



ऑयल इंडिया लिमिटेड

(भारत सरकार का उपक्रम) पंजीकृत कार्यालय : दुलियाजान, असम

Oil India Limited

(A Government of India Enterprise) Registered Office * Duliajan, Assam

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Website : www.oil-india.com

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Ref No. OIL/SEC/32-33/NSE-BSE

Date: 03.10.2014

National Stock Exchange of India Ltd.
Exchange Plaza,
Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E)
Mumbai - 400 051.

Department of Corporate Service,
BSE Ltd.,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001

Subject : 55th Annual General Meeting held on 27th September, 2014

Ref : IBID Clause- 31 of the Listing Agreement

Dear Sir,

PROCEEDINGS

PRESENT

Shri S K Srivastava	Chairman & Managing Director
Shri N. K. Bharali	Director (HR&BD)
Shri S. Rath	Director (Operations)
Smt. R.S.Borah	Director (Finance)
Shri S.Mahapatra	Director (E&D)
Shri Subhasish Panda	Government Nominee Director
Shri Shekhar Chaudhuri	Independent Director
Shri Anup Mukerji	Independent Director
Shri S.C Gupta	Independent Director
Shri G. Barua	Independent Director

SPECIAL INVITEES

Shri V.Sharma	RCE, Duliajan
CA S.K. Saha	M/s Saha Ganguli & Associates, Statutory Auditor
CS Manish Gupta	M/s RMG & Associates, Secretarial Auditor & Scrutinizer

IN ATTENDANCE

Shri S.R. Krishnan	Company Secretary
Shri K.M.Singh,	Under Secretary, Ministry of Petroleum and Natural Gas, Government of India, Representative of the President of India, 4208 Shareholders & 43 Proxies representing Members

The requisite quorum being present, the proceedings of the meeting commenced.

Shri. S.K. Srivastava, CMD, took the chair. The Secretary announced that the quorum for the meeting was present in terms of provisions of the Companies Act, 2013 and the Articles of Association of the Company and the formal proceedings of the meeting could commence. Shri S.K. Srivastava, CMD then formally extended a very warm welcome to all the shareholders present at the 55th AGM and introduced his colleagues on the dais to the shareholders. He also informed the members that the President of India holding 406631998 equity shares of the Company (67.64%) was represented through his nominee Shri K.M. Singh, Under Secretary, Ministry of Petroleum and Natural Gas. Letter of authorization No. O-20018/1/2014/ONG – III dated 21st August, 2014 received from the MoP&NG in this regard, was tabled by the Company Secretary. He also stated that Shri S.C. Gupta and Shri Anup Mukerji were attending the meeting as Directors as well as the Chairman of the Audit Committee and Stakeholders' Relationship Committee respectively.

The Notice of the meeting and the Directors' Report, were taken as read with the permission of the Shareholders. The Auditors' Report and the C&AG's Comments were read by the Company Secretary.

The Chairman then presented his statement on the performance of the Company and highlighted the physical and financial performance including significant achievements made by the Company during the year 2013-14.

Shri. N.K. Bharali, Director (HR&BD) read the Chairman Statement in Assamese language.

The Chairman informed the Members that pursuant to clause 35B of the Listing Agreement and Section 108 of the Companies Act 2013, read with Rule 20 of the Companies (Management and Administration) Rules 2014, the Company had offered e-voting facility to its Members which commenced on 18.09.2014 (10.00 AM) and ended on 20.09.2014 (6.00 PM). The Company had engaged the services of Karvy Computershare Pvt. Ltd. to provide e-voting facility to the Members of the Company.

The Chairman further informed the Members that for those members who could not exercise their vote through e-voting process, facility to vote at the Annual General Meeting by means of ballot paper has been provided. The ballot paper for the same was made available to members.

The Company Secretary explained the poll procedure. The members were informed that the Company has appointed CS Manish Gupta, Partner, M/s RMG & Associates, Company Secretaries as Scrutinizer to conduct the scrutiny of e-voting as well as voting at the Annual General Meeting. The scrutinizer displayed the empty ballot box and locked it in the presence of the members. The ballot boxes were kept at the venue to enable the members to exercise their voting right.

