



ऑयल इंडिया लिमिटेड

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

Oil India Limited

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

प्लॉट. नं. 19, सेक्टर 16-ए, नोएडा-201301 उत्तर प्रदेश

Plot No. : 19, Sector 16-A, Noida-201301, Uttar Pradesh

दूरभाष / Telephone : 0120-2419000 फैक्स / Fax : 0120-2488310

CIN : L11101AS1959GOI001148 ई-मेल / E-mail : oilindia@oilindia.in वेबसाइट / Website : www.oil-india.com

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

Dated. 27.05.2016

National Stock Exchange of India Ltd. BSE Limited

Exchange Plaza,

Plot no. C/1, G Block,

Bandra-Kurla Complex

Bandra (E)

Mumbai - 400 051

Department of Corporate Service

Phiroze Jeejeebhoy Towers

Dalal Street

Mumbai- 400001

Sub : Audited Annual Financial Results (Standalone and Consolidated) and Q4 Results for the year ended March 31, 2016

Ref : Regulation 30 & 33 of the SEBI (LODR) Regulations, 2015

Sir,

Pursuant to Regulation 30 & 33 of the SEBI (LODR) Regulations, 2015, the Board of Directors in their 464th Meeting held on 27.05.2016 have approved the Audited Annual Financial Results (Standalone & Consolidated) and Q4 Results for the FY ended 31st March, 2016.

A copy of the Results alongwith the Auditors' Report and Form A (Audit Report with unmodified opinion) are attached.

The Board Meeting commenced at 11.30 am and concluded at 5.10 pm.

Further, as required under Regulation 47, abridged version of the financial results is being published in the newspapers.

The above is for your information and records please.

Yours faithfully,

Oil India Limited

S. R. Krishnan

(S.R. Krishnan)

Company Secretary

Encl : As above



OIL INDIA LIMITED
Regd. Office : Duliajan, Assam

CIN: L11101AS1959GOI001148

STATEMENT OF STANDALONE & CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED 31ST MARCH, 2016

(₹ in crore)

PARTICULARS	Standalone					Consolidated	
	Quarter ended		31.03.2015	Year ended		Year ended	
	31.03.2016	31.12.2015		31.03.2016	31.03.2015	31.03.2016	31.03.2015
	Audited	Unaudited		Audited	Audited	Audited	Audited
1. Income from operations							
(a) Net sales/Income from operations (Net of excise duty) ⁽ⁱ⁾	1898.97	2218.73	2571.92	9265.45	9241.59	9384.69	9471.74
(b) Other operating income	110.28	122.83	141.07	499.42	506.64	499.42	506.64
Total income from operations (net)	2009.25	2341.56	2712.99	9764.87	9748.23	9884.11	9978.38
2. Expenses							
(a) Changes in inventories of finished goods	1.64	4.82	(36.37)	25.83	(19.11)	26.73	(17.36)
(b) Employee benefits expense	232.45	325.54	482.02	1381.75	1587.52	1393.49	1601.32
(c) Depreciation and amortisation expense ⁽ⁱⁱ⁾	308.74	248.34	205.70	966.06	732.64	1105.22	864.75
(d) Royalty & Cess	557.17	661.40	739.70	2683.34	2811.14	2722.57	2871.79
(e) Contract Cost	225.31	195.39	203.59	846.43	687.65	851.39	687.94
(f) Other expenses	251.14	402.30	500.77	1212.69	1150.64	1408.57	1202.12
Total expenses	1576.45	1837.79	2095.41	7116.10	6950.48	7507.97	7210.56
3. Profit from operations before other income, finance costs and exceptional items (1-2)	432.80	503.77	617.58	2648.77	2797.75	2376.14	2767.82
4. Other income ⁽ⁱⁱⁱ⁾	431.39	242.19	265.02	1375.90	1271.63	1219.96	1258.39
5. Profit from ordinary activities before finance costs and exceptional items (3 + 4)	864.19	745.96	882.60	4024.67	4069.38	3596.10	4026.21
6. Finance costs	88.87	87.37	96.95	346.10	340.68	366.49	349.09
7. Profit from ordinary activities after finance costs but before exceptional items (5 - 6)	775.32	658.59	785.65	3678.57	3728.70	3229.61	3677.12
8. Exceptional items	215.13	0.00	0.00	215.13	0.00	248.19	0.00
9. Profit from ordinary activities before tax (7 + 8)	560.19	658.59	785.65	3463.44	3728.70	2981.42	3677.12
10. Tax expense							
(a) Current tax	(36.58)	234.41	(22.24)	719.05	853.50	721.95	848.65
(b) Deferred tax	127.53	13.53	256.17	414.28	365.00	444.66	343.59
Total tax expenses (a+b)	90.95	247.94	233.93	1133.33	1218.50	1166.61	1192.24
11. Net Profit from ordinary activities after tax (9 - 10)	469.24	410.65	551.72	2330.11	2510.20	1814.81	2484.88
12. Extraordinary items	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13. Net Profit for the year (11-12)	469.24	410.65	551.72	2330.11	2510.20	1814.81	2484.88
14. Share of profit/(loss) in associates	0.00	0.00	0.00	0.00	0.00	189.10	123.52
15. Net Profit/(Loss) after taxes and share of profit/(Loss) of associates (13+14)	469.24	410.65	551.72	2330.11	2510.20	2003.91	2608.40
16. Paid-up equity share capital (Face value of ₹ 10 each)	601.14	601.14	601.14	601.14	601.14	601.14	601.14
17. Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year				21715.04	20913.17	21940.76	20900.31
18. Earnings per share (EPS)^(iv)							
(i) Basic & Diluted EPS before extraordinary items (₹)	7.80	6.84	9.18	38.76	41.76	33.34	43.39
(ii) Basic & Diluted EPS after extraordinary items (₹)	7.80	6.84	9.18	38.76	41.76	33.34	43.39

