Annual Investors and Analysts Meet 2024 of Oil India Limited

- **Presenter:**

- Hello. Good evening, ladies and gentlemen. Now I request everybody outside to kindly come inside the hall and take their seat because we are going to commence the meeting very soon. First of all, I request Chairman and Managing Director, Oil India Limited and other board members to kindly come onto the dais and take their seat. I also request MD, NRL and Director Finance, NRL to kindly come onto the dais. I also request Mr. Swarnendu Bhushan - Head of Institutional Research, Prabhudas Lilladher to kindly come onto the dais and take his seat. Thank you, sir.

- Ladies and gentlemen, the distinguished analysts and investors' fraternity, the members of the Board of Directors of Oil India Limited and NRL and other senior officials of OIL, and my dear colleagues, a very good afternoon and a warm welcome to this much awaited Annual Investors and Analysts Meet 2024 of Oil India Limited. I would like to extend our heartfelt thanks to each one of you for joining us today. It is indeed an immense pleasure for us, as we gather here, to discuss our company's performance, progress, achievements, and future endeavours with you. Your overwhelming presence here reflects your commitment to our shared vision and the trust you have placed in our company.

- At the outset, I would like to mention that today we have with us the members of the Board of Directors of the company, led by our Chairman and Managing Director- Dr. Ranjit Rath, the Managing Director and Director of Finance of our material subsidiary, Numaligarh Refinery Limited, our Resident Chief Executive and other senior executives of Oil India Limited. I would like to convey our sincere thanks to M/s Prabhudas Lilladher Private Limited for coordinating today's event for all.

- Dear friends, being investors and analysts, you have been an integral part of our success story. Your unwavering support, financial backing and guidance have helped us not only to sustain and grow, but also to create values for our stakeholders. It is needless to mention that together we have overcome challenges, we have embraced opportunities and consistently strived for excellence. During today's interaction, we will provide you with a comprehensive update on our operating and financial performance, the key business initiatives, our strategic partnership across the energy value chain, the initiatives being taken by the company towards our commitment to environmental sustainability and our corporate social responsibility initiatives. We firmly believe that businesses have a responsibility not only to generate profit, but also to contribute positively to the society as well as the environment. This Investor Meet serves as an invaluable platform for us to engage in meaningful dialogue, exchange ideas and address any concerns or queries that you may have. We will be extremely delighted to take your thoughts, feedback, insights and perspectives as they contribute to our continuous improvement and long term success. Once again, I express our deepest gratitude for your presence and continued support.

- With this, now I request Mr. Swarnendu Bhushan – Head of Institutional Research, Prabhudas Lilladher Private Limited, for his welcome add to the audience. Over to you, sir.

- **Mr. Swarnendu Bhushan - Co-Head of Research, Institutional Research, Prabhudas Lilladher Private Limited:**

- Thank you, sir. Dear Ladies and Gentlemen, welcome to the Annual Investors and Analysts Meet of Oil India. My name is Swarnendu. I'm Co-Head of Research with PL Capital. From the management, we have with us:

    - Dr. Ranjit Rath - Chairman and Managing Director, Oil India.
    - Mr. Harish Madhav - Director, Finance.
    - Mr. Pankaj Kumar Goswami - Director, Operations.
    - Dr. Manas Kumar Sharma - Director, Exploration and Development.
    - Mr. Ashok Das - Director, HR.
    - Mr. Bhaskar Jyoti Phukan - Managing Director, NRL.
    - Mr. Sanjay Choudhuri - Director, Finance, NRL.

- On behalf of the management, we once again welcome all the participants to this Annual Investors Meet. I would now like to invite Dr. Rath to make the opening remarks. This would be followed up with the presentation and then the Q&A. Over to you, sir.

- **Dr. Ranjit Rath - Chairman and Managing Director, Oil India Limited:**

- Good afternoon. It is very, very heartening to see that the hall is full. And believe me, I am indebted with your display of solidarity with Oil India Limited. Last time also we had a good interaction and in this edition of Investor Meet, we would also look forward to… Before I formally welcome all of you, once again, thank you very much on behalf of Oil India Limited, from the entire board of Oil India Limited, for expressing solidarity, finding it convenient to attend and accede to our request to join us to share your thoughts, to share your insights, to offer your feedback. But before that, let me take this opportunity to narrate what has been the year that has been passed by for Oil India Limited, your beloved company. I welcome all the analysts and investors to this meet, and thank all of you for being here for a discussion with the management of the company.

- While most of you are fully aware about our company, our areas of operation, the policy environment concerning the upstream oil sector in the country, adding to what you already know, it would help us in communicating the message about the company's recent achievements, our growth story and future plan. While we have a detailed presentation on company's ongoing activities and plans, let me briefly touch upon the current operations, future prospects of your company.

- Presently, we are operating out of 58 exploration and production blocks, that is, primarily exploration acreages, including 26 nomination blocks in which the PML is available where we are having our production, 3 discovered small field blocks spread in different geographies pan India. We also have presence in 10 projects in 7 countries including Russia, Mozambique, etc., as part of our oil equity initiative.

- We also would like to share, as you are aware, NRL has been a material subsidiary of Oil India Limited which is operating a 3 million metric ton per annum refinery. And I must share with you, the refinery is also carrying out a capacity expansion program for taking the refinery to 9 million metric ton per annum, with additional infrastructure, including a cross country pipeline from Paradip to Numaligarh. We have been able to manage, and I must share this with great humility and our efforts towards managing mature oil fields, the natural decline in our old and mature fields through highly successful implementation of improved oil recovery and enhanced oil recovery techniques, and improve our combined oil and gas production to the highest ever (and I am repeating this for your benefit), to the highest ever production to 6.54 million metric ton oil equivalent during the last financial year that is FY23-24.

- Numaligarh refinery has also been performing well with excellence in all operating parameters. In FY22-23 the refinery operated at more than 100 percent capacity, but in the last financial year the refinery witnessed an annual maintenance campaign followed by a minor fire incident. However, the refinery, despite not being able to run during the Quarter 1, recaptured the growth story in Quarter 4, while we could compensate, out of 3 months, 1 month, despite all those impediments.

- Oil India also reported highest ever EBITDA during financial year 23-24; 4.18% higher than the last financial year. The company also reported highest ever quarterly PAT in the Q4 of over Rs. 2,000 crore, and NRL refinery reported a GRM of USD 13.17 dollar per barrel. At a group level the company witnessed a turnover of Rs. 36,304 crore.

- The company has declared a final dividend of Rs. 3.75 per share and it is pre-bonus. As all of you know the board has already approved, and we are in the process of getting the formal approval for the bonus issue for the financial year 23-24. And with this, the total dividend for FY23-24 is Rs.15.75 per share.

- We are focusing aggressively on our exploration and development activities aligned to the import substitution and Atmanirbhar Bharat in terms of energy sufficiency. In the 27 blocks acquired under open acreage licensing policy bidding rounds, we have expedited our exploration activities and production activities as well. The company has completed all the committed seismic acquisition in 24 exploration acreages, and are proceeding with further explorations. We have drilled 61 exploratory and development well last year, which is also the highest ever since inception of the company.