The Company Secretary read out all the resolutions proposed to be passed at the meeting. Thereafter, all the resolutions were proposed and seconded by members. On the invitations of the Chairman, Members raised queries and made observations. The Chairman replied to the queries, observations and clarifications sought by the members on the various issues. The Chairman informed the members that the result of the e-voting and physical voting at the Annual General Meeting shall be notified to the Stock Exchanges and hosted on the website of the Company within 2 days.

Thereafter, the following businesses were **transacted and approved** as detailed hereunder:

Item no.	Details of the Agenda	Resolution required : (Ordinary/ Special)	Mode of voting: (show of hands/poll/ postal ballot/E-voting)
Ordinary Business			
1	To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2014 and the Statement of Profit & Loss for the year ended on that date together with Reports of the Auditors, Directors and Comments of the Comptroller & Auditor General of India thereon.	Ordinary	E-Voting / Poll
2	To confirm the payment of Interim Dividend and Second Interim Dividend and to declare Final Dividend for the financial year 2013-14 on the equity shares of the Company.	Ordinary	E-Voting / Poll
3	To appoint a Director in place of Shri N.K. Bharali (DIN: 03262719), who retires by rotation and being eligible, offers himself for reappointment.	Ordinary	E-Voting / Poll
4	To appoint a Director in place of Shri S. Rath (DIN: 03495179), who retires by rotation and being eligible, offers himself for reappointment.	Ordinary	E-Voting / Poll
5	To authorise Board of Directors to decide remuneration / fees of the Statutory Auditors of the Company appointed by the Comptroller & Auditor General of India for the financial year 2014-15.	Ordinary	E-Voting / Poll
Special Business			
6	To appoint Smt. Rupshikha Saikia Borah (DIN: 06700534) as Director (Finance) and Chief Financial Officer of the Company, liable to retire by rotation, on terms & conditions determined by the Govt. of India.	Ordinary	E-Voting / Poll
7	To appoint Shri Subhasish Panda (DIN: 02331848), as a Director (Government Nominee) of the Company, liable to retire by rotation.	Ordinary	E-Voting / Poll
8	To appoint Shri Sudhakar Mahapatra (DIN: 06941346) as Director (Exploration and Development) of the Company, liable to retire by rotation, on terms & conditions determined by the Govt. of India.	Ordinary	E-Voting / Poll
9	To ratify the remuneration of the Cost Auditor for the financial year 2014-15.	Ordinary	E-Voting / Poll

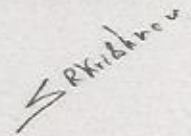
Pursuant to Clause 35A of the Listing Agreement, Exchange was informed vide our Letter of even no. dated. 29.09.2014 that all the items of business enlisted in notice of 55th AGM held on 27th September, 2014 were approved by the shareholders with requisite majority.

A copy of the Chairman's Speech delivered in the said meeting is enclosed herewith.

This is for your information and record.

Thanking you,

Yours faithfully,
For OIL INDIA LIMITED



(S. R. Krishnan)
Company Secretary

Encl : As above

Chairman's Statement at the 55th AGM of the Company

Dear Shareholders,

On behalf of the Board of Directors, I welcome you all to the 55th Annual General Meeting of your Company. Thank you very much for being with us this morning.

The Annual Report for the year, ending 31st March 2014, along with the Report of the Directors and Audited Accounts for the year ending 31st March 2014, have already been circulated and are with you. With your permission, I take them as read.

During the year under review, our commitment to enhance stakeholders' value received further impetus and despite the ever changing and challenging environment, the Company registered growth in certain areas. The significant milestones crossed by your Company during the year 2013-14 include:

- Profit after Tax (PAT) was Rs.2,981.30 crore against PAT of Rs. 3,589.34 crore during 2012-13.
- The turnover of the company was Rs 9612.70 crore as compared to Rs 9947.57 crore during 2012-13 due to sharing of additional subsidy burden of Rs 439.19 crore.
- Your Company obtained International credit ratings - Moody's "BAA2" (higher than sovereign rating) and Fitch Rating "BBB" (Stable) (equivalent to sovereign rating).
- Dividend payment during the year was 215%.
- The Company has made a total of seven hydrocarbon discoveries of which six were in the Upper Assam basin and one overseas in Gabon in West Africa during the year.
- Hydrocarbon reserve accretion during the year was 7.98 MMT (O+OEG).
- Your Company successfully commissioned its first mega Solar Power Project of 5 MW capacity in Jaisalmer, Rajasthan.
- Your Company acquired 5% stake in Indian Oil Corporation Ltd (IOCL).
- Your Company completed highly successful bond issue of 5 year Bonds of USD 500 million & 10-year Bonds of USD 500 million. The issue is the largest ever Reg S issuance by any Indian Quasi-sovereign corporate and ranks among the largest debut transactions in Reg S format by the Asian issuers.

PERFORMANCE RECOGNITION

You will be happy to learn that your Company has received a number of appreciations and recognitions, for its achievements in different fields during the year, from different organisations / agencies.

These awards and recognitions demonstrate total dedication and concerted efforts of all Oil Indians. Salient amongst these are:

- "BT Star Best National PSU" and "BT Star Best PSU in Excellence in Market Capitalization" in June, 2013 conferred by Bureaucracy Today.
- The Golden Peacock Environment Management Award for the year 2013 in July, 2013.
- The reputed "EFI (Employers' Federation of India) national award for excellence in employee relations for strong commitment to employee relations" in the pan-India category in October, 2013. OIL winning this prestigious EFI national award is a recognition and appreciation for the exemplary contribution and continued commitment of all Oil Indians towards achieving productive employee relations in the Company.
- The India Pride Award 2013-14, in December 2013, for Excellence in CSR in the category Public Sector Undertakings - Central instituted by the Dainik Bhaskar group.
- "Best Employer, India 2013" award by M/s Aon Hewitt, the HR Consulting and Outsourcing Agency. The Company also bagged "The Aon Hewitt Voice of Employee Award, Public Sector Enterprises, India 2013."
- In January, 2014, OIL received the Greentech Environment Award 2013 of Gold Category in Petroleum Exploration Sector for sustainable achievement in Environment Management.
- New Delhi Institute of Management (NDIM), a premier MBA School, awarded your Company for contributing immensely to the societal issues. The award was in recognition of OIL's various social welfare programs and CSR projects.
- OIL received Vigilance Excellence Award 2013-14 at a Conclave of Vigilance officers organized by the Institute of Public Enterprise (IPE) at Hyderabad.
- OIL was conferred with 'CAG Pick of the Year' award by Dalal Street Investment Journal (DSIJ), India's No.1 investment magazine during the PSU Awards 2013 ceremony to honour the Public Sector Undertakings for their commendable performance.

ECONOMY

Global economy began its modest recovery in FY2013-14 with improved demand from OECD economies in the second half of 2013 and is expected to accelerate in the current year. The global growth is projected to strengthen to 3.6% in 2014 and then 3.9% in 2015.

Some global financial turbulence caused capital outflows and pressure on the exchange rate, but strong policy measures stabilized the currency, and narrowed the excessive current account deficit. India's GDP growth for the year 2013-14

came at 4.7%, lower than government estimate of 4.9% and slightly above 4.5% growth during 2012-13. Financial / business services utilities drove growth during 2013-14, while manufacturing continued to be laggard. INR/US\$ depreciated from level of around Rs.54.5 in the beginning of the year 2013-14 to Rs.68/- reflecting weakening of 25%. Although upstream players tend to gain materially from depreciation of Rupee, the benefits of upstream PSU got offset by increase in the under recoveries burden. Under-recoveries of Oil Marketing Companies (OMCs) also increased substantially in FY 2013-14.

Global energy consumption increased by 2.3% in 2013. Growth in 2013 accelerated for oil, coal and nuclear power. Oil remained the world leader in fuel with 32.9% of global energy consumption but continued to lose market. Emerging economies accounted for 80% of global increase in energy consumption even though growth in these countries was below average.

Global production did not keep pace with global consumption rising just by 560,000 barrels per day or 0.6%. The US recorded largest growth in the world and accounted for 96% of the increase in production. Dated Brent averaged \$108.66 per barrel in 2013, a decline of \$ 3.01 per barrel from 2012.