(i) Presently rate of Excise duty is Nil;

(ii) Includes depletion;

(iii) Other income is mainly on account of interest/dividends from deposits/investments;

(iv) EPS for the periods are not annualised.





OIL INDIA LIMITED
Regd. Office : Duliajan, Assam
CIN: L11101AS1959GOI001148

STANDALONE AND CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH, 2016

(₹ in crore)

Particulars	Standalone		Consolidated	
	As at		As at	
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
	Audited	Audited	Audited	Audited
A. EQUITY AND LIABILITIES				
1. Shareholders' funds				
(a) Share capital	601.14	601.14	601.14	601.14
(b) Reserves and surplus	21715.04	20913.17	21940.76	20900.31
Sub-total - Shareholders' funds	22316.18	21514.31	22541.90	21501.45
2. Non-current liabilities				
(a) Long-term borrowings	9198.75	8341.08	9316.97	8399.42
(b) Deferred tax liabilities (net)	2088.59	1674.31	2088.29	1645.37
(c) Other long-term liabilities	2.15	1.65	2.15	1.65
(d) Long-term provisions	825.46	794.50	837.01	803.18
Sub-total - Non-current liabilities	12114.95	10811.54	12244.42	10849.62
3. Current liabilities				
(a) Short-term borrowings	0.00	0.00	899.45	670.72
(a) Trade payables	528.96	500.51	560.17	625.01
(b) Other current liabilities	1495.27	2455.61	1511.41	2472.80
(c) Short-term provisions	795.01	945.15	795.01	945.15
Sub-total - Current liabilities	2819.24	3901.27	3766.04	4713.68
TOTAL - EQUITY AND LIABILITIES	37250.37	36227.12	38552.36	37064.75
B. ASSETS				
1. Non-current assets				
(a) Fixed assets	10221.37	9127.18	12073.58	10862.97
(b) Goodwill on consolidation	0.00	0.00	5668.68	5568.07
(c) Non-current investments	11283.98	11301.46	5416.32	5196.57
(d) Long-term loans and advances	1453.47	1260.26	968.84	729.71
(e) Other non-current assets	14.93	17.60	14.93	17.60
Sub-total - Non-current assets	22973.75	21706.50	24142.35	22374.92
2. Current assets				
(a) Current investments	353.97	376.25	353.97	376.25
(b) Inventories	1005.87	1032.01	1024.45	1051.42
(c) Trade receivables	1325.20	2377.49	1331.04	2384.35
(d) Cash and cash equivalents	9412.72	8707.30	9529.44	8818.95
(e) Short-term loans and advances	1608.13	1455.74	1620.51	1486.97
(f) Other current assets	570.73	571.83	550.60	571.89
Sub-total - Current assets	14276.62	14520.62	14410.01	14689.83
TOTAL - ASSETS	37250.37	36227.12	38552.36	37064.75





