   |                         |                      | 102,731.47         |                                          | 102,731.47          |                |
| <b>Profit for the year</b>                                |                     |                   |                         |                      |                    |                                          | <b>327,776.05</b>   |                |
| Segment Assets                                            | 1,473,293.21        | 734,431.45        | 1,936,611.50            | 1,161,329.41         | 839,621.69         |                                          | 5,305,665.57        |                |
| Unallocated Corporate Assets                              |                     |                   |                         |                      |                    |                                          | 839,621.69          |                |
| <b>Total Assets</b>                                       | <b>1,473,293.21</b> | <b>734,431.45</b> | <b>1,936,611.50</b>     | <b>1,161,329.41</b>  | <b>839,621.69</b>  |                                          | <b>6,145,287.26</b> |                |
| Segment Liabilities                                       | 551,361.47          | 176,258.81        | 1,494,944.04            | 548,125.26           |                    |                                          | 2,770,689.58        |                |
| Unallocated Corporate Liabilities                         |                     |                   |                         |                      | 362,047.33         |                                          | 362,047.33          |                |
| <b>Total Liabilities</b>                                  | <b>551,361.47</b>   | <b>176,258.81</b> | <b>1,494,944.04</b>     | <b>548,125.26</b>    | <b>362,047.33</b>  |                                          | <b>3,132,736.91</b> |                |
| <b>Other Information</b>                                  |                     |                   |                         |                      |                    |                                          |                     |                |
| <b>Depreciation*</b>                                      | 120,307.60          | 60,655.59         | 55,404.42               | 20,750.63            | 1,514.66           |                                          | 258,632.90          |                |
| <b>Impairment (including related exceptional item)**</b>  | (12,969.73)         | (1,827.82)        | 1,735.20                | (10,946.72)          | -                  |                                          | (24,009.07)         |                |
| <b>Other exceptional items**</b>                          | 50,810.33           | 41,540.81         | (25.00)                 | -                    | -                  |                                          | 92,326.14           |                |
| <b>Other Non-cash Expenses</b>                            | 19,207.83           | 13,704.63         | 2,872.71                | 1,628.37             | 47.92              |                                          | 37,461.46           |                |

(₹ in Million)



(₹ in Million)

| Particulars                                               | 2021-22             |                   |                         |                    |                                          |                     |
|-----------------------------------------------------------|---------------------|-------------------|-------------------------|--------------------|------------------------------------------|---------------------|
|                                                           | In India            |                   | Outside India<br>E&P    | Unallocated        | Elimination of<br>Inter Segment<br>Sales | Grand Total         |
|                                                           | E&P                 |                   |                         |                    |                                          |                     |
|                                                           | Offshore            | Onshore           | Refining &<br>Marketing |                    |                                          |                     |
|                                                           |                     |                   |                         |                    |                                          |                     |
| <b>Segment Revenue</b>                                    |                     |                   |                         |                    |                                          |                     |
| External Sales                                            | 481,698.90          | 355,502.43        | 4,307,197.33            | 306.42             | -                                        | 5,317,925.40        |
| Inter Segment Sales                                       | 233,714.41          | 30,187.42         | 297,367.31              | 724.14             | (561,993.28)                             | -                   |
| <b>Revenue from Operations</b>                            | <b>715,413.31</b>   | <b>385,689.85</b> | <b>4,604,564.64</b>     | <b>1,030.56</b>    | <b>(561,993.28)</b>                      | <b>5,317,925.40</b> |
| <b>Segment Result-Profit/ (loss)</b>                      |                     |                   |                         |                    |                                          |                     |
| Unallocated Corporate Expenses                            | 323,848.54          | 68,369.71         | 117,193.92              | 15,591.00          |                                          | 553,554.72          |
| <b>Total</b>                                              | <b>323,848.54</b>   | <b>68,369.71</b>  | <b>117,193.92</b>       | <b>(15,591.00)</b> |                                          | <b>15,591.00</b>    |
| Finance costs                                             |                     |                   |                         | 56,960.43          |                                          | 537,963.72          |
| Interest income                                           |                     |                   |                         | 28,000.02          |                                          | 56,960.43           |
| Dividend Income                                           |                     |                   |                         | 17,268.44          |                                          | 28,000.02           |
| Share of profit / (loss) of joint ventures and associates |                     | 8,920.11          |                         | 957.52             |                                          | 17,268.44           |
| <b>Profit before tax</b>                                  | <b>323,848.54</b>   | <b>68,369.71</b>  | <b>126,114.03</b>       | <b>(26,325.45)</b> |                                          | <b>540,911.02</b>   |
| Income taxes                                              |                     |                   |                         | 47,970.45          |                                          | 47,970.45           |
| <b>Profit for the year</b>                                |                     |                   |                         |                    |                                          | <b>492,940.57</b>   |
| <b>Segment Assets</b>                                     |                     |                   |                         |                    |                                          |                     |
| Unallocated Corporate Assets                              | 1,460,535.37        | 737,187.22        | 1,921,731.62            | 566,546.00         |                                          | 5,287,356.88        |
| <b>Total Assets</b>                                       | <b>1,460,535.37</b> | <b>737,187.22</b> | <b>1,921,731.62</b>     | <b>566,546.00</b>  |                                          | <b>5,853,902.88</b> |
| <b>Segment Liabilities</b>                                |                     |                   |                         |                    |                                          |                     |
| Unallocated Corporate Liabilities                         | 480,241.22          | 158,983.83        | 1,411,436.76            | 359,588.30         |                                          | 2,661,036.15        |
| <b>Total Liabilities</b>                                  | <b>480,241.22</b>   | <b>158,983.83</b> | <b>1,411,436.76</b>     | <b>359,588.30</b>  |                                          | <b>359,588.30</b>   |
| <b>Other Information</b>                                  |                     |                   |                         |                    |                                          |                     |
| <b>Depreciation*</b>                                      |                     |                   |                         |                    |                                          |                     |
| Impairment (including related exceptional item)**         | 110,071.25          | 55,085.56         | 50,835.21               | 1,467.52           |                                          | 260,189.91          |
|                                                           | 21,258.01           | (12,331.68)       | (284.60)                | -                  |                                          | 29,390.84           |
| <b>Other exceptional items**</b>                          | -                   | -                 | 300.00                  | -                  |                                          | <b>300.00</b>       |
| <b>Other Non-cash Expenses</b>                            | 4,343.86            | 926.29            | 88.47                   | 35.01              |                                          | <b>8,083.80</b>     |

\*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<br>March 31,<br>2023 | Year ended<br>March 31,<br>2022 |
| Offshore       | 54,488.58                       | 39,923.32                       |
| Onshore        | 20,151.89                       | 46,983.27                       |
| Unallocated    | 336.32                          | (385.69)                        |
| <b>Total</b>   | <b>74,976.79</b>                | <b>86,520.90</b>                |

**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<br>March 31,<br>2023 | Year ended<br>March 31,<br>2022 |
| OVL            | (117,261.14)                    | (187,804.41)                    |
| MRPL           | (5,994.99)                      | (5,673.34)                      |
| HPCL           | 122,712.49                      | 145,600.23                      |
| PMHBL          | (30.87)                         | (79.99)                         |

### 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 2022-23 and 2021-22.

### 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<br>March 31, 2023 | Year ended<br>March 31, 2022 |
| India                          | 6,174,564.57                 | 4,682,068.53                 |
| Other Countries(including SEZ) | 673,727.66                   | 635,856.87                   |
| <b>Total</b>                   | <b>6,848,292.23</b>          | <b>5,317,925.40</b>          |

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<br>March 31, 2023 | Year ended<br>March 31, 2022 |
| India           | 3,270,259.00                 | 3,076,900.40                 |
| Other Countries | 613,635.35                   | 732,591.67                   |
| <b>Total</b>    | <b>3,883,894.35</b>          | <b>3,809,492.07</b>          |

### 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

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 Limitada
    - 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                                                              | 4. ONGC Teri Biotech Limited (OTBL)                                                                   |
| 1.6.1. Imperial Energy Tomsk Limited                                                      | 5. Dahej SEZ Limited (DSEZ)                                                                           |
| 1.6.2. Imperial Energy (Cyprus) Limited                                                   | 6. Indradhanush Gas Grid Limited (IGGL)                                                               |
| 1.6.3. Imperial Energy Nord Limited                                                       | 7. ONGC Mittal Energy Limited (OMEL) (through OVL)                                                    |
| 1.6.4. Biancus Holdings Limited                                                           | 8. Mansarovar Energy Colombia Limited, Colombia (through OVL)                                         |
| 1.6.5. Redcliffe Holdings Limited                                                         | 9. Himalaya Energy Syria BV, Netherlands (through OVL)                                                |
| 1.6.6. Imperial Frac Services (Cyprus) Limited                                            | 10. Shell MRPL Aviation Fuels and Services Limited (SMASL) (through MRPL)                             |
| 1.6.7. San Agio Investments Limited                                                       | 11. Hindustan Colas Private Limited (through HPCL)                                                    |
| 1.6.8. LLC Sibinterneft                                                                   | 12. HPOIL Gas Private Limited (through HPCL)                                                          |
| 1.6.9. LLC Allianceneftgaz                                                                | 13. HPCL Rajasthan Refinery Limited (through HPCL)                                                    |
| 1.6.10. LLC Nord Imperial                                                                 | 14. South Asia LPG Company Private Limited (through HPCL)                                             |
| 1.6.11. LLC Rus Imperial Group                                                            | 15. HPCL Mittal Energy Limited (through HPCL)                                                         |
| 1.6.12. LLC Imperial Frac Services                                                        | 16. Godavari Gas Private Limited (through HPCL)                                                       |
| 1.7. Beas Rovuma Energy Mozambique Limited                                                | 17. Petronet India Limited (through HPCL, in process of voluntary winding up w.e.f. August 30, 2018)  |
| 1.8. ONGC Videsh Rovuma Limited                                                           | 18. Mumbai Aviation Fuel Farm Facility Private Limited (through HPCL)                                 |
| 1.9. ONGC Videsh Atlantic Inc.                                                            | 19. Aavantika Gas Limited (through HPCL)                                                              |
| 1.10. ONGC Videsh Singapore Pte. Limited                                                  | 20. Bhagyanagar Gas Limited (through HPCL)                                                            |
| 1.10.1. ONGC Videsh Vankorneft Pte. Limited                                               | 21. Ratnagiri Refinery & Petrochemicals Limited (through HPCL)                                        |
| 1.11. Indus East Mediterranean Exploration Limited.                                       | 22. IHB Limited (through HPCL) (converted into a Public Limited Company effective from April 6, 2021) |
| 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                                                                    |                                                                                                       |
| <b>B. Joint Ventures</b>                                                                  | <b>C. Associates</b>                                                                                  |
| 1. Mangalore SEZ Limited (MSEZ)                                                           | 1. Pawan Hans Helicopters Limited.                                                                    |
| 2. ONGC Petro additions Limited (OPaL)                                                    | 2. Petronet LNG Limited (PLL)                                                                         |
| 3. ONGC Tripura Power Company Limited (OTPC)                                              | 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 Post Retirement Medical Benefit Trust
7. ONGC Energy Center
8. ONGC Foundation
9. ONGC Start Up Fund Trust
10. MRPL Gratuity Fund Trust (through MRPL)
11. MRPL Provident Fund Trust (through MRPL)
12. MRPL Education Trust (through MRPL)
13. MRPL Janaseva Trust (through MRPL)
14. Ujjwala Plus Foundation, (through HPCL)
15. Hindustan Petroleum Corp Limited Provident Fund
16. Hindustan Petroleum Corpn Limited Employees Post Retirement Med Benefit Fund

17. Hindustan Petroleum Corp Limited Employees Group Gratuity Assurance Scheme
18. Hindustan Petroleum Corpn Limited Employees Superannuation Benefit Fund Scheme

**E. Key Management Personnel**

**E.1. Whole-time Directors**

1. Shri. Arun Kumar Singh, Chairman w.e.f.. 07.12.2022 and CEO w.e.f.. 24.01.2023
2. Dr Alka Mittal, Director (HR) and Chairman & Managing Director - Additional Charge (Up to 31.08.2022)
3. Shri Rajesh Kumar Srivastava, Director (Exploration) (Up to 31.12.2022) and Chairman & Managing Director - Additional Charge (w.e.f.. 01.09.2022 Up to 06.12.2022)
4. Shri O.P.Singh, Director(T&FS)
5. Shri Anurag Sharma, Director (Onshore) (Up to 28.02.2023) and Director - Additional Charge (Up to 18.04.2022)
6. Shri Pankaj Kumar, Director (Offshore) (upto 28.02.2023) now Director (Production)\*
7. Ms. Pomila Jaspal, Director (Finance) & Chief Financial Officer (CFO) (w.e.f.. April 19,2022)
8. Ms. Sushma Rawat, Director (Exploration) w.e.f.. 01.01.2023

**E.2. Company Secretary**

1. Shri Rajni Kant, Company Secretary

**E.3. Independent Directors**

1. Shri Amitava Bhattacharya (Up to 12.07.2022)
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. 2 February 2022)



#### **E.4. Government Nominee – Directors**

1. Shri Amar Nath (Up to 14.05.2022)
2. Shri Praveen Mal Khanooja (w.e.f.. 23.09.2022)
3. Shri Shrinivas Gudey (w.e.f.. 14.06.2022) (Up to 22.09.2022)

#### **F.1 Key Management personnel of the subsidiaries**

1. Shri Arun Kumar Singh w.e.f December 7, 2022 (OVL)
2. Shri Rajesh Kumar Srivastava up to December 6, 2022 on additional charge (OVL)
3. Dr. Alka Mittal up to August 31, 2022 on additional charge (OVL)
4. Shri Rajarshi Gupta, Managing Director w.e.f July 19, 2022 (OVL)
5. Shri Sanjeev Tokhi, Director (Exploration) w.e.f October 4, 2021 (OVL)
6. Shri Omkar Nath Gyani, Director (Operations) w.e.f March 29, 2022 (OVL)
7. Shri Anupam Agarwal, Chief Financial Officer from May 19, 2022 to June 17, 2022 and Director (Finance) w.e.f June 18, 2022 (OVL)
8. Shri Alok Kumar Gupta, Managing Director up to June 30, 2022 (OVL)
9. Shri Vinod Hallan, Chief Financial Officer up to May 18, 2022 (OVL)
10. Shri M. Venkatesh, Managing Director (MRPL)
11. Shri Sanjay Varma, Director (Refinery) (MRPL)
12. Smt. Pomila Jaspal, Director (Finance) till April 18, 2022 (MRPL)
13. Shri Pushp Kumar Joshi, Chairman and Managing Director (from 08th May 2022) and Director - Human Resources (up to 07th May 2022)
14. Shri Rajneesh Narang, Chief Finance Officer (CFO) (from 01st July 2021) & Director - Finance (from 22nd March 2022) (HPCL)

15. Shri S Bharathan, Director - Refineries (from 01st October, 2022) (HPCL)
16. Shri Amit Garg, Director - Marketing (from 27th December, 2022) (HPCL)
17. Shri Mukesh Kumar Surana, Chairman and Managing Director (up to 30th April 2022) (HPCL)
18. Shri Vinod S. Shenoy, Director - Refineries (up to 30th September 2022) (HPCL)
19. Shri Rakesh Misri, Director - Marketing (up to 31st March 2022) (HPCL)
20. Shri R. Kesavan, Director - Finance & CFO (up to 30th June 2021) (HPCL)
21. Shri. Venkatesh Madhava Rao - Chairman (Chairman effective 21st March 2023 ) (PMHBL)
22. Shri. Anurag Sharma - Chairman (resigned effective 1st March 2023) (PMHBL)
23. Shri. Mukundan V. M. -Managing Director (PMHBL)
24. Smt. Pomila Jaspal-Director (PMHBL)
25. Shri. R. Sridhar – Director (PMHBL)
26. Shri. Subodh Batra – Director (PMHBL)
27. Shri. Anuj Kumar Jain- Director (PMHBL)
28. Shri. Rakesh Kaul - Director (resigned effective 1st July 2022) (PMHBL)
29. Shri. Debdulal Adhikari - Director (Appointment effective 12 July 2022 ) (PMHBL)
30. Shri. M. Shyamprasad Kamath (Appointment effective 29 March 2023 ) (PMHBL)

#### **F.2 Independent Director**

1. Shri Prakash Babu KP w.e.f November 12, 2021 (OVL)
2. Shri Dhanpat Ram Agarwal w.e.f November 12, 2021 (OVL)
3. Smt. Deeksha Gangwar w.e.f December 28, 2021 (OVL)
4. Smt. Vimla Pradhan (from 16th November 2021) (HPCL)



- |                                                                                                                                                  |                                                                                      |
|--------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|
| 5. Shri Bechan Lal (from 16th November 2021) (HPCL)                                                                                              | (ONGC), from July 15, 2022 (MRPL)                                                    |
| 6. Shri Vivekananda Biswal (from 16th November 2021) (HPCL)                                                                                      | 6. Shri Vinod S. Shenoy, Nominee Director (HPCL), till October 01, 2022 (MRPL)       |
| 7. Shri Ramdarshan Singh Pal (from 16th November 2021) (HPCL)                                                                                    | 7. Shri Bharathan Shunmugavel, Nominee Director (HPCL), from October 04, 2022 (MRPL) |
| 8. Dr. Nagaraja Bhalki (from 30th December 2021) (HPCL)                                                                                          | 8. Smt. Esha Srivastava, Director (Govt. Nominee), till June 14, 2022 (MRPL)         |
| 9. Shri Narendiran K S (from 15th March 2023) (HPCL)                                                                                             | 9. Shri Asheesh Joshi, Director (Govt. Nominee), from June 14, 2022 (MRPL)           |
| 10. Shri G. Rajendran Pillai (up to 14th July 2022) (HPCL)                                                                                       | 10. Shri Rohit Mathur, Director (Govt. Nominee) (MRPL)                               |
| <b>F.3 Government nominee Director</b>                                                                                                           | 11. Shri R T Agarwal, Independent Director, till July 12, 2022 (MRPL)                |
| 1. Smt. Esha Srivastava, Director (IC), Ministry of Petroleum & Natural Gas, Government of India, w.e.f October 11, 2021 (OVL)                   | 12. Shri Rajkumar Sharma, Independent Director (MRPL)                                |
| 2. Shri Baldeo Purushartha, Joint Secretary, Department of Economic Affairs, Ministry of Finance, Government of India w.e.f April 22, 2020 (OVL) | 13. Smt. Nivedita Subramanian, Independent Director (MRPL)                           |
| 3. Smt. Sujata Sharma (from 27th December 2022) (HPCL)                                                                                           | 14. Shri Manohar Singh Verma, Independent Director (MRPL)                            |
| 4. Shri Pankaj Kumar (from 22nd June 2022) (HPCL)                                                                                                | 15. Shri Pankaj Gupta, Independent Director (MRPL)                                   |
| 5. Shri Sunil Kumar (up to 27th December 2022) (HPCL)                                                                                            | <b>F.5 CFO &amp; Company Secretary</b>                                               |
| 6. Dr. Alka Mittal (from 17th June 2021 to 04th January 2022) (HPCL)                                                                             | 1. Shri Yogish Nayak S, GGM (Finance) & CFO from April 27, 2022 (MRPL)               |
| 7. Shri Subhash Kumar (up to 19th May 2021) (HPCL)                                                                                               | 2. Smt. Pomila Jaspal, Director (Finance) & CFO till April 18, 2022 (MRPL)           |
| <b>F.4 Other Non Executive Directors</b>                                                                                                         | 3. Shri. Chandan Kumar Das - CFO(KMP) (PMHBL)                                        |
| 1. Shri Arun Kumar Singh, Chairman from December 21, 2022 (MRPL)                                                                                 | 4. Ms. Nisha Dhingra w.e.f August 9, 2021 9 (OVL)                                    |
| 2. Shri Rajesh Kumar Srivastava, Chairman, from September 07, 2022 till December 16, 2022 (MRPL)                                                 | 5. Shri K B Shyam Kumar, Company Secretary (MRPL)                                    |
| 3. Dr. Alka Mittal, Chairperson, from January 11, 2022 till September 01, 2022 (MRPL)                                                            | 6. Shri V. Murali, Company Secretary (CS) (HPCL)                                     |
| 4. Shri Om Prakash Singh, Nominee Director (ONGC), from November 15, 2021 till June 23, 2022 (MRPL)                                              | 7. Shri. Sachin Jayaswal - Company Secretary(KMP) (PMHBL)                            |
| 5. Smt. Pomila Jaspal, Nominee Director                                                                                                          |                                                                                      |



## 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<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|-------------------------------------------------------|-------------------------------------------------------|------------------------------|------------------------------|
| <b>Sale/Purchase of products to/from:</b>             |                                                       |                              |                              |
| a) HPCL-Mittal Energy Ltd.                            | Petroleum Product                                     | 721,966.15                   | 531,361.75                   |
| b) Hindustan Colas Pct Ltd.                           | Petroleum Product                                     | 4,677.90                     | 4,052.34                     |
| c) Shell MRPL Aviation Fuels and Services Ltd(SMAFSL) | Contaminated product                                  | 0.10                         | -                            |
| d) ONGC Petro additions Limited                       | Sale of Petroleum Products                            | 1,806.55                     | 1,874.02                     |
| e) Shell MRPL Aviation Fuels and Services Ltd(SMAFSL) | Sale of Petroleum Products                            | 14,258.10                    | 6,071.23                     |
| f) ONGC Tripura Power Company Limited                 | Sale of natural gas                                   | 7,955.16                     | 6,430.57                     |
| g) ONGC Petro additions Limited                       | Sale of naphtha & C2-C3                               | 70,572.36                    | 76,623.27                    |
| h) HPCL-Mittal Energy Ltd.                            | Sale of Goods                                         | 985.90                       | 810.71                       |
| i) Hindustan Colas Pct Ltd.                           | Sale of Goods                                         | 10,662.70                    | 9,695.24                     |
| j) South Asia LPG Compan Pvt Ltd.                     | Sale of Goods                                         | 2.30                         | 3.91                         |
| <b>Services received from:</b>                        |                                                       |                              |                              |
| a) ONGC Teri Biotech Limited                          | Bio-remediation services                              | 375.86                       | 172.99                       |
| b) Dahej SEZ Limited                                  | Lease rent /ROU charges for SEZ land for C2-C3 plant  | 19.88                        | 978.80                       |
| c) MSEZ Limited                                       | Supplies and services received & Lease rent           | 1,181.46                     | 961.84                       |
| d) HPCL-Mittal Energy Ltd.                            | Other Services availed                                | 164.40                       | 189.66                       |
| e) Hindustan Colas Pct Ltd.                           | Other Services availed                                | 73.10                        | 18.55                        |
| f) South Asia LPG Compan Pvt Ltd.                     | Other Services availed                                | 795.40                       | 1,002.39                     |
| <b>Services provided to:</b>                          |                                                       |                              |                              |
| a) ONGC Petro additions Limited                       | ROU Charges for pipeline received                     | 0.44                         | 0.22                         |
|                                                       | O&M Charges                                           | 110.67                       | -                            |
| b) ONGC Teri Biotech Limited                          | Field study charges and rent for colony accommodation | 0.60                         | 0.56                         |
|                                                       | Reimbursement of Manpower cost                        | 0.09                         | -                            |
| c) ONGC Tripura Power Company Limited                 | Rent of office space at Scope Minar                   | 24.44                        | 23.77                        |

| Name of related party                                                                | Nature of transaction                                                                               | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|--------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| d) Shell MRPL Aviation Fuels and Services Ltd(SMAFSL)                                | Reimbursement of Electrical Charges & royalty income                                                | 16.40                        | 11.10                        |
| e) HPCL-Mittal Energy Ltd.                                                           | Manpower supply service, lease rent & other service                                                 | 343.96                       | 311.47                       |
| f) Hindustan Colas Pvt Ltd.                                                          | Manpower supply service, lease rent & other service                                                 | 79.91                        | 102.05                       |
| g) South Asia LPG Compan Pvt Ltd.                                                    | Manpower Supply Services, lease rent & other services                                               | 126.10                       | 122.69                       |
| h) Indradhanush Gas Grid Limited (IGGL)                                              | Manpower deputation                                                                                 | 39.90                        | 24.95                        |
| i) Himalaya Energy Syria BV, The Netherlands (through ONGC Nile Ganga B.V.)          | Deputation of manpower and other charges                                                            | 0.96                         | 0.89                         |
| <b>Dividend Income from:</b>                                                         |                                                                                                     |                              |                              |
| a) ONGC Tripura Power Company Limited                                                | Dividend Income                                                                                     | 392.00                       | 392.00                       |
| b) Shell MRPL Aviation Fuels and Services Ltd (SMAFSL)                               | Dividend Income                                                                                     | 217.50                       | 45.00                        |
| c) HPCL-Mittal Energy Limited                                                        | Dividend Income                                                                                     | 4,999.30                     | 3,000.37                     |
| d) Hindustan Colas Pvt Ltd.                                                          | Dividend Income                                                                                     | 472.50                       | 803.25                       |
| e) South Asia LPG Compan Pvt Ltd.                                                    | Dividend Income                                                                                     | 150.00                       | 750.00                       |
| f) Mansarovar Energy Colombia Limited, Colombia (through ONGC Amazon Alaknanda Ltd.) | Dividend Income                                                                                     | 1,928.90                     | 3,801.41                     |
| g) ONGC Teri Biotech Limited                                                         | Dividend Income                                                                                     | 12.50                        | -                            |
| <b>Loans and advances</b>                                                            |                                                                                                     |                              |                              |
| a) ONGC Petro Additions Limited                                                      | Advance received for transfer of Land                                                               | 17.30                        | -                            |
| <b>Subscription of Equity Shares</b>                                                 |                                                                                                     |                              |                              |
| a) Indradhanush Gas Grid Limited (IGGL)                                              | Subscription to Equity                                                                              | 1,130.00                     | 240.00                       |
| <b>Deemed Investments Non cash transaction (Ind AS fair valuations):</b>             |                                                                                                     |                              |                              |
| a) ONGC Petro addition Limited                                                       | Deemed equity investment for Financial guarantees of interest on Compulsory Convertible Debentures  | 22.74                        | 13.47                        |
| b) Indradhanush Gas Grid Limited (IGGL)                                              | Deemed equity Investment - Financial Guarantee Obligation & Amortisation of Financial Guarantee Fee | 7.68                         | -                            |



### 51.2.3 Outstanding balances with joint ventures

(₹ in Million)

| Name of related party                                                       | Nature of transaction                                                       | As at March 31, 2023 | As at March 31, 2022 |
|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------|----------------------|----------------------|
| <b>A. Amount receivable:</b>                                                |                                                                             |                      |                      |
| a) ONGC Petro additions Limited                                             | Trade and other receivables                                                 | 3,732.06             | 5,001.19             |
| b) ONGC Tripura Power Company Limited                                       | Trade and other receivables                                                 | 393.44               | 434.93               |
| c) Indradhanush Gas Grid Limited                                            | Trade and other receivables                                                 | 3.16                 | 14.00                |
| d) Shell MRPL Aviation Fuels and Services Ltd(SMAFSL)                       | Trade and other receivables                                                 | 1,227.11             | 872.11               |
| e) HPCL-Mittal Energy Ltd.                                                  | Trade and other receivables                                                 | 56.41                | 66.64                |
| f) Hindustan Colas Pvt Ltd.                                                 | Trade and other receivables                                                 | 738.81               | 362.38               |
| g) South Asia LPG Compan Pvt Ltd.                                           | Trade and other receivables                                                 | 10.31                | 14.10                |
| <b>B. Amount payable:</b>                                                   |                                                                             |                      |                      |
| a) ONGC Teri Biotech Limited                                                | Trade payables                                                              | 62.36                | 19.17                |
| b) Mangalore SEZ Limited                                                    | Trade payables                                                              | 153.07               | 124.73               |
| c) HPCL-Mittal Energy Ltd.                                                  | Trade payables                                                              | 38,752.40            | 45,024.67            |
| d) Hindustan Colas Pvt Ltd.                                                 | Trade payables                                                              | 215.40               | 863.65               |
| e) South Asia LPG Compan Pvt Ltd.                                           | Trade payables                                                              | 60.00                | 101.94               |
| <b>C. Loan &amp; Advance outstanding:</b>                                   |                                                                             |                      |                      |
| a) ONGC Petro addition Limited                                              | Advance against subscription to share warrant                               | 33,649.59            | 33,649.59            |
| b) Mangalore SEZ Limited                                                    | Capital advance & security Deposit                                          | 58.13                | 55.82                |
| c) Himalaya Energy Syria BV, The Netherlands (through ONGC Nile Ganga B.V.) | Loan Taken                                                                  | 301.25               | 292.60               |
| d) Indradhanush Gas Grid Limited (IGGL)                                     | Advance for subscription of equity shares                                   | -                    | 830.00               |
| <b>D. Commitments:</b>                                                      |                                                                             |                      |                      |
| a) ONGC Petro addition Limited                                              | Unpaid subscription of share warrants                                       | 862.81               | 862.81               |
|                                                                             | Backstopping support for compulsory convertible debentures-Interest accrued | 1,766.85             | 1,699.28             |
| b) Indradhanush Gas Grid Limited (IGGL)                                     | Loan taken by IGGL from OADB                                                | 200.00               | -                    |
| <b>E. Letter of Comfort:</b>                                                |                                                                             |                      |                      |
| a) ONGC Petro addition Limited                                              | Letter of Comfort - term loan (Refer Note No. 14.1.1)                       | 65,000.00            | 65,000.00            |
|                                                                             | Letter of Comfort - Non-Convertible Debentures (Refer Note No. 14.1.1)      | 30,000.00            | 30,000.00            |

**51.2.3.1** During the year 2019-20, the Company had approved the related party transaction for transfer of Hazira Daheh 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.

The arbitration award was pronounced against the Company in the ongoing dispute with M/s Punj Llyod Limited, and the Company has challenged arbitral award in the Hon'ble High Court of Bombay. The matter was heard by Hon'ble High Court of Bombay on September 29, 2022 wherein the Company was directed to deposit ₹380 Million within 6 weeks. Accordingly the Company has deposited the aforesaid amount on 1 February 2023 in consultation with OPaL and obtained stay on the impugned arbitration award. Management of OPaL has agreed to reimburse the same to the Company in terms of the Asset Transfer Agreement for which the Company is in the process of raising a claim for reimbursement.