In India, domestic production of oil and gas lags domestic consumption which results in reliance on imports. According to DGH, total production of oil and gas was 37.78 MMT and 40.68 BCM respectively during fiscal year 2013-14. The contribution of private sector and joint venture companies to India's total oil and gas production increased from 18.5% FY 2006 to 31.97% in FY 2014.

To bridge the wide gap of demand and supply in crude oil consumption, Government has initiated various steps such as New Exploration Licensing Policy, Introduction of CBM policy, shale gas exploration, encouraged acquisition overseas, 100% FDI permitted in Exploration, Refining, Pipelines and Marketing etc. Further, Govt has allowed Shale Oil & Gas exploitation to OIL and ONGC in their nominated Blocks.

Although, a number of initiatives have been taken, there are a large number of areas of concern such as subsidy pricing mechanism, gas pricing infrastructure, development of bilateral and regional strategic energy partnership etc.

INDIAN E&P INDUSTRY

The Indian economy is at a critical stage of development and rising oil consumption to meet the growing energy demand of the country is a major cause of concern for the economy. For an import-dependent country like India, energy security is no longer just a desire, but a critical imperative for an economy which is growing. The consumption of petroleum products has risen by around 1.8% in 2013-14, with total consumption of 158.2 MMT of petroleum products. The country is dependent for about 78% of its crude oil requirement on imports. Though the average oil prices eased a bit, the falling rupee posed a serious

problem for the domestic oil industry in terms of rising under-recoveries of the oil marketing companies and the sustained high subsidy burden on upstream crude oil producers.

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

While domestic production of crude oil remained at around 1% of global production, oil consumption grew to 4.2% of the world consumption. From 1.4% in the previous year, our natural gas production in 2013 came down to 1.0% of the global production, while domestic consumption of natural gas continues to be around 1.5% of the global consumption.

COMPANY SCENARIO

Your Company continues to be the second largest national oil and gas Company in India in terms of total proved plus probable oil and natural gas reserves and production for the year 2013-14. Your Company's share in the country's total crude oil production was 9.48%. Our share in the nation's total natural gas production in the current year is 6.4%.

The gross crude oil price realisation for the year 2013-14 is US\$ 106.40/bbl, as compared to US\$ 109.58/bbl during 2012-13. The net realisation during 2013-14 is US\$ 47.10/bbl as compared to US\$ 53.58/bbl during the same period last year. The Net Realisation in rupee terms during 2013-14 is lower to Rs 2849.55/bbl as compared to Rs 2915.29/bbl during 2012-13.

Your Company at the end of NELP IX bidding round, as on 31.03.2014, is holding Participatory Interest (PI) in total of 27 NELP Blocks out of which OIL has the right of operatorship / joint operatorship in 12 blocks and as non-operator in 15 blocks. In addition your Company is holding 40% PI in one CBM Block in Assam. Domestically your Company intends to continue to pursue its selective bidding strategy in future NELP rounds in order to acquire more geographically balanced exploration acreages across India.

Internationally, your Company will seek to continue acquiring both exploration acreages and, in order to mitigate the risks associated with exploration, producing property. During the year, the Company has acquired 4% Participating Interest in a discovered block in Mozambique, 45% in two Bangladesh Offshore exploration blocks, 60% in two offshore exploration blocks in Myanmar. On 4th July 2014, OIL completed acquisition of 50% shareholding of a producing asset of M/s. Petroneft Resources Ltd. (PTR) in Russia.

OIL intends to seek and develop additional diversification opportunities along the oil and gas value chain, particularly opportunities which will complement its existing expertise acquired over five decades in the upstream oil sector.

PHYSICAL PERFORMANCE

Your Company had a challenging year, where although progress was made in a number of areas, the production of crude oil was lower than the target. Crude oil production during 2013-14 was 3.502 MMT as compared to 3.701 MMT during 2012-13. Shortfall in crude oil production was for reasons beyond the control of the Company due to environmental problems resulting in direct and indirect consequential loss. Crude oil sales were 3.471 MMT as compared to sales of 3.683 MMT during 2012-13. The Natural Gas production of 2626 MMSCM was almost same as 2639 MMSCM during the same period last year. The sale of Natural Gas was 2090 MMSCM during 2013-14 as compared to 2080 MMSCM during 2012-13. LPG production was 46640 MT as compared to 46010 MT during 2012-13.