OIL INDIA LIMITED
Regd. Office : Duliajan, Assam
CIN: L11101AS1959GOI001148

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER AND YEAR ENDED 31.03.2016

(**₹ in crore**)

Particulars	Standalone					Consolidated	
	Quarter ended			Year ended		Year Ended	
	31-03-2016	31-12-2015	31-03-2015	31-03-2016	31-03-2015	31-03-2016	31-03-2015
	Audited	Unaudited	Audited	Audited	Audited	Audited	Audited
1. Segment Revenue							
(a) Crude Oil	1316.22	1590.03	1988.54	6848.89	7079.39	6964.83	7304.66
(b) Natural Gas	559.54	594.32	591.69	2304.46	2088.10	2307.76	2092.98
(c) LPG	32.51	33.64	42.99	129.00	128.04	129.00	128.04
(d) Pipeline Transportation	76.90	102.60	71.70	362.99	368.53	362.99	368.53
(e) Others	24.08	20.97	16.07	119.53	84.17	119.53	84.17
Total	2009.25	2341.56	2712.99	9764.87	9748.23	9884.11	9978.38
Less : Inter Segment Revenue	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Sales/ Income from Operations	2009.25	2341.56	2712.99	9764.87	9748.23	9884.11	9978.38
2. Segment Results							
Profit Before Tax and Interest:							
(a) Crude Oil	221.09	326.55	558.79	1939.34	2189.14	1745.79	2160.70
(b) Natural Gas	294.48	273.00	250.20	1169.37	1048.53	1109.03	977.73
(c) LPG	19.21	19.86	31.47	76.29	79.11	76.29	79.11
(d) Pipeline Transportation	19.60	43.71	(17.77)	117.30	103.13	117.30	103.13
(e) Others	(5.01)	1.33	1.36	24.82	21.53	24.82	21.53
Total	549.37	664.45	829.00	3327.12	3441.44	3073.23	3342.20
Add: Interest/Dividend Income	409.52	232.32	262.27	1123.11	1236.51	1166.95	1210.43
Less: Interest Expenses	88.87	87.37	96.95	346.10	340.68	366.49	349.09
Unallocable expenditure net of unallocable income	309.83	150.81	208.67	840.69	608.57	892.27	526.42
Profit Before Tax	560.19	658.59	785.65	3463.44	3728.70	2981.42	3677.12
3. Capital Employed							
(Segment assets - Segment liabilities)							
(a) Crude Oil	4906.52	4661.49	4847.00	4906.52	4847.00	4997.14	5105.14
(b) Natural Gas	3585.49	3425.03	3231.22	3585.49	3233.22	4588.53	4166.00
(c) LPG	37.93	40.91	67.34	37.93	67.34	37.93	67.34
(d) Pipeline Transportation	678.73	547.57	325.53	678.73	325.53	678.73	325.53
(e) Others	670.79	650.54	653.01	670.79	653.01	670.79	653.01
Capital Employed in segments	9879.46	9325.54	9126.10	9879.46	9126.10	10973.12	10317.02
(f) Unallocated							
Cash & cash equivalents	9412.72	9225.28	8707.30	9412.72	8707.30	9529.44	8818.95
Others	3024.00	4456.69	3680.91	3024.00	3680.91	2039.34	2365.48
Total	22316.18	23007.51	21514.31	22316.18	21514.31	22541.90	21501.45