#### 51.2.4 Transactions with associates

(₹ in Million)

| Name of related party                                                        | Nature of transaction                                           | Year ended<br>March 31, 2023 | Year ended<br>March 31, 2022 |
|------------------------------------------------------------------------------|-----------------------------------------------------------------|------------------------------|------------------------------|
| <b>A. Purchase of products from:</b>                                         |                                                                 |                              |                              |
| a) Falcon Oil & Gas BV, Netherlands (through ONGC Nile Ganga B.V.)           | Purchase of Crude Oil                                           | 40,222.56                    | 29,129.98                    |
| <b>B. Services received from:</b>                                            |                                                                 |                              |                              |
| a) Pawan Hans Limited (PHL)                                                  | Hiring of helicopter services                                   | 1,342.06                     | 1,259.84                     |
| b) Petronet LNG Limited                                                      | Purchase of LNG                                                 | 15,472.58                    | 18,319.61                    |
|                                                                              | Facilities charges at C2-C3 and reimbursement of consultant fee | 555.47                       | 770.86                       |
| c) Falcon Oil & Gas BV, Netherlands (through ONGC Nile Ganga B.V.)           | Reimbursement of expense                                        | 2.64                         | 2.23                         |
| <b>C. Services provided to:</b>                                              |                                                                 |                              |                              |
| a) Pawan Hans Limited (PHL)                                                  | Miscellaneous receipt on account of liquidated damages          | -                            | 60.83                        |
| b) Petronet LNG Limited                                                      | Director sitting fee and other charges                          | 0.14                         | -                            |
| c) Falcon Oil & Gas BV, Netherlands (through ONGC Nile Ganga B.V.)           | Deputation of manpower and other charges                        | 83.88                        | 85.38                        |
| d) Petrolera Indovenzolana SA, Venezuela (through ONGC Nile Ganga B.V.)      | Deputation of manpower and other charges                        | 83.82                        | 88.09                        |
| <b>D. Dividend and interest income from:</b>                                 |                                                                 |                              |                              |
| a) Petronet LNG Limited (PLL)                                                | Dividend income                                                 | 2,156.25                     | 1,968.75                     |
| b) South East Asia Gas Pipeline Ltd, Hongkong (through ONGC Nile Ganga B.V.) | Interest income                                                 | 34.91                        | 248.48                       |
| c) Petrolera Indovenzolana SA, Venezuela (through ONGC Nile Ganga B.V.)      | Interest income                                                 | 168.03                       | 101.99                       |
| d) Falcon Oil & Gas BV, Netherlands (through ONGC Nile Ganga B.V.)           | Dividend income                                                 | 2,816.19                     | 2,385.20                     |
| e) Tamba BV, The Netherlands (through ONGC Nile Ganga B.V.)                  | Dividend income                                                 | 195.30                       | 1,145.55                     |





|                                                                              |                                              |           |           |
|------------------------------------------------------------------------------|----------------------------------------------|-----------|-----------|
| f) JSC Vankorneft, Russia (through ONGC Videsh Singapore Pte Ltd.)           | Dividend income                              | 9,710.14  | 12,982.68 |
| <b>E. Investment</b>                                                         |                                              |           |           |
| a) Moz. LNG1 Holding Company Ltd.                                            | Investment in equity capital (through OVRL)  | 964.79    | 187.30    |
| b) Moz. LNG1 Holding Company Ltd.                                            | Investment in equity capital (through BREML) | 964.79    | 187.30    |
| c) Bharat Energy Office LLC, Russia (through ONGC Videsh Singapore Pte Ltd.) | Investment in equity capital (through OVSL)  | -         | 6.89      |
| <b>F. Loans Repaid by:</b>                                                   |                                              |           |           |
| a) South East Asia Gas Pipeline Ltd, Hongkong (through ONGC Nile Ganga B.V.) | Loan repaid by Associate                     | 779.41    | 1,084.26  |
| <b>G. Other Transactions:</b>                                                |                                              |           |           |
| a) South East Asia Gas Pipeline Ltd, Hongkong (through ONGC Nile Ganga B.V.) | Repayment of Capital Contribution            | 429.35    | 472.97    |
| b) JSC Vankorneft                                                            | Reimbursement of costs                       | 19,526.49 | 22,397.83 |

### 51.2.5 Outstanding balances with associates

(₹ in Million)

| Name of related party                                                        | Nature of transaction                    | As at March 31, 2023 | As at March 31, 2022 |
|------------------------------------------------------------------------------|------------------------------------------|----------------------|----------------------|
| <b>A. Amount Receivable:</b>                                                 |                                          |                      |                      |
| a) Petronet LNG Limited                                                      | Trade and other receivables              | 0.16                 | -                    |
| b) Falcon Oil & Gas BV, Netherlands (through ONGC Nile Ganga B.V.)           | Deputation of manpower and other charges | 10.82                | 19.79                |
| c) Falcon Oil & Gas BV, Netherlands (through ONGC Nile Ganga B.V.)           | Reimbursement of Expenses                | -                    | 0.89                 |
| d) Petrolera Indovenezolana SA, Venezuela (through ONGC Nile Ganga B.V.)     | Dividend Receivable                      | 33,912.99            | 31,270.96            |
| <b>B. Amount Payable:</b>                                                    |                                          |                      |                      |
| a) Pawan Hans Limited (PHL)                                                  | Trade payables                           | 129.27               | 250.55               |
| b) Petronet LNG Limited                                                      | Trade payables                           | 1,869.79             | 652.49               |
| c) Falcon Oil & Gas BV, Netherlands (through ONGC Nile Ganga B.V.)           | Trade payables                           | 8,924.16             | 7,444.43             |
| <b>C. Loans and advance outstanding:</b>                                     |                                          |                      |                      |
| a) South East Asia Gas Pipeline Ltd, Hongkong (through ONGC Nile Ganga B.V.) | Loan Given                               | -                    | 734.60               |
| b) Petrolera Indovenezolana SA, Venezuela (through ONGC Nile Ganga B.V.)     | Loan Given                               | 1,405.48             | 1,295.99             |
| c) Petrolera Indovenezolana SA, Venezuela (through ONGC Nile Ganga B.V.)     | Accrued Interest                         | 738.84               | 522.91               |

## 51.2.6 Transactions with Trusts

(₹ in Million)

| Name of related party                                                        | Nature of transaction                                           | Year ended March<br>31, 2023 | Year ended March<br>31, 2022 |
|------------------------------------------------------------------------------|-----------------------------------------------------------------|------------------------------|------------------------------|
| <b>A. Remittance of payment:</b>                                             |                                                                 |                              |                              |
| a) ONGC Contributory Provident Fund Trust                                    | Contribution                                                    | 11,605.08                    | 12,369.79                    |
| b) ONGC CSSS Trust                                                           | Contribution                                                    | 2,209.08                     | 1,077.05                     |
| c) ONGC Sahyog Trust                                                         | Contribution                                                    | 43.60                        | 31.34                        |
| d) ONGC PRBS Trust                                                           | Contribution                                                    | 8,983.56                     | 8,510.23                     |
| e) ONGC Gratuity Trust                                                       | Contribution                                                    | 423.45                       | 1,097.73                     |
| f) MRPL Providend Fund                                                       | Contribution                                                    | 583.46                       | 763.37                       |
| g) MRPL Gratuity Fund                                                        | Contribution                                                    | 202.90                       | 52.32                        |
| h) Hindustan Petroleum Corp Limited Provident Fund                           | Contribution                                                    | 1,310.70                     | 108.80                       |
| i) Hindustan Petroleum Corp Ltd Employees Post Retirement Med Benefit Fund   | Contribution                                                    | 1,475.00                     | 165.81                       |
| j) Hindustan Petroleum Corp Ltd Employees Group Gratuity Assurance Scheme    | Contribution                                                    | 695.40                       | 50.50                        |
| k) Hindustan Petroleum Corp Ltd Employees Superannuation Benefit Fund Scheme | Contribution                                                    | 1,312.50                     | 1,498.90                     |
| <b>B. Reimbursement of Gratuity payment made on behalf of Trust:</b>         |                                                                 |                              |                              |
| a) ONGC Gratuity Fund                                                        | Reimbursement                                                   | 4,545.17                     | 2,088.10                     |
| b) MRPL Gratuity fund                                                        | Reimbursement                                                   | 43.49                        | 52.94                        |
| <b>C. Services provided to:</b>                                              |                                                                 |                              |                              |
| a) ONGC Energy Center                                                        | Rental income                                                   | 3.24                         | 4.07                         |
| b) MRPL Education Trust                                                      | Services Rendered                                               | 2.15                         | 2.54                         |
| c) MRPL Janseva Trust                                                        | Services Rendered                                               | 2.52                         | 4.05                         |
| <b>D. Contribution to trust:</b>                                             |                                                                 |                              |                              |
| a) MRPL Janaseva Trust                                                       | Contribution                                                    | 52.64                        | 62.85                        |
| b) MRPL Education Trust                                                      | Contribution                                                    | 54.68                        | 54.70                        |
| c) ONGC Energy Center                                                        | For research and development                                    | 195.00                       | 75.00                        |
| d) ONGC Start Up Fund Trust                                                  | Investment                                                      | 250.00                       | 365.00                       |
| e) ONGC Foundation                                                           | Supply of Oxygen Concentrator                                   | -                            | 93.57                        |
| f) ONGC Foundation                                                           | CSR Activities                                                  | 1,496.19                     | 1,511.68                     |
| <b>E. Sale/Purchase of Securities</b>                                        |                                                                 |                              |                              |
| 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<br>31, 2023 | Year ended March<br>31, 2022 |
|------------------------------|------------------------------|------------------------------|
| Short term employee benefits | 181.65                       | 188.06                       |
| Post-employment benefits     | 35.89                        | 44.81                        |
| Long-term benefits           | 24.96                        | 23.87                        |
| <b>Total</b>                 | <b>242.51</b>                | <b>256.74</b>                |

### Independent directors

(₹ in Million)

| Particulars  | Year ended March<br>31, 2023 | Year ended March<br>31, 2022 |
|--------------|------------------------------|------------------------------|
| Sitting fees | 20.83                        | 8.25                         |
| <b>Total</b> | <b>20.83</b>                 | <b>8.25</b>                  |

### Outstanding balances

(₹ in Million)

| Particulars       | Year ended March<br>31, 2023 | Year ended March<br>31, 2022 |
|-------------------|------------------------------|------------------------------|
| Amount Receivable | 5.35                         | 8.04                         |
| Amount Payable    | 5.68                         | 24.75                        |

## 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:

| SI no. | Government related entities            | Relation    | SI no. | Government related entities                      | Relation    |
|--------|----------------------------------------|-------------|--------|--------------------------------------------------|-------------|
| 1      | Indian Oil Corporation Limited         | Central PSU | 14     | Brahmaputra Cracker and Polymer Limited          | Central PSU |
| 2      | GAIL (India) Limited                   | Central PSU | 15     | Bharat Pump and Compressor Limited               | Central PSU |
| 3      | Bharat Petroleum Corporation Limited   | Central PSU | 16     | Oil india Limited                                | Central PSU |
| 4      | Chennai Petroleum Corporation Limited  | Central PSU | 17     | Coal india Limited                               | Central PSU |
| 5      | Numaligarh Refinery Limited            | Central PSU | 18     | North Eastern Electric Power Corporation Limited | Central PSU |
| 6      | Kochi Refineries Limited               | Central PSU | 19     | Oriental Insurance Co. Limited                   | Central PSU |
| 7      | Bharat Heavy Electricals Limited       | Central PSU | 20     | Bridge & Roof Co (India) Limited                 | Central PSU |
| 8      | United India Insurance Company Limited | Central PSU | 21     | Engineers India Limited                          | Central PSU |
| 9      | Bharat Sanchar Nigam Limited           | Central PSU | 22     | Konkan Railway Corporation Limited               | Central PSU |
| 10     | Mahanagar Telephone Nigam Limited      | Central PSU | 23     | Rashtriya Chemicals and Fertilizers Limited      | Central PSU |
| 11     | Balmer Lawrie & Co Limited             | Central PSU | 24     | National Insurance Company Limited               | Central PSU |
| 12     | Shipping Corporation of India          | Central PSU |        |                                                  |             |
| 13     | Bharat Electronics Limited             | Central PSU |        |                                                  |             |

|    |                                                     |                    |    |                                                         |                    |
|----|-----------------------------------------------------|--------------------|----|---------------------------------------------------------|--------------------|
| 25 | New India Assurance Company Limited                 | Central PSU        | 34 | Karnataka Industrial Area Development Board             | State Government   |
| 26 | The Fertilisers and Chemicals Travancore Ltd.       | Central Government | 35 | Haldia Petrochemicals Limited                           | State Government   |
| 27 | Indian Strategic Petroleum Reserves Limited (ISPRL) | Central Government | 36 | Kerala Small Industries Development Corporation Limited | State Government   |
| 28 | Centre for High Technology                          | Central Government | 37 | Malabar Cements Limited                                 | State Government   |
| 29 | Indian Railways                                     | Central Government | 38 | Member Secretary, KSPCB, Mangalore                      | State Government   |
| 30 | Central Industrial Security Force                   | Central Government | 39 | MESCOM                                                  | State Government   |
| 31 | Ministry of Corporate Affairs                       | Central Government | 40 | Additional Chief Electrical Inspector, Mangalore        | State Government   |
| 32 | National Informatics Centre                         | Central Government | 41 | Karnataka State Pollution Control Board                 | State Government   |
| 33 | Karnataka Power Transmission Corporation Limited    | State Government   | 42 | New Mangalore Port Trust                                | Central Port Trust |

### 51.3.2 Group Transactions with Government Related Entities

(₹ in Million)

| Name of related party                                                | Nature of transaction                                                             | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|----------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| <b>Sale of products during year to:</b>                              |                                                                                   |                                   |                                   |
| a) Indian Oil Corporation Limited                                    | Sale of crude oil C2-C3, SKO, HSD, LPG, Oxygen Concentrators and related services | 611,521.97                        | 404,246.19                        |
| b) Bharat Petroleum Corporation Ltd                                  | Sale of crude oil C2-C3, SKO, HSD, LPG, Oxygen Concentrators and related services | 318,814.23                        | 193,964.05                        |
| c) Chennai Petroleum Corporation Ltd                                 | Sale of crude oil, Oxygen Concentrators and related services                      | 102,464.42                        | 72,808.50                         |
| d) Numaligarh Refinery Ltd                                           | Sale of crude oil, Oxygen Concentrators and related services                      | 49,426.79                         | 33,717.05                         |
| e) GAIL (India) Limited                                              | Sale of Natural Gas & other product, Oxygen Concentrators and related services    | 327,876.27                        | 99,469.27                         |
| f) Brahmaputra Cracker and Polymer Ltd                               | Sale of Natural gas                                                               | 1,049.90                          | 506.65                            |
| g) North Eastern Electric Power Corporation Limited                  | Sale of Natural gas                                                               | 1,669.55                          | 1,242.47                          |
| h) New Mangalore Port Trust                                          | Sale of petroleum products                                                        | -                                 | 3.11                              |
| i) Haldia Petrochemicals Limited                                     | Sale of petroleum products                                                        | -                                 | 4,599.29                          |
| j) Kerala Small Industries Development Corporation Limited           | Sale of petroleum products                                                        | 347.91                            | 341.82                            |
| k) Malabar Cements Limited                                           | Sale of petroleum products                                                        | 324.00                            | 110.02                            |
| l) Rashtriya Chemicals and Fertilizers Limited                       | Sale of petroleum products                                                        | 480.17                            | 399.87                            |
| m) The Fertilisers and Chemicals Travancore Ltd.                     | Sale of petroleum products                                                        | 2,615.56                          | -                                 |
| n) Indian Strategic Petroleum Reserves Limited (ISPRL)               | Sale of crude oil & petroleum products                                            | 45.93                             | 0.31                              |
| o) Indian Railways                                                   | Sale of petroleum products                                                        | 5,501.40                          | 4,180.05                          |
| <b>Purchase of product &amp; services provided during year from:</b> |                                                                                   |                                   |                                   |
| a) Indian Oil Corporation Limited                                    | Purchase of Petrol Oil & lubricant                                                | 22,500.66                         | 4,458.17                          |
| b) Bharat Petroleum Corporation Ltd                                  | Purchase of Petrol Oil & lubricant                                                | 5,706.56                          | 5,197.38                          |



|                                                        |                                                                                    |           |           |
|--------------------------------------------------------|------------------------------------------------------------------------------------|-----------|-----------|
| c) GAIL (India) Limited                                | Purchase of LNG & Other related services                                           | 11,781.02 | 6,220.17  |
| d) Bharat Heavy Electricals Limited                    | Purchase of drilling rig related items including spares and related services       | 2,047.00  | 1,644.29  |
| e) Numaligarh Refinery Ltd                             | Purchase of HSD                                                                    |           |           |
| f) Bharat Pump and Compressor Ltd                      | Purchase of spare parts                                                            | 14.04     | 6.73      |
| g) Bharat Electronics Limited                          | Purchase of Products                                                               | -         | 53.11     |
| h) Indian Strategic Petroleum Reserves Limited (ISPRL) | Purchase of Crude Oil                                                              | 308.75    | 1,023.20  |
|                                                        |                                                                                    | 2.04      | 30,137.73 |
| <b>Services Provided to:</b>                           |                                                                                    |           |           |
| a) Indian Strategic Petroleum Reserves Limited (ISPRL) | Deputation of MRPL employees                                                       | 11.76     | 17.05     |
| <b>Services Received from:</b>                         |                                                                                    |           |           |
| a) Karnataka Power Transmission Corporation Ltd        | Purchase of electricity                                                            | 0.01      | 0.13      |
| b) Oriental Insurance Co. Ltd                          | Insurance premium                                                                  | 855.24    | 497.08    |
| c) New Mangalore Port Trust                            | Port Services others                                                               | 1,376.86  | 1,141.76  |
| d) Bridge & Roof Co (India) Ltd                        | Job Work Service                                                                   | 273.46    | 112.46    |
| e) Engineers India Ltd                                 | Technical Services                                                                 | 282.76    | 47.10     |
| f) Shipping Corporation of India                       | Hiring of vessels                                                                  | 9,811.46  | 6,854.76  |
| g) Konkan Railway Corporation Limited                  | Railway Siding Freight Charges                                                     | 1,286.20  | 13.49     |
| h) Bharat Petroleum Corporation Ltd (BPCL)             | PT Programme Services                                                              | 0.03      | -         |
| i) Bharat Heavy Electrical Ltd                         | Other services                                                                     | -         | 25.81     |
| j) Additional Chief Electrical Inspector, Mangalore    | Captive-Power-Gen-Cpp-Solar                                                        | 208.13    | 236.33    |
| k) Central Industrial Security Force                   | Security Charges                                                                   | 244.68    | 155.49    |
| l) Gail (India) Limited                                | RLNG Transmission                                                                  | -         | 161.17    |
| m) Member, Secretary, KSPCB, Mangalore                 | Payment of Consent Fee                                                             | 0.80      | 104.62    |
| n) MESCOM                                              | Power Supply and Rating Fee                                                        | 1,118.81  | 907.60    |
| o) National Insurance Company Limited                  | Services                                                                           | 0.50      | 18.87     |
| p) Karnataka State Pollution Control Board             | Services                                                                           | -         | 37.87     |
| q) Balmer Lawrie & Co. Limited                         | Travel expenses                                                                    | 1,377.66  | 553.03    |
| r) New India Assurance Company Limited                 | Services                                                                           | 31.01     | 0.05      |
| s) National Informatics Centre                         | Services                                                                           | -         | 0.98      |
| t) United India Insurance Company Limited              | Insurance premium                                                                  | 2,415.87  | 1,264.03  |
| u) Oil India limited                                   | Pipe line service                                                                  | 181.69    | 237.77    |
| v) Life Insurance Corporation of India                 | Remittance for Post Retirement Medical Benefit Scheme, Leave Encashment and others | 29,269.91 | 33,327.80 |
| <b>Dividend Income received from:</b>                  |                                                                                    |           |           |
| a) Indian Oil Corporation Limited                      | Dividend income                                                                    | 4,813.97  | 14,040.76 |
| b) GAIL (India) Limited                                | Dividend income                                                                    | 1,524.68  | 1,960.30  |



### 51.3.3 Outstanding balances with Government Related Entities

(₹ in Million)

| Particulars                                            |                                                           | As at March 31,<br>2023 | As at March 31,<br>2022 |
|--------------------------------------------------------|-----------------------------------------------------------|-------------------------|-------------------------|
| <b>Amount receivable:</b>                              |                                                           |                         |                         |
| a) Indian Oil Corporation Limited                      | Trade & other receivable                                  | 30,382.27               | 37,518.68               |
| b) Bharat Petroleum Corporation Limited                | Trade & other receivable                                  | 14,755.36               | 16,441.80               |
| c) Indian Strategic Petroleum Reserves Limited (ISPRL) | Trade & other receivable                                  | 48.74                   | 0.47                    |
| d) Indian Railways                                     | Trade & other receivable                                  | 1,056.70                | 489.98                  |
| e) Haldia Petrochemicals Limited                       | Trade & other receivable                                  | -                       | 0.70                    |
| f) Rashtriya Chemicals and Fertilizers Limited         | Trade & other receivable                                  | 24.51                   | 85.30                   |
| g) The Fertilisers and Chemicals Travancore Ltd.       | Trade & other receivable                                  | 257.06                  | -                       |
| h) Chennai Petroleum Corporation Limited               | Trade & other receivable                                  | 4,470.73                | 9,902.24                |
| i) Numaligarh Refinery Limited                         | Trade & other receivable                                  | 2,882.79                | 3,114.44                |
| j) GAIL (India) Limited                                | Trade & other receivable                                  | 23,271.37               | 9,995.77                |
| k) Oil India Limited                                   | Trade & other receivable                                  | 371.96                  | 840.09                  |
| l) Brahmaputra Cracker and Polymer Limited             | Trade & other receivable                                  | 69.40                   | 89.26                   |
| m) Kochi Refineries Limited                            | Trade & other receivable                                  | -                       | 0.05                    |
| n) Coal India Limited                                  | Trade & other receivable                                  | 992.37                  | 897.44                  |
| o) Life Insurance Corporation of India                 | Receivable against Post Retirement Medical Benefit Scheme | 3,990.86                | -                       |
| <b>Advance to vendors:</b>                             |                                                           |                         |                         |
| a) Centre for High Technology                          | Advance                                                   | 3.94                    | 29.82                   |
| b) Karnataka Industrial Area Development Board         | Advance & Security Deposit for Land etc.                  | -                       | 6,956.24                |
| c) MESCOM                                              | Advance                                                   | 99.14                   | 81.76                   |
| d) Central Industrial Security Force                   | Advance                                                   | 29.84                   | 10.75                   |
| e) New Mangalore Port Trust                            | Advance                                                   | 238.99                  | 232.45                  |
| f) National Insurance Company Limited                  | Advance                                                   | 0.06                    | 0.06                    |
| g) Oriental Insurance Co. Ltd                          | Advance                                                   | 3.97                    | -                       |
| h) New India Assurance Co. Ltd.                        | Advance                                                   | 0.13                    | -                       |
| i) United India Assurance                              | Advance                                                   | 3.87                    | -                       |
| <b>Amount payable:</b>                                 |                                                           |                         |                         |
| a) Bridge & Roof Co (India) Ltd                        | Trade & other payable                                     | 81.73                   | 86.64                   |
| b) Engineers India Ltd                                 | Trade & other payable                                     | 196.50                  | 208.34                  |
| c) Bharat Heavy Electricals Limited                    | Trade & other payable                                     | 494.78                  | 1,005.73                |
| d) Shipping Corporation of India Limited               | Trade & other payable                                     | 2,161.75                | 2,241.35                |
| e) Konkan Railway Corporation Limited                  | Trade & other payable                                     | -                       | 32.24                   |
| f) Indian Oil Corporation Limited                      | Trade & other payable                                     | 96.79                   | 79.44                   |
| g) Indian Strategic Petroleum Reserves Limited (ISPRL) | Trade & other payable                                     | 6,283.15                | 116.12                  |
| h) GAIL (India) Limited                                | Trade & other payable                                     | 333.90                  | 342.10                  |



| Particulars                                                |                       | As at March 31, 2023 | As at March 31, 2022 |
|------------------------------------------------------------|-----------------------|----------------------|----------------------|
| i) MESCOM                                                  | Trade & other payable | 144.32               | -                    |
| j) Bharat Petroleum Corporation Limited                    | Trade & other payable | 674.04               | 1,028.33             |
| k) Balmer Lawrie & Co Limited                              | Trade & other payable | 56.09                | 32.68                |
| l) Bharat Electronics Limited                              | Trade & other payable | 91.32                | 383.08               |
| m) Oil India Limited                                       | Trade & other payable | 580.93               | 4.35                 |
| n) Bharat Pump and Compressor Limited                      | Trade & other payable | -                    | 4.30                 |
| o) Life Insurance Corporation of India                     | Trade & other payable | 79.64                | -                    |
| <b>Advance from Customers</b>                              |                       |                      |                      |
| a) Kerala Small Industries Development Corporation Limited | Advance               | 0.36                 | 0.06                 |
| b) Assistant Director KRIDL                                | Advance               | 0.48                 | 0.53                 |
| c) Malabar Cements Limited                                 | Advance               | 0.17                 | 0.07                 |

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

#### 52.1.1 Gearing Ratio

The gearing ratio is worked out as follows:

- 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.

(₹ in Million)

| Particulars                                                | As at March 31, 2023 | As at March 31, 2022 |
|------------------------------------------------------------|----------------------|----------------------|
| i) Debt                                                    | 1,291,855.56         | 1,077,758.06         |
| ii) Total cash and bank balances                           | 291,403.27           | 68,409.39            |
| Less : cash and bank balances required for working capital | 389.16               | 438.55               |
| Net cash and bank balances                                 | 291,014.11           | 67,970.84            |
| iii) Net Debt                                              | 1,000,841.45         | 1,009,787.22         |
| iv) Total equity                                           | 3,012,550.35         | 2,833,278.43         |
| v) Net Debt to equity ratio                                | 33.22%               | 35.64%               |

## 52.2 Categories of financial instruments

(₹ in Million)

| Particulars                                                        | As at March 31, 2023 | As at March 31, 2022 |
|--------------------------------------------------------------------|----------------------|----------------------|
| <b>Financial assets</b>                                            |                      |                      |
| <b>Measured at fair value through profit or loss (FVTPL)</b>       |                      |                      |
| (a) Investment in mutual funds                                     | -                    | 41,578.88            |
| (b) Compulsory Convertible Preference Share                        | 365.22               | 178.04               |
| (c) Derivative assets                                              | 40.14                | -                    |
| (d) Debt Instrument                                                | 51,688.97            | 53,715.24            |
| (e) Investments in equity instruments                              | 8.32                 | 0.32                 |
| (f) Investment in Start up Fund#                                   | 600.15               | 444.21               |
| <b>Measured at amortised cost</b>                                  |                      |                      |
| (a) Investment in GoI Special Bonds                                | 1,975.08             | 1,975.08             |
| (b) Trade and other receivables                                    | 213,740.67           | 216,637.84           |
| (c) Cash and cash equivalents                                      | 26,399.98            | 50,346.67            |
| (d) Other bank balances                                            | 265,003.29           | 18,062.72            |
| (e) Deposit under Site Restoration Fund                            | 267,511.58           | 248,721.80           |
| (f) Loans                                                          | 34,231.69            | 31,365.97            |
| (g) Other financial assets                                         | 186,644.50           | 132,581.06           |
| <b>Measured at FVTOCI</b>                                          |                      |                      |
| (a) Investments in equity instruments (Note No. 14.2.2 and 14.2.3) | 197,376.82           | 199,378.60           |
| <b>Financial liabilities</b>                                       |                      |                      |
| <b>Measured at fair value through profit or loss (FVTPL)</b>       |                      |                      |
| (a) Derivative Liability                                           | 667.02               | 2,060.52             |
| <b>Measured at amortised cost</b>                                  |                      |                      |
| (a) Short Term Borrowings                                          | 308,260.11           | 197,331.30           |
| (b) Long Term Borrowings                                           | 983,595.45           | 880,426.76           |
| (c) Trade payables                                                 | 336,426.02           | 401,860.14           |
| (d) Other financial liabilities                                    |                      |                      |
| i. Compulsory Convertible Debentures                               | 75,725.94            | 76,401.82            |
| ii. Financial guarantee contracts                                  | 13.26                | 4.35                 |
| iii. Others                                                        | 405,133.99           | 375,152.66           |
| (e) Lease Liabilities                                              | 130,692.60           | 142,100.52           |

# Further, during the year the company has subscribed additional 15,000,000 no's (previous year 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 ₹ 150 Million (previous year ₹ 444.21 Million) (refer note 14.2.4)

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's operational requirements, the Group 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. Concentration of credit risk to any other counterparty did not exceed 5.00% (Previous year 7.88%) of total monetary assets at any time during the year. 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, 2023 is ₹401,168.34 Million (As at March 31, 2022 ₹389,094.14 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.