- Now I must share with you some very, very excellent news. As you all are aware, during the last financial year in August 2023, Oil India was accorded the highest ever crown called Maharatna status in terms of CPSE's. That is basis our strong performance over the past years, and there are several such other criteria which we met. And the Government of India was gracious enough in according this status. And, as we have been given that status, we continue to play a pivotal role in securing the nation's energy needs.

- Considering the evolving energy landscape with a strong focus on cleaner and sustainable energy sources, OIL has recently also adopted the vision and strategy 2040 in collaboration with internationally acclaimed consultants. We aim to

transform the company into an integrated energy player having NRL as the downstream part of Oil India Limited at the group level. And that gives us the entire spectrum or value chain of oil and gas, so from E&P to downstream, including a portfolio having alternate energy.

- OIL's vision to become an integrated energy player is backed by aggressive growth plans aiming to double its revenue by 2040. The growth plans are underpinned by substantial Capex investments, spanning exploration, production, downstream and alternative energy ventures.

- In line with our commitment to become a net-zero, we have also carved out a strategy to ensure our net zero by 2040, and that would also call for additional Capex.

- Our ambitious revenue targets are backed by significant operational milestones. We will focus on enhancing our exploration coverage, maximize our production and expanding our gas portfolio, which is going to be the, or rather is, the bridge fuel for the energy transition.

- Simultaneously, we are also aiming to become a key market player in the alternate energy sector covering biofuels, green hydrogen, renewable energy, compressed biogas etc. And for which we have already taken a decision of creating a subsidiary called Oil India Green Energy Subsidiary, which is in the approval stage.

- In the downstream sector, we are also enhancing our portfolio primarily focused on gas infrastructure. We are committed to deliver a sustainable growth and generating long term value. In the process we will endeavour to invest in our people, technology and infrastructure to maintain our competitive edge and seize new opportunities.

- With this, I would request my colleague to take forward today's presentation and discussion but again thank you very much.

- **Presenter:**

- Thank you CMD sir for your valuable insights on the company. Now I request my colleague Mr. Debojeet Hazarika to kindly come for a presentation to the audience.

- **Mr. Debojeet Hazarika – GM Finance, Oil India Limited:**

- Friends from the investors and analyst community, dignitaries in the dias, my senior colleagues from Oil India Limited, ladies and gentlemen, a very warm good afternoon to you all, and I would like to welcome you all and also thank our friends for sparing their time and spending this evening with us. It really is a big boosting to the OIL team to see your keen interest in our organization.

- Friends, financial year 23-24 will be a milestone year for us, as CMD sir was highlighting in his opening remarks. We got the elevated Maharatna, prestigious Maharatna category, and it really gives us immense confidence and also increases our commitment to continuously grow further, work harder and add value to all the stakeholders. We really take pride in this stride and we will move forward with equal zeal.

- Year 23-24 has also been a tremendous year for us from the performance, operating performance as well as from financial performance. We got the highest EBITDA of 11,643 crores in the financial year 23-24. We got oil and oil equivalent production of 6.54 MMTOE, which is highest for the year. There has been an increase in crude oil production to the tune of around 6% from 3.176 MMT last year to 3.359 MMT in the current year. With this positive note, I am starting my presentation.

- In today's presentation I am covering an overview of the company, OIL's strategic strengths, its assets' overview, operational and financial performance of Oil India, performance of our material subsidiary Numaligarh Refinery, the group's growth plans, as well as, some key highlights on the ESG space.

- OIL's journey started in the year 1889 where oil was found for the first time in India. There were prolific discoveries in 1953, during the period 1950-1956, and Oil India Limited was incorporated in 1959 as a private limited to manage these oil discoveries. Going forward in 1981, Oil India Limited was nationalized. OIL went for its initial public offer in 2009, which was a resounding success, and we got due to our consistent performance, the elevated Navratna status in 2010. We ventured into the international acquisition space during the period 2013-14, and also as a diversification strategy, to the renewable space in 2012-13. Our International credit rating in 2013 we got from Moody's and Fitch, and we raised a 1 billion, the first offshore foreign currency borrowing, and acquired an asset in Mozambique, which is one of the major assets OIL has bought overseas.

- Going forward in 2016 with investment of another 1 billion, we acquired two prolific assets in Russia, TAAS and Vankor. On the diversification strategy we ventured into the CGD space in 2018, and currently the organization is having presence in 9 GAs. In our strife for being a wholly integrated oil and gas company, we acquired stake of 69.63% in Numaligarh Refinery in 2021. With this, the organization has become a truly integrated organization with its presence in the entire value chain of oil and gas.

- On the green part, we were the pilot in creating a pilot plant of hydrogen in our setup in Jorhat pipeline, and lot of initiatives are going on for diversification to move forward in the renewable space. And in 2023 we were awarded the Maharatna status.

- A view of our management team. The team is led by Dr. Ranjit Rath, our Chairman and Managing Director, an alumni of IIT-Mumbai and IIT-Kharagpur. Sir has a rich portfolio of diverse roles starting from his experience in strategy formulation, business development, upstream asset management, application of geosciences and exploration geology, including a critical role in development of strategic reserves by the Government of India.

- Our board comprises of Shri. Harish Madhav - Director of Finance, Pankaj Goswami - Director of Operations, Dr. Manoj Kumar Sharma - Director of Exploration and Development, Shri. Ashok Das - Director of Human Resource, all with more than 3 decades of experience in the oil and gas industry. We have currently two government nominee directors in the board, Shri. Rohit Mathur - Joint Secretary, MoP&NG and Shri. George Thomas – Deputy Secretary, MoP&NG, IFS of 2015 cadre.

Both are bringing in rich experience and values to the functioning of oil board. We have two independent directors presently, Ms. Pooja Suri and Mr. Raju Revanakar. Both are from diverse fields and add values in the decision-making process of OIL's board.

- A glimpse of OIL's value creation in terms of the share price. We tried to plot OIL's share value vis-a-vis the NIFTY Oil & Gas Index, NIFTY 50 and S&P Global Oil Index. It may be an interesting slide to the investor friends. If we look into the period of January '22 to the current period, against the performance of the other benchmark index, OIL's share has outperformed by almost three times. Our share price, the 52 weeks latest share price high was 675.50 and with a market capitalisation of over 71,000 crores. As we were mentioning in our initial part, the significant milestones which contributed, we believe, towards this excellent performance of the share price, is our elevation of Maharatna status in August 2023, the company receiving highest production of oil and gas. We have drilled the highest number of wells, 61 wells, with no significant increase in fleet size in the year 2023-2024. For the first time, OIL participated in a global partner vendor road show at Abu Dhabi to showcase its future strategy, its presence, its size, as well as its hunger for the oil and gas and the way that we would like to improve and grow. It makes a lot of sense for the oil industry and for Oil India, as such, to make a showcase in a global forum.

- As a contribution towards the green energy portfolio, Oil India has committed a 25,000 crore extensive Capex plan towards alternative energy, which will be aligned with our vision of achieving net-zero by 2040.

- A glimpse of the shareholding structure. Government of India is holding 56.66% shares in OIL, LIC 7.61%, three of the oil majors are having around 10% of the stake.