1. The above Financial Results have been reviewed and recommended by the Audit & Ethics Committee and approved by the Board of Directors in its meeting held on 27th May, 2016. The financial results for the year ended have been audited by the Joint Statutory Auditors of the Company.
2. The audited accounts are subject to review by the Comptroller and Auditor General of India under section 143(6) of the Companies Act, 2013.
3. Pursuant to directive from Government of India, the Company has raised overseas borrowings for acquiring 4% participating interest in Rovuma 1 offshore block in Mozambique. In the opinion of the Management, there is no explicit restriction by the competent authority with regard to repayment and servicing of such overseas borrowings from domestic resources of the Company. Interest servicing on this overseas borrowings have been met from domestic resources. The Company has informed MoP&NG that servicing of interest on the external commercial borrowings raised for financing the above transaction is being done from domestic resources as the Company does not have any earnings abroad at present.
4. The Company has exercised the option given under Para 46A of AS-11 for the long term foreign currency borrowings and the exchange difference of such monetary items are accumulated in Foreign Currency Monetary Item Translation Difference Account (FCMITDA) and amortised over the repayment period of the borrowings. The amount remaining to be amortised as on 31.03.2016 is ₹ 592.85 crore (debit).
5. Other expenses for the year ended 31.03.2016 include prior period items of ₹ 6.23 crore (credit).
6. The Company has received notice of demand for ₹ 1349.71 crore from Assam Value Added Tax Authority claiming VAT on sharing of under recoveries to downstream oil companies and on transportation charges of own crude oil. Out of this an amount of ₹ 21.97 crore pertains to VAT on transportation of crude oil for the period from FY 2009-10 to 2012-13. The company has provided ₹ 41.11 crore including interest for the period from 2009-10 to 2015-16 in the accounts for the quarter and year ended 31.03.2016. The demand for the balance ₹ 1327.74 crore, being VAT on sharing of under-recoveries has been contested by the Company before the Commissioner of Taxes, Assam. In a similar matter, the Gujarat High Court has passed order against applicability of VAT on the amount of under recoveries shared, which has been upheld by Supreme Court of India through dismissal of Special Leave Petition filed by Gujarat Government against the High Court decision.
7. The Company has received claim of ₹ 7224.20 crore from Director of Geology and Mining, Assam claiming royalty on sharing of under recoveries to downstream oil companies on crude oil for the year 2008-09 to 2013-14 including interest upto 31.08.2014. Company is paying royalty on post-discounted price based on the instructions issued by MoP&NG and in line with Oil Field (Regulation & Development) Act 1948 and subsequent notifications thereof and hence does not consider the claim as liability. The Government of Assam has filed a writ petition before the Gauhati High Court which is pending adjudication. The amount of claim as above together with the amount of differential royalty up to 31.03.2016 including interest thereon estimated to be ₹ 79749.55 crore has accordingly been included and shown as contingent liability.
8. Final Dividend @ ₹ 8 per Equity Share of ₹ 10 each amounting to ₹ 480.91 crore excluding dividend distribution tax for the financial year 2015-16 has been recommended subject to approval of the members in the AGM. This is in addition to Interim Dividend @ ₹ 8 per Equity Share of ₹ 10 each amounting to Rs 480.91 crore already paid during the year. The total of interim and recommended final dividend for the year is ₹ 961.82 crore.
9. In terms of Schedule II to the Companies Act, 2013, the Company has w.e.f.01.04.2015 implemented component accounting in respect of assets. As a result, depreciation for year ended 31.03.2016, calculated based on revised useful life of the components under written down value method is higher by ₹ 4.80 crore.
10. Considering the prevailing low global oil/gas prices consequent to slowdown in global economy as an indicator for impairment, the Company has reviewed its value of investment in equity in BREML and loans to Suntera Nigeria 205 Ltd. Accordingly provision for diminution in value of investments of ₹ 174.00 crore (BREML) and loan of ₹ 41.13 crore (Suntera Nigeria 205 Ltd) has been made and disclosed as exceptional items in the accounts for the quarter and year ended 31.03.2016.
- In case of consolidated financial results, considering fall in global oil/gas prices and resultant impairment loss of ₹ 248.19 crore has been provided and disclosed in the accounts for the year ended 31.03.2016.
11. In terms of the decision of Government of India, the Company has shared under recoveries of downstream Public Sector Oil Marketing Companies amounting to ₹ 155.06 crore for the year 2015-16 by allowing discount on crude oil prices as per the rates of discount communicated by Petroleum Planning and Analysis Cell (PPAC).
- For the period of nine months ended 31.12.2015, the Company allowed discount of ₹ 251.93 crore as directed by the Govt. of India. Subsequently the Govt. of India vide letter dated 13th May, 2016 revised the Company's share of under recoveries for the FY 2015-16 to ₹ 155.06 crore (For Q1 ₹ 155.06 crore and NIL for Q2, Q3 and Q4). The impact of this on revenue is as under:

(₹ in crore)

Decrease/(Increase) in	Quarter ended			Year ended	
	31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015
Net revenue	(96.87)	NIL	NIL	155.06	5522.58

12. In terms of Letter No. C-31033/1/2012-CA/FTS:18688 dated. 02.01.2016 issued by the Ministry of Petroleum and Natural Gas (MoP&NG), Shri Sunjay Sudhir, JS (IC), MoP&NG has been appointed as Government Nominee Director on the Board of Oil India Limited in place of Shri Nalin Kumar Srivastava, Director (E-II), MoP&NG.

13. The figures for the quarter ended 31.03.2016 and 31.03.2015 are the balancing figures between the audited figures of the full financial years ended 31.03.2016 and 31.03.2015 respectively and the published year to date figures upto the nine months ended 31.12.2015 and 31.12.2014 respectively of relevant financial years which were subjected to limited review.

14. Previous period's figures have been re-classified/re-grouped, wherever necessary.

Place : Noida
Date: 27th May, 2016

For Oil India Limited


Mrs. Rupshikha S. Borah
Director (Finance)
DIN: 06700534



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF OIL INDIA LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of OIL INDIA LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and Significant Accounting Policies and Additional Notes.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend



on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the Notes to the standalone financial statements:

- a) Note 3.3 to the financial statements which specifies about repayment and servicing of overseas borrowings from domestic resources based on management opinion.
- b) Note 32.12(b) to the financial statements which describes uncertainty regarding payment related to the demand for Royalty raised by Director of Geology and Mines, Assam for 2008-09 to 2013-14 amounting to ₹7224.20 crore and further estimated liability of ₹2525.35 crore upto 31st March 2016 considered as contingent liability.

Our opinion is not modified in respect of these matters.

Other Matters

The attached financial statements include Company's share of net fixed assets, net current assets, expenses and incomes aggregating to ₹ 530.15 crore, ₹ (-)70.21 crore, ₹ 237.63 crore and ₹ 0.51 crore respectively as at 31st March, 2016 in respect of thirteen of its unincorporated Joint Ventures, the accounts of which have been audited by the auditors of the respective Joint Ventures.

The attached financial statements include Company's share of net fixed assets, net current liabilities, expenses and incomes aggregating to ₹ 324.57 crore, ₹ 96.73 crore, ₹ 389.78 crore and ₹ 46.68 crore respectively as at 31st March, 2016 in respect of seventeen of its



unincorporated Joint Ventures, the accounts of which have not been audited and have been incorporated based on financial statements prepared and certified by the Management.

The audited and unaudited financial statements of the above unincorporated joint ventures are prepared to meet requirements of production sharing contracts and are special purpose statements and none of the statements, audited as well as unaudited, are drawn up in the same format as presented by the Company and we did not audit the financial statements/financial information of seventeen unaudited Joint Ventures included as above.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. With respect to the other matters to be included in the Auditor's Report in terms of the directions of the Comptroller and Auditor-General of India (C&AG) under Section 143 (5) of the Act, and on the basis of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we give in the Annexure 'A' and Annexure 'B', statement on the matters specified in the Directions and Sub-directions of C&AG respectively.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we give in the Annexure 'C', a statement on the matters specified in paragraphs 3 and 4 of the Order.
3. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, as required under Section 143 (3)(i) of the Act, refer to our separate report in Annexure D.