### 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, if a customer or counterparty to a financial instrument fails to meet their contractual obligations. The risk arises principally from 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 Corporation 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: In respect of HPCL,

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)

|                      | 31.03.2023            |                            |                 | 31.03.2022            |                            |                 |
|----------------------|-----------------------|----------------------------|-----------------|-----------------------|----------------------------|-----------------|
|                      | Gross carrying amount | Weighted average loss rate | Loss allowance  | Gross carrying amount | Weighted average loss rate | Loss allowance  |
| Past due 0-90 days   | 65,877.20             | 0.07%                      | 43.10           | 61,370.50             | 0.02%                      | 11.60           |
| Past due 91-360 days | 1,920.20              | 5.73%                      | 110.00          | 850.70                | 3.35%                      | 28.50           |
| More than 360 days   | 3,083.80              | 77.97%                     | 2404.30         | 2,904.80              | 57.93%                     | 1,682.80        |
|                      | <b>70,881.20</b>      |                            | <b>2,557.40</b> | <b>65,126.00</b>      |                            | <b>1,722.90</b> |

**The movement in loss allowance on trade receivables and loans given to PMUY Consumers is as follows:**

(₹ in Million)

| Particulars                     | Trade Receivables | Loans           |
|---------------------------------|-------------------|-----------------|
| <b>Balance as at 31.03.2021</b> | <b>3,201.40</b>   | <b>6,180.70</b> |
| Add : Loss allowance recognized | 189.70            | -               |
| Less : Loss allowance reversed  | 1,666.80          | 4,993.70        |
| Less : Amounts written off      | 1.30              | -               |
| <b>Balance as at 31.03.2022</b> | <b>1,722.90</b>   | <b>1,187.00</b> |
| Add : Loss allowance recognized | 935.00            | -               |
| Less : Loss allowance reversed  | 49.90             | 936.90          |
| Less : Amounts written off      | 50.60             | -               |
| <b>Balance as at 31.03.2023</b> | <b>2,557.74</b>   | <b>250.10</b>   |





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 HPCL Group held cash and cash equivalents of ₹5,184.80 Million as at 31.03.2023 (31.03.2022: ₹2,338.50 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, Government of India T-bills, Tri Party Repo System (TREPS), Clearcorp Repo Order Matching System (CROMS) and debt 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 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.

| Particulars                                           | Weighted average effective interest rate | Less than 1 month | 1 month -1 year | 1 year – 3 years | More than 3 years | Total      |
|-------------------------------------------------------|------------------------------------------|-------------------|-----------------|------------------|-------------------|------------|
| <b>As at March 31, 2023</b>                           |                                          |                   |                 |                  |                   |            |
| <b>Measured at amortised cost</b>                     |                                          |                   |                 |                  |                   |            |
| <b>Fixed Rate Borrowing:</b>                          |                                          |                   |                 |                  |                   |            |
| Short Term Borrowing                                  |                                          | -                 | 32,689.47       | -                | -                 | 32,689.47  |
| Long Term Borrowing                                   |                                          | -                 | -               | 5,000            | 34,499.32         | 39,499.32  |
| Borrowings                                            | Refer Note No. 29                        | 22,261.26         | 20634.28        | 503,74.99        | 76342.21          | 169,612.74 |
| Borrowings and interest thereon                       |                                          | -                 | 221,422.50      | 269,177.00       | 312,313.00        | 802,912.50 |
| USD 750 Million unsecured non-convertible Reg S Bonds | 4.72%                                    | -                 | -               | 61,128.39        | -                 | 61,128.39  |
| USD 500 Million unsecured non-convertible Reg S Bonds | 3.76%                                    | -                 | 41,032.66       | -                | -                 | 41,032.66  |
| USD 600 Million Foreign Currency Bonds                | 3.802%                                   | -                 | -               | -                | 49,212.00         | 49,212.00  |
| <b>Variable Rate Borrowing:</b>                       |                                          |                   |                 |                  |                   |            |
| Term loan from bank (USD 1,000 Million Facility)      | USD 3M/6M LIBOR + 95 bps                 | -                 | -               | 81,246.35        | -                 | 81,246.35  |
| Term Loan from Bank (USD 500 Million Facility)        | USD 3M/6M LIBOR + 100 bps                | -                 | -               | 40,787.48        | -                 | 40,787.48  |
| USD 500 Mn Syndicated Loan                            | USD 3M/6M LIBOR + 97 bps                 | -                 | -               | -                | 40,664.25         | 40,664.25  |
| USD 600 Mn Syndicated Loan                            | USD 3M/6M Libor + 85 bps                 | -                 | -               | -                | 48,920.33         | 48,920.33  |
| USD 100 Mn Term Loan                                  | 3M TERM SOFR + 90 bps                    | -                 | -               | -                | 8,132.84          | 8,132.84   |
| Term Loan from Bank (JPY 38 Billion Facility)         | 3MJPYLibor + 47 bps                      | -                 | 2,875.62        | 7,808.93         | -                 | 10,684.55  |

| Particulars                                                 | Weighted average effective interest rate | Less than 1 month | 1 month -1 year   | 1 year – 3 years | More than 3 years | Total               |
|-------------------------------------------------------------|------------------------------------------|-------------------|-------------------|------------------|-------------------|---------------------|
| <b>Derivative financial liabilities</b>                     |                                          |                   |                   |                  |                   |                     |
| Forward exchange contracts (Net)                            |                                          | -                 | 15.70             | -                | -                 | 15.70               |
| <b>Others financial liabilities:</b>                        |                                          |                   |                   |                  |                   |                     |
| Lease Liabilities #                                         |                                          | -                 | -                 | -                | -                 | 134,493.82          |
| Trade Payable                                               |                                          | 128,832.08        | 247,478.85        | 70.32            | 4,294.28          | 380,675.52          |
| Payable to operators                                        |                                          | 1,606.82          | 5.64              |                  | 65.42             | 1,677.88            |
| Retention Money for capital supplies / services             |                                          | 2.16              | 3.49              | 0.50             | 13.22             | 19.37               |
| Bonus payable for extension of Production sharing agreement |                                          | -                 | 1,120.76          | 1,096.03         | -                 | 2,216.79            |
| Deposit from suppliers/vendors                              |                                          | 3,200.32          | 251.97            | 1,425.72         | 37.40             | 4,915.41            |
| Interest accrued                                            |                                          | 885.86            | 6,085.61          | 1,206.17         | 265.82            | 8,443.46            |
| Compulsory Convertible Debentures                           |                                          | -                 | 75,725.94         | -                | -                 | 75,725.94           |
| Others                                                      |                                          | 151,091.64        | 228,404.55        | 32.58            | 258.94            | 379,787.72          |
| <b>Gross other financial liabilities</b>                    |                                          | <b>285,618.88</b> | <b>559,076.81</b> | <b>3,831.32</b>  | <b>4,935.07</b>   | <b>987,955.90</b>   |
| Less: Intra group eliminations                              |                                          |                   |                   |                  |                   | 46,772.51           |
| <b>Total other financial liabilities</b>                    |                                          |                   |                   |                  |                   | <b>941,183.39</b>   |
| <b>Grand Total</b>                                          |                                          |                   |                   |                  |                   | <b>2,367,721.97</b> |
| <b>Financial Guarantee Obligation*</b>                      |                                          |                   |                   |                  |                   | <b>1,966.85</b>     |

# For Maturity Analysis of Lease Liabilities please refer Note No. 48.2 and refer Note No. 29 Borrowings.

| Particulars                                           | Weighted average effective interest rate | Less than 1 month | 1 month -1 year | 1 year – 3 years | More than 3 years | Total             |
|-------------------------------------------------------|------------------------------------------|-------------------|-----------------|------------------|-------------------|-------------------|
| <b>As at March 31, 2022</b>                           |                                          |                   |                 |                  |                   |                   |
| <b>Measured at amortised cost</b>                     |                                          |                   |                 |                  |                   |                   |
| <b>Fixed Rate Borrowing:</b>                          |                                          |                   |                 |                  |                   |                   |
| Short Term Borrowing                                  |                                          | -                 | -               | -                | -                 | -                 |
| Long Term Borrowing                                   |                                          | -                 | -               | 26,400.00        | 37,569.02         | <b>63,969.02</b>  |
| Borrowings                                            | Refer Note no. 29                        | 21,758.61         | 46,945.10       | 68,327.39        | 74,707.11         | <b>211,738.21</b> |
| Borrowings and interest thereon                       |                                          | -                 | 143,618.20      | 153,259.10       | 212,369.20        | <b>509,246.50</b> |
| USD 750 Million unsecured non-convertible Reg S Bonds | 4.72%                                    | -                 | -               | 56,366.11        | -                 | <b>56,366.11</b>  |
| USD 500 Million unsecured non-convertible Reg S Bonds | 3.76%                                    | -                 | -               | 37,835.96        | -                 | <b>37,835.96</b>  |
| USD 600 Million Foreign Currency Bonds                | 3.802%                                   | -                 | -               | -                | 45,358.14         | <b>45,358.14</b>  |
| <b>Variable Rate Borrowing:</b>                       |                                          |                   |                 |                  |                   |                   |
| Term loan from bank (USD 1,000 Million Facility)      | 3M\$Libor + 95 bps                       | -                 | -               | 74,916.75        | -                 | <b>74,916.75</b>  |
| Term Loan from Bank (USD 500 Million Facility)        | 3M\$Libor + 100 bps                      | -                 | -               | 37,609.88        | -                 | <b>37,609.88</b>  |
| USD 500 Mn Syndicated Loan                            | USD 3M/6M Libor + 97 bps                 | -                 | -               | -                | 37,496.25         | <b>37,496.25</b>  |
| USD 600 Mn Syndicated Loan                            | 3M\$Libor + 76 bps                       | -                 | -               | -                | 45,109.13         | <b>45,109.13</b>  |
| USD 100 Mn Term Loan                                  | 3M TERM SOFR + 90 bps                    | -                 | -               | -                | 7,499.25          | <b>7,499.25</b>   |
| Term Loan from Bank (JPY 38 Billion Facility)         | 3MJPYLibor + 47 bps                      | -                 | -               | 10,665.91        | -                 | <b>10,665.91</b>  |
| <b>Derivative financial liabilities</b>               |                                          |                   |                 |                  |                   |                   |
| Commodity contracts (net settled)                     |                                          | -                 | 1,853.10        | -                | -                 | <b>1,853.10</b>   |
| <b>Others financial liabilities:</b>                  |                                          |                   |                 |                  |                   |                   |
| Lease Liabilities #                                   |                                          | -                 | -               | -                | -                 | <b>110,417.01</b> |



| Particulars                                                 | Weighted average effective interest rate | Less than 1 month | 1 month -1 year   | 1 year – 3 years | More than 3 years | Total               |
|-------------------------------------------------------------|------------------------------------------|-------------------|-------------------|------------------|-------------------|---------------------|
| Trade Payable                                               |                                          | 151,971.01        | 294,302.98        | 716.00           | 3,903.90          | <b>450,893.88</b>   |
| Payable to operators                                        |                                          | 5,241.50          | 0.54              | -                | 65.42             | <b>5,307.45</b>     |
| Retention Money for capital supplies / services             |                                          | 0.67              | 1.04              | 3.96             | 11.23             | <b>16.90</b>        |
| Bonus payable for extension of Production sharing agreement |                                          | -                 | 1,032.55          | 1,999.11         | -                 | <b>3,031.66</b>     |
| Deposit from suppliers/vendors                              |                                          | 5,345.45          | 352.31            | 477.14           | 19.50             | <b>6,194.40</b>     |
| Interest accrued                                            |                                          | 877.16            | 2,255.98          | 922.83           | -                 | <b>4,055.97</b>     |
| Compulsory Convertible Debentures                           |                                          | -                 | 60,423.29         | 15,978.53        | -                 | <b>76,401.82</b>    |
| Others                                                      |                                          | 130,892.78        | 220,494.15        | 49.77            | 754.09            | <b>352,190.79</b>   |
| <b>Gross other financial liabilities</b>                    |                                          | <b>294,427.28</b> | <b>579,577.98</b> | <b>21,412.60</b> | <b>12,832.42</b>  | <b>1,008,509.89</b> |
| Less: Intra group eliminations                              |                                          |                   |                   |                  |                   | 51,482.01           |
| <b>Total other financial liabilities</b>                    |                                          |                   |                   |                  |                   | <b>957,027.88</b>   |
| <b>Grand Total</b>                                          |                                          |                   |                   |                  |                   | <b>2,096,692.07</b> |
| Financial Guarantee Obligation*                             |                                          |                   |                   |                  |                   | <b>1,699.28</b>     |

\*Represents Company's maximum exposure as on March 31, 2023 and March 31, 2022 in respect of financial guarantee obligation given to banks / vendors on behalf joint venture companies for the estimated amount that would be payable to the third party for assuming the obligation.

# 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 USD 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. However, further update in EMTN program would be carried out depending upon the visibility on the requirement of funds

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, 2023 are given under Note no 29.1.2.

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.

#### Unsecured bank overdraft facility, reviewed annually and payable at call:

(₹ in Million)

| Particulars    | As at March 31, 2023 | As at March 31, 2022 |
|----------------|----------------------|----------------------|
| Amount used    | -                    | -                    |
| Amount unused# | 45,000               | 40,000               |

# At the year-end, the cash credit limit was ₹45,000 Million (Previous year ₹40,000 Million) considering business requirement of the Company. The cash credit limit of ₹ NIL (Previous year ₹ Nil Million) was utilized as working capital loan.

Further, at the year-end, the Company had arrangement for facility of loan against term deposit facility was ₹73,013.50 Million (Previous year NIL). Against the same, the loan against term deposit of

₹6,289.99 Million (Previous year NIL) was utilized

Besides the above, the Company had arrangement for unutilized short term loan facilities of ₹50,000 Million as on March 31, 2023 (Previous year ₹40,000 Million) with other banks.

The Company also had an unutilized limit of ₹100,000 Million (Previous year ₹100,000 Million) for raising funds through Commercial Paper.

#### In respect of subsidiary company MRPL,

The Company has access to financing facilities as described below, of which ₹ Nil were unused at the end of the reporting period (As at March 31, 2022 ₹ Nil). The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

(₹ in Million)

| Particulars                                       | As at March 31, 2023 | As at March 31, 2022 |
|---------------------------------------------------|----------------------|----------------------|
| Secured bank overdraft facility, payable at call: | -                    | 5,000.00             |
| amount used                                       | -                    | 5,000.00             |
| amount unused                                     | -                    | -                    |
|                                                   | -                    | -                    |

#### 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:

| Particulars                          | Less than 3 months | 3 months – 6 months | 6 months – 1 year | More Than 1 year | Total  | Carrying amount |
|--------------------------------------|--------------------|---------------------|-------------------|------------------|--------|-----------------|
| <b>As at March 31, 2023</b>          |                    |                     |                   |                  |        |                 |
| Gross settled:                       |                    |                     |                   |                  |        |                 |
| <b>Derivative liabilities</b>        |                    |                     |                   |                  |        |                 |
| - foreign exchange forward contracts | 558.66             | -                   | -                 | 92.63            | 651.29 | 651.29          |
| <b>Total</b>                         | 558.66             | -                   | -                 | 92.63            | 651.29 | 651.29          |
| Gross settled:                       |                    |                     |                   |                  |        |                 |
| <b>Derivative assets</b>             |                    |                     |                   |                  |        |                 |
| - foreign exchange forward contracts | -                  | -                   | -                 | -                | -      | -               |
| <b>Total</b>                         |                    |                     | -                 | -                | -      | -               |
| <b>As at March 31, 2022</b>          |                    |                     |                   |                  |        |                 |
| Gross settled:                       |                    |                     |                   |                  |        |                 |
| <b>Derivative liabilities</b>        |                    |                     |                   |                  |        |                 |
| - foreign exchange forward contracts |                    |                     |                   |                  |        |                 |
| <b>Total</b>                         | -                  | -                   | -                 | 207.39           | 207.39 | 207.39          |
| Gross settled:                       |                    |                     |                   |                  |        |                 |
| <b>Derivative assets</b>             |                    |                     |                   |                  |        |                 |
| foreign exchange forward contracts   |                    |                     |                   |                  |        |                 |
| <b>Total</b>                         |                    |                     |                   |                  |        |                 |



## In respect of subsidiary company HPCL,

### (i) Financing Arrangement

The Company has adequate fund and non-fund based lines from various banks. The Company has sufficient borrowing limits in place duly approved by its Shareholders and Board. Domestic and international credit rating from reputed credit rating agencies enables access of funds both from domestic as well as international market. Company's diversified source of funds and cash flow enables it to maintain

requisite capital structure discipline. Company diversifies its capital structure with a mix of instruments and financing products across varying maturities and currencies. The financing products include syndicated loans, foreign currency bonds, bank term loans, TREPS loan, CROMS loan, commercial paper, non-convertible debentures, buyer's credit loan, clean loan etc. Company taps domestic as well as foreign debt markets from time to time to ensure appropriate funding mix and diversification across geographies.

### (ii) The details of derivative financial liabilities are as follows:

(₹ in Million)

| Derivative financial liabilities  | Contractual cash flows |           |                   |                 |           |                   |
|-----------------------------------|------------------------|-----------|-------------------|-----------------|-----------|-------------------|
|                                   | 31.03.2023             |           |                   | 31.03.2022      |           |                   |
|                                   | 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        | -         | -                 |
| Forward exchange contracts (Net)  | 15.70                  | -         | -                 | -               | -         | -                 |
| <b>Total</b>                      | <b>15.70</b>           | <b>-</b>  | <b>-</b>          | <b>1,853.10</b> | <b>-</b>  | <b>-</b>          |

## 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.

### In respect of the Comaany

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 Ukraine – Russia conflict 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 (USD) though billed and received in Indian Rupees (₹). The Company is, therefore, exposed to foreign currency risk principally out of ₹ appreciating against USD. 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 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 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 Corporation 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. Forex Risk Management Cell (FRMC) actively review the forex and interest rate exposures. The Corporation 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 Corporation does not use derivative financial instruments for trading or speculative purposes.

**Similarly, subsidiary MRPL**, undertakes transactions denominated in foreign currencies, primarily for purchases of crude oil and exports sales and has borrowings denominated in foreign currency; consequently, exposures to exchange rate fluctuations arise.

**In respect of subsidiary company OVL**, the functional currency is USD. The company undertakes transactions denominated in different foreign currencies and is consequently exposed to exchange rate fluctuations.

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, 2023    | March 31, 2022 | March 31, 2023 | March 31, 2022 |
| USD         | 559,487.14        | 954,093.80     | 31,810.85      | 38,370.03      |
| GBP         | 737.67            | 1,330.25       | -              | -              |
| EURO        | 1,700.98          | 1,813.75       | -              | -              |
| AED         | 9,609.65          | -              | -              | -              |
| JPY         | 10,711.24         | 10,695.91      | -              | -              |
| Others      | 42.21             | 61.68          | 6,907.11       | -              |

### 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 USD 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 USD-₹ currency pair, sensitivity of profit or loss only on outstanding foreign currency denominated monetary items at the period end is presented below:



(₹ in Million)

| USD sensitivity at year end | Year ended March 31, 2023 | Year ended March 31, 2022 |
|-----------------------------|---------------------------|---------------------------|
| <b>Assets:</b>              |                           |                           |
| Weakening of ₹ by 5%        | 410.36                    | 407.45                    |
| Strengthening of ₹ by 5%    | (410.36)                  | (407.45)                  |
| <b>Liabilities:</b>         |                           |                           |
| Weakening of ₹ by 5%        | (5,776.33)                | (4,585.56)                |
| Strengthening of ₹ by 5%    | 5,776.33                  | 4,585.56                  |

#### In respect of subsidiary company MRPL,

(₹ in Million)

| USD sensitivity at year end | Year ended March 31, 2023 | Year ended March 31, 2022 |
|-----------------------------|---------------------------|---------------------------|
| <b>Receivables:</b>         |                           |                           |
| Weakening of ₹ by 5%        | 607.10                    | 833.90                    |
| Strengthening of ₹ by 5%    | (607.10)                  | (833.90)                  |
| <b>Payable:</b>             |                           |                           |
| Weakening of ₹ by 5%        | (5,776.05)                | (9,381.55)                |
| Strengthening of ₹ by 5%    | 5,776.05                  | 9,381.55                  |

#### 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 JPY borrowings.

As per management's assessment of reasonable possible changes in the exchange rate of +/- 5% between JPY-USD currency pair, sensitivity of profit or loss only on outstanding foreign currency denominated monetary items at the year end is presented below:

(₹ in Million)

| USD sensitivity at year end | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|-----------------------------|-----------------------------------|-----------------------------------|
| <b>Borrowing</b>            |                                   |                                   |
| JPY-USD appreciation by 5%  | 534.23                            | 539.54                            |
| JPY-USD depreciation by 5%  | (534.23)                          | (539.54)                          |

#### In case of Company,

Sensitivity of Revenue from operation (net of levies) to change in +/- Re. 1 in exchange rate between ₹-USD currency pair is presented as under

(₹ in Million)

| Sensitivity of Revenue from operation                              | 2022-2023       | 2021-2022       |
|--------------------------------------------------------------------|-----------------|-----------------|
| Impact on Revenue from operation (net of levies) for exchange rate | (+/-) 13,701.63 | (+/-) 11,061.47 |

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.

### In case of subsidiary company HPCL,

The table below shows sensitivity of open forex exposure of the Group to USD/₹ currency movement. The impact of exposure to a currency movement in the range of 1% (+/-)

change, increase denoting appreciation in USD Vs. ₹ & vice versa is explained through the said Table. The indicative 1% movement is 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, 2023                                                      |          | March 31, 2022 |          |
| 1% movement | 1%                                                                  |          | 1%             |          |
| USD         | (3,080.10)                                                          | 3080.10  | (2,866.20)     | 2,866.20 |

## 52.7.2 Forward foreign exchange contracts

**In respect of Company**, during the year 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 case of subsidiary company HPCL,

The Company 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. Forex Risk Management Cell (FRMC) actively review the forex and interest rate exposures. The Company uses generic derivative contracts to mitigate the risk of changes in foreign currency exchange rates in line with the forex risk management policy. 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 USD 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, 2023 was 5.98% p.a. (Previous year 3.39% p.a.).

### In respect of subsidiary company MRPL,

The sensitivity analysis 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, 2023 would decrease/increase by ₹480.79 Million (for the year ended March 31, 2022 : decrease/increase by ₹677.74 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 non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole period. 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:



| Particulars                                                         | For the year ended March 31, 2023 |                          |                                 |                            |                                 |                          | For the year ended March 31, 2022 |                          |                                 |                            |                                       |                          |
|---------------------------------------------------------------------|-----------------------------------|--------------------------|---------------------------------|----------------------------|---------------------------------|--------------------------|-----------------------------------|--------------------------|---------------------------------|----------------------------|---------------------------------------|--------------------------|
|                                                                     | USD 500 Million Syndicate Loan    | JPY 38 billion Term loan | USD 500 Million Term loan (New) | USD 1000 Million Term loan | USD 600 Million Term loan (New) | USD 100 Million facility | USD 500 Million Syndicate Loan    | JPY 38 billion Term loan | USD 500 Million Term loan (New) | USD 1000 Million Term loan | USD 600 & 100 Million Term loan (New) | USD 100 Million facility |
| Impact on profit or loss for the year for increase in interest rate | 200.93                            | (88.68)                  | 200.93                          | 401.85                     | 241.11                          | 40.19                    | 186.34                            | 107.37                   | 186.34                          | 372.69                     | 223.61                                | 37.27                    |
| Impact on profit or loss for the year for decrease in interest rate | (200.93)                          | 88.68                    | (200.93)                        | (401.85)                   | (241.11)                        | (40.19)                  | (186.34)                          | (107.37)                 | (186.34)                        | (372.69)                   | (223.61)                              | (37.27)                  |

### Interest rate swap contracts

The Company is engaged in E&P business outside India. Its revenues of crude oil and natural gas are principally denominated in USD. Further, price benchmarks wherever applicable are also principally in USD. The Company has not entered into any Interest Rate Swap contracts during the year.

### 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 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.

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.

The Corporation has exposure in the form of External Commercial Borrowings aggregating to USD 750 Million linked to 3-Month LIBOR as at 31.03.2023 (31.03.2022: USD 1,250 Million). Of the total loan outstanding as on March 31, 2022, loan aggregating to USD 500 Million have been refinanced and migrated to 3-month Term SOFR i.e., Alternative Reference Rate at a favourable spread during the current financial year.

The balance aforementioned exposure shall be migrated from 3-Month LIBOR to an Alternative Reference Rate (ARR) before the cessation date. The impact of such migration is not expected to be material.

In respect of Prize Petroleum International Pte. Ltd. ; A loan amount of USD 79 Million linked to '6-month LIBOR' is Outstanding on 31.03.2023 (31.03.2022 : USD 79 Million) and is repayable on 28 October 2023.

### 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.

|                                  | Carrying amount |            |
|----------------------------------|-----------------|------------|
|                                  | 31.03.2023      | 31.03.2022 |
| <b>Fixed-rate instruments</b>    |                 |            |
| Financial assets                 | 52,450.00       | 54,865.90  |
| Financial liabilities            | 372,096.79      | 281,160.90 |
| <b>Variable-rate instruments</b> |                 |            |
| Financial assets                 | 15,482.32       | 20,397.00  |
| Financial liabilities            | 298,386.21      | 168,626.40 |

### 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)

|                                                 | Profit or loss |                |                |                |
|-------------------------------------------------|----------------|----------------|----------------|----------------|
|                                                 | 25 bp increase | 25 bp decrease | 25 bp increase | 25 bp decrease |
|                                                 | 31.03.2023     |                | 31.03.2022     |                |
| Floating rate borrowings                        | (657.48)       | 657.48         | (389.90)       | 389.90         |
| Interest rate swaps (notional principal amount) | -              | -              | -              | -              |
| Cash flow sensitivity (net)                     | (657.48)       | 657.48         | (389.90)       | 389.90         |

## 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) |            |
|---------------------|--------------------------|------------|
|                     | 31.03.2023               | 31.03.2022 |
| Crude/Product Swaps | 0.35                     | 5.40       |

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 |
|                     | 31.03.2023                  |              | 31.03.2022   |              |
| Crude/Product Swaps | (10.50)                     | 10.50        | (472.60)     | 472.60       |

## Derivatives & Hedging

The company enters into derivative contracts for hedging purpose, to mitigate the commodity price risk, on Highly probable forecast transactions and currency risk. 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 ₹40.10 Million (Previous year ₹1853.10 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 Company has established a hedge ratio of 1:1 for the hedging relationship as the underlying risk of the

commodity and foreign exchange forward contracts are identical to the hedged risk component. Hedge item and the hedging instruments have economic relationship as the terms of the commodity and foreign exchange 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 w.r.t commodity forward contracts which are not expected to be material as at date:

- Counterparty Credit Risk impacting the fair value of the hedge instrument and hedge item.
- 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.

In case of foreign currency risk, the main source of hedge ineffectiveness is the effect of the counterparty and the Company's own credit risk on the fair value of the hedge contracts, which is not reflected in the fair value of the hedged items. The effect of this is not expected to be material.

## 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, 2023                                                  | Maturities        |            |            |             |                     |          |
|-----------------------------------------------------------------------|-------------------|------------|------------|-------------|---------------------|----------|
|                                                                       | Less than 1 Month | 1-3 Months | 3-6 Months | 6-12 Months | More than 12 Months | Total    |
| <b>Commodity Forward Contracts</b>                                    |                   |            |            |             |                     |          |
| Nominal Volume (Quantity in Mn Barrels)                               | 0.10              | 0.10       | 0.15       | -           | -                   | 0.35     |
| Nominal amount (₹/Million)                                            | 86.40             | 7.48       | 11.00      | -           | -                   | 104.90   |
| <b>Foreign Exchange Forward Contracts - Loans</b>                     |                   |            |            |             |                     |          |
| Nominal amount (USD in Million)                                       | 60                | -          | -          | -           | -                   | 60       |
| Nominal amount (₹/Million)                                            | 4,935.80          | -          | -          | -           | -                   | 4,935.80 |
| Average Forward Rate (₹)                                              | 82.2638           | -          | -          | -           | -                   | 82.2638  |
| <b>Foreign Exchange Forward Contracts - Crude/product liabilities</b> |                   |            |            |             |                     |          |
| Nominal amount (USD in Million)                                       | 49.09             | -          | -          | -           | -                   | 49.09    |
| Nominal amount (₹/Million)                                            | 4,041.40          | -          | -          | -           | -                   | 4,041.40 |
| Average Forward Rate (₹)                                              | 82.3335           | -          | -          | -           | -                   | 82.3335  |

| As at March 31, 2022                                                  | Maturities        |            |            |             |                     |          |
|-----------------------------------------------------------------------|-------------------|------------|------------|-------------|---------------------|----------|
|                                                                       | Less than 1 Month | 1-3 Months | 3-6 Months | 6-12 Months | More than 12 Months | Total    |
| <b>Commodity Forward Contracts</b>                                    |                   |            |            |             |                     |          |
| Nominal Volume (Quantity in Mn Barrels)                               | 0.52              | 1.05       | 1.28       | 2.55        | -                   | 5.40     |
| Nominal amount (₹/Million)                                            | 464.80            | 929.60     | 1,110.40   | 2,220.8     | -                   | 4,725.60 |
| <b>Foreign Exchange Forward Contracts - Loans</b>                     |                   |            |            |             |                     |          |
| Nominal amount (USD in Million)                                       | -                 | -          | -          | -           | -                   | -        |
| Nominal amount (₹/Million)                                            | -                 | -          | -          | -           | -                   | -        |
| Average Forward Rate (₹)                                              | -                 | -          | -          | -           | -                   | -        |
| <b>Foreign Exchange Forward Contracts - Crude/product liabilities</b> |                   |            |            |             |                     |          |
| Nominal amount (USD in Million)                                       | -                 | -          | -          | -           | -                   | -        |
| Nominal amount (₹/Million)                                            | -                 | -          | -          | -           | -                   | -        |
| Average Forward Rate (₹)                                              | -                 | -          | -          | -           | -                   | -        |

The Impact of Hedging Instruments in Balance sheet is as under:

| Particulars                                              | Commodity forward contract- Margin Hedging            |            | Foreign Currency forward contract- Loans |            | Foreign Exchange Forward Contracts - Crude/product liabilities Foreign Exchange Forward Contracts - Crude/product liabilities |            |
|----------------------------------------------------------|-------------------------------------------------------|------------|------------------------------------------|------------|-------------------------------------------------------------------------------------------------------------------------------|------------|
|                                                          | 31.03.2023                                            | 31.03.2022 | 31.03.2023                               | 31.03.2022 | 31.03.2023                                                                                                                    | 31.03.2022 |
| Nominal Amount                                           | 104.90                                                | 4,725.60   | 4,935.80                                 | -          | 4,041.40                                                                                                                      | -          |
| Carrying Amount                                          | 40.10                                                 | (1,853.10) | (5.70)                                   | -          | (10.00)                                                                                                                       | -          |
| Line item in Balance sheet that include Hedge Instrument | 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 Forecast Transaction |                       |
|---------------------------------------------------------------------------------------------|--------------------------------------|-----------------------|
|                                                                                             | 2022-23                              | 2021-22               |
| Hedging Gain / (Loss) recognised in OCI*                                                    | 40.10                                | (1,853.10)            |
| Income tax on Above                                                                         | (10.10)                              | 466.40                |
| Net amount recognised in Cash flow Hedge Reserve                                            | 30.00                                | (1,386.70)            |
| Amount reclassified from Cash flow hedge reserve to Statement of Profit and Loss            | (1853.10)                            | (11.40)               |
| Income tax on Above                                                                         | 466.40                               | 2.90                  |
| Line item in the Statement of Profit and Loss that includes the reclassification adjustment | Revenue/<br>Purchases                | Revenue/<br>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, 2023 would increase / decrease by ₹9,532.24 Million (for the year ended March 31, 2022 would increase / decrease by ₹9,650.05 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 USD in prices of Crude Oil, Natural Gas & Value Added Products (VAP)

(₹ in Million)

| Sensitivity of Revenue from operation                                                              | 2022-23         | 2021-22         |
|----------------------------------------------------------------------------------------------------|-----------------|-----------------|
| Impact on Revenue from operation (net of levies) for USD in prices of crude oil, natural gas & VAP | (+/-) 54,992.82 | (+/-) 52,562.42 |



### In respect of subsidiary, OVL,

The Sensitivity of Revenue from operation (net of levies) to change in (+/-) 1 USD in prices of crude oil is presented below:

(₹ in Million)

| Sensitivity of Revenue from operation                                                  | 2022-23        | 2021-22        |
|----------------------------------------------------------------------------------------|----------------|----------------|
| Impact on Revenue from operation (net of levies) for change in USD prices of crude oil | (+/-) 1,045.22 | (+/-) 2,047.77 |

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, 2023 would increase/decrease by ₹Nil (For the year ended March 31, 2022 would increase/decrease by ₹2,078.94 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)

|                                     | Equity Instruments through OCI |             |             |             |
|-------------------------------------|--------------------------------|-------------|-------------|-------------|
|                                     | 5% Increase                    | 5% Decrease | 5% Increase | 5% Decrease |
|                                     | 31.03.2023                     |             | 31.03.2022  |             |
| Equity Investment in Oil India Ltd. | 336.59                         | (336.59)    | 318.87      | (318.87)    |

## 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

| Financial Assets/<br>(Financial Liabilities)      | Fair value as at |                | Fair value hierarchy | Valuation technique(s) and key input(s)                                                                             |
|---------------------------------------------------|------------------|----------------|----------------------|---------------------------------------------------------------------------------------------------------------------|
|                                                   | March 31, 2023   | March 31, 2022 |                      |                                                                                                                     |
| Investment in Equity Instruments (quoted)         | 190,607.83       | 192,964.02     | Level 1              | Quoted bid prices from Stock exchange-NSE.                                                                          |
| Investment in other Equity Instruments (unquoted) | 36.95            | 36.95          | Level 2              | Discounted Free Cash Flow Methodology                                                                               |
| Investment in Alternative Investment Fund         | 594.21           | 444.21         | Level 2              | Discounted Free Cash Flow Methodology                                                                               |
| Employee Loans                                    | 19,556.72        | 16,912.82      | Level 2              | Discounted Cash Flows i.e. present value of expected receipt/payment discounted using appropriate discounting rate. |

(₹ in Million)

| Financial Assets/<br>(Financial Liabilities) | Fair value as at  |                   | Fair value<br>hierarchy | Valuation technique(s) and key input(s)                                                                             |
|----------------------------------------------|-------------------|-------------------|-------------------------|---------------------------------------------------------------------------------------------------------------------|
|                                              | March 31,<br>2023 | March 31,<br>2022 |                         |                                                                                                                     |
| Financial Guarantee                          | (740.09)          | (1,095.72)        | Level 2                 | Interest Rate Differential Model.                                                                                   |
| Lease Liability                              | (88,828.78)       | (100,156.46)      | Level 2                 | Discounted Cash Flows i.e. present value of expected receipt/payment discounted using appropriate discounting rate. |
| Security Deposits from Contractors           | (4,265.47)        | (5,656.93)        | Level 2                 | Discounted Cash Flows i.e. present value of expected receipt/payment discounted using appropriate discounting rate. |
| Compulsory Convertible Debentures            | (75,725.94)       | (76,401.82)       | 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<br>hierarchy | Valuation technique and key input(s)                  |
|------------------------------|-------------------------|-------------------------|-------------------------|-------------------------------------------------------|
|                              | As at March<br>31, 2023 | As at March<br>31, 2022 |                         |                                                       |
| <b>Financial assets</b>      |                         |                         |                         |                                                       |
| Investment in mutual funds   | -                       | 41,578.88               | Level 2                 | NAV declared by respective Asset Management Companies |
| <b>Financial Liabilities</b> |                         |                         |                         |                                                       |
| Derivative liabilities       | 651.29                  | 207.39                  | Level 2                 | 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, Corporation has classified its Financial Assets and Financial Liabilities into the three levels prescribed under the Indian 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                        | 31.03.2023 |         |         | 31.03.2022 |         |         |
|------------------------------------|------------|---------|---------|------------|---------|---------|
|                                    | Level 1    | Level 2 | Level 3 | Level 1    | Level 2 | Level 3 |
| <b>Financial assets</b>            |            |         |         |            |         |         |
| <b>Investments</b>                 |            |         |         |            |         |         |
| - Investment in Equity Instruments | 6,732.10   | -       | 8.00    | 6,377.60   | -       | -       |
| - Investment in Preference Shares  | -          | -       | 365.20  | 53,715.20  | -       | 178.0   |
| - Investment in Debt Instruments   | 51,688.90  | -       | -       | -          | -       | -       |



|                                                       |                  |                   |                 |                  |                   |                 |
|-------------------------------------------------------|------------------|-------------------|-----------------|------------------|-------------------|-----------------|
| Loans                                                 |                  |                   |                 |                  |                   |                 |
| -Employee Loans                                       | -                | 4,600.90          | -               | -                | 4291.8            | -               |
| -Other Loans                                          | -                | -                 | 5,937.10        | -                | -                 | 6520.70         |
| Derivative Assets                                     | -                | 40.10             | -               | -                | -                 | -               |
| <b>Total</b>                                          | <b>58,421.00</b> | <b>4,641.00</b>   | <b>6,310.30</b> | <b>60,092.80</b> | <b>4,291.8</b>    | <b>6,698.70</b> |
| <b>Financial liabilities</b>                          |                  |                   |                 |                  |                   |                 |
| Borrowings                                            |                  |                   |                 |                  |                   |                 |
| -Foreign Currency Bonds                               | 38,950.20        | -                 | -               | 37,267.80        | -                 | -               |
| -Non Convertible Debentures                           | -                | 200,123.00        | -               | -                | 144,517.90        | -               |
| -Oil Industry Development Board Loan                  | -                | 732.80            | -               | -                | 1,003.10          | -               |
| -Syndicated Loan from Foreign Banks (Fixed Rate Loan) | -                | 22,384.30         | -               | -                | 21,025.70         | -               |
| Other Financial Liabilities                           |                  |                   |                 |                  |                   |                 |
| -Derivative Liabilities                               | -                | 15.70             | -               | -                | 1,853.10          | -               |
| <b>Total</b>                                          | <b>38,950.20</b> | <b>223,255.80</b> | <b>-</b>        | <b>37,267.80</b> | <b>205,667.60</b> | <b>-</b>        |

### Valuation techniques used to determine Fair Value

| Type                                                                    | Valuation technique                                                                                                                                                                            |
|-------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Derivative instruments - forward exchange contracts                     | Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date..                                                                                      |
| 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 31.03.2023 and 31.03.2022. 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 |
| <b>March 31, 2023</b>        |                                           |                                            |                                            |                            |            |
| <b>Financial assets</b>      |                                           |                                            |                                            |                            |            |
| Trade Receivables            | 96,984.03                                 | (28,660.23)                                | 68,323.80                                  | -                          | 68,323.80  |
| <b>Financial liabilities</b> |                                           |                                            |                                            |                            |            |
| Trade Payables               | 257,792.53                                | (28,660.23)                                | 229,132.30                                 | -                          | 229,132.30 |



| 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 |
| Other Current Financial Liabilities | 234,604.00                                | -                                          | 234,604.00                                 |                            | 234,604.00 |
| March 31, 2022                      |                                           |                                            |                                            |                            |            |
| <b>Financial assets</b>             |                                           |                                            |                                            |                            |            |
| Trade Receivables                   | 101,181.80                                | (37,778.70)                                | 63,403.10                                  | -                          | 63,403.10  |
| <b>Financial liabilities</b>        |                                           |                                            |                                            |                            |            |
| Trade Payables                      | 302,552.00                                | (37,778.70)                                | 264,773.30                                 | -                          | 264,773.30 |
| Other Current Financial Liabilities | 225,391.90                                | -                                          | 225,391.10                                 | -                          | 225,391.10 |

**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, 2023             | As at March 31, 2022 |                                                     |
| A       | <b>Jointly Operated JOs</b>              |                                  |                      |                                                     |
| 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       | <b>ONGC Operated JOs</b>                 |                                  |                      |                                                     |
| 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%                                            |



| Sl. No.  | Blocks                         | Company's Participating Interest |                      | Others Partners and their PI in the JO/Operatorship                           |
|----------|--------------------------------|----------------------------------|----------------------|-------------------------------------------------------------------------------|
|          |                                | As at March 31, 2023             | As at March 31, 2022 |                                                                               |
| 11       | Raniganj (Note No. 53.1.10)    | 74%                              | 74%                  | CIL 26%                                                                       |
| 12       | Jharia (Note No. 53.1.9)       | 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%                                                           |
| 20       | KG/OSDSF/Chandrika/2021        | 70%                              | -                    | IOC 30%                                                                       |
| 21       | MB/OSDSF/W05/2021              | 70%                              | -                    | IOC 30%                                                                       |
| <b>C</b> | <b>Operated by JO Partners</b> |                                  |                      |                                                                               |
| 22       | Ravva                          | 40%                              | 40%                  | Vedanta Ltd (erstwhile Cairn India Ltd) (Operator) 22.5%, VIL 25%, ROPL 12.5% |
| 23       | CY-OS-90/1                     | 40%                              | 40%                  | HEPI (operator) 18%, HOEC 21%, TPL 21%                                        |
| 24       | RJ-ON-90/1                     | 30%                              | 30%                  | Vedanta Ltd (erstwhile Cairn India Ltd) (Operator) 35%, CEHL 35%              |
| 25       | CB-OS/2                        | 50%                              | 50%                  | Vedanta Ltd (erstwhile Cairn India Ltd) (operator) 40% , TPL 10%              |
| 26       | CB-ON/7                        | 30%                              | 30%                  | HOEC (Operator) 35%, GSPC 35%                                                 |
| 27       | CB-ON/3                        | 30%                              | 30%                  | EOGEPL (Operator) 70%                                                         |
| 28       | CB-ON/2                        | 30%                              | 30%                  | GSPC (Operator) 56%, Geo-Global Resources 14%                                 |
| 29       | AA-ONN-2010/2                  | 30%                              | 30%                  | OIL 50% (Operator), GAIL 20%                                                  |
| 30       | AA-ONN-2010/3                  | 40%                              | 40%                  | OIL 40% (Operator), BPRL 20%                                                  |
| 31       | CB-ONHP-2017/9                 | 40%                              | 40%                  | BPRL 60% (Operator)                                                           |
| 32       | AA-ONHP-2017/10                | 30%                              | 30%                  | OIL 70% (Operator)                                                            |
| 33       | 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, BGEPL-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** During the year 2022-23, Company has entered into Revenue Sharing Contracts with Government of India for 29 blocks acquired under Open Acreage Licensing Policy (OALP) and Discovered Small Fields (DSF) as detailed below:

| S. NO. | OALP/ DSF Round | Name of Revenue sharing contracts/ Blocks | Participating Interest | Nature of Activity |
|--------|-----------------|-------------------------------------------|------------------------|--------------------|
| 1      | OALP-VI         | CB-ONHP-2020/1                            | 100%                   | Exploration        |
| 2      | OALP-VI         | AA-ONHP-2020/2                            | 100%                   | Exploration        |
| 3      | OALP-VI         | CD-ONHP-2020/1                            | 100%                   | Exploration        |
| 4      | OALP-VI         | NM-ONHP-2020/1                            | 100%                   | Exploration        |
| 5      | OALP-VI         | MB-OSHP-2020/1                            | 100%                   | Exploration        |
| 6      | OALP-VI         | MB-OSHP-2020/2                            | 100%                   | Exploration        |
| 7      | OALP-VI         | AN-UDWHP-2020/1                           | 100%                   | Exploration        |
| 8      | OALP-VI         | AN-UDWHP-2020/2                           | 100%                   | Exploration        |
| 9      | OALP-VI         | CB-ONHP-2021/1                            | 100%                   | Exploration        |
| 10     | OALP-VI         | CB-ONHP-2021/2                            | 100%                   | Exploration        |
| 11     | OALP-VI         | GK-ONHP-2021/1                            | 100%                   | Exploration        |
| 12     | OALP-VI         | GS-ONHP-2021/1                            | 100%                   | Exploration        |
| 13     | OALP-VI         | GV-ONHP-2021/1                            | 100%                   | Exploration        |
| 14     | OALP-VI         | GV-ONHP-2021/2                            | 100%                   | Exploration        |
| 15     | OALP-VI         | BP-ONHP-2021/1                            | 100%                   | Exploration        |
| 16     | OALP-VI         | AA-ONHP-2021/1                            | 100%                   | Exploration        |
| 17     | OALP-VI         | AS-ONHP-2021/1                            | 100%                   | Exploration        |
| 18     | OALP-VI         | MB-OSHP-2021/1                            | 100%                   | Exploration        |
| 19     | OALP-VII        | AA-ONHP-2021/2                            | 100%                   | Exploration        |
| 20     | OALP-VII        | CY-UDWHP-2021/1                           | 100%                   | Exploration        |
| 21     | OALP-VII        | SR-ONHP-2021/1                            | 100%                   | Exploration        |
| 22     | CBM-2021        | BP-ONHP(CBM)-2021/2                       | 100%                   | Exploration        |
| 23     | CBM-2021        | SR-ONHP(CBM)-2021/5                       | 100%                   | Exploration        |
| 24     | DSF-III         | MB/OSDSF/W05/2021                         | 70%                    | Development        |
| 25     | DSF-III         | KG/OSDSF/Chandrika/2021                   | 70%                    | Development        |
| 26     | DSF-III         | MB/OSDSF/B37/2021                         | 100%                   | Development        |
| 27     | DSF-III         | MB/OSDSF/Ratna/2021                       | 100%                   | Development        |
| 28     | DSF-III         | KG/OSDSF/YS6/2021                         | 100%                   | Development        |
| 29     | DSF-III         | KG/OSDSF/GS49/2021                        | 100%                   | Development        |

**53.1.2** During the year, the following ONGC Operated NELP Block has been relinquished:

| S.NO. | NELP Round | Block Name    | ONGC's PI | Partner's PI |
|-------|------------|---------------|-----------|--------------|
| 1     | NELP-VI    | KG-OSN-2004/1 | 100%      | NA           |



### 53.1.3 Financial position of the Joint Operation –Company's share are as under:

The financial statements of 179 nos. (Previous year 154) out of 194 nos. (Previous year 166) 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 15 (Previous year 12) 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, 2023

(₹ 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 (8)                                 | 2,300.17         | 266,101.13         | 1,052.16            | 3,729.67                | 19,534.54         | (7,231.95)                                  | (0.40)                     | (7,232.35)                 |
| OALP -100% PI (45)                                | 68.43            | 3,456.63           | 53.74               | -                       | -                 | (16,515.98)                                 | (0.03)                     | (16,516.01)                |
| DSF 100% (9)                                      | 12.34            | 2,833.10           | 9.31                | 60.22                   | -                 | (437.45)                                    | -                          | (437.45)                   |
| NELP/Pre NELP Block with other partner (28)       | 51,833.38        | 101,734.91         | 65,497.14           | 18,190.27               | 114,485.35        | (20,805.50)                                 | (2.33)                     | (20,807.83)                |
| OALP Blocks with other partners (3)               | 0.69             | 7.06               | 14.94               | -                       | -                 | (44.69)                                     | -                          | (44.69)                    |
| DSF Blocks with other partners (2)                | 34.77            | 7.19               | -                   | -                       | -                 | (37.65)                                     | -                          | (37.65)                    |
| Surrendered (99)                                  | 319.80           | 52.69              | 18,107.87           | 59.07                   | -                 | (1,275.22)                                  | 0.01                       | (1,275.21)                 |
| <b>Total (194)</b>                                | <b>54,569.58</b> | <b>374,192.71</b>  | <b>84,735.16</b>    | <b>22,039.23</b>        | <b>134,019.89</b> | <b>(46,348.44)</b>                          | <b>(2.75)</b>              | <b>(46,351.19)</b>         |
| <b>Further Break-up of above blocks as under:</b> |                  |                    |                     |                         |                   |                                             |                            |                            |
| Audited (169)                                     | 5,641.92         | 324,212.17         | 19,535.96           | 6,091.47                | 23,574.48         | (40,144.14)                                 | (2.65)                     | (40,146.79)                |
| Certified (10)#                                   | 44,192.98        | 45,738.07          | 54,271.26           | 15,839.90               | 110,395.89        | (2,248.19)                                  | (0.02)                     | (2,248.21)                 |
| Unaudited (15)                                    | 4,734.68         | 4,242.47           | 10,927.94           | 107.86                  | 49.52             | (3,956.11)                                  | (0.08)                     | (3,956.19)                 |
| <b>Total (194)</b>                                | <b>54,569.58</b> | <b>374,192.71</b>  | <b>84,735.16</b>    | <b>22,039.23</b>        | <b>134,019.89</b> | <b>(46,348.44)</b>                          | <b>(2.75)</b>              | <b>(46,351.19)</b>         |

# Certified by other Chartered Accountants as per PSC provisions.

As at March 31, 2023

(₹ 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)                |
| OALP -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)                 |
| OALP 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)                   |
| <b>Total (166)</b>                          | <b>53,990.82</b> | <b>337,477.83</b>  | <b>64,871.08</b>    | <b>17,892.07</b>        | <b>105,381.26</b> | <b>(23,157.16)</b>                          | <b>3.09</b>                | <b>(23,154.07)</b>         |

| Particulars                                       | Current Assets   | Non Current Assets | Current Liabilities | Non Current Liabilities | Revenue           | Profit or (Loss) from continuing operations | Other Comprehensive Income | Total Comprehensive Income |
|---------------------------------------------------|------------------|--------------------|---------------------|-------------------------|-------------------|---------------------------------------------|----------------------------|----------------------------|
| <b>Further Break-up of above blocks as under:</b> |                  |                    |                     |                         |                   |                                             |                            |                            |
| 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)                   |
| <b>Total (166)</b>                                | <b>53,990.82</b> | <b>337,477.83</b>  | <b>64,871.08</b>    | <b>17,892.07</b>        | <b>105,381.26</b> | <b>(23,157.16)</b>                          | <b>3.09</b>                | <b>(23,154.07)</b>         |

# Certified by other Chartered Accountants as per PSC provisions.

#### 53.1.4 Additional Financial information related to Joint Operation blocks are as under:

As at March 31, 2023

(₹ in Million)

| Particulars                                       | Cash and Cash Equivalents | Current Financial Liabilities | Depreciation and Amortisation | Interest Income | Interest Expense |
|---------------------------------------------------|---------------------------|-------------------------------|-------------------------------|-----------------|------------------|
| NELP -100% PI (8)                                 | 0.02                      | 348.04                        | 6,218.89                      | 5.31            | 305.40           |
| OALP -100% PI (45)                                | -                         | 53.74                         | 1.13                          | 0.30            | -                |
| DSF 100% (9)                                      | -                         | 4.08                          | 0.19                          | 0.30            | 1.27             |
| NELP/Pre NELP Block with other partner (28)       | 205.46                    | 43,429.69                     | 26,117.08                     | 740.03          | 1,110.56         |
| OALP Blocks with other partners (3)               | 0.01                      | 14.94                         | -                             | -               | -                |
| DSF Blocks with other partners (2)                | -                         | -                             | 0.20                          | 0.01            | -                |
| Surrendered (99)                                  | 1.16                      | 18,058.95                     | (3,861.76)                    | 19.62           | -                |
| <b>Total (194)</b>                                | <b>206.65</b>             | <b>61,909.44</b>              | <b>28,475.73</b>              | <b>765.57</b>   | <b>1,417.23</b>  |
| <b>Further Break-up of above blocks as under:</b> |                           |                               |                               |                 |                  |
| Audited (169)                                     | 1.13                      | 18,159.29                     | 14,888.60                     | 30.29           | 452.63           |
| Certified (10)#                                   | 69.22                     | 38,393.80                     | 13,583.62                     | 568.40          | 963.81           |
| Unaudited (15)                                    | 136.30                    | 5,356.35                      | 3.51                          | 166.88          | 0.79             |
| <b>Total (194)</b>                                | <b>206.65</b>             | <b>61,909.44</b>              | <b>28,475.73</b>              | <b>765.57</b>   | <b>1,417.23</b>  |

# Certified by other Chartered Accountants as per PSC provisions.

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           |
| OALP -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         |
| OALP Blocks with other partners (3)         | 0.01                      | (2.00)                        | -                             | -               | -                |
| Surrendered (99)                            | 0.09                      | 17,018.10                     | -                             | 0.92            | -                |
| <b>Total (166)</b>                          | <b>264.49</b>             | <b>56,644.47</b>              | <b>28,773.69</b>              | <b>503.34</b>   | <b>1,132.57</b>  |





| Particulars                                       | Cash and Cash Equivalents | Current Financial Liabilities | Depreciation and Amortisation | Interest Income | Interest Expense |
|---------------------------------------------------|---------------------------|-------------------------------|-------------------------------|-----------------|------------------|
| <b>Further Break-up of above blocks as under:</b> |                           |                               |                               |                 |                  |
| 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            |
| <b>Total (166)</b>                                | <b>264.49</b>             | <b>56,644.47</b>              | <b>28,773.69</b>              | <b>503.34</b>   | <b>1,132.57</b>  |

# Certified by other Chartered Accountants as per PSC provisions.

**53.1.5** In respect of 1 Pre NELP block and 2 OALP blocks (Previous year 1 Pre NELP block), the Company's share of Unfinished Minimum Work Programme (MWP) / Committed Work Programme (CWP) amounting to ₹6,855.05 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 and as per relevant clause of RSCs of said OALP Blocks, which are under active consideration of Gol. 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 ₹6,855.05 Million (previous year ₹493.81 Million) is included in MWP/CWP commitment under note no. 58.3.2 (a).

As per the Production Sharing Contracts/ Revenue Sharing Contracts signed by the Company with the Gol, the Company is required to complete Minimum Work Programme (MWP) / Committed Work Programme (CWP) within stipulated time. In case of delay in completion of the MWP/CWP, Liquidated Damages (LD) are payable for extension of time to complete MWP/CWP. Further, in case the Company does not complete MWP/CWP or surrender the block without completing the MWP/CWP, the estimated cost of completing balance work programme is required to be paid to the Gol. LD amounting to ₹5.54 Million (Previous year ₹5.47 Million) and cost of unfinished MWP/CWP amounting to Nil (Previous year nil), paid/payable to the Gol is included in survey and wells written off expenditure respectively.

**53.1.6** Government of India vide its letter dated June 01, 2017 has approved the relinquishment of 30% Participating Interest (PI) of the Company in block RJ-ON/6 and assignment of its future rights and obligations to acquire 30% PI in any of the discoveries in the block in favour of operator Focus Energy Limited (FEL) and other JV partners in proportion to their respective PIs on the condition that Focus Energy Limited (Operator) will reimburse all past cost incurred by the company towards royalty, PEL/ML fees, other statutory levies and bear the unpaid liability of the Company in development and production cost in SGL Field of the block. Pending the recovery of outstanding dues towards royalty, PEL/ML fees, other statutory levies,

no adjustment in the accounts has been made post relinquishment from the block RJ-ON/6. During the year the company has invoked arbitration against FEL and other JV partners to recover its outstanding dues. Total outstanding dues recoverable towards royalty, PEL/ML fees, other statutory levies as on March 03, 2023 is ₹2,415.90 Million.

**53.1.7** 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. 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. Operator has recovered exploration cost (beyond exploration phase of PSC) of USD 203.92 Million (equivalent to ₹16,752.14 Million) being 30% of USD 679.74 Million (equivalent to ₹55,840.47 Million) up to FY 2021-22 (Previous year USD 167.08 Million and equivalent ₹12,656.35 Million). The Company has disclosed the sum of USD 203.92 Million (equivalent to ₹16,752.14 Million) under Contingent Liabilities, as the issues are presently under Arbitration proceedings. Partial award of the arbitration was received during the year and the final award of the arbitration is expected in Q2 2023-24.

Pending finalization of arbitration award, an amount of USD 190.52 Million (equivalent to ₹15,650.81 Million), which is 30% of USD 635.05 Million pertaining to development and production expenditure have been accounted for as per the participating interest of the Company.

Royalty on production was being paid by the Company as licensee and the JO Partners' share of Royalty was recoverable through revenue from Sale of Crude Oil and Gas. Accordingly, an amount of ₹15,583.41 Million outstanding from JV Partners has been included in the revenue up to March 31, 2023.

**53.1.8** 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. During the year an Addendum No. 2 to PSC was executed on October 27, 2022 extending the term of the PSC of the block for a period of 10 years retrospectively w.e.f. May 15, 2020.

Government of India demanded payment of Additional Profit Petroleum of USD 654.83 Million (₹53,794.28 Million) in respect of the Block RJ-ON-90/1 against the audit

exceptions as per the PSC provisions. The other Partners in the JO have disputed the demand with a Notice of Arbitration dated 14 May 2020 against the Government of India. The Company is not a party to the Arbitration against Government of India and will pay the amount, once liability, if any, arises out of the Audit Exceptions is finalized for the Contractors.

The Company share of USD 196.45 Million (₹16,138.29 Million), being 30% of USD 654.83 Million (₹53794.28 Million) of the demand for additional profit petroleum on account of Audit Exceptions has been disclosed under Contingent liabilities.

**53.1.9** In respect of Jharia CBM Block, revised Feasibility Report (FR) has been approved in the meeting of Steering Committee (SC) held on September 9, 2019. In the light of overlap issue with Bharat Coking Coal Limited Companies and in view of better techno-economics, the Company has decided to implement the revised FR in phases for early implementation and monetization. The Parbatpur and adjoining areas was taken up in Phase-I under the approved FR and accordingly, implementation strategy for Stage-I for Jharia CBM Block has been approved by the Company on November 21, 2019 and the Operating Committee (OC) in its meeting held on December 10, 2019. The same was communicated to the JO 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 Joint Operating Agreement (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 which is the start date of development phase activity and the date of commencement of PI enhancement as per JOA, 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 and cash calls amounting to ₹272.29 Million at the rate of 10% PI up to January 24, 2021.

**53.1.10** In respect of Raniganj (N) CBM Block, the Feasibility Report (FR) exploring different variants to optimize the cost has been worked out for early implementation and monetization, in light of overlap issue with Bengal Aerotropolis Project Limited, CM (SP) Blocks and the Company has decided to implement the Revised

FR in stages. The area excluding all overlap issue was taken up in current phase under the approved FR and accordingly, implementation strategy has been approved by the Company on 8 December 2022 and the Operating Committee (OC) on 13 February 2023. Revised Feasibility Report (FR) has been approved in-principal in the Steering Committee (SC) held on 3 March 2023. Pending final decision on the Block, an impairment provision of ₹617.75 Million has been provided in the books.

**53.1.11** 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 USD 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 2022-23, 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 ₹993.92 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 USD 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 JO 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, 2023 is ₹1,800.05 Million (Previous year: ₹1,624.86 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 ₹1,800.05 Million (Previous year: ₹1,624.86 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 ₹1,600.04 Million (Previous year: ₹1,444.32 Million) has been made against the said cash call receivables from JODPL, being the company's share as per PI ratios.

**53.1.12** In case of Block CB-ONN-2004/3, the discovery



well Uber#2 ceased to flow from June 23, 2020. The Company in consultation with JV partner Gujarat State Petroleum Corporation Limited has initiated a proposal for examination / surrendering the block CB-ONN-2004/3 and relinquishment of the development area of 10.78 sq. km. During Management Committee (MC) meeting in May 2022, Government nominee advised to submit firm future plans within 60 days from receipt of the MC approval or else relinquish the field for future bidding round. The proposal for surrender of the block has been initiated by the Company being the Operator for internal approval. Pending approval of the same, an impairment loss of ₹372 Million has been provided in the books.

**53.1.13** The designated currency, for the purpose of cost recovery under the Production Sharing Contracts (PSC) is USD. Thus, the expenditure incurred in Indian Rupees (₹) needs to be converted in USD 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 USD 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.

**53.1.14** During the year 2021-22 Directorate General of Hydrocarbon had referred issues of 22 NELP blocks relating to cost of unfinished work program (CoUWP) and interest thereon (18 CoUWP plus 4 Interest on CoUWP) of the Company / Consortium of JO to the Committee of

External Eminent Experts (CEEE) to act as a conciliator for conciliation proceedings between the Government of India and the Company / its JO-Partners (Contractors) based on the consent of the contractors. Out of the said 22 blocks, the Company is an Operator in 19 blocks and remaining 3 blocks were operated by other Operator(s). The CEEE had various meetings on representations made by the Company and its JO partners during 2021-22 and 2022-23.

CEEE vide its communication dated March 30, 2023 has shared the proposed settlement offers for 10 blocks requesting for observations of the Company and its JO Partners on the same. Subsequently, on the invitation of the Secretary, CEEE, the Company and its JO partners presented their observations on the proposed settlement offers to the CEEE members on April 17, 2023. Further, the Company vide its communication dated April, 21 2023, made written submissions for said 10 blocks for a revised settlement offer for above blocks on the basis of fair and equitable consideration, by the CEEE.

A meeting of CEEE was held on May 2, 2023 to discuss the submission made by the Company and the CEEE informed that they will further review and propose the revised offers for said blocks. Pending final settlement regarding the 22 blocks, firm liability of CoUWP and interest on CoUWP amounting to ₹7,127.86 Million and ₹166.30 Million respectively is carried in the financial statements and disputed balance of CoUWP and interest on CoUWP amounting to ₹163.94 Million and ₹942.53 Million respectively is disclosed as contingent liabilities.

**53.1.15** Director General of Hydrocarbons (DGH) vide there letter dated April 4, 2017 demanded ₹645.24 Million towards liquidated damages on account of non-completion of Minimum Work Program within fixed time frame for Shale Gas & Oil exploration & exploitation. The Company in its reply to the demand raised informed that Shale Gas Policy 2013 / Permission letter of the Govt. of India for grant of Shale Gas and Oil exploration/exploitation rights at para V of section-I stipulates 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 August 08, 2018 issued by the Government 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.

The matter was discussed and followed up in various meetings with DGH / MoPNG. The Company again vide its letter dated August 30, 2022 to DGH submitted that no LD

is applicable in the instant case and on the basis of this submission, the matter be considered as closed and no further communication / demand has been received from DGH after the said submissions and accordingly no liability /contingent liability is recognised / disclosed.

**53.1.16** During the financial year 2020-21, Director General of Hydrocarbons had demanded ₹4,881.35 Million on account of unpaid/short payment of Royalty for blocks KG-OSN-2001/3 and CB-OS/2, consisting of principal amount of ₹262.41 Million and penal interest of ₹148.74 Million in respect of 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 Block CB-OS/2 for the period 2006-07 to 2020-2021.

The company had taken up with DGH/ MoPNG through various meetings and written communications, the last correspondence being letter dated 09th Sep 2021 in respect of the block KG-OSN-2001/3 and 26th Oct 2021 in respect of the block CB-OS/2 and stated that 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 accounts. 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. 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.