- We have got international credit ratings from Moody's and Fitch, which is best investment grade credit rating, aligned with the sovereign rating, and also on the domestic front from CRISIL and CareEdge, we have the highest rating of AAA stable.

- Few key performance highlights for financial year 2024. Oil India achieved highest ever EBITDA of 11,643 in financial year 2023-2024, an increase of 4.18% since last year. The profit after tax for the year was Rs. 5,552, with a highest ever PAT in Q4 FY24 of Rs. 2,000 crores plus. The profit was marginally affected because of the lower price realisation and also due to some arrear tax provision to the tune of around Rs. 3,000 crores.

- We have declared interim dividend of Rs.12 per share, and a final dividend the board has recommended in the last board meeting of Rs. 3.75. So, total Rs. 15.75 per share dividend the company has declared in financial year 2023-2024.

- We have achieved highest ever combined oil and oil equivalent production of 6.54 MMTOE. Our crude oil production has increased by almost 6%, 3.359 MMT for the year 2023-2024, and natural gas production also was marginally higher, 3.182 BCM, and in Q4 we have received an increase of 3.21% on a quarter-to-quarter basis. The natural gas production was slightly impacted because of some offtake issues in the first quarter of the year, but which was compensated in the subsequent period. And finally, the position was almost in line with last year's natural gas production.

- The company's strategic strength… on the upstream part we have got 63 E&P blocks with almost around 64,000 sq. km. of acreage. To handle the E&P requirements, we have got crude installations of around 48 major installations and around 29 natural gas installations. We have got international presence as on date in 10 projects in 7 countries, and with a mixed profile of 4 exploration blocks, 2 development blocks and 4 production blocks.

- In the transportation vertical, Oil India Ltd has crude oil pipeline of around 1,157 km with a capacity of around 6 million metric ton. Another the crude oil pipeline of Numaligarh Refinery, the group is constructing. It is around 1,640 km pipeline from Paradip to Assam, to cater to the extended capacity for Numaligarh Refinery. On the product pipeline front, we have got 660 km pipeline mainly used currently to evacuate the products of Numaligarh Refinery. The current capacity is 1.72 million metric ton, and this is currently under capacity expansion, and the target is to increase it to 5.5 MMTPA.

- On the natural gas transportation, we have 49% stake in DNPL, which is having a 192 km pipeline connecting from Duliajan, our main producing area, to Numaligarh Refinery, and it is also currently having a project to extend further and increase the existing capacity, so that it matches the increased requirement of Numaligarh Refinery.

- We have got 40% stake as a group in IGGL which is catering to the connectivity of the grids of the capital of all the north east states to the main grid of the country. So this is a major development that is going on in line with the gas hydrocarbon vision of Government of India.

- On the downstream part, we have stake of almost 69.63% in Numaligarh Refinery and additional 5% stake in Indian Oil.

- On the Petrochemical side, we have got 48.79% stake in Assam Petrochemicals Limited, 20% stake in BCPL and another 360 KTPA Polypropylene project is under project mode in Numaligarh Refinery.

- In the City Gas Distribution, we have got presence in nine geographical areas. We have slides further coming up, upcoming slides, to explain our presence in these different sectors.

- On the Renewable front, we have got 188 Megawatt of capacity in Rajasthan, Gujarat and Madya Pradesh and also as a pilot plant we have established a Green Hydrogen plant of 100 Kilowatt in Assam.

- We have a strong E&P capabilities inhouse with assets for all the E&P operations and to support that we have got strong infrastructure to support the E&P activities of the company.

- As a significant player across the Oil & Gas value chain, as we have been explaining our presence in the refining and marketing segment. With NRL we are having 69.63% stake. The refinery is currently in the capacity of 3 Million Metric Ton and is in an

expansion mode to increase it to 9 Million Metric Ton with an integrated pipeline of 1640 kilometers. The project cost is around 28,000 crores.

- Towards our green initiative Numaligarh Refinery has also almost in the stage of completing a 2G Ethanol via a JV with ABRPL. The project cost is ₹4200 crores and refinery is also doing a Polypropylene plant with a project cost of ₹7200 crores. We have got 20% stake in Petrochemical Complex in BCPL in Dibrugarh and 48.79% stake in Assam Petrochemicals Limited, which is a 600 TPD Methanol and 200 TPD Formaldehyde Project. On the Gas Transportation and CGD Space, we have got 40% stake in IGGL, 49% stake in DNPL, 50% stake in HP Oil, 26% stake in PBGPL, another 49% stake in any NEGDCL and 50% stake in Oil-BPCL JV. Through HP Oil, PBGPL, NEGDCL and Oil-BPCL JV, we have got presence in nine GAs in the CGD space with presence in the state of Maharashtra, Haryana, Nagaland, Assam, Tripura and Arunachal Pradesh.

- An overview of OIL's acreage and assets. So, we have got a PAN India presence with large presence in the Northeastern side with a total operated block of 58; an acreage of 58,000 square kilometer and additional 5 non-operated blocks with acreage of around 5400 square kilometer. Out of the OALP 27 blocks, we'd like to stress that almost 70% of the blocks, around 19 blocks, are in the Category-1 having established hydrocarbon.

- Our overseas presence, we have got presence in 7 countries and in 10 projects with an investment of almost 3 billion USD and with a committed investment of around 4 billion. It is a mixed profile of Exploratory assets, Development assets and Producing assets. Few of our major overseas investments. We have invested in Tass Yuryakh, Russia and Vankorneft in Russia with an overall investment of around 1 billion. For Taas Yuryakh, the investment was 436 million against which we have already received dividend of around 395 million; almost 90% dividend we have received, investment we have received back. And for Vankorneft, the investment was 598 million and the cumulative dividend is around 444 million. So, almost 80% plus of our investment in these two assets we have already recovered in the form of dividend. Another prolific investment is Mozambique with a resource of around 65 TCF of recoverable resources. Oil has so far invested 1.5 billion in Mozambique project. The project has already tied up with funding with a secured debt drawdown commitment of USD 15.4 billion. Currently due to law and order situation, the project is under Force Majeure but with the recent positive developments in Mozambique, we are hopeful that the project will restart somewhere in the later part of '2024.

- A glimpse of the operating and financial performance of the company. We have received the highest ever production in '23-'24. 6.54 MMToE, a consistent performance in terms of crude oil production as well as in terms of gas production. For '23-'24, the crude production was 3.36 MMToE and natural gas production was 3.18 MMToE. Oil has been a driver of exploration activities in the country. There has been almost 40 times increase in 2D seismic surveys. If we see the horizon of last 10 years, in '2013-14, there was a cumulative 2D seismic survey quantity of around 500 line kilometer which has increased to almost 21,000 line kilometers in '23-'24. Similarly, in terms of 3D seismic, the growth/the increase is around 10 times from

around 750 square kilometer to around 7500 square kilometers in '23-'24. Similarly, on the drilling part as well, the growth is almost 13 times if we look into the numbers from '2013-'14 to '2023-'24. These initiatives on the exploration front as well as on the drilling front has resulted in increase in resource for the company. As on 31st March, 2024 our 2P reserve stands at 496 million barrel oil equivalent of crude oil and 876 million barrel oil equivalent of natural gas.