Your Company has a strong oil and gas reserves base and as of March 31, 2014, your Company's 2P reserves stands at approximately 1.5 billion barrels of Oil + OEG. Your Company has made seven oil and gas discoveries during the year, six from Upper Assam Basin and one from its operated Shakthi block in the West African nation Gabon. The discovery in Gabon is the first discovery made by your Company as operator overseas.

These discoveries have opened up new avenues with significant growth potential.

FINANCIAL PERFORMANCE

During the year, OIL has earned total revenue of Rs. 11,241.34 crore as against Rs. 11,456.32 crore during 2012-13. The Profit before Tax (PBT) during 2013-14 was Rs. 4,410.44 crore against PBT of Rs. 5,283.23 crore during 2012-13. After deduction of the taxes, Profit after Tax (PAT) was Rs. 2,981.30 crore during 2013-14 against PAT of Rs. 3,589.34 crore in 2012-13, showing a decrease of Rs. 608.04 crore over the previous year.

On expenditure side, the employee cost increased to Rs.1,473.18 crore during 2013-14 from Rs. 1,310.63 crore during the same period last year, on account of higher provision for superannuation benefit. DD&A cost has increased to Rs. 1,177.02 crore during the year from Rs. 837.63 crore in the last fiscal due to higher write off of dry wells and higher capitalization of assets & wells. Other components were comparable with previous year.

During the year, company has made capital investment of Rs. 2,938 crore which is highest capital expenditure incurred by OIL till date, and expects to increase in future with the increase in exploratory and operational activities.

SHARE-OUT OF SUBSIDY

During the year, your Company's share of subsidy to the Oil Marketing Companies (OMCs) has increased by 10.7 % to Rs.8,736.85 crore from Rs.7892.17 crore during the corresponding period last year. Your Company has taken up the matter of subsidy sharing mechanism with the Government of India for their consideration in making the mechanism more transparent and predictable.

OIL'S SHARE

The shareholders and investors in your Company have reposed their confidence in the Company and the shares have been performing well on the bourses viz. NSE and BSE.

The paid-up capital of the Company is Rs 601.14 crore divided into 60,11,35,955 shares of Rs.10/- each. The Government of India transferred 47,53,745 (0.79%) of its holding in your Company in favour of CPSE Exchange Traded Fund (ETF) on 27.03.2014. Consequently, the Government of India's holding in OIL reduced from 68.43% to 67.64%. The Earning per Share (EPS) of the Company as on March 31, 2014, is Rs. 49.59.

DIVIDEND AND CONTRIBUTION TO EXCHEQUER

Based on the provisional financial trend, your Company paid First and Second Interim Dividend @ 110% and 100% respectively for the year totaling to Rs. 1262.39 crore. The Board of Directors is now pleased to recommend a final dividend @ 5% on the paid up capital amounting to Rs. 30.06 crore, subject to the approval of the shareholders .

Your Company also made substantial contribution both to the State and Central exchequer in terms of Cess, Royalty, Sales Tax etc. The contribution to the State Exchequer during the year was Rs 1786 crore and that to the Central Government was Rs 4154 crore. It is also a matter of great pride that your Company's audited annual accounts have "Nil" comments from the Comptroller and Auditor General of India for the Twelfth year in succession.

STRATEGY FOR GROWTH

Your Company would like to be "The fastest growing Energy Company with Global presence, providing value to stakeholders". The Company's focus remains on its core competence of Exploration and Production of hydrocarbons.

The key focus areas for growth of your Company broadly cover the following:

- ☐ Continue to induct world class technology
- ☐ Focus on organic growth
- ☐ Develop fields with potential for quick monetisation
- ☐ Acquire blocks to augment existing reserve base
- ☐ Acquisition of companies that are value accretive
- ☐ Diversify through downstream investments

Presently, OIL's hydrocarbon production primarily comes from its matured fields in the North East and our biggest priority is to sustain and increase production from these matured fields. This needs induction of state-of-the-art and fit for purpose technology, increased drilling and fast tracking plans to explore newer and prospective areas.