During the financial year 2022-23, DGH vide its letter dated August 5, 2022 has raised a revised demand of ₹505.37 Million towards unpaid/short payment of Royalty upto March 31, 2022 and penal interest upto June 30, 2022 for block KG-OSN-2001/3. DGH has also vide letter dated November 30, 2022, raised demand of ₹5,416.67 Million towards unpaid/short payment of Royalty upto March 31, 2022 and penal interest upto June 30, 2022 for block CB-OS/2. The matter has again been taken up with DGH / MoPNG through various meetings and it is understood that the matter is under active consideration of MoPNG and the matter shall be resolved soon.

Pending final decision of DGH / MoPNG, the said demands totaling ₹5,922.04 Million have been disclosed as contingent liabilities.

## 52.2 Joint Operation outside India

The details of Group's joint operations as on March 31, 2023 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                              | Zarubezhneft EP Vietnam (earlier Rosneft Vietnam B.V.) - 35%<br>Petro Vietnam - 20%                                                       | Zarubezhneft EP Vietnam (earlier Rosneft Vietnam B.V.) | The project is under production. Refer note no. 65 for details regarding extension of PSC.                                                                         |
| 3      | Block 5A, South Sudan, Onshore                             | 24.125                          | Petronas - 67.875%<br>Nilepet - 8%                                                                                                        | Joint Operatorship by all partners.                    | Oil production activities in Block SA, South Sudan which were under shutdown since December 2013 due to security related issues have resumed w.e.f 30th May, 2021. |
| 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. NIOC has signed a Development Service Contract (DSC) for Farzad-B gas field development with a local Iranian Company. The Company along with other Indian Consortium partners are engaged in negotiations/discussions with NIOC for appropriate participation in the DSC. |
| 10     | Block RC-10, Colombia, Offshore                                                        | 50                              | Ecopetrol - 50%                                                                   | ONGC Videsh                     | The block is under process of relinquishment                                                                                                                                                                                                                                                                                                                              |
| 11     | Block SS 04, Bangladesh, Offshore                                                      | 45                              | OIL-45%<br>BAPEX-10%                                                              | ONGC Videsh                     | The project is under exploration                                                                                                                                                                                                                                                                                                                                          |
| 12     | Block SS 09, Bangladesh, Offshore                                                      | 45                              | OIL-45%<br>BAPEX-10%                                                              | ONGC Videsh                     | The project is under exploration                                                                                                                                                                                                                                                                                                                                          |
| 13     | Block SSJN-7, Colombia, Onshore                                                        | 50                              | Canacol Energy - 50%                                                              | Canacol Energy                  | The project is under exploration                                                                                                                                                                                                                                                                                                                                          |
| 14     | 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                                                                                                                                                                                                                                                          |
| 15     | Sakhalin -1, Russia, Offshore                                                          | Refer note no.63                |                                                                                   |                                 | The project is under development and production.                                                                                                                                                                                                                                                                                                                          |
| 16     | 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                                                                                                                                                                                                                                                                               |
| 17     | Port Sudan Product Pipeline, Sudan                                                     | 90                              | OIL – 10%                                                                         | ONGC Videsh                     | Pipeline was completed and was handed over to Govt. of Sudan in earlier years. Arbitration ongoing for recovery of 7 installments (out of total 18 installments)                                                                                                                                                                                                          |
| 18     | Block Area 1, Mozambique, Offshore (10% through OVRIL 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                                                                                                                                                                                                                                                                                                                                          |
| 19     | 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.                                                                                                                                                                                                                                                                                                                                          |
| 20     | Block BC-10 Brazil, Offshore (Through ONGC Campos Ltda.)                               | 27                              | Shell – 50%<br>QPI – 23%                                                          | Shell                           | The project is under development and production                                                                                                                                                                                                                                                                                                                           |



| S. No. | Name of the Project and Country of Operation                 | Group's participating share (%) | Other Consortium Members                                                                                                             | Operator       | Project status                                  |
|--------|--------------------------------------------------------------|---------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|----------------|-------------------------------------------------|
| 21     | Block BM-SEAL-4 Brazil, Offshore (Through ONGC Campos Ltda.) | 25                              | Petrobras- 75%                                                                                                                       | Petrobras      | The project is under development                |
| 22     | 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 - Türkiye Petrolleri A.O; Triocean - TriOcean Mediterranean. # ONGC Videsh holds 60% shares in BREML.

**Note: There is no change in previous year details unless otherwise stated.**

### The details of blocks relinquished by the Company during FY 2022-23 are as under:

| S. No | Name of the Project and Country of Operation | Company's participating share (%) | Other Consortium Members | Operator  | Project status                                  |
|-------|----------------------------------------------|-----------------------------------|--------------------------|-----------|-------------------------------------------------|
| 1     | Block RC-9, Colombia, Offshore               | 50                                | Ecopetrol - 50%          | Ecopetrol | The block has been relinquished during the year |

### The details of blocks relinquished by the Company during FY 2021-22 are as under:

| S. No | Name of the Project and Country of Operation                                                                                                                                             | Company's participating share (%) | Other Consortium Members | Operator | Project status |
|-------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|--------------------------|----------|----------------|
| 1     | No block was relinquished by the Company during the year. The Satpayev Block, Kazakhstan was relinquished in FY 19-20 and the JOA and other agreements were terminated w.e.f 21.06.2021. |                                   |                          |          |                |

**53.2.1** The Financial position of the Joint Operation projects/ blocks are as under:  
**As at March 31, 2023**

| (₹ 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 |
| <b>A. Certified as at March 31, 2023</b>                                                                                                                    |                  |                    |                     |                         |                   |                                           |                                             |                            |                            |
| Block 06.1, Vietnam                                                                                                                                         | 1,386.44         | 4,590.98           | 1,540.95            | 3,297.71                | 5,604.57          | 992.09                                    | -                                           | -                          | 992.09                     |
| Block Sakhalin 1, Russia                                                                                                                                    | -                | -                  | -                   | -                       | 11,407.78         | (3,179.42)                                | -                                           | -                          | (3,179.42)                 |
| Block A-1, Myanmar                                                                                                                                          | 1,354.90         | 16,763.62          | 2,074.32            | -                       | 9,038.38          | 3,733.30                                  | -                                           | -                          | 3,733.30                   |
| Block A-3, Myanmar                                                                                                                                          | 504.87           | 1,902.61           | 306.33              | -                       | 3,202.18          | 1,314.81                                  | -                                           | -                          | 1,314.81                   |
| SHWE Offshore Pipeline, Myanmar                                                                                                                             | 326.39           | 1,040.89           | 38.25               | -                       | 2,947.23          | 1,944.97                                  | -                                           | -                          | 1,944.97                   |
| Block CPO 5, Colombia                                                                                                                                       | 1,512.00         | 1,946.01           | 6,075.48            | 377.49                  | 34,518.14         | 8,857.04                                  | -                                           | -                          | 8,857.04                   |
| GPOC, Sudan                                                                                                                                                 | 5,832.33         | 32,082.57          | 11,261.97           | 3,045.70                | 13,374.34         | 3,114.29                                  | -                                           | -                          | 3,114.29                   |
| BC-10, Brazil & Block BM-SEAL-4                                                                                                                             | 2,641.46         | 29,898.95          | 5,283.37            | 15,527.42               | 16,698.94         | 4,814.04                                  | -                                           | -                          | 4,814.04                   |
| Block Farzad B, Iran                                                                                                                                        | 94.49            | 1.56               | 6.69                | -                       | -                 | (3.03)                                    | -                                           | -                          | (3.03)                     |
| Port Sudan Product Pipeline, Sudan                                                                                                                          | 4.85             | 11.09              | 2,027.88            | -                       | -                 | -                                         | -                                           | -                          | -                          |
| Block RC-10, Colombia                                                                                                                                       | 94.50            | 0.02               | -                   | -                       | -                 | -                                         | -                                           | -                          | -                          |
| <b>Total (A)</b>                                                                                                                                            | <b>13,752.23</b> | <b>88,238.30</b>   | <b>28,615.24</b>    | <b>22,248.32</b>        | <b>96,791.56</b>  | <b>21,588.09</b>                          | <b>-</b>                                    | <b>-</b>                   | <b>21,588.09</b>           |
| <b>B. Certified as at December 31, 2022 (the latest audited information is available for December 31, 2022. The below figures are as at March 31, 2023)</b> |                  |                    |                     |                         |                   |                                           |                                             |                            |                            |
| Block SS-04, Bangladesh                                                                                                                                     | 117.97           | 101.14             | 213.71              | -                       | -                 | (30.43)                                   | -                                           | -                          | (30.43)                    |
| Block SS-09, Bangladesh                                                                                                                                     | 25.46            | 124.19             | -                   | -                       | -                 | (26.26)                                   | -                                           | -                          | (26.26)                    |
| Block ACG, Azerbaijan                                                                                                                                       | 1,539.79         | 40,210.19          | 1,976.82            | 7,086.92                | 9,792.15          | 3,464.94                                  | -                                           | -                          | 3,464.94                   |
| <b>Total (B)</b>                                                                                                                                            | <b>1,683.22</b>  | <b>40,435.52</b>   | <b>2,190.53</b>     | <b>7,086.92</b>         | <b>9,792.15</b>   | <b>3,408.25</b>                           | <b>-</b>                                    | <b>-</b>                   | <b>3,408.25</b>            |
| <b>C. Unaudited/Uncertified</b>                                                                                                                             |                  |                    |                     |                         |                   |                                           |                                             |                            |                            |
| Block SSJN-7, Colombia                                                                                                                                      | -                | 794.62             | 263.97              | -                       | -                 | 9.55                                      | -                                           | -                          | 9.55                       |
| Myanmar Block EP 3                                                                                                                                          | 9.96             | 64.77              | 18.94               | -                       | -                 | (39.78)                                   | -                                           | -                          | (39.78)                    |
| Myanmar Block B2                                                                                                                                            | 30.99            | 33.93              | 82.43               | -                       | -                 | (21.11)                                   | -                                           | -                          | (21.11)                    |
| Block 5A, Sudan                                                                                                                                             | 999.53           | 4,429.81           | 971.74              | -                       | 1,282.40          | (1,139.01)                                | -                                           | -                          | (1,139.01)                 |
| Block 24, Syria                                                                                                                                             | -                | -                  | 687.75              | -                       | -                 | -                                         | -                                           | -                          | -                          |
| Block Area 1, Mozambique                                                                                                                                    | 5,707.79         | 392,528.93         | 1,504.70            | -                       | -                 | 24,093.70                                 | -                                           | -                          | 24,093.70                  |
| <b>Total (C)</b>                                                                                                                                            | <b>6,748.27</b>  | <b>397,852.06</b>  | <b>3,529.53</b>     | <b>-</b>                | <b>1,282.40</b>   | <b>22,903.35</b>                          | <b>-</b>                                    | <b>-</b>                   | <b>22,903.35</b>           |
| <b>Grand Total</b>                                                                                                                                          | <b>22,183.72</b> | <b>526,525.88</b>  | <b>34,335.30</b>    | <b>29,335.24</b>        | <b>107,866.11</b> | <b>47,899.69</b>                          | <b>-</b>                                    | <b>-</b>                   | <b>47,899.69</b>           |



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 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|--------------------|---------------------|-------------------------|-------------------|-------------------------------------------|---------------------------------------------|----------------------------|----------------------------|
| <b>A. Certified as at March 31, 2022</b>                                                                                                                    |                  |                    |                     |                         |                   |                                           |                                             |                            |                            |
| 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                   |
| Port Sudan Product Pipeline, Sudan                                                                                                                          | 4.45             | 10.23              | 1,924.37            | -                       | -                 | -                                         | -                                           | -                          | -                          |
| Block Farzad-B, Iran                                                                                                                                        | 12.51            | 0.18               | -                   | -                       | -                 | (11.34)                                   | -                                           | -                          | (11.34)                    |
| 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                   |
| <b>Total (A)</b>                                                                                                                                            | <b>27,548.61</b> | <b>314,773.83</b>  | <b>44,310.56</b>    | <b>53,691.46</b>        | <b>155,935.89</b> | <b>48,954.60</b>                          | -                                           | -                          | <b>48,954.60</b>           |
| <b>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)</b> |                  |                    |                     |                         |                   |                                           |                                             |                            |                            |
| 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              | -                   | -                       | -                 | (37.24)                                   | -                                           | -                          | (37.24)                    |
| Block AC6, Azerbaijan                                                                                                                                       | 1,267.78         | 40,428.54          | 1,951.11            | 9,845.29                | 8,529.04          | 2,852.89                                  | -                                           | -                          | 2,852.89                   |
| <b>Total (B)</b>                                                                                                                                            | <b>1,592.28</b>  | <b>40,595.10</b>   | <b>2,478.78</b>     | <b>9,845.29</b>         | <b>8,529.04</b>   | <b>1,888.40</b>                           | -                                           | -                          | <b>1,888.40</b>            |
| <b>C. Unaudited</b>                                                                                                                                         |                  |                    |                     |                         |                   |                                           |                                             |                            |                            |
| 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                                                                                                                                    | 5,079.93         | 330,250.00         | 2,022.48            | -                       | -                 | (2,842.78)                                | -                                           | -                          | (2,842.78)                 |
| <b>Total (C)</b>                                                                                                                                            | <b>5,685.91</b>  | <b>335,726.02</b>  | <b>5,103.71</b>     | -                       | <b>404.22</b>     | <b>(5,112.69)</b>                         | -                                           | -                          | <b>(5,112.69)</b>          |
| <b>Grand Total</b>                                                                                                                                          | <b>34,826.80</b> | <b>691,094.95</b>  | <b>51,893.05</b>    | <b>63,536.75</b>        | <b>164,869.15</b> | <b>45,730.31</b>                          | -                                           | -                          | <b>45,730.31</b>           |

**53.2.2 Additional Financial information related to Joint Operation blocks are as under:**  
**As at March 31, 2023**

| (₹ 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 |
| <b>A. Certified as at March 31, 2023</b>                                                                                                                    |                           |                               |                                   |                               |                 |                  |                              |
| Block 06.1, Vietnam                                                                                                                                         | 53.74                     | 1,437.94                      | -                                 | 1,437.23                      | 0.15            | -                | -                            |
| Block Sakhalin 1, Russia                                                                                                                                    | -                         | -                             | -                                 | 4,272.75                      | 43.75           | -                | 132.06                       |
| Block A-1, Myanmar                                                                                                                                          | 196.52                    | 1,632.66                      | -                                 | 2,330.12                      | -               | -                | 720.59                       |
| Block A-3, Myanmar                                                                                                                                          | 258.81                    | 143.35                        | -                                 | 571.22                        | -               | -                | 458.80                       |
| SHWE Offshore Pipeline, Myanmar                                                                                                                             | 22.83                     | 37.30                         | -                                 | 147.55                        | -               | -                | 694.92                       |
| Block CPO 5, Colombia                                                                                                                                       | -                         | 153.80                        | -                                 | 669.02                        | -               | -                | 7,061.20                     |
| BC-10, Brazil & Block BM-SEAL-4                                                                                                                             | 38.84                     | 4,776.12                      | 2,876.00                          | 3,970.09                      | 112.07          | 292.07           | 2,099.50                     |
| GPOC, Sudan                                                                                                                                                 | 1,219.81                  | 11,261.97                     | 673.16                            | 1,280.48                      | -               | -                | -                            |
| Port Sudan Product Pipeline, Sudan                                                                                                                          | 4.85                      | 2,027.88                      | -                                 | -                             | -               | -                | -                            |
| Block Farzad B, Iran                                                                                                                                        | 1.03                      | 6.69                          | -                                 | -                             | 0.39            | -                | -                            |
| Block RC-10, Colombia                                                                                                                                       | -                         | -                             | -                                 | -                             | 0.50            | -                | -                            |
| <b>Total (A)</b>                                                                                                                                            | <b>1,796.43</b>           | <b>21,477.71</b>              | <b>3,549.16</b>                   | <b>14,678.46</b>              | <b>156.86</b>   | <b>292.07</b>    | <b>11,167.07</b>             |
| <b>B. Certified as at December 31, 2022 (the latest audited information is available for December 31, 2022. The below figures are as at March 31, 2023)</b> |                           |                               |                                   |                               |                 |                  |                              |
| Block SS-04, Bangladesh                                                                                                                                     | 117.97                    | 209.62                        | -                                 | -                             | -               | -                | -                            |
| Block SS-09, Bangladesh                                                                                                                                     | 25.46                     | -                             | -                                 | -                             | -               | -                | -                            |
| Block ACG, Azerbaijan                                                                                                                                       | -                         | 1,976.81                      | 1,096.03                          | 3,838.92                      | 0.06            | -                | 1,322.41                     |
| <b>Total (B)</b>                                                                                                                                            | <b>143.43</b>             | <b>2,186.43</b>               | <b>1,096.03</b>                   | <b>3,838.92</b>               | <b>0.06</b>     | <b>-</b>         | <b>1,322.41</b>              |
| <b>C. Unaudited</b>                                                                                                                                         |                           |                               |                                   |                               |                 |                  |                              |
| Block SSJN-7, Colombia                                                                                                                                      | -                         | 263.97                        | -                                 | -                             | -               | -                | -                            |
| Myanmar Block EP 3, O/S (Non-Op)                                                                                                                            | 9.07                      | 18.94                         | -                                 | 0.04                          | 0.27            | -                | -                            |
| Myanmar Block B2 Onshore                                                                                                                                    | 26.50                     | 82.33                         | -                                 | 0.03                          | 0.27            | -                | -                            |
| Block 5A, Sudan                                                                                                                                             | 283.04                    | 971.74                        | -                                 | 319.01                        | -               | -                | -                            |
| Block 24, Syria                                                                                                                                             | -                         | 686.71                        | -                                 | -                             | -               | -                | -                            |
| Block Area 1, Mozambique                                                                                                                                    | -                         | 1,499.84                      | -                                 | -                             | 2,131.70        | -                | -                            |
| <b>Total (C)</b>                                                                                                                                            | <b>318.61</b>             | <b>3,523.53</b>               | <b>-</b>                          | <b>319.08</b>                 | <b>2,132.24</b> | <b>-</b>         | <b>-</b>                     |
| <b>Grand Total</b>                                                                                                                                          | <b>2,258.47</b>           | <b>27,187.67</b>              | <b>4,645.19</b>                   | <b>18,836.46</b>              | <b>2,289.16</b> | <b>292.07</b>    | <b>12,489.48</b>             |



# 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 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|-------------------------------|-----------------------------------|-------------------------------|-----------------|------------------|------------------------------|
| <b>A. Certified as at March 31, 2022</b>                                                                                                                    |                           |                               |                                   |                               |                 |                  |                              |
| 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          | -                | 20,504.56                    |
| 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                     | 30.24                         | -                                 | 157.17                        | -               | -                | 367.29                       |
| Block CPO 5, Colombia                                                                                                                                       | -                         | 3,073.35                      | -                                 | 189.68                        | -               | -                | 1,996.63                     |
| Port Sudan Product Pipeline, Sudan                                                                                                                          | 4.45                      | 1,924.37                      | -                                 | -                             | -               | -                | -                            |
| Block Farzad-B, Iran                                                                                                                                        | 12.51                     | -                             | -                                 | -                             | 0.37            | -                | -                            |
| GNPOC & GPOC, Sudan                                                                                                                                         | 1,111.36                  | 5,109.89                      | 4,833.68                          | 3,914.82                      | 18.12           | 419.77           | 3,745.86                     |
| BC-10, Brazil & Block BM-SEAL-4                                                                                                                             | 1,163.63                  | 10,973.95                     | 271.82                            | 1,375.71                      | -               | -                | -                            |
| <b>Total (A)</b>                                                                                                                                            | <b>6,893.72</b>           | <b>31,823.33</b>              | <b>5,105.50</b>                   | <b>36,957.00</b>              | <b>123.24</b>   | <b>419.77</b>    | <b>27,400.84</b>             |
| <b>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)</b> |                           |                               |                                   |                               |                 |                  |                              |
| 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                     |
| <b>Total (B)</b>                                                                                                                                            | <b>324.50</b>             | <b>2,478.78</b>               | <b>1,999.11</b>                   | <b>3,850.02</b>               | <b>10.28</b>    | <b>-</b>         | <b>1,053.44</b>              |
| <b>C. Unaudited/Uncertified</b>                                                                                                                             |                           |                               |                                   |                               |                 |                  |                              |
| Block SSJN-7, Colombia                                                                                                                                      | -                         | 48.23                         | -                                 | -                             | -               | -                | -                            |
| Myanmar Block EP 3                                                                                                                                          | 3.36                      | 39.88                         | -                                 | -                             | 0.19            | -                | 0.98                         |
| Myanmar Block B2                                                                                                                                            | 34.02                     | 57.72                         | -                                 | -                             | 0.19            | -                | 0.70                         |
| Block 5A, South Sudan                                                                                                                                       | 145.13                    | 2,302.19                      | -                                 | 85.75                         | -               | -                | -                            |
| Block 24, Syria                                                                                                                                             | -                         | 633.21                        | -                                 | -                             | -               | -                | -                            |
| Block Area 1, Mozambique                                                                                                                                    | -                         | 2,018.06                      | -                                 | -                             | 3,456.44        | -                | -                            |
| <b>Total (C)</b>                                                                                                                                            | <b>182.51</b>             | <b>5,099.29</b>               | <b>-</b>                          | <b>85.75</b>                  | <b>3,456.82</b> | <b>-</b>         | <b>1.68</b>                  |
| <b>Grand Total</b>                                                                                                                                          | <b>7,400.73</b>           | <b>39,401.40</b>              | <b>7,104.61</b>                   | <b>40,892.77</b>              | <b>3,590.34</b> | <b>419.77</b>    | <b>28,455.96</b>             |





### 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 corporates except for one block (Cluster-7) which is a service contract. Further, Prize Petroleum Company Limited [PPCL] (including its subsidiary Prize Petroleum International Pte. Ltd.) also has similar assets, the details are as under:

| Name of the Block                                                                                                                                                                                                                          | Participating Interest of HPCL Group in % |                      |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------|
|                                                                                                                                                                                                                                            | As on March 31, 2023                      | As on March 31, 2022 |
| <b>In respect of HPCL</b>                                                                                                                                                                                                                  |                                           |                      |
| <b>In India</b>                                                                                                                                                                                                                            |                                           |                      |
| <b>Under NELP IV</b>                                                                                                                                                                                                                       |                                           |                      |
| KK- DWN-2002/2                                                                                                                                                                                                                             | 20.00                                     | 20.00                |
| KK- DWN-2002/3                                                                                                                                                                                                                             | 20.00                                     | 20.00                |
| CB- ONN-2002/3                                                                                                                                                                                                                             | 15.00                                     | 15.00                |
| <b>Under NELP V</b>                                                                                                                                                                                                                        |                                           |                      |
| AA-ONN-2003/3                                                                                                                                                                                                                              | 15.00                                     | 15.00                |
| <b>Under NELP VI</b>                                                                                                                                                                                                                       |                                           |                      |
| 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                |
| <b>Under NELP IX</b>                                                                                                                                                                                                                       |                                           |                      |
| MB-OSN-2010/2                                                                                                                                                                                                                              | 30.00                                     | 30.00                |
| <b>Cluster - 7</b>                                                                                                                                                                                                                         | 60.00                                     | 60.00                |
| <b>In respect of PPCL</b>                                                                                                                                                                                                                  |                                           |                      |
| <b>In India</b>                                                                                                                                                                                                                            |                                           |                      |
| <b>South Rewa – PSC:</b> DGH vide its letter dated 5 February 2018 has communicated that the Block stands relinquished with effect from 23 October 2014 subject to the compliance of Production Sharing Contract (PSC) and relevant rules. | 10.00                                     | 10.00                |
| <b>Sanganpur – PSC</b> MoP&NG vide its letter dated 2nd June 2017 has terminated the PSC.                                                                                                                                                  | 50.00                                     | 50.00                |
| <b>Hirapur – SC</b> Contract was terminated on 25 March 2021, and the field has been handed over to ONGC.                                                                                                                                  | 50.00                                     | 50.00                |
| <b>Outside India</b>                                                                                                                                                                                                                       |                                           |                      |
| 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 2022-23.

**53.3.1.2** In respect of Cluster – 7, which is terminated and the matter is under litigation (refer Note No. 58.1.9(a)). 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 towards these blocks..

### 52.3.2 In respect of step-down subsidiary PPCL

#### 53.3.2.1 ONGC Onshore Marginal Fields

The Company was awarded Service Contracts dated 28<sup>th</sup> 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 25 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 Financial Year 2021-22. The Company's share of assets and liabilities as at 31<sup>st</sup> March 2023 and the Income and expenditure for the year in respect of above joint venture is as follows:

(₹ in Million)

|   | Particulars                         | As at March 31, 2023 | As at March 31, 2022 |
|---|-------------------------------------|----------------------|----------------------|
| A | Property, Plant & Equipment (Gross) | -                    | -                    |
| B | Intangible asset under development  | -                    | -                    |
| C | Other Net Non-Current Assets        | 3.50                 | 3.70                 |
| D | Net Current Assets (*)              | 47.00                | 47.90                |
| E | Income                              | 0.20                 | 1.20                 |
| F | Expenditure                         | -                    | 94.40                |

(\*) Includes receivable from joint venture amounting to ₹44.90 Million. (As at March 31, 2022 ₹45.50 Million.)

#### 53.3.2.2 Sangapur Field

The Company acquired 50% participating interest in Sangapur field from M/s Hydrocarbon Development Company Pvt. Ltd. (HDCPL) effective 1st September, 2004. Accumulated amount prior to acquisition of Sangapur field amounting ₹11.80 Million have been included in Sangapur field Assets. The Company has accounted its proportionate share in the Sangapur field based on estimated un-Audited accounts as at 31<sup>st</sup> March, 2017.

In FY 2014-15, the operator of the block 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 HDCPL in their another asset wherein Bombay High Court vide order dated 14<sup>th</sup> November, 2014 in Company Petition 550 of 2013 had passed order for appointment of liquidator for assets and business of HDCPL. However, as per Production Sharing contract (PSC), the ownership of underlying hydrocarbon lies with Gol, hence Sangapur field was not attached and operations in the field were continued. Further, MoP&NG vide its letter dated 2<sup>nd</sup> June, 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 2<sup>nd</sup> June 2017 has terminated the PSC. Accordingly, Company had created a provision for write-off of Sangapur Assets of ₹66.50 Million in FY 2017-18. During Current Financial Year ₹ Nil (2021-22 : ₹ (1.20 Million)) transferred to provision for write-off of Sangapur Assets.

The Company's share of assets, liabilities, Income and Expenditure is ₹ Nil (31.03.2022 : ₹ Nil).

#### 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 31<sup>st</sup> 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 27<sup>th</sup> 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 12 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 2 March, 2007.

Consortium has proposed to relinquish the block effective from 23<sup>rd</sup> 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 ₹29.70 Million in which the company has share of 10%. During the current FY, the Inventory has been revalued to ₹29.70 Million from ₹37.60 Million, on the basis of Government approved valuer report dated 25 March 2023. The Company is in the process of disposal of the standing inventory which includes Imported and indigenously purchased items comprising of Stores and Spares.

The Company's share of assets and liabilities as at 31 March, 2023 in respect of above joint venture is as follows:

| (₹ in Million)                        |                      |                      |
|---------------------------------------|----------------------|----------------------|
| Particulars                           | As at March 31, 2023 | As at March 31, 2022 |
| 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 (*)                | 29.64                | 30.51                |
| Expenditure                           | 0.88                 | 0.12                 |

(\*) Includes receivables from joint venture amounting to ₹26.60 Million (as at March 31, 2022: ₹26.70 Million).

### 54. In respect of subsidiary company, HPCL-Estimated Hydrocarbon Proven Reserves as on 31<sup>st</sup> March, 2023 in the Oil fields are as follows:

#### 54.1 International Operations (Yolla Field, Australia – License T/L 1 – Offshore Filed)

| Particulars              | As at March 31, 2023 | As at March 31, 2022 |
|--------------------------|----------------------|----------------------|
|                          | MM BoE               | MM BoE               |
| Recoverable Reserves (*) | 0.555                | 0.889                |

(\*) For respective share of the company

#### 54.2 Quantitative Particulars of Petroleum:

| Total Dry Crude Production*  | FY 2022-23<br>(BoE) | FY 2021-22<br>(BoE) |
|------------------------------|---------------------|---------------------|
| Hirapur Field                | -                   | 1,846               |
| Yolla Field (T/L1) Australia | 114,106             | 167,170             |
| <b>TOTAL</b>                 | <b>169,016</b>      | <b>169,016</b>      |

(\*) Company 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. 14.1.14 and Note No. 14.1.15.

## 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 16.10% (as at March 31, 2022: 14.74%) for Rupee transactions and 12.16% (as at March 31, 2022: 10.10%) for crude oil, natural gas and value added products revenue, which are measured in USD. 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 prices, discounted applying the rate applicable to the cash flows measured in USD.

**57.4** The Company has considered the prevailing business conditions to make an assessment of future crude oil, natural gas and value added product prices based on internal and external information / indicators of future economic conditions. Based on the assessment, the Company has recorded a net impairment loss to the extent the carrying amount exceeds the value in use, amounting to ₹5,270.26 Million (Previous year: net impairment reversal of ₹11,904.07 Million), this consist of net impairment loss at Onshore CGUs amounting to ₹559.68 Million (Previous year: net impairment reversal of ₹14,746.95 Million) and net impairment loss at Offshore CGUs amounting to ₹4,710.58 Million (Previous year ₹2,842.88 Million).

**57.5** The following 2P reserves for respective CGU were considered as a basis for the impairment testing as at March 31, 2023:

| Name of the CGU             | Quantity of Reserves used for Impairment Assessment (In MMTOE) |
|-----------------------------|----------------------------------------------------------------|
| Assam Onshore Asset         | 41.11                                                          |
| KG-OSN-2001/3 Block         | 22.91                                                          |
| S1 Vashishta                | 4.43                                                           |
| RJ-ON-90/1 Block            | 9.44                                                           |
| WO 16 (Western Offshore)    | 9.02                                                           |
| KG-DWN-98/2 Block           | 65.69                                                          |
| Silchar Onshore Asset       | 0.98                                                           |
| 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, 2023 and a net impairment reversal of ₹20,067.81 Million (Previous year: net impairment loss of ₹20,830.40 Million) has been provided during the year.

**57.7** The Company's investment in associates and joint ventures are tested for impairment when there is any significant indication that those investments have suffered an impairment loss. During the year impairment assessment of such investments was carried out and the value in use / fair value of such investments were more than the carrying value and therefore no impairment loss has been provided on such investments.