- If we look into the operating acreage increase in last five years, it is almost 6 times increase from FY17-18 to FY23-24. And with a large number of acreage, we have bided in the OALP regimes.

- Our Reserves base. All India's domestic 1P resource is 563 MMBOE of natural gas and 214 MMBOE of crude oil. And 2P, 876 MMBOE of natural gas and 496 MMBOE of crude oil. In terms of production, this tends to, for 1P it stands to around 9 years of production for crude oil and for gas around 25 years. And in terms of 2P, for crude oil it is 22 years plus and for gas it is almost 40 years.

- The company has been able to maintain a sustained operating and financial performance. At the group level, our consolidated income for FY23-24 is ₹37,646 crores and Profit After Tax is ₹6,980 crores. Consolidated Net Worth is ₹44,436 crores and consolidated Earnings Per Share is ₹58.42 crores. On the production front, as we have already explained in the slides, crude production there has been steady increase, natural gas also we have been able to maintain. On the NRL crude throughput, definitely due to the first quarter shutdown and some minor fire accident there has been a slight dip in the crude throughput for the refinery.

- On a standalone basis, OIL realized a healthy price of $83 per barrel in FY23-24. Our price is benchmarked to international crude price and net of statutory levies we have realized almost $50 per barrel. For natural gas, as per the new pricing policy we have realized 6.5 mmbtu per U.S. dollar. And in the next year going forward there will be an increase of 0.25 USD per mmbtu year-on-year.

- Our financial performance, standalone financial performance. Revenue for the FY23-24 is ₹24,514 crores, EBITDA is ₹11,643 crores and EBITDA margin is 48%. Profit After Tax is ₹5,552 crores and Earnings Per Share is ₹51.20. Our standalone Net worth as on 31st March, 2024 is ₹35,449 crores, book value per share is ₹406.88. We have declared a dividend of ₹1,708 crores in FY23-24 with a dividend payout ratio of 31%.

- Oil India have a healthy leverage with its standalone depth standing at ₹11,341 crores and a Debt/Equity Ratio of 25.7%. At the consolidated level, the debt is ₹23,640 crores with annualized debt in the range of around 8,000. And for Oil India International Pte. Limited, our subsidiary in Singapore, there is a 500 million loan outstanding. So, it stands to around 4,300 crores. At the consolidated level, our Debt/Equity ratio stands at 45%.

- Contribution to exchequer. OIL has contributed to the Central Exchequer corporate tax amounting to ₹2,154 crores, ₹3,862 crores of Cess and SAED and dividend and others ₹1,191 crores in the FY23-24. Our contribution to the State Exchequer -

Royalty ₹2,924 crores we have paid in FY23-24 and VAT and other state levies ₹1,288 crores.

- We are trying to show the value growth per share in terms of market price and dividend in this slide. Friends, if you see, the per value share of Oil in '2009 during the IPO was around ₹1050. If we add the cumulative dividend that we have paid over the years and considering the bonus issues made by the company, the per value share as on date stands at around ₹4000 plus. So, this gives a value enhancement of more than four times to the shareholders. And this has been possible through consistent dividend payment year on year. We have so far made four bonus issues FY11-12, FY16-17, FY17-18 and in the current year also the Board has recommended a bonus issue of 1 share for every 2 shares held. We have twice done buyback of shares in FY2016-17 and in FY2018-19.

- Performance glimpse of our material subsidiary Numaligarh Refinery. Numaligarh Refinery is a 3 million metric tonne refinery operating in the state of Assam with OIL's equity holding of 69.63%. It's a modern refinery within Nelson Complexity index of 9.2 with very high distillate yields and high GRMs. It deals in products of MS, HSD, SKO, LPG, ATF, Naptha, Wax, Sulphur, CPC, RPC, etc. Numaligarh Refinery has commissioned a product pipeline of 130 kilometre from India to Bangladesh, which gives additional space to the refinery to evacuate its products in the Bangladesh market as well.

- On the infrastructure side, the refinery is having product terminals at Numaligarh and Siliguri and the OIL group has a pipeline capacity through which the products are evacuated from the refinery. It is having the highest domestic rating of AAA from CRISIL. The refineries are having few major expansion plans. It is increasing its capacity from 3 Million Metric Ton to 9 Million Metric Ton And also there is an integrated pipeline of 1600 kilometers from Paradeep to Numaligarh crude pipeline and with a project cost of around ₹28,000 crores. The refinery is also almost in the stage of completing a Biorefinery for 2G Ethanol production and it is taking up a project of Polypropylene with 360 KTPA design capacity in Numaligarh with a project cost of around ₹7000 crores.

- A glimpse of a few financials and performance of the refinery. The Crude Throughput for FY23-24 was 2,510 thousand Metric ton with a Distillate yield of 86.54%. Income from operation is ₹23,730 crores with an EBITDA of ₹3,396 crores. Profit After Tax ₹2,160 crores and Gross Refinery Margin 13.17 dollar per barrel.

- OIL's growth plan. Friends, we have the strategy of growing in the different streams in the Oil & Gas value chain as well as on the alternate energy space.

    - In the upstream side, Oil is carrying out a Mission 4+ which aims to achieve 4 million of crude oil and 5 BCM of gas. Also, we have got an aggressive acreage under the OALP regimes. And with our exploration initiatives as well as with newer faster technology evolution, we are very hopeful of expanding our presence PAN India. And also, OIL has the intention of continuing its overseas acquisitions by increasing its Oil equity through assets acquisition. And keeping in

line with the vision of Government of India, the company is giving strong thrust on its gas resources as well as gas transportation and development.

- In the midstream, through our presence in the IGGL segment, we have been trying to develop the gas connectivity which will definitely give an impetus to the gas production of the company as we will be linked to the main grid of the country through this IGGL and DNPL expansion projects. We are also upgrading our crude oil as well as product pipeline to sync with the increased capacity of Numaligarh Refinery. When the refinery will go for commissioning towards the end of '2025 from current capacity of 3 million metric ton to 9 million metric ton.

- Again on the downstream side, Numaligarh Refinery is trying to achieve its major Capex targets. And also through our presence in the CGD space, we are expanding in the diversification process and also we have got strong presence in the PETCHEM portfolios.

- On the alternate energy space, we are looking for the options in Green Hydrogen. We are already trying to build up CBG plans and also the Bio Ethanol plant through Numaligarh Refinery. We have got a focused approach towards CCUS and Coal Gasification and also we are intending to participate in the field of EV evolution for the Indian mobility.

- For the Mission 4+ targets, Oil India has been a pioneer in taking out IOR and EOR initiatives. Few of the initiatives that the organization has taken are like Low Sanity Water Injection, Polymer Flooding, Hydro-fac initiatives, CSS for heavy oil field in Rajasthan. We are in the lookout for collaboration with international oil companies which will increase and help our production initiatives. We have identified five fields under this Mission 4+ with a target of 78 wells. Out of the 78 wells, we have already completed drilling 48 wells. The drilling target for FY24-25 is a very aggressive plan of 78 numbers and for FY25-26 it is 81 numbers of wells.

- Our Capex for FY23-24 is ₹5,900 crores and in the current year FY24-25 we have a Capex target of ₹6,900 crores. Almost 70% of the Capex is being allocated to E&P side of the business.