(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 32.15 I (i)(a) and 32.15 I (i)(b) to the standalone financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For A.K.SABAT & CO.
Chartered Accountants
Firm Regn. No: 321012E


(CA A.K.SABAT)
Partner
Membership No.: 030310



Place: Noida
Date: 27/05/2016

For N.C. BANERJEE & CO.
Chartered Accountants
Firm Regn. No: 302081E


(CA B.K.BISWAS)
Partner
Membership No.: 055623

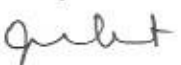


Annexure A to the Independent Auditors' Report

Statement on the matters specified in the Directions of CAG as referred in Paragraph 1 of Report on Other Legal and Regulatory Requirements paragraph of our report of even date to the members of OIL INDIA LIMITED on the Standalone Financial Statements for the year ended 31st March 2016

No.	Direction	Reply
1	Whether the Company has clear title/ lease deeds for freehold and leasehold land respectively? If not please state the area of freehold and leasehold land for which title/ lease deeds are not available.	The Company has a clear title/ lease deeds for freehold and leasehold land respectively except in respect of 15763.93 bighas of freehold land. Further 3821.29 bighas of freehold land are pending for Mutation. (refer note 11.2 to the financial statements).
2	Whether there are cases of waiver / write-off of debts / loans / interest etc. if yes, the reasons thereof and the amount involved.	During the year there are cases of Well write off of ₹ 454.61 crore due to absence of prospect and unsuccessful drilling of the Wells. There is also a case of receivables written off of ₹ 0.91 crores due to non recovery of CST on sale of LPG.
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift/ grant(s) from Govt. or any other authorities.	The Company has maintained proper records for inventories lying with third parties. The Company has not received any assets as gift from Govt or any other authorities.

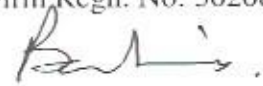
For A.K.SABAT & CO.
Chartered Accountants
Firm Regn. No: 321012E


(CA A.K.SABAT)
Partner
Membership No.: 030310



Place: Noida
Date: 27/05/2016

For N.C. BANERJEE & CO.
Chartered Accountants
Firm Regn. No: 302081E


(CA B.K.BISWAS)
Partner
Membership No.: 055623



Annexure B to the Independent Auditors' Report

Statement on the matters specified in the Additional Directions of C&AG as referred in Paragraph 1 of Report on Other Legal and Regulatory Requirements paragraph of our report of even date to the members of OIL INDIA LIMITED on the Standalone Financial Statements of the Company for the year ended 31st March 2016

No.	Sub-direction	Reply
I	The accounting treatment of income/ expenditure and receivables/ liabilities arising from agreements/ contracts including JVs for exploration of Oil/Gas may be examined to ensure that they are strictly in conformity with the terms and conditions of the respective Production Sharing Contract (or similar arrangements including Joint Venture)	The accounting treatment of income/expenditure and receivables/liabilities arising from agreements/contracts including JVs for exploration of Oil/Gas have been examined and found that they are strictly in conformity with the terms and conditions of the respective Production Sharing Contract (or similar arrangements including Joint Ventures)
II	It may be verified that the expenditure incurred before obtaining the right(s) to explore, develop and produce oil and gas have been booked under pre-acquisition costs. It may also be verified that these costs are expensed as and when incurred, and the practice is done in a consistent manner in respect of all the units.	We have verified and found that the expenditure incurred before obtaining the right(s) to explore, develop and produce oil and gas have been booked under pre-acquisition costs. We have also verified that these costs are expensed as and when incurred, and the practice is done in a consistent manner in respect of all the units. Please also refer Note no. 1.3.1 of Significant Accounting Policies.
III	It may be verified that the acquisition cost relating to projects under exploration or development are initially accounted for as capital work-in-progress and then capitalised by transferring to Producing Property when a well is ready to commence commercial production. It may also be ensured that such costs are written-off in case of abandonment/ relinquishment.	We have verified and found that the acquisition cost relating to projects under exploration or development are initially accounted for as capital work-in-progress and then capitalised by transferring to Producing Property when a well is ready to commence commercial production. It is also verified that such costs are written-off in case of abandonment /relinquishment. Please also refer Note no. 1.3.4 of Significant Accounting Policies.