## 57.8 In respect of subsidiary OVL,

**a)** The OVL Group is mainly engaged in prospecting for and acquisition of oil and gas acreages outside India for exploration, development and production of crude oil and natural gas. The OVL Group has acquired participating interest in various producing assets spread across multiple countries. Each participating interest in a project are sufficiently economically independent to constitute a cash generating unit (CGU). Accordingly, impairment test is performed at each project level.

The Value in Use of CGUs is determined under a multi-stage approach, wherein future cash flows are initially estimated based on the Proved and probable reserves (2P). Full



estimate of the expected cost of future development is also considered while determining the value in use.

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/license period are discounted to their present value. 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. 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, discounted applying the rate applicable to the cash flows measured in USD.

The OVL Group has considered the possible effects global uncertainties, in determining the recoverability of its Cash Generating Units. The OVL Group 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 OVL Group has recorded impairment in respect of 4 CGUs and impairment reversal in respect of 1 CGUs and recognized net impairment reversal of ₹10,946.72 Million during the year ended March 31, 2023 (for the year ended March 31, 2022 net impairment of ₹20,749.11 Million was provided). 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:

| CGU                   | As at March 31, 2023                 |              | As at March 31, 2022                 |              |
|-----------------------|--------------------------------------|--------------|--------------------------------------|--------------|
|                       | Proved and Probable Reserves (MMTOE) | Pre-tax WACC | Proved and Probable Reserves (MMTOE) | Pre-tax WACC |
| Imperial, Russia      | 40.027                               | 13.84%       | 40.312                               | 12.83%       |
| Sakhlain-1, Russia    | 115.427                              | 21.00%       | 116.843                              | 17.96%       |
| Vankor, Russia        | 66.374                               | 17.22%       | 70.102                               | 16.46%       |
| Area-1, Mozambique    | 200.708                              | 9.44%        | 200.708                              | 10.02%       |
| Block-5A, South Sudan | 2.910                                | 7.83%        | 2.776                                | 8.51%        |
| GPOC, South Sudan     | 5.352                                | 7.83%        | 5.044                                | 8.51%        |
| Carabobo, Venezuela   | 13.510                               | 20.80%       | 13.568                               | 16.40%       |
| PIVSA, Venezuela      | 3.536                                | 19.35%       | 3.806                                | 26.51%       |
| MECL Colombia         | 1.195                                | 17.28%       | NA                                   | NA           |
| ACG Azerbaijan        | NA                                   | NA           | 8.222                                | 12.29%       |
| BC-10, Brazil         | 1.704                                | 12.27%       | NA                                   | NA           |

**b)** 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 2055. The existing validity period of licenses of various blocks are ranging from up to 2024 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 2055 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 2023-24 to 2027-28 and thereafter as per the design documents approved by the regulator

**57.9** In respect of subsidiary HPCL, impairment assessment as per the requirements of Ind AS 36 'Impairment of Assets'

has been carried out at period end for all Cash-Generating Units (CGUs) by comparing their value-in-use (calculated based on certain assumptions, on which auditors have relied upon) with the carrying value of assets under respective CGUs. Based on such assessment, no impairment loss for CGUs is warranted except in case of windmills assets situated at Akal (Rajasthan) for which an impairment loss of ₹442.80 Million (2021-2022: ₹ Nil) has been recognized.

In respect of Prize Petroleum International Pte. Ltd., basis inputs from Operator, assets pertaining to E&P Blocks have been assessed for impairment and accordingly, an impairment loss of ₹ 1,292.40 Million (2021-22 : ₹ - 286.80 Million) has been recognised. Further, an amount of ₹ 506.70 Million (2021-22 : ₹ 13.60 Million) pertaining to 'Intangible Assets under development' of such E&P Blocks has been charged to Statement of Profit & Loss during the year.



## 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<br>March 31, 2023 | As at<br>March 31, 2022 |
|----------|--------------------------------------------------------|-------------------------|-------------------------|
| <b>A</b> | <b>In respect of Group</b>                             |                         |                         |
| I        | Income tax                                             | 109,960.08              | 108,363.94              |
| II       | Excise Duty                                            | 20,805.59               | 20,128.51               |
| III      | Custom Duty                                            | 7,327.63                | 7,585.89                |
| IV       | Royalty                                                | 6,418.86                | 496.82                  |
| V        | Sales Tax                                              | 46,450.48               | 47,026.10               |
| VI       | Octroi and other Municipal Taxes                       | 285.08                  | 167.20                  |
| VII      | AP Mineral Bearing Land (Infrastructure) Cess          | 3,538.42                | 3,425.29                |
| VIII     | Specified Land Tax (Assam)                             | 15,970.90               | 14,465.76               |
| IX       | Claims of contractors in Arbitration/Court.            | 193,455.49              | 184,359.02              |
| X        | Service Tax (Note No. 58.1.2)                          | 41,937.33               | 57,399.38               |
| XI       | GST (Note No. 58.1.2)                                  | 40,434.32               | 105,682.83              |
| XII      | Employees Provident Fund                               | 66.35                   | 66.35                   |
| XIII     | Employee Benefits/Demands (to the extent quantifiable) | 1,764.70                | 1,512.20                |
| XIV      | Other Matters (Note No. 58.1.3, 58.1.4 & 58.1.10)      | 225,912.53              | 207,747.82              |
|          | <b>Sub Total ( A )</b>                                 | <b>714,327.75</b>       | <b>758,427.11</b>       |
| <b>B</b> | <b>In respect of Joint Ventures and Associates</b>     |                         |                         |
| I        | Income tax                                             | 467.66                  | 110.37                  |
| II       | Excise Duty                                            | 5,513.07                | 4,313.80                |
| III      | Custom Duty                                            | 169.96                  | 169.96                  |
| IV       | Sales Tax                                              | 6.53                    | 40.21                   |
| V        | Service Tax                                            | 50.06                   | 50.06                   |
| VI       | GST                                                    | 5.04                    | 5.04                    |
| VII      | Claims of contractors in Arbitration/Court.            | 3,107.30                | 3,118.54                |
| VIII     | Employee Benefits/Demands (to the extent quantifiable) | 0.42                    | 0.42                    |
| IX       | Other                                                  | 25,732.16               | 23,584.24               |
|          | <b>Sub Total ( B )</b>                                 | <b>35,052.21</b>        | <b>31,392.65</b>        |
|          | <b>Total ( A+B )</b>                                   | <b>749,379.95</b>       | <b>789,819.76</b>       |

**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 Hon. Gujarat High Court. In this matter, Hon. Gujarat High Court in the hearing held on January 04, 2021 directed the revenue authorities to file counter affidavit by January 21, 2021. The Central Government has filed counter affidavit on January 20, 2021. The next date of hearing before Hon. 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. High Court of Rajasthan. The Hon. 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. High Court of Madras seeking stay on the levy of GST on royalty. The Hon. High Court of Madras heard the matter on April 3, 2019 and issued notice to Central Government and State Government. The Central Government filed their counter affidavit on August 26, 2019. The Company filed additional grounds to the writ petition and filed rejoinder to the counter of the Central Government on January 24, 2020. The Hon. High Court of Madras closed the writ petition in hearing held on July 6, 2022 based on the department's rejection of Company's GST refund applications without further examination on merit. However liberty was granted to challenge the refund rejection order of department in accordance with law, accordingly, an appeal has been filed before the appellate authority challenging the department's refund rejection order dated June 24, 2022. Disputes are also pending at various forums for various work centres in respect to GST on Royalty.

As an abundant caution, the Company has deposited the disputed Service Tax and GST on royalty along-with interest under-protest amounting to ₹115,581.52 Million up to March 31, 2023 (₹87,567.87 Million up to March 31, 2022).

The Company shall continue to contest such disputed matters before various forums based on the legal opinion as per which the Service Tax/GST on Royalty in respect of Crude oil and Natural gas is not applicable. However, considering the pending final decision in a similar matter by the Nine Judges' Bench of Hon'ble Supreme Court, which is yet to be constituted and keeping in view the considerable time elapsed, during the year, the company has reviewed the entire issue of disputed Service tax and GST on royalty and has decided to make a provision towards these disputed taxes as a prudent and conservative practice in respect of the nominated fields, as per agreed terms in JV blocks where there are no disputes amongst the JV partners and to the extent of company's participating interest in the JV blocks where there are disputes amongst the JV partners. Accordingly, during the year the Company has provided ₹92,351.14 Million towards disputed taxes for the period from April 1, 2016 to March 31, 2022 together with interest thereon up to March 31, 2023 towards the ST/GST

on Royalty and being material has been disclosed as an exceptional item. Further, a similar provision of ₹28,723.32 Million has also been made during the year for disputed taxes for the financial year 2022-23.

The Company has also obtained a legal opinion from the Additional Solicitor General, Supreme Court of India and other legal expert, with respect to JV blocks where there are disputes with JV partners, as per which the Service Tax/GST, if applicable on royalty, will required to be discharged by the JV partners in their respective share of participating interest in the JV blocks, and pending resolution of the disputes, other partners' share of disputed ST/GST on Royalty in such JV blocks together with interest up to March 31, 2023 amounting to ₹43,318.13 Million has not been considered for provision and the same has been disclosed as contingent liability.

The remaining disputed demand received by the Company towards penalty and other differences i.e. ₹18,624.60 Million has also been disclosed as contingent liability.

Considering the Income tax experts' opinion on the subject, the aforesaid amount deposited under protest has been claimed in the Income Tax return / in the ongoing assessment & appellate proceedings, as an allowable expenditure under section 37 read with section 43B of the Income Tax Act, 1961 for the relevant earlier assessment years and has also been considered as an allowable expenditure while calculating the current tax for the earlier years and also towards the current tax for the year ended March 31, 2023. The Company has also created deferred tax asset amounting to ₹879.86 Million in respect of the amounts yet to be deposited against the provision made for disputed taxes for the above periods. (refer Note no. 32.7).

**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 USD 203.92 Million - equivalent to ₹16,752.14 Million (Previous year: USD 167.08 Million – equivalent to ₹12,656.35 Million) under contingent liability as on March 31, 2023. For further details, please refer Note No. 53.1.7.

**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 (BGEPIIL) 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 & BGEPIIL (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 (BGEPIIL & RIL). MoP&NG has also stated that the Arbitral Award would be applicable to the Company also as a constituent of the Contract for both the PSCs.

Directorate General of Hydrocarbons (DGH), vide letter 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 BGEPIIL that on issues relating to the aforesaid disputes, additional Audit Award on January 11, 2018, Agreement Case Award on October 1, 2018 and Jurisdictional Award on March 12, 2019 were pronounced. However, the details of proceedings of the FPA and other Orders are not available with the Company. DGH, vide their letters 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 Government's interpretation of the FPA (40% share of the Company amounting to USD 1,624.05 Million, including interest up to November 30, 2016) equivalent to ₹133,415.71 Million (March 31, 2022: ₹123,021.60 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 Government of India (GOI) 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 GOI and JV Partners have challenged parts of the Revised Award before English Court. On 12 February 2020, the English Court passed a verdict favouring the challenges made by BGEPIIL and RIL and also remitted the matter in the Revised Award back to Arbitral Tribunal for reconsideration. BGEPIIL has informed that the Tribunal issued a verdict in January 2021, favouring BGEPIIL/RIL on the remitted matter, which was challenged by the GOI before the English Court. The English Court delivered its verdict on 9 June 2022 dismissing the GOI's challenges and upholding the Revised Agreements Award. The GOI filed an appeal against the English Court verdict of 9 June 2022 that was rejected by the English courts in August 2022.

Based on the information shared by BGEPIIL, GOI has also filed an execution petition before the Hon'ble Delhi High Court seeking enforcement and execution of the October 12, 2016 FPA. In January 2018, the Company along with the JV partners had filed an application with MC for increase in CRL in terms of the PSCs. BGEPIIL / RIL contend that GOI's execution petition is not maintainable and have opposed the reliefs sought by the GOI under the said petition. The hearings in the matter before the Hon'ble Delhi High Court concluded on August 4, 2022. Final orders on the reliefs sought by the GOI is awaited.

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 during the quarter of October – December 2021. Substantial hearings have taken place since 2021 in respect of the Cost Recovery Limit increase applications filed by BGEPIIL & RIL and an award is presently expected by Q4 2023-24 i.e. Jan – March 2024.

DGH vide letter dated January 14, 2019 has advised to 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 GOI recovered USD 80.18 Million (Share of the Company USD 32.07 Million equivalent to ₹2,634.55 Million (March 31, 2022: ₹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 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 USD 1,624.05 Million equivalent to ₹133,415.71 Million @ ₹82.15 i.e. closing rate as on 31.03.2023 (March 31, 2022: ₹123,021.60 Million) has been considered as contingent liability.

The Company's share of USD 32.07 Million ₹2,634.55 Million @ ₹82.15 i.e. closing rate as on March 31, 2023 (March 31, 2022: ₹2,429.30 Million) recovered by Government of India has been disclosed under Note No.19 in the financial statements.

**58.1.5** The Company is operating various 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.

Considering the time taken to resolve the matter, State Government of Assam has formulated a way out so that the lease may be signed. The Director, Directorate of Geology and Mines, had obtained the approval of the Additional Chief Secretary to the State Government of Assam vide letter dated June 10, 2021 to allow for signing the deeds for petroleum Mining Lease (PML) with companies on the basis of dead rent as was done earlier with the insertion of clause in the deed that balance amount of stamp duty which will accrue after finalization of the method of calculating stamp duty shall have to be paid by the respective companies. The Company has been asked by the Directorate of Geology and Mines, Assam to submit the draft deed for all the pending PMLs for ascertainment of Stamp Duty and execution.

Presently proceedings are going on before Registrar of Stamp, Ahmedabad for ascertainment of Stamp duty payable for execution of mining lease agreements in respect of some of the Mining Lease's for ascertainment of Stamp duty payable.

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, ONGC Videsh Ltd.**

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 up to 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 ₹2,119.93 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, 2023 (As at March 31, 2022 ₹2,121.14 Million) along with applicable interest and penalties totally amounting to ₹6,168.37 Million as at March 31, 2023 (As at March 31, 2022 ₹6,168.37 Million) in respect of classification of tariff of the reformat 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 MRPL**, in case of a vendor company, there is a claim from the Deputy Commissioner of Commercial Tax (CT) amounting to ₹4,359.27 Million as at March 31, 2023 (As at March 31, 2022 ₹4,117.01 Million) against which a writ petition has been filed by them before Hon'ble Karnataka High Court. In terms of the contract entered with the vendor company, the said liability as and when reaches finality is to be discharged by the company on back to back basis.

#### **58.1.9 In respect of subsidiary HPCL,**

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 has 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 17.04.2023, but could not be taken up, and is awaiting hearing.

As a result, Group's share of the awarded amount which is approximately ₹4,908.70 Million towards loss of profit/damages/costs and interest thereon has not been recognized on a conservative basis. Further, the claim raised by M/s M3nergy to the extent of Group's share i.e. approximately ₹3000.20 Million @ Exchange rate of 1 USD = ₹82.1750 (31.03.2022 : ₹2,767.40 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 6th Feb 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 1.80 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.

#### **58.1.10 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. Therefore, Company is selling its majority of products in Domestic Tariff Area (DTA). 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; 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. These activities/approvals are in process. 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 exit is expected to bring significant improvement in the future margins along with one time cost. The above estimates are provisional and includes disputed demand pending before court and authorities. Actual outflow on account of SEZ exit and its quantum is contingent upon the terms and conditions on which various approvals may be granted. Since various NOC, approvals and duty assessment for SEZ exit are under consideration with the competent authorities and application for SEZ exit is voluntary in nature, management believes that a final decision on exit can only be taken based on the terms and conditions mentioned in these approvals. Therefore, company has not recognized the estimated one time liability as well as estimated future benefits in 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, 2023 (As at March 31, 2022 ₹95.28 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:-**

In respect of the Group: ₹580,160.23 Million (as at March 31, 2022: ₹696,152.66 Million).

In respect of Group Share in Joint Ventures and Associates: ₹7,842.45 Million (as at March 31, 2022: ₹8,263.92 Million).

##### **b) Unconditional purchase obligation:**

In respect of the Group: ₹6,407.14 Million (as at March 31, 2022: ₹6,407.14 Million).

In respect of Group Share in Joint Ventures and Associates: ₹9,647.35 Million (as at March 31, 2022: ₹5,580.03 Million).

In respect of subsidiary MRPL, the Company has requested KIADB for an allotment of 1,050 acres of land for Phase IV expansion. The balance capital commitment in this regard is around ₹6,407.14 Million (As at March 31, 2022 ₹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:**

In respect of NELP/OALP/DSF blocks in which the Company has 100% participating interest: ₹116,310.45 Million (Previous year ₹71,458.41 Million).

In respect of NELP/OALP/DSF blocks in Joint Operations, Company's share: ₹11,049.98 Million (Previous year ₹1,573.30 Million).

In respect of subsidiary OVL, estimated amount of Minimum Work Programme (MWP) is ₹7,810.42 Million (Previous year: ₹9,862.78 Million). The same includes the amount of carried interest borne by the company as per carry agreements in respect of exploratory blocks

##### **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, 2023 is ₹1,766.85 Million (Previous year ₹1,699.28 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 ₹2,075.97 Million as on March 31, 2023 (₹1,959.54 Million as on March 31, 2022), 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,**

Pending commitment on account of Refinery performance improvement programme by M/s.Shell Global International Solution (M/s.Shell GIS) as at March 31, 2023 USD Nil net of advance (As at March 31, 2022 USD 1.46 Million net of advance).

Pending commitments on account of Corporate Environment Responsibility (CER) and Enterprise Social Commitment (ESC) as at March 31, 2023 ₹755.23 (As at March 31, 2022 ₹758.79).

## **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, 2023 | As at March 31, 2022 | As at March 31, 2023      | As at March 31, 2022 | As at March 31, 2023          | As at March 31, 2022 |
| <b>Offshore</b> | Opening        | 166.01               | 173.88               | 163.67                    | 175.19               | 329.68                        | 349.07               |
|                 | Addition       | 4.04                 | 5.01                 | 8.08                      | 4.62                 | 12.12                         | 9.63                 |
|                 | Production     | 12.35                | 12.88                | 15.92                     | 16.14                | 28.27                         | 29.02                |
|                 | <b>Closing</b> | <b>157.70</b>        | <b>166.01</b>        | <b>155.83</b>             | <b>163.67</b>        | <b>313.53</b>                 | <b>329.68</b>        |
| <b>Onshore</b>  | Opening        | 126.68               | 128.70               | 115.17                    | 119.08               | 241.85                        | 247.78               |
|                 | Addition       | 5.23                 | 5.63                 | (4.88)                    | 1.47                 | 0.35                          | 7.10                 |
|                 | Production     | 7.52                 | 7.65                 | 5.28                      | 5.38                 | 12.80                         | 13.03                |
|                 | Changes*       | (0.11)               | -                    | (0.01)                    | -                    | (0.12)                        | -                    |
|                 | <b>Closing</b> | <b>124.28</b>        | <b>126.68</b>        | <b>105.00</b>             | <b>115.17</b>        | <b>229.28</b>                 | <b>241.85</b>        |
| <b>Total</b>    | Opening        | 292.69               | 302.58               | 278.84                    | 294.27               | 571.53                        | 596.85               |
|                 | Addition       | 9.27                 | 10.64                | 3.20                      | 6.09                 | 12.47                         | 16.73                |
|                 | Production     | 19.87                | 20.53                | 21.20                     | 21.52                | 41.07                         | 42.05                |
|                 | Changes*       | (0.11)               | -                    | (0.01)                    | -                    | (0.12)                        | -                    |
|                 | <b>Closing</b> | <b>281.98</b>        | <b>292.69</b>        | <b>260.83</b>             | <b>278.84</b>        | <b>542.81</b>                 | <b>571.53</b>        |

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, 2023 | As at March 31, 2022 | As at March 31, 2023      | As at March 31, 2022 | As at March 31, 2023          | As at March 31, 2021 |
| GPOC, South Sudan     | Opening               | 4.913                | 5.427                | -                         | -                    | 4.913                         | 5.427                |
|                       | Addition              | 0.656                | 0.008                | -                         | -                    | 0.656                         | 0.008                |
|                       | Deduction/ Adjustment | -                    | -                    | -                         | -                    | -                             | -                    |
|                       | Production            | 0.457                | 0.522                | -                         | -                    | 0.457                         | 0.522                |
|                       | <b>Closing</b>        | <b>5.112</b>         | <b>4.913</b>         | <b>-</b>                  | <b>-</b>             | <b>5.112</b>                  | <b>4.913</b>         |
| Block 5A, South Sudan | Opening               | 2.557                | 2.578                | -                         | -                    | 2.557                         | 2.578                |
|                       | Addition              | -                    | -                    | -                         | -                    | -                             | -                    |
|                       | Deduction/ Adjustment | 1.063                | -                    | -                         | -                    | 1.063                         | -                    |
|                       | Production            | 0.058                | 0.021                | -                         | -                    | 0.058                         | 0.021                |
|                       | <b>Closing</b>        | <b>1.436</b>         | <b>2.557</b>         | <b>-</b>                  | <b>-</b>             | <b>1.436</b>                  | <b>2.557</b>         |
| Sakhalin-1, Russia    | Opening               | 31.081               | 29.751               | 55.908                    | 53.958               | 86.989                        | 83.709               |
|                       | Addition              | -                    | 3.515                | -                         | 2.645                | -                             | 6.160                |
|                       | Deduction/ Adjustment | -                    | -                    | -                         | -                    | -                             | -                    |
|                       | Production            | 0.806                | 2.185                | 0.610                     | 0.695                | 1.416                         | 2.880                |
|                       | <b>Closing</b>        | <b>30.275</b>        | <b>31.081</b>        | <b>55.298</b>             | <b>55.908</b>        | <b>85.573</b>                 | <b>86.989</b>        |
| Block 06.1, Vietnam   | Opening               | 0.010                | 0.017                | 1.195                     | 2.107                | 1.205                         | 2.124                |
|                       | Addition              | 0.003                | -                    | 0.005                     | -                    | 0.008                         | -                    |
|                       | Deduction/ Adjustment | -                    | -                    | -                         | -                    | -                             | -                    |
|                       | Production            | 0.005                | 0.007                | 0.688                     | 0.912                | 0.693                         | 0.919                |
|                       | <b>Closing</b>        | <b>0.008</b>         | <b>0.010</b>         | <b>0.512</b>              | <b>1.195</b>         | <b>0.520</b>                  | <b>1.205</b>         |
| AFPC, Syria           | Opening               | -                    | -                    | -                         | -                    | -                             | -                    |
|                       | Addition              | -                    | -                    | -                         | -                    | -                             | -                    |
|                       | Deduction/ Adjustment | -                    | -                    | -                         | -                    | -                             | -                    |
|                       | Production            | -                    | -                    | -                         | -                    | -                             | -                    |
|                       | <b>Closing</b>        | <b>-</b>             | <b>-</b>             | <b>-</b>                  | <b>-</b>             | <b>-</b>                      | <b>-</b>             |
| BC-10, Brazil         | Opening               | 1.475                | 0.917                | 0.157                     | 0.105                | 1.632                         | 1.022                |
|                       | Addition              | 0.140                | 1.045                | -                         | 0.084                | 0.140                         | 1.129                |
|                       | Deduction/ Adjustment | -                    | -                    | 0.052                     | 0.001                | 0.052                         | 0.001                |
|                       | Production            | 0.347                | 0.487                | 0.022                     | 0.031                | 0.369                         | 0.518                |
|                       | <b>Closing</b>        | <b>1.268</b>         | <b>1.475</b>         | <b>0.083</b>              | <b>0.157</b>         | <b>1.351</b>                  | <b>1.632</b>         |
| MECL, Colombia        | Opening               | 1.166                | 1.140                | -                         | -                    | 1.166                         | 1.140                |
|                       | Addition              | 0.106                | 0.245                | -                         | -                    | 0.106                         | 0.245                |
|                       | Deduction/ Adjustment | -                    | -                    | -                         | -                    | -                             | -                    |
|                       | Production            | 0.077                | 0.219                | -                         | -                    | 0.077                         | 0.219                |
|                       | <b>Closing</b>        | <b>1.195</b>         | <b>1.166</b>         | <b>-</b>                  | <b>-</b>             | <b>1.195</b>                  | <b>1.166</b>         |
| IEC, Russia           | Opening               | 20.945               | 21.133               | 2.643                     | 2.744                | 23.588                        | 23.877               |
|                       | Addition              | -                    | -                    | 0.002                     | -                    | 0.002                         | -                    |
|                       | Deduction/ Adjustment | -                    | 0.001                | -                         | 0.001                | -                             | 0.002                |
|                       | Production            | 0.169                | 0.187                | 0.118                     | 0.100                | 0.287                         | 0.287                |
|                       | <b>Closing</b>        | <b>20.776</b>        | <b>20.945</b>        | <b>2.527</b>              | <b>2.643</b>         | <b>23.303</b>                 | <b>23.588</b>        |

|                                   |                       |                |                |                |                |                |                |
|-----------------------------------|-----------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>PIVSA, Venezuela</b>           | Opening               | 1.031          | 1.084          | -              | -              | 1.031          | 1.084          |
|                                   | Addition              | -              | -              | -              | -              | -              | -              |
|                                   | Deduction/ Adjustment | -              | -              | -              | -              | -              | -              |
|                                   | Production            | 0.053          | 0.053          | -              | -              | 0.053          | 0.053          |
|                                   | <b>Closing</b>        | <b>0.978</b>   | <b>1.031</b>   | -              | -              | <b>0.978</b>   | <b>1.031</b>   |
| <b>Carabobo - 1, Venezuela</b>    | Opening               | 0.351          | 0.411          | -              | -              | 0.351          | 0.411          |
|                                   | Addition              | -              | -              | -              | -              | -              | -              |
|                                   | Deduction/ Adjustment | -              | -              | -              | -              | -              | -              |
|                                   | Production            | 0.058          | 0.060          | -              | -              | 0.058          | 0.060          |
|                                   | <b>Closing</b>        | <b>0.293</b>   | <b>0.351</b>   | -              | -              | <b>0.293</b>   | <b>0.351</b>   |
| <b>Block XXIV, Syria</b>          | Opening               | -              | -              | -              | -              | -              | -              |
|                                   | Addition              | -              | -              | -              | -              | -              | -              |
|                                   | Deduction/ Adjustment | -              | -              | -              | -              | -              | -              |
|                                   | Production            | -              | -              | -              | -              | -              | -              |
|                                   | <b>Closing</b>        | -              | -              | -              | -              | -              | -              |
| <b>Block-A1 &amp; A3, Myanmar</b> | Opening               | -              | -              | 6.717          | 7.620          | 6.717          | 7.620          |
|                                   | Addition              | -              | -              | -              | -              | -              | -              |
|                                   | Deduction/ Adjustment | -              | -              | -              | -              | -              | -              |
|                                   | Production            | -              | -              | 0.951          | 0.903          | 0.951          | 0.903          |
|                                   | <b>Closing</b>        | -              | -              | <b>5.766</b>   | <b>6.717</b>   | <b>5.766</b>   | <b>6.717</b>   |
| <b>ACG, Azerbaijan</b>            | Opening               | 6.843          | 7.878          | -              | -              | 6.843          | 7.878          |
|                                   | Addition              | -              | -              | -              | -              | -              | -              |
|                                   | Deduction/ Adjustment | 0.856          | 0.529          | -              | -              | 0.856          | 0.529          |
|                                   | Production            | 0.459          | 0.506          | -              | -              | 0.459          | 0.506          |
|                                   | <b>Closing</b>        | <b>5.528</b>   | <b>6.843</b>   | -              | -              | <b>5.528</b>   | <b>6.843</b>   |
| <b>Vankor, Russia</b>             | Opening               | 37.917         | 39.470         | 12.810         | 13.440         | 50.727         | 52.910         |
|                                   | Addition              | 0.255          | 1.128          | 0.141          | 0.838          | 0.396          | 1.966          |
|                                   | Deduction/ Adjustment | -              | -              | -              | -              | -              | -              |
|                                   | Production            | 2.463          | 2.681          | 1.336          | 1.468          | 3.799          | 4.149          |
|                                   | <b>Closing</b>        | <b>35.709</b>  | <b>37.917</b>  | <b>11.615</b>  | <b>12.810</b>  | <b>47.324</b>  | <b>50.727</b>  |
| <b>Lower Zakum, Abu Dhabi</b>     | Opening               | 14.106         | 13.508         | -              | -              | 14.106         | 13.508         |
|                                   | Addition              | -              | 1.326          | -              | -              | -              | 1.326          |
|                                   | Deduction/ Adjustment | -              | -              | -              | -              | -              | -              |
|                                   | Production            | 0.743          | 0.728          | -              | -              | 0.743          | 0.728          |
|                                   | <b>Closing</b>        | <b>13.363</b>  | <b>14.106</b>  | -              | -              | <b>13.363</b>  | <b>14.106</b>  |
| <b>CPO 5</b>                      | Opening               | 2.283          | 0.080          | -              | -              | 2.283          | 0.080          |
|                                   | Addition              | 0.496          | 3.089          | -              | -              | 0.496          | 3.089          |
|                                   | Deduction/ Adjustment | -              | 0.443          | -              | -              | -              | 0.443          |
|                                   | Production            | 0.654          | 0.443          | -              | -              | 0.654          | 0.443          |
|                                   | <b>Closing</b>        | <b>2.125</b>   | <b>2.283</b>   | -              | -              | <b>2.125</b>   | <b>2.283</b>   |
| <b>Area-1, Mozambique</b>         | Opening               | -              | -              | 70.225         | 70.225         | 70.225         | 70.225         |
|                                   | Addition              | -              | -              | -              | -              | -              | -              |
|                                   | Deduction/ Adjustment | -              | -              | -              | -              | -              | -              |
|                                   | Production            | -              | -              | -              | -              | -              | -              |
|                                   | <b>Closing</b>        | -              | -              | <b>70.225</b>  | <b>70.225</b>  | <b>70.225</b>  | <b>70.225</b>  |
| <b>Total Reserves</b>             | Opening               | 124.678        | 123.394        | 149.655        | 150.199        | 274.333        | 273.593        |
|                                   | Addition              | 1.656          | 10.356         | 0.148          | 3.567          | 1.804          | 13.923         |
|                                   | Deduction/ Adjustment | 1.919          | 0.973          | 0.052          | 0.002          | 1.971          | 0.975          |
|                                   | Production            | 6.349          | 8.099          | 3.725          | 4.109          | 10.074         | 12.208         |
|                                   | <b>Closing</b>        | <b>118.066</b> | <b>124.678</b> | <b>146.026</b> | <b>149.655</b> | <b>264.092</b> | <b>274.333</b> |