- With its strong liquidity, a healthy leverage ratio and sound debt servicing capacity, OIL is well positioned for the planned investments in the upcoming years. Our strong EBITDA and cashflow with a healthy operating cashflow of almost ₹10,000 crores plus in the consolidated Balance Sheet and also with a very competitive cost structure and with a Debt/Equity ratio of standalone 26% and consolidated 45%, we have got leverage to increase our further debts. Would like to highlight that Oil India Limited has done almost all its Capex from its internal accruals. Debts is being taken only for acquisition of the overseas assets. Two assets mainly, Mozambique as well as in the Russia asset where we have taken a 500 million debt at the wholly-owned subsidiary level in Singapore and for NRL capacity expansion, which by this time is totally repaid. We also have a significantly high Interest Coverage Ratio with EBITDA to Interest at the consolidated level almost 15 times.

- Key highlights of our ESG initiatives. Considering Government of India's target of 2070 to achieve Net Zero, OIL Group has taken a very aggressive target of achieving Net Zero by 2040. We are continuously striving to increase our space in the alternative energy portfolio. We have set goal to increase share of gas in our portfolio and contribute to the country's vision of becoming a gas based economy by increasing share of gas in energy mix from current 6% to 15% by 2030. By our presence in the renewable energy space, by our presence in the PETCHEM industries, our initiatives of establishing Ethanol blender plant in Numaligarh refinery, we are committed towards 20% Ethanol blending in petrol through Numaligarh as well as 15% Methanol blending through Assam Petrochemicals Limited. We are adopting cleaner energy sources and we are increasing our investment in renewable energy portfolio with a commitment of 25,000 crores up to 2030.

- We have been continuously targeting to mitigate our environmental risks and have been continuously taking measures in the field of Carbon Transition, Physical Climate Risk, Water Management, Pollution and Waste Management as well as Natural Capital.

- On the Social and Governance front, OIL is a people's company. We have got stakeholder interactions at every front and we take all the initiatives to further enhance the human capital element within the organization.

- Our CSR initiatives are in display over the years and consistently we have been incurring CSR expenditure more than the required amount statutorily. Our CSR expenditure for FY23-24 is ₹123 crores, which is 2.21% of Profit After Tax.

- Friends, to summarize the position, so Oil India Limited is the second largest public sector oil company with its experience of over six decades and a steady performance with a state-of-the-art refinery which is expanding its capacity from 3 MMTPA to 9 MMTPA. With strong financials, with our aggressive exploration plans and with the larger share of Category 1 basins that we have in the OALP acreage and also with the diversification initiatives the company has taken we are confident that we will continue to grow, to perform and to add value to all our stakeholders. OIL's officials, for investors, contact details – Mr. S. Maharana, Chief General Manager – F&A, for Institutional and Investors and Analyst. And for retail investors, Shri. A.K. Sahoo, Company Secretary.

- Thank you very much.

  (Audience applauds)

- **Presenter:**

- Thank you, Debojeet, for such a beautiful presentation covering the entire portfolio business of Oil India and its group companies.

- Ladies and gentlemen, now the floor is open for Question & Answer session. But before we start, I request you to kindly mention the name of your firm and your name before raising the queries to the management. Thank you very much.

- **Mr. Hardik Solanki - ICICI Securities:**

- Hello. Yeah, Hardik Solanki from ICICI Securities. So, Sir, can you just help us to understand when NRL's expanded capacity will come onstream? And how the utilization will take on from there on? Thanks.

- **Dr. Ranjit Rath - Chairman & Managing Director, Oil India Ltd.:**

- Thank you very much. We are looking at December'2025 as part of the refinery expansion program and before that we will have the Paradeep-Numaligarh pipeline expansion by September'2025. And once the refinery expansion is done, by then the Petrochemical Complex, the 360 KTPA PETCHEM would have kick started this year. So, that would take about three years. So, by then that would also come to the fag end of its completion.

- **Mr. Hardik Solanki - ICICI Securities:**

- Yeah. And also what would be the product slate, you know, broadly? The HSD, ATF?

- **Dr. Ranjit Rath - Chairman & Managing Director, Oil India Ltd.:**

- See, primarily, Numaligarh has been focused on HSD and MS. So, that focus would continue because we would cater to the mobility segment. But given the fact that ATF has picked up in the recent times with the Aviation sector, primarily in Civil Aviation, with the thrust on Udaan scheme and the northeast connectivity. So, ATF would also find a significant place there. We'll do LPG but LPG will also be used as part of our petrochemical input. So, the order of slate will be remaining the same more or less.

- **Mr. Hardik Solanki - ICICI Securities:**

- So, if you just give us the what's the current slate exactly?

- **Dr. Ranjit Rath - Chairman & Managing Director, Oil India Ltd.:**

- It will be the same mix- MS HSD. Bhaskar ji, you want to add something?

- **Mr. Bhaskar Jyoti Phukan – Managing Director, NRL:**
-

- Yeah. If you see our slate, today almost 70% is MS and HSD and ATF if you add it almost touches 77%. So, more or less the kitty will be like that. Since we will venture into PETCHEM and we also have more plans which is queued towards MS maximization, so within that 77% MS share will marginally go up and diesel share will marginally come down.

- **Mr. Hardik Solanki - ICICI Securities:**

- Thank you.

- **Mr. Bharat Rajan - Antique Stock Broking:**

- Yeah. Sir, Bharat Rajan from Antique Stock Broking. You have a target of more than 50% growth in the gas production and also there is a natural decline which is involved. So, the net production over the next three years, which will be new production from new wells, could be in the range of 60%-70%. Of what proportion of this gas you will be eligible for that 20% premium pricing on the gas front?

- **Dr. Ranjit Rath - Chairman & Managing Director, Oil India Ltd.:**

- It's an excellent question actually. So, the notification says that the new gas which would be on top of the decline…Now, we know an order of magnitude decline but interestingly considering the fact that we are having IGGL being commissioned and additional NRL expansion is also coming and DNPL is also going for a capacity expansion, so we would have an avenue to enhance our gas production. So, we have gas fields but because of lack of evacuation facility we are unable to produce. So, all those gas will also find its meaning in terms of delta increase plus the enhanced oil recovery which we would do and there will be a lot of associated gas. So, we are also looking at capturing those gasses in addition to which was earlier as a stranded gas we have not been able to produce. So, we are going for about 16 odd number of compressor stations. Because, please, understand we have got now 9 geographical areas allocated to us including the North Bank, Tripura, Guwahati and Arunachal Pradesh, Nagaland. So, all those will actually require gas. So, we will be able to pump gas there by virtue of the IGGL connectivity. So, we are looking forward to that 20% delta.

- **Mr. Bharat Rajan - Antique Stock Broking:**

- So, of that provision, can I assume like the entire gas which is coming in will be eligible for that 20% premium pricing?

- **Dr. Ranjit Rath - Chairman & Managing Director, Oil India Ltd.:**

- Yes.

- **Mr. Bharat Rajan - Antique Stock Broking:**

- Thanks, Sir.

- **Dr. Ranjit Rath - Chairman & Managing Director, Oil India Ltd.:**

- What percentage I will not able to tell you now but, yes,

- **Mr. Bharat Rajan - Antique Stock Broking:**

- Fair enough, Sir. Thanks.