The Company has adopted strategy of balanced growth of portfolio of assets by continuing to acquire exploration acreage, discovered blocks, producing properties domestically and internationally.

In order to ensure competitiveness vis-à-vis industry players, your Company has undertaken an initiative for formulation of Perspective Plan 2030 to build strategies, and, based on these strategies, restructure the Organisation for Performance Excellence by streamlining the business process and practices. The exercise will be start very soon.

EXPLORATION AND PRODUCTION

Your Company's core business is exploration and production of hydrocarbons and our focus will be to accelerate our Exploration, Development and Production activities. Your Company continues to step up seismic survey activities, augment exploratory, delineation and development drilling. High-tech interventions through improved oil recovery (IOR) and enhanced oil recovery (EOR) schemes, and, optimal reservoir management in the existing mature fields remains the top priority of your Company.

Your Company is actively pursuing planned exploration activities in all the NELP and other blocks spread throughout the country in a time bound manner for completion of Minimum Work Programme as scheduled. Exploratory drilling has commenced in both KG Basin and Mizoram blocks where Oil India is the operator.

PRODUCTION OF NATURAL GAS

Your Company achieved natural gas production of 2626 MMSCM from Assam, Arunachal Pradesh and Rajasthan fields during the year. The achievement is more significant in view of the frequent disruptions in field activities due to local problems, gas evacuation problem from Baghjan, a prolific producing field and low upliftment by our sole customer at Rajasthan.

The present gas production potential is about 7.35 MMSCMD from our Assam and Arunachal Pradesh fields and about 0.70 MMSCMD from the Rajasthan fields. Action is at hand to increase the gas production potential to a level of 10 MMSCMD in the North East by drilling of non-associated gas wells and workover of shut-in gas wells and adoption of the new well completion technology.

Shale/non-conventional gas has emerged as an area of interest. Shale Gas Policy is being formulated by the Government of India and as and when the bidding

rounds are announced your Company will actively participate in the same. The Government of India has granted permission to your Company for exploration and exploitation of Shale Oil & Gas in five nomination acreages of which four are in Assam and one in Rajasthan. We also continue to pursue Shale Oil/ Gas opportunities in India and Abroad. Your Company also has one CBM block in partnership with M/s Dart Energy Ltd, who is the operator. Work is in progress in the block as per work programme. LNG is another area where your Company is actively trying to enter into. We are studying a few opportunities to make an entry in this segment of the gas business.

RESEARCH & DEVELOPMENT

The Company accords utmost importance to up-gradation of technologies and expertise in various areas of activities through its own Research & Development Centre. During the year, the Company formulated Revised R&D Policy keeping in view the DPE Guidelines on R&D. Further, Company undertook various R & D projects during the year over and above those committed under the MoU. A total of Rs 38.74 crore was spent on R&D initiatives during the year.

OVERSEAS PARTICIPATION

OIL's overseas E & P portfolio comprises of 16 blocks and are spread over 10 countries covering Libya, Gabon, Nigeria, Yemen, Venezuela, USA, Mozambique, Myanmar, Bangladesh and Russia. In addition to the above, OIL has 10% PI in a product pipeline in Sudan. In Libya your Company is in the process of relinquishing the blocks no 86 and 102/4 where no commercial discovery was made. In Area 95/96 where OIL holds 25% Participating Interest (PI) and Sonatrach is the operator, five wells have been drilled and substantial oil & gas have been discovered during testing. In Gabon, Block SHAKTHI, where OIL is the operator, a discovery has been made in the third well which produced oil with gas. This is the first discovery made by OIL in an overseas venture as an operator. Appraisal wells are being drilled in this area. In Nigeria block OML-142, where OIL holds 17.5% working interest, the Operator M/s Summit Oil has completed acquisition of 3D Seismic Data in the Block recently. In Yemen where OIL holds 12.75% in exploration blocks 82 & 83, the operator has already initiated preparation for Seismic acquisition in Block 82. However, completion of work programme got delayed due to frequent disturbances at the site. In Venezuela, Carabobo Project where OIL has PI of 3.5%, the development activities in the field are under progress. Current average monthly production from the project stands at approximately 7,500 BOPD. In the USA Liquid rich Shale Asset where OIL has 20% PI, OIL acquired approx 12,655.88 net acres of the asset and subsequently added additional area of 2174.04 acres during the year 2013-14. OIL's share of oil and gas production stood at 238,009 BOE.