## 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, 2023 | As at March 31, 2022 | As at March 31, 2023      | As at March 31, 2022 | As at March 31, 2023          | As at March 31, 2022 |
| Offshore    | Opening        | 126.37               | 134.30               | 108.13                    | 118.77               | 234.50                        | 253.07               |
|             | Addition       | 4.70                 | 4.95                 | 8.55                      | 5.50                 | 13.25                         | 10.45                |
|             | Production     | 12.35                | 12.88                | 15.92                     | 16.14                | 28.27                         | 29.02                |
|             | <b>Closing</b> | <b>118.72</b>        | <b>126.37</b>        | <b>100.76</b>             | <b>108.13</b>        | <b>219.48</b>                 | <b>234.50</b>        |
| Onshore     | Opening        | 62.82                | 66.09                | 39.35                     | 42.33                | 102.17                        | 108.42               |
|             | Addition       | 2.39                 | 4.38                 | 2.99                      | 2.40                 | 5.38                          | 6.78                 |
|             | Production     | 7.52                 | 7.65                 | 5.28                      | 5.38                 | 12.80                         | 13.03                |
|             | Changes*       | (0.11)               | -                    | (0.01)                    | -                    | (0.12)                        | -                    |
|             | <b>Closing</b> | <b>57.58</b>         | <b>62.82</b>         | <b>37.05</b>              | <b>39.35</b>         | <b>94.63</b>                  | <b>102.17</b>        |
| Total       | Opening        | 189.19               | 200.39               | 147.48                    | 161.10               | 336.67                        | 361.49               |
|             | Addition       | 7.09                 | 9.33                 | 11.54                     | 7.90                 | 18.63                         | 17.23                |
|             | Production     | 19.87                | 20.53                | 21.20                     | 21.52                | 41.07                         | 42.05                |
|             | Changes*       | (0.11)               | -                    | (0.01)                    | -                    | (0.12)                        | -                    |
|             | <b>Closing</b> | <b>176.30</b>        | <b>189.19</b>        | <b>137.81</b>             | <b>147.48</b>        | <b>314.11</b>                 | <b>336.67</b>        |

### B. Outside India

| Project               | Details               | Crude oil ^ (MMT)    |                      | Gas (Billion Cubic Meter) |                      | Total oil equivalent (MMTOE)# |                      |
|-----------------------|-----------------------|----------------------|----------------------|---------------------------|----------------------|-------------------------------|----------------------|
|                       |                       | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2023      | As at March 31, 2022 | As at March 31, 2023          | As at March 31, 2022 |
| GPOC, South Sudan     | Opening               | 2.211                | 2.711                | -                         | -                    | 2.211                         | 2.711                |
|                       | Addition              | 0.096                | 0.022                | -                         | -                    | 0.096                         | 0.022                |
|                       | Deduction/ Adjustment | 0.001                | -                    | -                         | -                    | 0.001                         | -                    |
|                       | Production            | 0.457                | 0.522                | -                         | -                    | 0.457                         | 0.522                |
|                       | <b>Closing</b>        | <b>1.849</b>         | <b>2.211</b>         | <b>-</b>                  | <b>-</b>             | <b>1.849</b>                  | <b>2.211</b>         |
| Block 5A, South Sudan | Opening               | 1.486                | 1.507                | -                         | -                    | 1.486                         | 1.507                |
|                       | Addition              | -                    | -                    | -                         | -                    | -                             | -                    |
|                       | Deduction/ Adjustment | 0.551                | -                    | -                         | -                    | 0.551                         | -                    |
|                       | Production            | 0.058                | 0.021                | -                         | -                    | 0.058                         | 0.021                |
|                       | <b>Closing</b>        | <b>0.877</b>         | <b>1.486</b>         | <b>-</b>                  | <b>-</b>             | <b>0.877</b>                  | <b>1.486</b>         |
| Sakhalin-1, Russia    | Opening               | 11.494               | 13.304               | 7.890                     | 11.717               | 19.384                        | 25.021               |
|                       | Addition              | -                    | 0.375                | -                         | -                    | -                             | 0.375                |
|                       | Deduction/ Adjustment | -                    | -                    | -                         | 3.132                | -                             | 3.132                |
|                       | Production            | 0.806                | 2.185                | 0.610                     | 0.695                | 1.416                         | 2.880                |
|                       | <b>Closing</b>        | <b>10.688</b>        | <b>11.494</b>        | <b>7.280</b>              | <b>7.890</b>         | <b>17.968</b>                 | <b>19.384</b>        |
| Block 06.1, Vietnam   | Opening               | 0.010                | 0.017                | 1.195                     | 2.107                | 1.205                         | 2.124                |
|                       | Addition              | 0.003                | -                    | 0.005                     | -                    | 0.008                         | -                    |
|                       | Deduction/ Adjustment | -                    | -                    | -                         | -                    | -                             | -                    |
|                       | Production            | 0.005                | 0.007                | 0.688                     | 0.912                | 0.693                         | 0.919                |
|                       | <b>Closing</b>        | <b>0.008</b>         | <b>0.010</b>         | <b>0.512</b>              | <b>1.195</b>         | <b>0.520</b>                  | <b>1.205</b>         |
| AFPC, Syria           | Opening               | -                    | -                    | -                         | -                    | -                             | -                    |
|                       | Addition              | -                    | -                    | -                         | -                    | -                             | -                    |
|                       | Deduction/ Adjustment | -                    | -                    | -                         | -                    | -                             | -                    |
|                       | Production            | -                    | -                    | -                         | -                    | -                             | -                    |
|                       | <b>Closing</b>        | <b>-</b>             | <b>-</b>             | <b>-</b>                  | <b>-</b>             | <b>-</b>                      | <b>-</b>             |
| BC-10, Brazil         | Opening               | 1.391                | 0.917                | 0.153                     | 0.105                | 1.544                         | 1.022                |
|                       | Addition              | 0.167                | 0.961                | -                         | 0.079                | 0.167                         | 1.040                |
|                       | Deduction/ Adjustment | -                    | -                    | 0.051                     | -                    | 0.051                         | -                    |
|                       | Production            | 0.347                | 0.487                | 0.022                     | 0.031                | 0.369                         | 0.518                |
|                       | <b>Closing</b>        | <b>1.211</b>         | <b>1.391</b>         | <b>0.080</b>              | <b>0.153</b>         | <b>1.291</b>                  | <b>1.544</b>         |



|                                   |                       |               |               |               |               |               |               |
|-----------------------------------|-----------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>MECL, Colombia</b>             | Opening               | 0.445         | 0.630         | -             | -             | 0.445         | 0.630         |
|                                   | Addition              | 0.094         | 0.034         | -             | -             | 0.094         | 0.034         |
|                                   | Deduction/ Adjustment | -             | -             | -             | -             | -             | -             |
|                                   | Production            | 0.077         | 0.219         | -             | -             | 0.077         | 0.219         |
|                                   | <b>Closing</b>        | <b>0.462</b>  | <b>0.445</b>  | -             | -             | <b>0.462</b>  | <b>0.445</b>  |
| <b>IEC, Russia</b>                | Opening               | 6.044         | 6.169         | 0.630         | 0.727         | 6.674         | 6.896         |
|                                   | Addition              | 0.056         | 0.062         | 0.005         | 0.004         | 0.061         | 0.066         |
|                                   | Deduction/ Adjustment | -             | -             | -             | 0.001         | -             | 0.001         |
|                                   | Production            | 0.169         | 0.187         | 0.118         | 0.100         | 0.287         | 0.287         |
|                                   | <b>Closing</b>        | <b>5.931</b>  | <b>6.044</b>  | <b>0.517</b>  | <b>0.630</b>  | <b>6.448</b>  | <b>6.674</b>  |
| <b>PIVSA, Venezuela</b>           | Opening               | 1.031         | 1.084         | -             | -             | 1.031         | 1.084         |
|                                   | Addition              | -             | -             | -             | -             | -             | -             |
|                                   | Deduction/ Adjustment | -             | -             | -             | -             | -             | -             |
|                                   | Production            | 0.053         | 0.053         | -             | -             | 0.053         | 0.053         |
|                                   | <b>Closing</b>        | <b>0.978</b>  | <b>1.031</b>  | -             | -             | <b>0.978</b>  | <b>1.031</b>  |
| <b>Carabobo - 1, Venezuela</b>    | Opening               | 0.351         | 0.411         | -             | -             | 0.351         | 0.411         |
|                                   | Addition              | -             | -             | -             | -             | -             | -             |
|                                   | Deduction/ Adjustment | -             | -             | -             | -             | -             | -             |
|                                   | Production            | 0.058         | 0.060         | -             | -             | 0.058         | 0.060         |
|                                   | <b>Closing</b>        | <b>0.293</b>  | <b>0.351</b>  | -             | -             | <b>0.293</b>  | <b>0.351</b>  |
| <b>Block XXIV, Syria</b>          | Opening               | -             | -             | -             | -             | -             | -             |
|                                   | Addition              | -             | -             | -             | -             | -             | -             |
|                                   | Deduction/ Adjustment | -             | -             | -             | -             | -             | -             |
|                                   | Production            | -             | -             | -             | -             | -             | -             |
|                                   | <b>Closing</b>        | -             | -             | -             | -             | -             | -             |
| <b>Block-A1 &amp; A3, Myanmar</b> | Opening               | -             | -             | 1.102         | 2.005         | 1.102         | 2.005         |
|                                   | Addition              | -             | -             | 1.915         | -             | 1.915         | -             |
|                                   | Deduction/ Adjustment | -             | -             | 0.001         | -             | 0.001         | -             |
|                                   | Production            | -             | -             | 0.951         | 0.903         | 0.951         | 0.903         |
|                                   | <b>Closing</b>        | -             | -             | <b>2.065</b>  | <b>1.102</b>  | <b>2.065</b>  | <b>1.102</b>  |
| <b>ACG, Azerbaijan</b>            | Opening               | 3.263         | 3.771         | -             | -             | 3.263         | 3.771         |
|                                   | Addition              | -             | -             | -             | -             | -             | -             |
|                                   | Deduction/ Adjustment | -             | 0.002         | -             | -             | -             | 0.002         |
|                                   | Production            | 0.459         | 0.506         | -             | -             | 0.459         | 0.506         |
|                                   | <b>Closing</b>        | <b>2.804</b>  | <b>3.263</b>  | -             | -             | <b>2.804</b>  | <b>3.263</b>  |
| <b>Vankor, Russia</b>             | Opening               | 14.584        | 15.965        | 10.626        | 9.362         | 25.210        | 25.327        |
|                                   | Addition              | -             | 1.300         | 1.388         | 2.732         | 1.388         | 4.032         |
|                                   | Deduction/ Adjustment | -             | -             | -             | -             | -             | -             |
|                                   | Production            | 2.436         | 2.681         | 1.336         | 1.468         | 3.799         | 4.149         |
|                                   | <b>Closing</b>        | <b>12.121</b> | <b>14.584</b> | <b>10.678</b> | <b>10.626</b> | <b>22.799</b> | <b>25.210</b> |
| <b>Lower Zakum, Abu Dhabi</b>     | Opening               | 9.320         | 10.048        | -             | -             | 9.320         | 10.048        |
|                                   | Addition              | -             | -             | -             | -             | -             | -             |
|                                   | Deduction/ Adjustment | -             | -             | -             | -             | -             | -             |
|                                   | Production            | 0.743         | 0.728         | -             | -             | 0.743         | 0.728         |
|                                   | <b>Closing</b>        | <b>8.577</b>  | <b>9.320</b>  | -             | -             | <b>8.577</b>  | <b>9.320</b>  |
| <b>CPO 5 Colombia</b>             | Opening               | 2.283         | 0.080         | -             | -             | 2.283         | 0.080         |
|                                   | Addition              | -             | 3.089         | -             | -             | -             | 3.089         |
|                                   | Deduction/ Adjustment | 0.191         | 0.443         | -             | -             | 0.191         | 0.443         |
|                                   | Production            | 0.654         | 0.443         | -             | -             | 0.654         | 0.443         |
|                                   | <b>Closing</b>        | <b>1.438</b>  | <b>2.283</b>  | -             | -             | <b>1.438</b>  | <b>2.283</b>  |
| <b>Total Reserves</b>             | Opening               | 53.913        | 56.614        | 21.596        | 26.023        | 75.509        | 82.637        |
|                                   | Addition              | 0.416         | 5.843         | 3.313         | 2.815         | 3.729         | 8.658         |
|                                   | Deduction/ Adjustment | 0.743         | 0.445         | 0.052         | 3.133         | 0.795         | 3.578         |
|                                   | Production            | 6.349         | 8.099         | 3.725         | 4.109         | 10.074        | 12.208        |
|                                   | <b>Closing</b>        | <b>47.237</b> | <b>53.913</b> | <b>21.132</b> | <b>21.596</b> | <b>68.369</b> | <b>75.509</b> |



\*Reserves pertaining to fields relinquished under DSF-III were removed from Reserve Book during the year.

^ Crude oil includes Condensate.

# 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.

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 were 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 the basis of self certified joint interest billings received from respective overseas operators.

**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.** In respect of subsidiary MRPL, 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, during the current financial year, Human Resource (HR) integration of erstwhile subsidiary company ONGC Mangalore Petrochemicals Limited (OMPL) with the company is carried out w.e.f May 1, 2022 (effective date of the scheme). Consequently, during current financial year, the Employee Benefit Expenses including Actuarial valuation is accounted in the books of accounts factoring the financial implication on integrated basis.

Subsequently, the management grade employees of erstwhile subsidiary company OMPL represented the matter before Honourable High Court of Karnataka with regard to their salary and grade fixation and the matter is subjudice.

Furthermore, the memorandum of settlement with respect to non-management employees of erstwhile subsidiary company OMPL is under negotiation and yet to be concluded. Necessary provision on estimated basis towards the financial implication on account of the settlement has been duly considered in the books of accounts.

**63.** The OVL Group has considered possible effects

resulting from the special operations carried out by Russia in Ukraine, various sanctions imposed on Russia by several countries and the Russian Government's decrees in relation thereto. The Group has assessed the impact of these events on its operations/assets in Russia namely Sakhalin-1 (Joint arrangement – 20% Stake), Vankorneft (Associate – 26% Stake) and Imperial Energy (Wholly owned subsidiary) as follows:

### Sakhalin-1:

The Company acquired 20% participating interest (PI) in Sakhalin-1(S-1) project, an oil and gas field located in far-east offshore Russia through Production Sharing Agreement (PSA) in July 2001. Exxon Neftgaz Limited (ENL), a US major Exxon Mobil subsidiary, was the project's Operator. The Company accounted for its 20% participating interest (PI) in the project as joint operator on a proportionate consolidation basis. In line with the PSA, joint operating agreement and crude-offtake agreement, the Company was entitled to lift and sell oil and gas proportionate to its PI and discharge its obligations. Due to the special operations carried out by Russia in Ukraine from February 2022, various restrictions including international sanctions were imposed on Russia, thereby constraining crude oil evacuation from De-Kastri terminal and production from the S-1 project. Subsequently, the Operator ENL declared Force Majeure (FM) in April 2022.

On 7<sup>th</sup> October 2022, the President of Russian Federation issued a Decree (Presidential Decree No. 723) for transfer of all rights and obligations of S-1 Consortium under the PSA to a new Russian limited liability company. Further, the Government of the Russian Federation on 12<sup>th</sup> October 2022, notified a Resolution (Resolution No. 1808) conveying that all rights and obligations of the Consortium under the PSA shall be transferred to a new company Sakhalin-1 Limited Liability Company (Sakhalin-1 LLC). Sakhalin-1 LLC established by the Government of the Russian Federation was registered in Yuzhno-Sakhalinsk, Russia on 14<sup>th</sup> October 2022 and the existing foreign parties in the PSA were required to give their consent to take ownership of shares in the charter capital of Sakhalin-1 LLC in proportion to their PI under the PSA.

The Company, in compliance with the Presidential Decree, notified to the Government of the Russian Federation on 7<sup>th</sup> November 2022 of its consent to take ownership of 20% shares in the charter capital of Sakhalin-1 LLC in proportion to its PI under the PSA. The Government of Russian Federation vide order dated 9<sup>th</sup> November 2022 granted a proportionate share of 20% to the Company in the charter capital (nominal value of RUR 10,000) of Sakhalin-1 LLC. The grant was conditioned with transfer of the Company's share in the existing accumulated abandonment fund relating to the S-1 project. The Company has received its share of the accumulated abandonment fund from the Foreign Party Administrator on 6<sup>th</sup> April 2023. The Company is in the process of completing transfer of its share of abandonment fund to Sakhalin-1 LLC to fulfil the condition precedent. Due to restrictions on Russian banks, the

Company is in discussion with Sakhalin-1 LLC for identifying likely alternatives for fulfilling the condition precedent. The Company will pay for its 20% share in the authorised capital of Sakhalin-1 LLC on fulfilment of the condition precedent. Since the rights and obligations of consortium partners under the PSA have been transferred to Sakhalin 1 LLC, the Company may no longer be able to account for its proportionate share of assets and liabilities relating to the S-1 project for the transition period. The Company has therefore accounted for the same on net assets basis (i.e., carrying values of the assets net of liabilities pertaining to Sakhalin-1 project previously accounted for by the Company on proportionate consolidation basis) and ₹143,243.91 Million have been transferred to "Investment Pending Proportionate Ownership Interest in Equity of Sakhalin-1 LLC" effective from 14th October 2022 (Refer Note 14.1.12). Considering the indicator, value of the "Investment Pending Proportionate Ownership Interest in Equity of Sakhalin-1 LLC" has been assessed for impairment as on 31st March 2023 based on available information and management estimates of future cash flows of the project. Depletion of on oil & gas assets till 13th October, 2022 relating to S-1 project has been provided on the basis of share in the production of oil & gas during the period from 1st April 2022 to 13th October 2022. The estimated value in use of the project being higher than the value of the investment, no impairment has been recognized. The Company will revisit the accounting treatment for the S-1 project on finalisation of the arrangement.

Post incorporation, draft financial statements of Sakhalin-1 LLC for the period 14th October 2022 to 31st December 2022 have been received. However, the Company has not received the financial statements for the period from 1st January 2023 to 31st March 2023. Further, limited information regarding field operations, production summary, wells summary, drilling, and crude transportation operations has been received from the project till 31st March 2023. Based on the above, the Company has estimated the profitability of Sakhalin-1 LLC for the period from 14th October 2022 to 31st March 2023. The interim P&L statement for the period 14 October 2022 to 31 December 2022 received from S1 LLC has been prepared in line with Company's accounting policies, estimates, and adjustments in line with Ind AS 28-Investments in Associates and Joint Ventures. Significantly, the Company assessed its share (20%) of the provision of USD 925.74 Million towards ENLs (one of the partners of erstwhile Sakhalin-1 project) share of abandonment funding, restricted cash, and concluded that this provision is not a liability of the Company based on substance of the liability as well as legal opinion obtained on this issue from external legal firm.

The estimate indicates operating profit for the said period, however, as a matter of prudence the estimated share of profit has not been accounted for by the Company as shares of Sakhalin-1 LLC are not yet allotted.

#### **JSC Vankorneft:**

In case of JSC Vankorneft, production from the field continues

as per the Business Plan. The Group observed impairment indicator and carried out an impairment assessment for the project as at 31st March, 2023. Based on the impairment assessment, no impairment provision has been recognized for the year ended 31st March 2023 (please refer note 57.8). The project being an equity-accounted entity, the Group is entitled to dividends. Dividends up to the first half of the calendar year 2022 have been received. Dividends from JSC Vankorneft amounting to Rouble 6.483 billion (₹6,907.17 Million) are lying in Commercial Indo Bank LLC Moscow, Russia. Repatriation of the said dividends received is presently subject to restrictions. As such, the amount is available for use by the Group only in the country and currency of receipt. (Refer note 23.3)

#### **Imperial Energy:**

Imperial Energy's operations are continuing as per the Business Plan except for the price of crude oil sales being affected due to prevailing discounts. The Company observed impairment indicator and carried out an impairment assessment for the project as on 31st March 2023. Based on the impairment assessment, no impairment provision of has been recognized for the year ended 31st March 2023 (refer note 57.8).

**64.** In respect of subsidiary 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, 2023 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, 2023 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.



**65.** The Production Sharing Contract (PSC) of Block 06.1, Vietnam due to expire on 18th May 2023 has since been extended for 16 years from 19th May 2023, after approval of the host Government. The extended PSC is divided into two phases, phase 1 extension from 19th May 2023 to 31st December 2024 includes production from existing gas fields and exploration period. Phase 2 extension involves contingent exploration period from 1st January 2025 to 31st December 2027. The exploration period of phase 1 extension requires drilling of an exploratory/appraisal well on receipt of necessary approvals required by local laws. The future commitment for minimum work program of USD 10 Million (ONGC Videsh share USD 4.5 Million) may arise for phase 1 extension from 19th May 2023 on receipt of the approvals for work execution thereafter.

**66.** In respect of Joint Venture OPaL, the company has incurred a net loss after tax for the year ended March 31, 2023 of ₹41,555 Million (year ended March 31, 2022 ₹5,347 Million) and cumulative loss upto March 31, 2023 reached to ₹130,003 Million. There is a negative working capital as at March 31, 2023 of ₹70,750 Million (March 31, 2022 ₹84,867 Million). Based on scheduled repayment, ₹22,172 Million is due for repayment within 12 months from

the date of these financial statements.

Management of OPaL have assessed the above operational conditions and indicators and have come to the conclusion that no material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern based on cash flow forecasts and the plan management has put in place. OPaL management is constantly reviewing its operations to improve margins. It has taken following measures which will improve profitability

- a. Increase in efficiency and production ramp up post Major turnaround activity
- b. Ongoing efforts for optimization of product mix and to improve the net back
- c. Exit from SEZ area will improve the net back from domestic sales.
- d. Expected reduction in feed and gas price

Based on plans, OPaL management has concluded on ability of the company to continue as going concern and the financial statements of OPaL have been prepared on that basis.





**67. 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 (Companies Struck off as on March 31, 2023)**

(₹ in Million)

| Name of the Company                              | Nature of transactions with struck off company | Transactions during the year March 31, 2023 | Balance Outstanding as on March 31, 2023 | Relationship with the Struck off company |
|--------------------------------------------------|------------------------------------------------|---------------------------------------------|------------------------------------------|------------------------------------------|
| Bioniche Life Sciencies Pvt..Ltd.                | Payables                                       | -*                                          | -                                        | Vendor                                   |
| Serdia Pharmaceuticals                           | Payables                                       | -                                           | -*                                       | Vendor                                   |
| Ambarish Builders Pvt. Ltd.                      | Payables                                       | -*                                          | -                                        | Vendor                                   |
| Hindustan Relocator Pvt. Ltd.                    | Payables                                       | -*                                          | -                                        | Vendor                                   |
| Planet 3 Studios Architecture Pvt. Ltd.          | Payables                                       | -                                           | -*                                       | Vendor                                   |
| Management and Technology Application India Ltd. | Payables                                       | -*                                          | -                                        | Vendor                                   |
| CC&L Engineering Pvt. Ltd.                       | Payables                                       | -                                           | 2.02                                     | Customer                                 |
| Kusalava Power Pvt. Ltd.                         | Receivable                                     | -*                                          | -                                        | Customer                                 |
| Pon Pure Chem Pvt. Ltd.                          | Receivable                                     | -*                                          | -                                        | Customer                                 |
| Emerald Petrochemicals Pvt. Ltd.                 | Receivable                                     | -                                           | -*                                       | Customer                                 |
| Sai Refichem Pvt. Ltd.                           | Receivable                                     | -                                           | -*                                       | Customer                                 |

\* Less than ₹1 Million.

**ii. Details of Vendors and Customers (Companies Struck off as on March 31, 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 March 31, 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.





### iii. Details of Shareholders (Companies Struck off as on March 31, 2023)

(₹ in Million)

| Name of the Company                  | Nature of transactions with struck off company | No. of Shares as on March 31, 2023 | Relationship with the Struck off company |
|--------------------------------------|------------------------------------------------|------------------------------------|------------------------------------------|
| Vikram Textiles Ltd.                 | Shareholding                                   | 450                                | Shareholder                              |
| Icrea Infotech Pvt. Ltd.             | Shareholding                                   | 1,000                              | Shareholder                              |
| Kothari Intergroup Ltd.              | Shareholding                                   | 21                                 | Shareholder                              |
| Astral Auto Parts Pvt. Ltd.          | Shareholding                                   | 5,000                              | Shareholder                              |
| Hemlata Investment Pvt. Ltd.         | Shareholding                                   | 5,350                              | Shareholder                              |
| Mascon Global Limited                | Shareholding                                   | 900                                | Shareholder                              |
| Globeearth Traders Pvt. Ltd.         | Shareholding                                   | 20                                 | Shareholder                              |
| Century Marbles & Granites Pvt. Ltd. | Shareholding                                   | 10,000                             | Shareholder                              |
| Fayda Portfolio Pvt. Ltd.            | Shareholding                                   | 300                                | Shareholder                              |
| Fairtrade securities Ltd.            | Shareholding                                   | 100                                | Shareholder                              |
| Unicon 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                              |
| Suvion 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 (Companies Struck off as on March 31, 2022)

(₹ in Million)

| Name of the Company              | Nature of transactions with struck off company | No. of Shares as on March 31, 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                              |

| Name of the Company                | Nature of transactions with struck off company | No. of Shares as on March 31, 2022 | Relationship with the Struck off company |
|------------------------------------|------------------------------------------------|------------------------------------|------------------------------------------|
| Suvion 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                              |

**In respect of subsidiary MRPL,**

**(i) Details of Vendors and Customers (Companies Struck off as on 31.03.2023) :**

(₹ in Million)

| Name of the struck off company         | CIN | Nature of transactions with struck off company | Balance Outstanding as on 31.03.2023 | Relationship with the struck off company |
|----------------------------------------|-----|------------------------------------------------|--------------------------------------|------------------------------------------|
| No Struck off Company as on 31.03.2023 |     |                                                |                                      |                                          |

**(ii) Details of Vendors and Customers (Companies Struck off as on 31.03.2022) :**

(₹ in Million)

| Name of the struck off company      | CIN                   | Nature of transactions with struck off company | Balance Outstanding as on 31.03.2022 | Relationship with the struck off company |
|-------------------------------------|-----------------------|------------------------------------------------|--------------------------------------|------------------------------------------|
| Outpace Optifibre Network Pvt. Ltd. | U31401KA2013PTC070746 | Payable : EMD released                         | Nil                                  | Unrelated                                |
| Valvitalia India Pvt.Ltd.           | U29120TZ2008PTC014734 | Payable : Write back to income                 | Nil                                  | Unrelated                                |
| Varkul Websoft Pvt.Ltd.             | U72200DL2000PTC106220 | Payable : Write back to income                 | Nil                                  | Unrelated                                |

Note: Identification of Struck Off Companies as at March 31, 2022 has been done by manually searching the names of Companies through the Master Data available in the portal of MCA.



**(iii) Details of Shareholders (Companies Struck off as on 31.03.2023) :**

(₹ in Million)

| Name of the struck off company          | CIN                   | Nature of transactions with struck off company | No. of Shares as on 31.03.2023 | Relationship with the struck off company |
|-----------------------------------------|-----------------------|------------------------------------------------|--------------------------------|------------------------------------------|
| Life Tubewells P Ltd                    | U45209MH1970PTC014641 | Shareholding                                   | 100                            | Shareholder                              |
| Ex Servicemen Associates Pvt Ltd        | U64201AS1988PTC002857 | Shareholding                                   | 200                            | Shareholder                              |
| Box And Carton P Ltd                    | U20231UP1972PTC003636 | Shareholding                                   | 200                            | Shareholder                              |
| Overland Investment Co Ltd              | U65993WB1980PLC032895 | Shareholding                                   | 100                            | Shareholder                              |
| Dheeraj Promoters Pvt Ltd               | U70101WB1990PTC049775 | Shareholding                                   | 200                            | Shareholder                              |
| Matrushree Exports Pvt Ltd              | U99999MH1991PTC064072 | Shareholding                                   | 100                            | Shareholder                              |
| Magnate Leasing Finance Pvt Ltd         | U65910DL1983PLC016810 | Shareholding                                   | 200                            | Shareholder                              |
| Mona Jyoti Investment Co Ltd            | U65910GJ1972PTC002140 | Shareholding                                   | 200                            | Shareholder                              |
| Nariman Point Bldg Services & Trading P | U99999MH1970PTC014738 | Shareholding                                   | 200                            | Shareholder                              |
| Hardware & Mill Stores Ltd              | U74899DL1984PTC018663 | Shareholding                                   | 200                            | Shareholder                              |
| Vmd Finance & Investment Co Pvt Ltd     | U65993WB1983PTC035767 | Shareholding                                   | 100                            | Shareholder                              |
| Shashi Finance Limited                  | U45209WB1949PTC024424 | Shareholding                                   | 200                            | Shareholder                              |
| Patidar Investments Private Limited     | U65910GJ1994PTC022157 | Shareholding                                   | 100                            | Shareholder                              |
| Rnt Finance Limited                     | U65993TG1992PLC015096 | Shareholding                                   | 200                            | Shareholder                              |
| Home Trade Limited                      | U67120PN1999PLC014018 | Shareholding                                   | 200                            | Shareholder                              |
| Dapki And Bavishi Securities Pvt. Ltd   | U67120GJ2001PTC039291 | Shareholding                                   | 100                            | Shareholder                              |
| Unicon Fincap Private Limited           | U74899DL1994PTC061342 | Shareholding                                   | 1,984                          | Shareholder                              |
| Vaishak Shares Limited                  | U85110KA1994PLC015178 | Shareholding                                   | 5                              | Shareholder                              |
| Kothari Intergroup Ltd.                 | U51909KA1984PLC005952 | Shareholding                                   | 1                              | Shareholder                              |
| Vg Financial Solutions Pvt Ltd          | U67120KA1999PTC025854 | Shareholding                                   | 40                             | Shareholder                              |
| Ingram Investments Pvt. Ltd.            | U65993MH1997PTC106428 | Shareholding                                   | 3,000                          | Shareholder                              |
| Gnk Investments Pvt Ltd                 | U67120UP1990PTC012300 | Shareholding                                   | 6,000                          | Shareholder                              |
| K2 Finance India Private Limited        | U65923TZ2007PTC013434 | Shareholding                                   | 10                             | Shareholder                              |
| Hermoine Financial Solutions Pvt Ltd    | U74140TZ2008PTC014181 | Shareholding                                   | 5                              | Shareholder                              |

Note: From the current financial year the Company has identified and reported the shareholders whose name has been struck off by the Registrar of Companies.