- **Mr. Anuj – ICICI Prulife:**

- Hi, Sir. Anuj this site from ICICI Prulife. So, my first question is on the lines of what's the thought process behind putting money into PETCHEM given that it is so volatile? While I understand that we have some feed stock for that, so if we can start with that and then probably I can come to the numbers on that.

- **Dr. Ranjit Rath - Chairman & Managing Director, Oil India Ltd.:**

- I'll first…Look, the future is PETCHEM. From an intensity point of view, currently NRL does not have any petrochemical intensity available to us, but given the market size that is available and going forward, we would have some component of MS available while HSD will not drop. So, that would find its utilization from a feed stock point of view, but it is not about feed stock, it's about the market. You would have noticed we have already got a POL line to Bangladesh, and we are now also looking at extending that reach further into the Bangladesh, and with the look at policy we are looking at not only the northeastern part of the country, Bangladesh will also be a market and the mainland India, the eastern part will also be a market. So, petrochemical we will go big way, and the first step is that 360 KTP.

- **Mr. Anuj – ICICI Prulife:**

- What are the EBITDA estimates per ton or spreads that we are looking at just for from a modeling perspective?

- **Dr. Ranjit Rath – Chairman and Managing Director, Oil India Limited:**

- Bhaskar ji, you want to take that call?

- **Mr. Bhaskar Jyoti Phukan – Managing Director, NRL:**

- See, if you produce pet chem in a refinery since you have started by saying that availability of feed stock, see typically diesel would be what - diesel will fetch you around ₹70 per KG if you terms, but any pet chem molecule will fetch you ₹90 per

KG. So, that CapEx which goes into that 7,000 odd crores will have a return of that magnitude, so 80,000 molecules will become 90,000 at least. So, as you have said that today the pet chem prices are quite depressed, but as you also have said it is only the cyclical. Sometimes it suffers from the overcapacity and then, and there is a upcycle again. So, if you ever is out, generally people will expect a molecule price of around ₹100 per ton. So, that delta is good enough to pay up your investment. So, that way you can see that margins and the GRM which is currently you have seen 13.7, and actually we should - we on an average, very long-term average if you see NRL is around $10 per barrel refinery, it will easily go up to $15 per barrel refinery. So, that is the kind of margin that we are looking for.

- **Mr. Anuj – ICICI Prulife:**

- Got it, Sir. Very helpful. My second question is on the DGH estimates of your Assam-Arakan Basin, it says that about the resource estimated are 3,200 million ton and that is about 3X of what we have in our KG Basin estimates. So, are we actively looking at exploring that area or what's the status there?

- **Dr. Ranjit Rath – Chairman and Managing Director, Oil India Limited:**

- The beauty of Assam self is that it's a huge stack of sedimentary formation sand, clean sand, which is hosting these hydrocarbons. So, as you would see Oil India has been pioneering not only to maintain the mature fields, we are also drilling deeper and deeper, so earlier while we were drilling about 2000-2500 meters, then we looked at 3000-3500 meters. As we speak, we have already gone to the older formations and as part of our strategy we are going to go deeper both in terms of vertical, and also through an extended reach drilling campaign, look at the horizontal formations. So, the potential is there and we are target of Mission 4+ is primarily going to happen from Assam self.

- **Mr. Yusuf Rangwala – Analyst:**

- Very good afternoon, Sir. My name is Yusuf Rangwala. I'm the speaker plus analyst. So, I'm very happy with our performance as you declared a bonus. So, this is how our company is growing up seeing your presentation and very happy and very proud to be shareholder of this company Sir. Thank you very much. My best wishes for our future, Sir. Thank you very much.

- **Dr. Ranjit Rath – Chairman and Managing Director, Oil India Limited:**

- Thank you. Thank you very much.

- **Ms. Pranita -- Morgan Stanley:**

- Good evening Sir, I'm Pranita from Morgan Stanley. I just wanted to check what is the update? Any updates on Indradhanush pipeline commissioning? And once it's completed, what is the gasket that can be sold like in volume terms, MMSCMD.

- **Dr. Ranjit Rath – Chairman and Managing Director, Oil India Limited:**

- I'm sorry, which pipeline you said?

- **Ms. Pranita -- Morgan Stanley:**

- IGGL

- **Dr. Ranjit Rath – Chairman and Managing Director, Oil India Limited:**

- IGGL, okay. Look IGGL is actually the genesis of IGGL is primarily the hydrocarbon vision for Northeast. The idea is it would connect to all the capital cities and the gas sources from Guwahati. So, till Guwahati, the pipeline GAIL is bringing and Indradhanush Gas grid, which is a JV company of five oil majors is creating that connectivity, and there is a feeder line which is also being laid on the North Bank of Brahmaputra while the Duliajan-Numaligarh pipeline is on the South Bank of Brahmaputra. So, we are looking at, currently, let's say we are contributing about 1 million standard cubic meters per day for Numaligarh. Going forward, when Numaligarh will have expanded capacity of 9 million ton, we would require to give about 2.5 million standard cubic meters per day. So, we will use these pipelines both DNPL capacity expansion after and IGGL. So, it's about today we are doing about 7½ to 8 million standard cubic meters per day and going forward we are looking at a capacity of about 11 million standard cubic meters per day. So, these pipeline networks will actually carry these molecules to the consumers. So, the capacity would be available and it would also help us should there be a delta available, we can push the gas to the mainland. So, that connectivity would also create a gas market for us, which was earlier being used in Northeastern part of the country would also be available in the mainland.

- **Mr. Kirtan Mehta -- BOB Capital Markets:**

- Hello Sir. This is Kirtan Mehta from BOB Capital Markets. One more question on this gas expansion in through IGGL, we are looking to expand from 3 BCM to 5 BCM. So, who could be the target? What is the sort of the currently existing demand which we can cater with this pipeline? And could you also share about the profile where gas demand would develop, so some sort of customer mix that we are targeting?

- **Dr. Ranjit Rath – Chairman and Managing Director, Oil India Limited:**

- Pankaj ji, you want to take this?

- **Mr. Pankaj Kumar Goswami – Director Operations, Oil India Limited:**

- Actually, in the last question MD Sir has very nicely explained that mostly we will be targeting with the capacity expansion of Numaligarh refinery. There is immediate expansion of gas business also because from 1 million will be going to 2.5. So, that is one. Then with the IGGL connectivity up to Guwahati and the GAIL pipeline up to Guwahati that will give an opportunity to push our guests to the mainland that is through the any part of the country, and at the same time, we are also considering one pipeline through the north Bank of River Brahmaputra, which will be connecting the customers available in the North bank including the owner cell produce. So, that will be another opportunity for us. So, these are the mix of customers. There are

lots of tea gardens available in the North bank, which are still not having any gas connectivity. All those areas will be getting connected, and at the same time we are also looking at the new CGD business in the states like Nagaland, then Tripura, then Arunachal Pradesh, all those areas. So, the connectivity will give us opportunity to push gas to all those customers in various states.

- **Mr. Kirtan Mehta -- BOB Capital Markets:**

- Right. One more follow-up in this regard. Will this gas be marketed by ourselves or will we be involving GAIL and when do we expect the customer contracts to be in place with customers for these additional volumes?