I am happy to inform you that during the year, OIL together with OVL, has acquired 4% Participating interest in Area 1 Rovuma Field. Offshore Mozambique

by acquiring the shares of Videocon Mozambique Rovuma 1 Limited. During 2013-14, the OIL-OVL consortium were also awarded two shallow offshore Blocks SS-04 and SS-09 in the Bangladesh Bid Round-2012.

Your Company together with its consortium partners won two offshore blocks in bidding round announced by Government of Myanmar. The blocks were awarded in May,2014.

I am also happy to share with you that OIL completed acquisition of 50% shareholding of Worldace Investments Ltd., a Cyprus based wholly owned subsidiary of M/s. Petroneft Resources Ltd. which owns Licence 61 in Tomsk region in Russia. It is a producing block and marks OIL's entry into Russia and a significant contribution to company's overseas E&P portfolio.

PIPELINE TRANSPORTATION

Your Company operates a total network of 1220 Kms of Crude Oil Pipelines. This 5.5 MMTPA capacity pipeline transports crude oil produced from oilfields in Upper Assam to the public sector refineries at Numaligarh, Guwahati and Bongaigaon. The 600 KM pipeline segment between Bongaigaon and Barauni has been re-engineered to enable oil flow in either direction and is now transporting RAVVA crude from Barauni to Bongaigaon. The Pumping Stations of this Trunk Pipeline have been operating for over five decades and a revamping of these Pump Stations is being undertaken at a cost of Rs 1200 Crore.

Your Company also operates a 660 Km long product pipeline from Numaligarh Refinery to Siliguri.

RENEWABLE ENERGY

Your Company had recently started to focus on renewable energy and since 2012-13 commissioned 67.6 MW of Wind Energy Power plants in Rajasthan. In its endeavor to harness Solar Energy, your Company successfully commissioned 5.23 MW Solar Power plant at Ramgarh in Rajasthan during the financial year 2013-14. OIL has also undertaken a two phased study on "Wind Resource Assessment" (WRA) to assess wind potentiality in the state of Assam, a pre-requisite to install & commission a wind farm. In the first phase of WRA exercise, Centre for Wind Energy Technology (CWET), an R&D institution of the Ministry of New and Renewable Energy (MNRE), has identified nine (9) locations in Upper Assam. In the 2nd phase, Wind Monitoring Stations (WMS) will be set up at these identified locations to measure & monitor the wind data for a period of next two years. Currently the process to award the contract to CWET for 2nd phase is on and we plan to complete the installations of WMS by 31st March 2015. Your Company has plans to take up larger projects in the ensuing financial year in both Wind Power and Solar Power.

HUMAN RESOURCE - OUR ASSET

The objective of Human Resource Management (HRM) is to nurture an environment sustaining the positive culture and core values which would continuously inspire human resources to achieve excellence in all endeavors and maximize stakeholders' value. In the present scenario of competition and striving for excellence, human resource plays a pivotal role in an organization's success. In order to develop employees' competencies for superior performance, during the year, 2096 employees were trained through courses organized in-house, 1099 employees were trained through in-country and overseas programs. The Employees Union extended full co-operation and actively participated with the management in sorting out employees' problems and grievances. There was no mandays loss due to industrial relations problem.

We firmly believe that the prosperity of our business depends on successfully developing an integrated community of motivated and innovative employees, who possess a high level of morale by availing opportunities for challenging work, personal development, growth and recognition.

HEALTH, SAFETY, ENVIRONMENT

As a Company engaged in E&P Activities, OIL pays utmost importance to Health, Safety & Environment (HSE) and the same is reflected in its vision statements that "OIL is fully committed to Health, Safety & Environment". OIL is committed to continuously review & improve HSE initiatives to prevent accidents, minimize environmental impact, prevent environmental pollution and reduce health and safety risks. To this effect, HSE policy has been put in place by the Company. Also, to provide the framework and structure to meet the highest level of HSE expectations, a HSE manual along with a guide has been prepared and adopted for all the operational areas. The Lost Time Injury Frequency performance for the year 2013-14 was excellent as per the MOU target set for the Company.