IV	It may be verified that the Company is having a clear title and maintaining proper records in respect of land along with full disclosures with respect to cost computation (historical or revalued cost) and ownership (freehold or leasehold land)	Read with Note no. 11.2 of Financial Statements, we have verified and found that the Company is having a clear title except in respect of 15763.93 bighas of freehold land. Further 3821.29 bighas of freehold land are pending for Mutation. The Company is maintaining proper records in respect of land along with full disclosures with respect to cost computation (historical or revalued cost) and ownership (freehold or leasehold land).
----	---	---

For A.K.SABAT & CO.
Chartered Accountants
Firm Regn. No: 321012E


(CA A.K.SABAT)

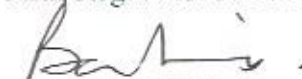
Partner

Membership No.: 030310



Place: Noida
Date: 27/05/2016

For N.C. BANERJEE & CO.
Chartered Accountants
Firm Regn. No: 302081E


(CA B.K.BISWAS)

Partner

Membership No.: 055623



Annexure 'C' to the Auditors' Report

The Annexure C referred to in paragraph 2 of Report on Other Legal and Regulatory Requirements paragraph of our report of even date to the members of OIL INDIA LIMITED on the Standalone Financial Statements of the Company for the year ended 31st March, 2016.

- (i) (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets;
- (b) As explained to us the fixed assets have been physically verified by the Management in phased manner designed to cover all items over a period of five years. No material discrepancies have been noticed on such verification;
- (c) As per information and explanations given to us, the title deeds of immovable properties are held in name of the Company except in respect of 15763.93 bighas of freehold land pending transfer of title deeds. Further 3821.29 bighas of freehold land are pending for Mutation.
- (ii) Inventories have been physically verified by the Management during the year. However, inventories of stores and spare parts (excluding stock in transit and/or under inspection with suppliers/contractors) have been physically verified by the Management in a phased manner. The frequency of verification is reasonable. No material discrepancies have been noticed on physical verification.
- (iii) The Company has granted unsecured loans to parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act"). In respect of aforesaid loans:
- (a) The terms and conditions under which such loans were granted are not prejudicial to the Company's interest;
- (b) The schedule of repayment of principal and interest has been stipulated and the repayments or receipts are as per stipulation; and
- (c) There is no amount which is overdue for more than ninety days.
- (iv) In respect of loans, investments, guarantees and security given or provided, provisions of Section 185 and 186 of the Companies Act, 2013 wherever applicable, have been complied with;
- (v) The Company has not accepted deposits from the public. Hence, the direction issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder are not applicable to the Company. As explained to us no order has been passed by the Company Law Board or



National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard;

- (vi) We have broadly reviewed the books of account maintained by the Company, pursuant to the rules made by the Central Government for the maintenance of the cost records under sub-section (1) of Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records maintained as aforesaid.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable to it with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2016 for a period of more than six months from the date they became payable except for the following:

Name of the Statute	Nature of Dues	Period to which the amount relates (Financial year)	Amount (in ₹ Crores)
Assam VAT Act, 2005	VAT on Transportation of Crude Oil	2009-10 to 2015-16	39.04 (including interest of Rs 14.18 crore)

- (b) Details of disputed dues in respect of income tax or sales tax or wealth tax or service tax or duty of customs or value added tax or cess and any other statutory dues which have not been deposited on account of any dispute are given below:

Name of the Statute	Nature of Dues	Period to which the amount relates (Financial year)	Amount (in ₹ Crores)	Forum where Dispute is Pending
Central Excise Act, 1944	Demand for non payment of duty as oil cess, NCCD and education cess	2011-12 to 2014-15	20.57	CESTAT, New Delhi



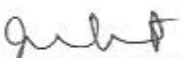
Central Excise Act, 1944	Excise Duty	December'2008 to December'2009	14.27	CESTAT, Kolkata
		January'2010 to December'2010	12.01	
		January'2011 to December' 2011	17.47	
		January'2012 to June'2012	20.93	
		July'2012 to December'2012	10.48	
		January'2013 to June'2013	9.81	
Finance Act, 1994	Service Tax	April'2011 to December'2011	40.42	CESTAT, Kolkata
		January'2012 to September'2012	13.45	
		October'2012 to March'2013	6.59	
		July'2008 to March'2009	0.30	
		April'2009 to March'2010	0.40	
Assam General Sales Tax Act, 1993	CST and VAT	April'2005 to March'2006	8.41	Assistant Commissioner of Taxes, Assam
Assam VAT Act, 2005	Assam VAT	2009-10 to 2012-13	1327.74	Commissioner of Taxes, Assam
Income Tax Act, 1961	Income Tax	2007-08 & 2008-09	2.18	High Court, Rajasthan