- **Mr. Pankaj Kumar Goswami – Director Operations, Oil India Limited:**

- As and when the customer demands comes in, we take up that one and some of the things will be done through Assam Gas Company Limited as we are now doing. Some areas will be connecting through IGGL and in some areas definitely GAIL will be involved.

- **Mr. Kirtan Mehta -- BOB Capital Markets:**

- Thank you, Sir.

- **Mr. Sabri Hazarika -- MK Global:**

- Yeah. Hi. This is Sabri Hazarika from MK Global. I have two questions. The first one is currently what is the capacity of DNPL and the expansion that you are talking about, when Did get commissioned? And it just involves putting compressor station or is there any pipeline replacement also involved there?

- **Dr. Ranjit Rath – Chairman and Managing Director, Oil India Limited:**

- Pankaj ji, you want to take it?

- **Mr. Pankaj Kumar Goswami – Director Operations, Oil India Limited:**

- It's a part of pipeline replacement job that we are taking up. So, we have just started this job, it will take another one year to complete.

- **Mr. Sabri Hazarika -- MK Global:**

- The capacity is currently around 1.2 MMSCM. So, this will go to what level 2.5?

- **Mr. Pankaj Kumar Goswami – Director Operations, Oil India Limited:**

- 2.5 level.

- **Mr. Sabri Hazarika -- MK Global:**

- 2.5 in one year. Okay. And second question is on this bio refinery. So, we have heard that it is like close to commissioning. So, when exactly is it expected to

commission and against this CapEx of 4,200 crore what kind of like volumes and profitability you are expecting?

- **Dr. Ranjit Rath – Chairman and Managing Director, Oil India Limited:**

- I'll request MD NRL to take this. In fact, July 2024 we are commissioning it, but let's listen MD, NRL.

- **Mr. Bhaskar Jyoti Phukan – Managing Director, NRL:**

- The major part is inside only. So, economics fortunately, though we call it is the ethanol refinery, it is also a chemical plant actually, it is a biochemical plant. In many forums we have spoken and we have published also. Apart from ethanol, it will also produce furfural, which is one of the major revenue scheme. Then, we have acetic acid. We also have our own power because the lignin will be burned in the captive power plant and it will give both electricity and steam. 5 MW of electricity can also be exported at 100% capacity and also, we are trying to convert the bamboo dust which is otherwise a waste material to activated carbon. In the first stage, it will be biochar then eventually to activated carbon. So, that is another revenue stream that we are adding. With all this revenue stream coming, we are getting an IRR of around 11.5% to 12%, in spite of this 4,200 CapEx.

- **Mr. Sabri Hazarika -- MK Global:**

- Right and that's the project IRR?

- **Mr. Bhaskar Jyoti Phukan – Managing Director, NRL:**

- Yeah project IRR, yes.

- **Dr. Ranjit Rath – Chairman and Managing Director, Oil India Limited:**

- But I must add one thing I mean for every one of you. North East is hugely endowed with bamboo as a feedstock and this project is going to change the agrarian economy landscape of the area.

- **Mr. Sabri Hazarika -- MK Global:**

- Thank you so much.

- **Mr. Ramesh Bhojwani – Mehta and Wakil:**

- Ramesh Bhojwani from Mehta and Wakil. Your Vision 4 highlights 4 million metric tons per annum of crude oil and 5 billion cubic for gas. Is this Vision 4 target achievable in the ongoing financial year or it is spread over 2-3 years?

- **Dr. Ranjit Rath – Chairman and Managing Director, Oil India Limited:**

- No, this mission, actually this is mission 4, - Mission 4+ rather, and the effort is to try and attempt to do it in the current year or max next year.

- **Mr. Ramesh Bhojwani – Mehta and Wakil:**

- Wonderful. Because we had the at 6.54.

- **Dr. Ranjit Rath – Chairman and Managing Director, Oil India Limited:**

- No, that's actually total oil and gas. This is from 6.54, we are looking at 9.

- **Mr. Ramesh Bhojwani – Mehta and Wakil:**

- Yeah.

- **Dr. Ranjit Rath – Chairman and Managing Director, Oil India Limited:**

- 5 + 4, but I can assure you at a split level, crude oil we are doing about 3.3. So, we will take it to 3.8 this year and then 4+ year after, and similarly, gas also we will ramp up. Now, there are two things I must share with all of you. Last year we drilled 45 wells, which is primarily a mix of exploratory well and development wells. This year we drilled 61 wells, so which includes 17 exploratory well and 44 development wells. Current year, we have already planned to drill 78 wells, so 30% growth in terms of drilling and we expect that these drilling of these development wells with the prolific hydrocarbon basin that we are operating in will give us that number.

- **Mr. Ramesh Bhojwani – Mehta and Wakil:**

- That means we – and Sir can you also give us some insightful view or thought process as far as Mozambique now coming back into the mainstream after that political turmoil, getting over there, will not be touch 4 million metric ton per annum further up?

- **Dr. Ranjit Rath – Chairman and Managing Director, Oil India Limited:**

- No. The mission that we have outlined for ourselves is from domestic production only. This doesn't include anything from Mozambique.

- **Mr. Ramesh Bhojwani – Mehta and Wakil:**

- If that comes, we can hit a target of 10 combined.

- **Dr. Ranjit Rath – Chairman and Managing Director, Oil India Limited:**

- So, we have not factored in that. The mission 4+ is primarily from domestic production, 5 BCM gas is primarily from domestic production. We have not factored in Mozambique.

- **Mr. Ramesh Bhojwani – Mehta and Wakil:**

- Because Mozambique is a huge

- **Dr. Ranjit Rath – Chairman and Managing Director, Oil India Limited:**

- I know, I know. We are eagerly waiting for the operator to announce invocation of the force measure and it will take some time and with our oil equity abroad, so that's a parallel production that's not factored in this 4+ mission of ours. 4+ mission is primarily in our main producing area and the Jaisalmer Basin where we are doing enhanced oil recovery, so we are ramping up that also.

- **Mr. Ramesh Bhojwani – Mehta and Wakil:**

- Wonderful, excellent.

- **Dr. Ranjit Rath – Chairman and Managing Director, Oil India Limited:**

- Thank you.

- **Mr. Ramesh Bhojwani – Mehta and Wakil:**

- And your renewable energy, what I feel is, next year when we come for the presentation, you will indicate to us doubling of the production which you have shown because you have underplayed that a part of the presentation.

- **Dr. Ranjit Rath – Chairman and Managing Director, Oil India Limited:**

- Okay. So, we have not underplayed though we have - you have observed it, right. The renewable energy is just picking up. So, we thought we will come back to you with a better number when the things are shaping up actually. So, that's the purpose.

- **Mr. Ramesh Bhojwani – Mehta and Wakil:**

- Thank you and all the best.

- **Dr. Ranjit Rath – Chairman and Managing Director, Oil India Limited:**

- Thank you. Thank you.