CSR INITIATIVES

OIL since inception has engaged itself directly with local communities, identifying their basic needs, and integrating their needs with business goals and strategic intent. Fulfilling its duty of providing care to the society, OIL has embarked upon massive programs of educational, health, sports, cultural and infrastructural development endeavors; an attempt to invest technology with a human face. Your Company's Mobile Health Care services were carried out in remote areas of Dibrugarh and Tinsukia to cater to the primary health care needs of the people in OIL operational areas. In 2013-14, OIL conducted 774 camps, screening and extending primary healthcare services to more than 1,29,555 patients. Your Company has initiated a project on Reduction of Infant Mortality Rate (IMR) and Maternal Mortality Rate (MMR) and Villagers are

being sensitized about IMR and MMR with the help of community health workers like ASHA and Anganwadi by organizing health camps. To promote the development of education your Company rewards meritorious students of operational areas with OIL Awards and OIL Merit Scholarship. We have also introduced "OIL Shikshya Ratna Puraskar" for recognizing the all-round contribution of the teaching fraternity from provincialised schools and colleges within the districts of Tinsukia and Dibrugarh. During the year OIL Shikshya Ratna Puraskar was awarded to 5 teachers. A new Super 30 Coaching Centre was opened at Dibrugarh which will benefit the underprivileged students of the area.

I firmly believe that we have to strike a balance between the overall objectives of achieving corporate excellence vis-à-vis the corporate responsibility towards the community. As per the guidelines we earmark 2% of our net profit for CSR activities.

GROWTH VISION

While E & P business continues to be your Company's core focus, selective diversification into mid-stream, downstream and renewable energy segments, such as, pipelines, CGD, LNG, refineries, wind/solar energy etc would also be planned to balance the existing portfolios and play an important role in energy distribution/ marketing.

Since OIL has significant presence in the NE part of India and presently operating in the Upper Assam basin which happens to be one of the most prolific basins in India, your Company will concentrate efforts in the NE to achieve such reserve accretion. We will continue to pursue acquisition of prospective overseas E & P opportunities to ensure energy security for the country, to grow by enhancing own E & P portfolio and decrease risks in existing E & P portfolio. In addition to pursuing conventional assets, OIL would also look towards acquisition of non-conventional assets, such as, oil sands, shale gas, shale oil etc.

CORPORATE GOVERNANCE

I would like to take this opportunity to reiterate your Company's commitment towards pursuing the highest standards of Corporate Governance. We have always been proud of our robust and transparent processes and structures in place. These progressive systems ensure proper accountability and effective timely disclosures/reporting. The effectiveness is evident from the fact that the Company has consistently had clean audit reports. Our Corporate Governance practices meet the stipulations of Regulators including the DPE Guidelines. Independent Internal Audit Department ensures that internal controls, risk management and governance process, as designed and implemented by management are adequate and effective.

CONCLUDING REMARKS

It has been my privilege to preside over this AGM of your Company. The performance of the Company has been recognized by the market and your efforts have been duly rewarded by sustained positive market sentiments. Your belief and faith in OIL will take your Company to new heights in the coming years.

ACKNOWLEDGEMENT

In conclusion, on behalf of the Board of Directors of your Company I thank all our stakeholders for their continued support, whose trust and confidence are pillars of strength in all our efforts.

The Board is also grateful to the Government of India, various State Governments, Ministry of Petroleum and Natural Gas and other related ministries and the Governments of all the countries where OIL operates for their valuable support and guidance in your Company's business.

I also take this opportunity to thank all Shareholders, Investors, Bankers, Financial Institutions, Business Associates, Customers and other stakeholders who have been a source of strength.

Finally, your Company's achievements and dreams for the future are the result of untiring efforts, commitment and dedication of each and every member of OIL family and we owe our gratitude to them. I would also like to thank my colleagues on the Board of the Company for their valuable contributions in steering the Company to greater heights.

Let me re-assure you that we shall leave no stone unturned in our efforts to make the organization to be proud of.

Wish you all the best!

Jai Hind



(S.K.Srivastava)

Chairman and Managing Director

Date : 27.09.2014

Place : Duliajan