**In respect of subsidiary HPCL,**

(₹ in Million)

| Name of the struck off company                   | Nature of Transaction for the period ended | Balance O/s as on    |                      | Relationship, if any |
|--------------------------------------------------|--------------------------------------------|----------------------|----------------------|----------------------|
|                                                  |                                            | As at March 31, 2023 | As at March 31, 2022 |                      |
| (i) In respect of HPCL                           |                                            |                      |                      |                      |
| Unicon Fincap Private Limited                    | Payables                                   | 0.10                 | <0.10                | None                 |
| Naku Tanti Escapades Private Limited             | Payables                                   | <0.10                | <0.10                | None                 |
| Goyals Constructions Investments Private Limited | Payables                                   | <0.10                | <0.10                | None                 |
| Redhill Iron & Steel Private Limited             | Payables                                   | <0.10                | <0.10                | None                 |
| Farishta International Private Limited           | Payable                                    | 0.10                 | 0.20                 | None                 |
| Elgin Enterprises Private Limited                | Payable                                    | <0.10                | <0.10                | None                 |
| Kothari Intergroup Limited                       | Payable                                    | <0.10                | <0.10                | None                 |
| Home Trade Limited                               | Payable                                    | <0.10                | <0.10                | None                 |
| Devi Nine Tradings Private Limited               | Payable                                    | <0.10                | <0.10                | None                 |
| Vizag Icon Ventures Pvt Ltd                      | Payable                                    | -                    | <0.10                | None                 |
| Shreesurya Cafe & Retailchain Private Limited    | Payable                                    | <0.10                | <0.10                | None                 |
| Perfect Glaze (Gujarat) Private Limited          | Payable                                    | <0.10                | <0.10                | None                 |
| Rahul Travels PLtd.                              | Payable                                    | 0.30                 | 0.30                 | None                 |
| Decentrik Technologies Private Limited           | Payable                                    | <0.10                | <0.10                | None                 |
| Singh Automobiles Private Limited                | Receivable                                 | 1.60                 | 2.40                 | None                 |
| Century Denims Private Limited                   | Receivable                                 | <0.10                | <0.10                | None                 |
| Bhawani Automobiles Limited                      | Receivable                                 | 0.60                 | 0.60                 | None                 |
| United Aviation Services Private Limited         | Receivable                                 | 1.50                 | 1.40                 | None                 |
| Sahyadri Constructions Pvt Ltd                   | Receivable                                 | <0.10                | <0.10                | None                 |
| Asian International Limited                      | Receivable                                 | <0.10                | <0.10                | None                 |
| H.K.Enterprises Pvt.Ltd.                         | Payable                                    | <0.10                | <0.10                | None                 |
| Nirman Realcon Private Limited                   | Payable                                    | <0.10                | <0.10                | None                 |
| Burn Standard Co Ltd                             | Payable                                    | 0.80                 | 0.80                 | None                 |
| Aggarwal Traders Limited                         | Payable                                    | <0.10                | <0.10                | None                 |
| Salem Steel Industries Private Limited           | Payable                                    | <0.10                | <0.10                | None                 |
| Ahmad & Sons Private Limited                     | Receivable                                 | <0.10                | <0.10                | None                 |
| Sri Ganesh Caterers Private Limited              | Payable                                    | <0.10                | -                    | None                 |
| Sri Sai Construction Private Limited             | Payable                                    | <0.10                | <0.10                | None                 |
| Manisha Agencies Private Limited                 | Receivable                                 | <0.10                | <0.10                | None                 |
| Superior Air Products Limited                    | Payable                                    | 0.10                 | 0.10                 | None                 |
| Kusum Agro Tech Ltd.                             | Payable                                    | 0.10                 | 0.10                 | None                 |
| Aditya Cements Pvt Ltd                           | Payable                                    | 0.80                 | 0.80                 | None                 |
| Universal Associates Private Limited             | Payable                                    | <0.10                | <0.10                | None                 |
| Vikram Enterprises Private Limited               | Receivable                                 | <0.10                | <0.10                | None                 |
| Lata Construction Private Limited                | Receivable                                 | <0.10                | <0.10                | None                 |
| Redrix Petrochemicals Private Limited            | Receivable                                 | <0.10                | <0.10                | None                 |
| Future Fibres Private Limited                    | Payable                                    | 0.60                 | 0.60                 | None                 |
| Narendra Constructions Pvt. Ltd.                 | Payable                                    | <0.10                | <0.10                | None                 |
| Hindustan Auto Components Private Limited        | Payable                                    | <0.10                | <0.10                | None                 |
| Airborne aero services private limited           | Payable                                    | <0.10                | <0.10                | None                 |
| First Office Solutions India Private Limited     | Receivable                                 | <0.10                | -                    | None                 |
| Wmmp Tech Private Limited                        | Payable                                    | <0.10                | <0.10                | None                 |
| Synod Bioscience Private Limited                 | Payable                                    | 0.10                 | 0.10                 | None                 |
| Siri Cables Marketing Private Limited            | Payable                                    | <0.10                | <0.10                | None                 |
| Pragati Enterprises Private Limited              | Payable                                    | <0.10                | -                    | None                 |
| K G N Traders Private Limited                    | Payable                                    | <0.10                | <0.10                | None                 |
| Eco E Waste Recyclers India Private Limited      | Payable                                    | <0.10                | <0.10                | None                 |
| (ii) In respect of HPCL Biofuels Limited         |                                            |                      |                      |                      |
| Sri Venkateswara Global Trading Private Limited  | Receivable                                 | 137.60               | 137.60               | None                 |

\* A provision for doubtful receivable for an amount of ₹ Nil (2021-22 : ₹137.60 Million) is charged to the Statement of Profit &amp; Loss



**68.** In respect of subsidiary MRPL, the Quarterly returns / statements of the first 3 quarters of the current financial year with respect to current assets (Inventories) filed with banks / financial institutions for the financial year 2022-23 are in agreement with the books of accounts. The return for the 4th quarter, being price sensitive information, will be filed after declaration of annual results.

**69.** 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.

**70.** 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.

**71.** 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.

**72.** In case of OVL with regard to Company's Share of Assets in Joint Operations, as per the joint operating agreements, physical verification of property, plant and equipment was carried out for all significant overseas joint operations during the year except in case of assets of Block 5A, ACG, CPO5 and A1/A3/Shwe Offshore Pipeline Myanmar amounting to ₹1,374.71 Million (WDV). The accounting impact of

excess/shortage identified is given through Joint Interest Billing Statements provided by respective Operators.

**73.** In case of OVL with regard to Company's Share of Assets in Joint Operations, as per the joint operating agreements, physical verification of inventories was carried out for all significant overseas joint operations during the year except in case of inventories of ACG, Azerbaijan amounting to ₹403.73 Million. The accounting impact of excess/shortage identified is given through Joint Interest Billing Statements provided by respective Operators

**74.** The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

**75.** 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.

**76.** Previous year's figures have been regrouped, wherever necessary, to confirm to current year's grouping.





## 77. Additional disclosure under Schedule-III

### 77.1 Schedule-III additional disclosure in Consolidated Financial Statements as on March 31, 2023

| (₹ 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      |
| <b>A</b>       | <b>Parent</b>                                                              |                          |                                                       |              |                                     |             |                                                 |            |                                                 |             |
| A.1            | ONGC                                                                       | India                    | 57.69                                                 | 1,737,843.60 | 121.14                              | 397,068.12  | (13.20)                                         | (3,791.50) | 110.32                                          | 393,276.63  |
| <b>B</b>       | <b>Subsidiaries (Group's share)</b>                                        |                          |                                                       |              |                                     |             |                                                 |            |                                                 |             |
| <b>B.1</b>     | <b>Indian</b>                                                              |                          |                                                       |              |                                     |             |                                                 |            |                                                 |             |
| B.1.1          | ONGC Videsh Limited (OVL)                                                  | India                    | 4.08                                                  | 122,872.91   | (0.84)                              | (2,769.10)  | 129.10                                          | 37,068.97  | 9.62                                            | 34,299.87   |
| B.1.2          | Hindustan Petroleum Corporation Limited (HPCL)                             | India                    | 5.01                                                  | 151,043.19   | (27.51)                             | (90,170.48) | (4.96)                                          | (1,424.84) | (25.69)                                         | (91,595.32) |
| B.1.3          | Mangalore Refinery and Petrochemicals Ltd. (MRPL)                          | India                    | 3.26                                                  | 98,189.94    | 7.99                                | 26,177.96   | (0.04)                                          | (10.53)    | 7.34                                            | 26,167.43   |
| B.1.4          | Petronet MHB Ltd (PMHBL)                                                   | India                    | 0.19                                                  | 5,835.71     | 0.26                                | 847.17      | (0.00)                                          | (0.15)     | 0.24                                            | 847.02      |
| B.1.5          | Prize Petroleum Company Ltd.                                               | India                    | (0.20)                                                | (6,063.00)   | (0.70)                              | (2,304.00)  | (1.37)                                          | (392.60)   | (0.76)                                          | (2,696.60)  |
| B.1.6          | HPCL Biofuels Ltd.                                                         | India                    | 0.13                                                  | 3,934.90     | (0.13)                              | (414.10)    | 0.00                                            | 0.90       | (0.12)                                          | (413.20)    |
| B.1.7          | HPCL LNG Limited (Formerly known as HPCL Shapoorji Energy Private Limited) | India                    | 0.41                                                  | 12,231.50    | (0.02)                              | (74.80)     | 0.00                                            | 0.90       | (0.02)                                          | (73.90)     |
| B.1.8          | ONGC Videsh Rovuma Ltd., India                                             | India                    | 2.71                                                  | 81,521.07    | 7.46                                | 24,450.86   | -                                               | -          | 6.86                                            | 24,450.86   |
| <b>B.2</b>     | <b>Foreign</b>                                                             |                          |                                                       |              |                                     |             |                                                 |            |                                                 |             |
| B.2.1          | ONGC Nile Ganga B.V. (ONGBV)                                               | The Netherlands          | 2.49                                                  | 75,055.89    | (0.27)                              | (883.04)    | -                                               | -          | (0.25)                                          | (883.04)    |
| B.2.2          | ONGC Campos Ltda.                                                          | Brazil                   | 0.39                                                  | 11,729.62    | 1.36                                | 4,464.64    | -                                               | -          | 1.25                                            | 4,464.64    |
| B.2.3          | ONGC Nile Ganga (San Cristobal) B.V.                                       | The Netherlands          | 1.30                                                  | 39,109.33    | (0.03)                              | (84.99)     | -                                               | -          | (0.02)                                          | (84.99)     |
| B.2.4          | ONGC Narmada Limited (ONL)                                                 | Nigeria                  | (0.08)                                                | (2,554.56)   | (0.00)                              | (0.40)      | -                                               | -          | (0.00)                                          | (0.40)      |
| B.2.5          | ONGC Amazon Alaknanda Limited (OAAAL)                                      | Bermuda                  | 0.34                                                  | 10,311.24    | 0.45                                | 1,479.59    | -                                               | -          | 0.42                                            | 1,479.59    |
| B.2.6          | Imperial Energy Limited                                                    | Cyprus                   | 0.42                                                  | 12,737.88    | (0.00)                              | (8.15)      | -                                               | -          | (0.00)                                          | (8.15)      |



| 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.2.7    | Imperial Energy Tomsk Limited                            | Cyprus                   | 0.00                                                  | 43.65       | 0.00                                | 1.48        | -                                               | -          | 0.00                                            | 1.48        |
| B.2.8    | Imperial Energy (Cyprus) Limited                         | Cyprus                   | 0.04                                                  | 1,114.99    | 0.00                                | 1.37        | -                                               | -          | 0.00                                            | 1.37        |
| B.2.9    | Imperial Energy Nord Limited                             | Cyprus                   | 0.15                                                  | 4,631.36    | 0.00                                | 1.48        | -                                               | -          | 0.00                                            | 1.48        |
| B.2.10   | Biancus Holdings Limited                                 | Cyprus                   | 0.01                                                  | 159.08      | (0.06)                              | (207.97)    | -                                               | -          | (0.06)                                          | (207.97)    |
| B.2.11   | Redcliffe Holdings Limited                               | Cyprus                   | 0.01                                                  | 273.15      | 0.00                                | 1.49        | -                                               | -          | 0.00                                            | 1.49        |
| B.2.12   | Imperial Frac Services (Cyprus) Limited                  | Cyprus                   | 0.00                                                  | 5.48        | 0.00                                | 1.10        | -                                               | -          | 0.00                                            | 1.10        |
| B.2.13   | San Agio Investments Limited                             | Cyprus                   | (0.00)                                                | (27.91)     | 0.02                                | 66.83       | -                                               | -          | 0.02                                            | 66.83       |
| B.2.14   | LLC Sibinterneft                                         | Russia                   | (0.00)                                                | (124.26)    | (0.01)                              | (48.30)     | -                                               | -          | (0.01)                                          | (48.30)     |
| B.2.15   | LLC Alianceneftgaz                                       | Russia                   | 0.01                                                  | 307.98      | 0.58                                | 1,915.16    | -                                               | -          | 0.54                                            | 1,915.16    |
| B.2.16   | LLC Nord Imperial                                        | Russia                   | 0.02                                                  | 666.76      | 0.04                                | 124.02      | -                                               | -          | 0.03                                            | 124.02      |
| B.2.17   | LLC Rus Imperial Group                                   | Russia                   | (0.00)                                                | (84.02)     | 0.02                                | 65.74       | -                                               | -          | 0.02                                            | 65.74       |
| B.2.18   | LLC Imperial Frac Services                               | Russia                   | 0.00                                                  | 34.50       | (0.09)                              | (307.66)    | -                                               | -          | (0.09)                                          | (307.66)    |
| B.2.19   | Carabobo One AB                                          | Sweden                   | 0.16                                                  | 4,805.12    | (0.28)                              | (933.78)    | -                                               | -          | (0.26)                                          | (933.78)    |
| B.2.20   | Petro Carabobo Ganga B.V.                                | The Netherlands          | 0.18                                                  | 5,435.83    | (0.00)                              | (4.80)      | -                                               | -          | (0.00)                                          | (4.80)      |
| B.2.21   | ONGC (BTC) Ltd                                           | Cayman Islands           | 0.00                                                  | 63.79       | 0.03                                | 105.22      | -                                               | -          | 0.03                                            | 105.22      |
| B.2.22   | Beas Rovuma Energy Mozambique Ltd                        | Republic of Mauritius    | 3.70                                                  | 111,598.61  | (0.24)                              | (791.47)    | -                                               | -          | (0.22)                                          | (791.47)    |
| B.2.23   | ONGC Videsh Atlantic Inc.                                | Texas                    | 0.00                                                  | 105.47      | 0.00                                | 6.63        | -                                               | -          | 0.00                                            | 6.63        |
| B.2.24   | ONGC Videsh Singapore Pte. Ltd.                          | Singapore                | 0.00                                                  | 98.14       | (0.00)                              | (5.73)      | -                                               | -          | (0.00)                                          | (5.73)      |
| B.2.25   | ONGC Videsh Vankorneft Pte. Ltd.                         | Singapore                | (2.44)                                                | (73,382.55) | (1.29)                              | (4,242.37)  | -                                               | -          | (1.19)                                          | (4,242.37)  |
| B.2.26   | Indus East Mediterranean Exploration Ltd.                | Israel                   | 0.00                                                  | 0.91        | (0.00)                              | (0.06)      | -                                               | -          | (0.00)                                          | (0.06)      |
| B.2.27   | HPCL Middle East FZCO                                    | Dubai                    | 0.00                                                  | 44.20       | -                                   | -           | 0.01                                            | 3.40       | 0.00                                            | 3.40        |
| <b>C</b> | <b>Non controlling interest in all subsidiaries</b>      |                          | 6.84                                                  | 206,077.39  | (8.12)                              | (26,628.73) | (4.93)                                          | (1,416.56) | (7.87)                                          | (28,045.29) |
| <b>D</b> | <b>Associates (Investments as per the equity method)</b> |                          |                                                       |             |                                     |             |                                                 |            |                                                 |             |

| 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>D.1</b> | <b>Indian</b>                                                |                          |                                                       |            |                                     |             |                                                 |        |                                                 |             |
| D.1.1      | Pawan Hans Ltd. (PHL)                                        | India                    | 0.14                                                  | 4,251.50   | (0.10)                              | (330.11)    | -                                               | -      | (0.09)                                          | (330.11)    |
| D.1.2      | Petronet LNG Limited (PLL)                                   | India                    | 0.63                                                  | 19,080.70  | 0.61                                | 2,001.04    | (0.02)                                          | (5.45) | 0.56                                            | 1,995.59    |
| D.1.3      | Rohini Heliport Limited (RHL)                                | India                    | -                                                     | -          | -                                   | -           | -                                               | -      | -                                               | -           |
| D.1.4      | GSPL India Gasnet Ltd.                                       | India                    | 0.06                                                  | 1,941.50   | (0.05)                              | (174.20)    | (0.00)                                          | (1.20) | (0.05)                                          | (175.40)    |
| D.1.5      | GSPL India Transco Ltd.                                      | India                    | 0.01                                                  | 373.00     | (0.00)                              | (13.00)     | (0.00)                                          | (0.10) | (0.00)                                          | (13.10)     |
| <b>D.2</b> | <b>Foreign</b>                                               |                          |                                                       |            |                                     |             |                                                 |        |                                                 |             |
| D.2.1      | Petro Carabobo S.A.                                          | Venezuela                | 0.11                                                  | 3,276.70   | (0.12)                              | (401.28)    | -                                               | -      | (0.11)                                          | (401.28)    |
| D.2.2      | Carabobo Ingenieria y Construcciones, S.A.                   | Venezuela                | 0.00                                                  | 0.34       | -                                   | -           | -                                               | -      | -                                               | -           |
| D.2.3      | South-East Asia Gas Pipeline Company Limited                 | Hongkong                 | 0.22                                                  | 6,774.65   | 0.37                                | 1,225.56    | -                                               | -      | 0.34                                            | 1,225.56    |
| D.2.4      | Tamba B.V.                                                   | The Netherlands          | 0.00                                                  | 140.16     | (0.00)                              | (1.17)      | -                                               | -      | (0.00)                                          | (1.17)      |
| D.2.5      | JSC Vankorneft                                               | Russia                   | 3.44                                                  | 103,774.86 | 1.15                                | 3,777.08    | -                                               | -      | 1.06                                            | 3,777.08    |
| D.2.6      | Petrolera Indovenzolana S.A.                                 | Venezuela                | 0.28                                                  | 8,370.10   | (4.08)                              | (13,383.30) | -                                               | -      | (3.75)                                          | (13,383.30) |
| D.2.7      | Falcon Oil & Gas B.V                                         | The Netherlands          | 0.72                                                  | 21,836.08  | 0.72                                | 2,375.93    | -                                               | -      | 0.67                                            | 2,375.93    |
| D.2.8      | Moz LNG1 Holding Co. Ltd.                                    | Abudhabi                 | 0.17                                                  | 5,129.25   | (0.13)                              | (422.93)    | -                                               | -      | (0.12)                                          | (422.93)    |
| D.2.9      | Bharat Energy Office, LLC                                    | Russia                   | 0.00                                                  | 7.12       | (0.00)                              | (2.18)      | -                                               | -      | (0.00)                                          | (2.18)      |
| <b>E</b>   | <b>Joint Ventures (Investments as per the equity method)</b> |                          |                                                       |            |                                     |             |                                                 |        |                                                 |             |
| <b>E.1</b> | <b>Indian</b>                                                |                          |                                                       |            |                                     |             |                                                 |        |                                                 |             |
| E.1.1      | Indradhanush Gas Grid Ltd. (IGGL)                            | India                    | 0.07                                                  | 1,975.47   | 0.00                                | 14.69       | -                                               | -      | 0.00                                            | 14.69       |
| E.1.2      | Mangalore SEZ Ltd (MSEZ)                                     | India                    | -                                                     | -          | 0.01                                | 19.24       | 0.00                                            | 0.14   | 0.01                                            | 19.38       |
| E.1.3      | ONGC Petro Additions Ltd. (OPaL)                             | India                    | 1.32                                                  | 39,688.75  | (6.07)                              | (19,882.07) | 0.02                                            | 5.37   | (5.58)                                          | (19,876.70) |
| E.1.4      | ONGC Tripura Power Company Ltd. (OTPC)                       | India                    | 0.26                                                  | 7,893.87   | 0.19                                | 637.91      | 0.00                                            | 0.13   | 0.18                                            | 638.04      |
| E.1.5      | ONGC Teri Biotech Ltd. (OTBL)                                | India                    | 0.02                                                  | 479.33     | 0.03                                | 83.46       | (0.00)                                          | (0.24) | 0.02                                            | 83.22       |
| E.1.6      | Dahej SEZ Limited (DSEZ)                                     | India                    | 0.05                                                  | 1,512.03   | 0.06                                | 190.33      | -                                               | -      | 0.05                                            | 190.33      |



| 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.1.7      | Hindustan Colas Pvt. Ltd.                                                | India                    | 0.08                                                  | 2,510.30            | 0.24                                | 776.70            | 0.00                                            | 0.20             | 0.22                                            | 776.90            |
| E.1.8      | HPOIL Gas Pvt. Ltd.                                                      | India                    | 0.02                                                  | 743.80              | 0.01                                | 33.20             | -                                               | -                | 0.01                                            | 33.20             |
| E.1.9      | HPCL Rajasthan Refinery Ltd.                                             | India                    | 2.30                                                  | 69,169.10           | (0.68)                              | (2,216.80)        | -                                               | -                | (0.62)                                          | (2,216.80)        |
| E.1.10     | South Asia LPG Co. Pvt. Ltd.                                             | India                    | 0.04                                                  | 1,161.50            | 0.12                                | 403.50            | 0.00                                            | 0.60             | 0.11                                            | 404.10            |
| E.1.11     | HPCL - Mittal Energy Ltd.                                                | India                    | 2.41                                                  | 72,478.50           | 7.32                                | 23,999.70         | (4.61)                                          | (1,322.90)       | 6.36                                            | 22,676.80         |
| E.1.12     | Godavari Gas Pvt Ltd.                                                    | India                    | 0.01                                                  | 225.60              | (0.00)                              | (9.90)            | -                                               | -                | (0.00)                                          | (9.90)            |
| E.1.13     | Petronet India Ltd.                                                      | India                    | 0.00                                                  | 4.40                | -                                   | -                 | -                                               | -                | -                                               | -                 |
| E.1.14     | Mumbai Aviation Fuel Farm Facilities Pvt. Ltd.                           | India                    | 0.03                                                  | 1,022.60            | 0.02                                | 80.00             | 0.00                                            | 0.10             | 0.02                                            | 80.10             |
| E.1.15     | Aavantika Gas Ltd.                                                       | India                    | 0.06                                                  | 1,946.80            | 0.09                                | 294.60            | 0.00                                            | 0.20             | 0.08                                            | 294.80            |
| E.1.16     | Bhagyanagar Gas Ltd.                                                     | India                    | 0.06                                                  | 1,958.00            | 0.01                                | 17.20             | (0.00)                                          | (0.40)           | 0.00                                            | 16.80             |
| E.1.17     | Ratnagiri Refinery & Petrochemical Ltd.                                  | India                    | 0.01                                                  | 279.70              | (0.01)                              | (17.30)           | -                                               | -                | (0.00)                                          | (17.30)           |
| E.1.18     | IHB Ltd.                                                                 | India                    | 0.25                                                  | 7,627.10            | (0.00)                              | (12.50)           | -                                               | -                | (0.00)                                          | (12.50)           |
| E.1.19     | Shell MRPL Aviation Fuels & Services Pvt. Limited (SMASL) (through MRPL) | India                    | 0.02                                                  | 455.35              | 0.11                                | 376.11            | (0.01)                                          | (1.60)           | 0.11                                            | 374.51            |
| <b>E.2</b> | <b>Foreign</b>                                                           |                          |                                                       |                     |                                     |                   |                                                 |                  |                                                 |                   |
| E.2.1      | Himalaya Energy (Syria) B.V.                                             | Netherlands              | 0.01                                                  | 198.90              | (0.00)                              | (5.38)            | -                                               | -                | (0.00)                                          | (5.38)            |
| E.2.2      | Mansarovar Energy Colombia Ltd.                                          | Bermuda                  | 0.35                                                  | 10,616.40           | 0.44                                | 1,442.99          | -                                               | -                | 0.40                                            | 1,442.99          |
|            |                                                                          |                          |                                                       |                     |                                     |                   |                                                 |                  |                                                 |                   |
|            | <b>Total</b>                                                             |                          | <b>100.00</b>                                         | <b>3,012,550.35</b> | <b>100.00</b>                       | <b>327,776.05</b> | <b>100.00</b>                                   | <b>28,712.84</b> | <b>100.00</b>                                   | <b>356,488.89</b> |

## 77.2 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      |
| <b>A Parent</b>                       |                                                                            |                          |                                                       |              |                                     |             |                                                 |           |                                                 |             |
| A.1                                   | ONGC                                                                       | India                    | 52.76                                                 | 1,494,891.26 | 67.74                               | 333,934.33  | 82.59                                           | 36,318.61 | 68.96                                           | 370,252.94  |
| <b>B Subsidiaries (Group's share)</b> |                                                                            |                          |                                                       |              |                                     |             |                                                 |           |                                                 |             |
| <b>B.1 Indian</b>                     |                                                                            |                          |                                                       |              |                                     |             |                                                 |           |                                                 |             |
| 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                                                 | 289,923.70   | 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                    | 1.85                                                  | 52,337.60    | (1.24)                              | (6,107.21)  | -                                               | -         | (1.14)                                          | (6,107.21)  |
| <b>B.2 Foreign</b>                    |                                                                            |                          |                                                       |              |                                     |             |                                                 |           |                                                 |             |
| 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)      |





| 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.2.7    | 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)    |
| B.2.14   | LLC Sibinterneft                                         | Russia                   | 0.00                                                  | 0.37        | (0.01)                              | (45.74)    | -                                               | -        | (0.01)                                          | (45.74)    |
| B.2.15   | LLC Alliancenneftegaz                                    | 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)     |
| <b>C</b> | <b>Non controlling interest in all subsidiaries</b>      |                          | 8.41                                                  | 238,249.33  | 7.65                                | 37,719.51  | 2.28                                            | 1,004.41 | 7.21                                            | 38,723.92  |
| <b>D</b> | <b>Associates (Investments as per the equity method)</b> |                          |                                                       |             |                                     |            |                                                 |          |                                                 |            |

| 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>D.1</b> | <b>Indian</b>                                                |                          |                                                       |           |                                     |            |                                                 |        |                                                 |            |
| 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                    | -                                                     | -         | (0.00)                              | (0.00)     | -                                               | -      | (0.00)                                          | (0.00)     |
| 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)   |
| <b>D.2</b> | <b>Foreign</b>                                               |                          |                                                       |           |                                     |            |                                                 |        |                                                 |            |
| 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 Indovenzolana S.A.                                 | Venezuela                | 0.93                                                  | 26,287.39 | (0.60)                              | (2,954.24) | -                                               | -      | (0.55)                                          | (2,954.24) |
| 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)     |
| <b>E</b>   | <b>Joint Ventures (Investments as per the equity method)</b> |                          |                                                       |           |                                     |            |                                                 |        |                                                 |            |
| <b>E.1</b> | <b>Indian</b>                                                |                          |                                                       |           |                                     |            |                                                 |        |                                                 |            |
| 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 Tert Biotech Ltd. (OTBL)                                | India                    | 0.01                                                  | 399.42    | 0.01                                | 43.12      | 0.00                                            | 0.04   | 0.01                                            | 43.16      |



| 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.1.6      | 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             |
| <b>E.2</b> | <b>Foreign</b>                                                           |                          |                                                       |                     |                                     |                   |                                                 |                  |                                                 |                   |
| 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            |
|            |                                                                          |                          |                                                       |                     |                                     |                   |                                                 |                  |                                                 |                   |
|            | <b>Total</b>                                                             |                          | <b>100.00</b>                                         | <b>2,833,278.43</b> | <b>100.00</b>                       | <b>492,940.57</b> | <b>100.00</b>                                   | <b>43,972.59</b> | <b>100.00</b>                                   | <b>536,913.16</b> |

## 78. Approval of financial statements

The Consolidated Financial Statements were approved by the Board of Directors on May 26, 2023.

### FOR AND ON BEHALF OF THE BOARD

Sd/-  
**(Rajni Kant)**  
Company Secretary

Sd/-  
**(Pomila Jaspal)**  
Director (Finance)  
(DIN: 08436633)

Sd/-  
**(Arun Kumar Singh)**  
Chairman & CEO  
(DIN: 06646894)

### In terms of our report of even date attached

**For SARC & Associates**  
Chartered Accountants  
Firm Reg. No.: 006085N

**For Kalani & Co.**  
Chartered Accountants  
Firm Reg. No.: 000722C

**For R.G.N. Price & Co.**  
Chartered Accountants  
Firm Reg. No.: 002785S

Sd/-  
**(Pankaj Sharma)**  
Partner (M. No. 086433)

Sd/-  
**(Vikas Kumar Pareek)**  
Partner (M. No. 422687)

Sd/-  
**(Aditya Kumar S)**  
Partner (M. No. 232444)

**For S. Bhandari & Co. LLP**  
Chartered Accountants  
Firm Reg. No.:  
000560C/C400334

**For J Gupta & Co LLP**  
Chartered Accountants  
Firm Reg. No.:  
314010E/E300029

Sd/-  
**(P. P. Pareek)**  
Partner (M. No. 071213)

Sd/-  
**(Abhishek Raj)**  
Partner (M. No. 302648)

**Place: New Delhi**

**Date: May 26, 2023**

**ONGC** Jeetega  
Toh Jeetega **India**

Some of our  
**#EnergySoldiers**

**Virat Kohli**  
Cricketer



**G. Sathiyar**  
Table Tennis



**Abhinav Lohan**  
Golf



**Apurvi Chandela**  
Shooting



**Harmeet Desai**  
Table Tennis



**Ankita Raina**  
Tennis



**Pankaj Advani**  
Snooker



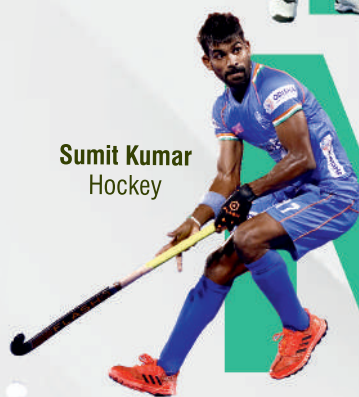
**Gurjant Singh**  
Hockey



**B. Sai Praneeth**  
Badminton



**Sumit Kumar**  
Hockey



**Mandeep Singh**  
Hockey



**Ashwini Ponnappa**  
Badminton







Company Secretariat

**Oil and Natural Gas Corporation Ltd.**  
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