- **Mr. Vikas Jain – CLSA:**

- Hi, Sir. This is Vikas Jain from CLSA. So, a few questions on your new production itself. Firstly, if you can clarify the windfall tax formula which was announced almost two years ago now. That windfall tax is only applicable to production at the level of FY22. So, everything that is incremental is free price, is that how it still works in terms of because I think your production in FY22 was closer to 3 million ton or so, so everything that you get over and above that for oil will be free market price without the windfall tax?

- **Dr. Ranjit Rath – Chairman and Managing Director, Oil India Limited:**

- No. Small correction. Windfall tax is pegged at a defined value of or the price of the crude oil. It has got nothing to do with production. The production component is there and that 20% premium on the gas point. So, in windfall tax, which is a special additional excise duty, SAED to be precise is primarily if the oil price globally goes up

over a certain threshold, then there is a defined amount which is taxed. So, production we can do anything, it has got nothing to do with it.

- **Mr. Vikas Jain – CLSA:**

- Okay. So, I mean that per barrel tax, whichever is reset every fortnight is applicable on every barrel that you produce?

- **Dr. Ranjit Rath – Chairman and Managing Director, Oil India Limited:**

- Yes, if there is a price delta we get.

- **Mr. Vikas Jain – CLSA:**

- Okay and for gas, if you can remind us that 20% premium that you're talking about now your competitor has an opinion that there is no cap applicable on that. Is that an opinion that you also hold which means simply the extra gas that you produce will be sold at a 12% slope instead of a 10% slope?

- **Dr. Ranjit Rath – Chairman and Managing Director, Oil India Limited:**

- Yes.

- **Mr. Vikas Jain – CLSA:**

- Okay, and now on Numaligarh, a few questions on OpEx. So, right now, I mean with all these pipelines which are coming, firstly, what is the current per barrel OpEx, that is pre-EBITDA OpEx and how would that really change and decline with all of these pipelines that you're adding?

- **Mr. Bhaskar Jyoti Phukan – Managing Director, NRL:**

- Since, you can realize, 3 million ton is a pretty small refinery to have and the OpEx does not proportionally go down with the capacity. So, that was one of the prime reasons for which we have embarked on to the refinery expansion project. Going forward, we wanted to bring down the per barrel cost. So, if you see our, that OpEx, you will see it will hover around $4.5 per barrel, which is pretty high in any standard. So, we expect that to come to below 3 level, and particularly the manpower expenses will not have their proportionately high manpower that you can assume, and also we spent a lot of money in rail transportation and with the advent of these pipelines and from day one we will have 5.5 million ton pipeline carrying that product to Siliguri, and the real distance from Numaligarh to Siliguri is around 600 kilometers. So, you have that 600-kilometer lead already negated for freight calculation, and going forward, maybe we may think of extending that pipeline beyond Siliguri to places like Durgapur and Muzaffarpur like that, so that is on the drawing board, it is premature to talk about it, but the thinking process is already on. So, to answer your question, we are a 4.5 currently, we will definitely go down below 3 at 9 million level with all these initiatives.

- **Mr. Vikas Jain – CLSA:**

- Okay and just to kind of maybe recap, you did mention this partly, the phase of starting the refinery, one of the pipelines will be ready by September 25. Then, you said the project will be, I mean most of the facilities will be ready by December 25 and by when would the polypropylene expansion be ready please?

- **Dr. Ranjit Rath – Chairman and Managing Director, Oil India Limited:**

- No, polypropylene we are going to start.

- **Mr. Vikas Jain – CLSA:**

- You're going to start.

- **Dr. Ranjit Rath – Chairman and Managing Director, Oil India Limited:**

- We are going to start now say July, August, the CapEx will start.

- **Mr. Vikas Jain – CLSA:**

- And it's going to take three years from now?

- **Dr. Ranjit Rath – Chairman and Managing Director, Oil India Limited:**

- It's going to take about three years, 36 months.

- **Mr. Vikas Jain – CLSA:**

- So, most likely end of 27 is what

- **Dr. Ranjit Rath – Chairman and Managing Director, Oil India Limited:**

- End of 27, yes.

- **Mr. Vikas Jain – CLSA:**

- Okay. And the other upgrader units of the refinery they should slowly ramp up in the early part of 26, right?

- **Dr. Ranjit Rath – Chairman and Managing Director, Oil India Limited:**

- Yes. Thank you.

- **Mr. Sharad Chandra – Investment Advisor:**

- Hello Sir, this is Sharad Chandra, Investment Advisor. What you just responded about the, you know, windfall tax, the question which comes to a public shareholder is that if the price of crude goes to 100 then we don't make additional money, but if the price of crude goes to 50 then it's - so, government obviously has a responsibility towards the public, but as a public shareholder, I think this will be our first question which should come to the mind to our retail investor? The second question is if government makes this policy more fairer and you make more money, if crude goes

to 100, then that surplus money which you will get that will go into investments of greater amount of you know exploration or probably renewable energy etc., so does the country want to be energy independent or you know, they want to divert money from oil and gas into all welfare activities, probably, you know, government has a role to answer in this, but your thoughts to a question to a retail investor? Thank you very much.

- **Dr. Ranjit Rath – Chairman and Managing Director, Oil India Limited:**

- The point is very well taken, but I can assure you that with the current reforms place in the play, we have got unlocked the exclusive economic zone of India both in the West Coast and in the East Coast, including Andaman and Nicobar, the deep and ultradeep water is now available for exploration. These are category two basins where there is nil royalty to be paid, and there is an extensive interaction through investor meets, possibilities of collaborations, tractions, outreach campaign is underway to seek the IOCs and National Oil Companies of the world to come and collaborate for an exploration effort. So, this narrative is good enough to display that both the Government of India, Ministry of Petroleum and Natural Gas, and the National Oil Companies including the other ENP companies are all focused on exploration. In terms of SAED, this is a government policy and whenever there is a delta increase in terms of responses to the vulnerability of the oil supply chain, we respond to it, which is a price peg that based on certain calculations, but I can assure you that as an ENP company, we will continue to focus and carry out exploration not only PAN India in onshore perspective, but also offshore, and as we speak, we have already got lined up our exploration efforts in the Andaman Nicobar Basin both East Coast and West Coast of Andaman Nicobar as part of our OLP exploration campaign.

- **Presenter:**

- If question answer is over, then I now request our Executive Director, Finance and Accounts, Rupam Baruah Sir to kindly come forward for a vote of thanks to the audience.

- **Mr. Rupam Baruah -- Executive Director, Finance and Accounts, Oil India Limited:**

- Good evening everyone. On behalf of Oil India Limited, I'd like to extend our heartfelt thanks and gratitude to our Chairman and Managing Director, Members of the Board of Oil India Limited, and the MD NRL, DF NRL for being present on this occasion and providing their valuable insight and thoughts about our company. I would also like to extend my thanks to all the analysts and investors for being present here and raising their valuable points, and helping us making this event a grand success. We also solicit similar support and cooperation from the investor and the analyst in days to come. In case any further information is required, please feel free to contact us. I must also take on record our sincere appreciation to Mr. Swarnendu from Prabhudas Lilladher Private Limited for volunteering this event for the company. I also to extend my thanks to our team for organizing the event in the most dignified manner. With this, now, I request everyone to join for high tea. Thank you.

- **Presenter:**
- Thank you very much.
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End of Transcript