- (viii) The Company has not defaulted in repayment of loans or borrowings to any financial institution, bank, Government or dues to debenture holders;
- (ix) In our opinion and according to information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. The term loans were applied for the purposes for which those were raised;



- (x) Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year;
- (xi) The Company has paid or provided for managerial remuneration in accordance with relevant approvals mandated by the provisions of Section 197 read with Schedule V to the Act;
- (xii) As the Company is not a Nidhi company, Nidhi Rules, 2014 are not applicable to it and accordingly the reporting under clause 3(xii) of the Order is not applicable;
- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 178 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard 18- Related Party Disclosures, specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly the reporting under clause 3(xiv) of the Order is not applicable;
- (xv) Based on our examination of books and accounts and as per information and explanations given to us, the Company has not entered into any non cash transactions with directors or persons connected with him. Therefore reporting under para 3 (xv) of the Order is not applicable; and Accordingly,
- (xvi) As per information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under para 3 (xvi) of the Order is not applicable.

For A.K.SABAT & CO.
Chartered Accountants
Firm Regn. No: 321012E


(CA A.K.SABAT)

Partner
Membership No.: 030310

Place: Noida
Date: 27/05/2016



For N.C. BANERJEE & CO.
Chartered Accountants
Firm Regn. No: 302081E


(CA B.K.BISWAS)
Partner

Membership No.: 055623



Annexure D to the Independent Auditors' Report

The Annexure D referred to in paragraph 3(f) of Report on Other Legal and Regulatory Requirements paragraph of our report of even date to the members of OIL INDIA LIMITED on the Standalone Financial Statements for the year ended 31st March, 2016.

We have audited the internal financial controls over financial reporting of Oil India Limited ("the Company") as of 31st March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for laying down and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing, to the extent applicable to an audit of internal financial controls and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note"), both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

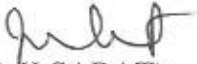


Other Matters

Attention is invited regarding no independent directors having been appointed till date after 2nd Sep 2015 by the Central Government resulting in non-compliance of certain provisions of the Act as well as SEBI (Listing Obligation & Disclosure Requirements) Regulations 2015 as to composition of Board of Directors, Audit Committee, CSR Committee and Nomination & Remuneration Committee as part of proper corporate governance.

Our opinion is not modified in respect of this matter.

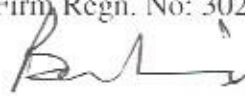
For A.K.SABAT & CO.
Chartered Accountants
Firm Regn. No: 321012E


(CA A.K.SABAT)
Partner
Membership No.: 030310

Place: Noida
Date: 27/05/2016



For N.C. BANERJEE & CO.
Chartered Accountants
Firm Regn. No: 302081E


(CA B.K.BISWAS)
Partner
Membership No.: 055623



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF OIL INDIA LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of OIL INDIA LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and Significant Accounting Policies and Additional Notes (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Financial Statements. The respective Board of Directors of the companies included in the Group, and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report.



We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31st March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the Notes to the consolidated financial statements:

- a) Note 3.3 to the consolidated financial statements which specifies about repayment and servicing of overseas borrowings from domestic resources based on management opinion.
- b) Note 32.11(b) to the consolidated financial statements which describes uncertainty regarding payment related to the demand for Royalty raised by Director of Geology and Mines, Assam for 2008-09 to 2013-14 amounting to ₹7224.20 crore and further estimated liability of ₹2525.35 crore upto 31st March 2016 considered as contingent liability.



- c) The auditors of a subsidiary Oil India International BV, Netherlands have given a qualified opinion in their independent auditor's report as follows:

Oil India International B.V.'s investment in WorldAce Investments Limited, a foreign associate acquired during the year and accounted for by the equity method, is carried at USD 1 in the Balance Sheet as at 31 March 2016, the loan due from WorldAce Investments Limited is carried at USD 41,144,842 and Oil India International B.V.'s share of WorldAce Investments Limited's net loss of USD 17,215,336 is included in Oil India International B.V.'s result for the year then ended.

We were unable to obtain sufficient appropriate audit evidence about the carrying amounts of Oil India International B.V.'s loan due from WorldAce Investments Limited as at 31 March 2016 and Oil India International B.V.'s share of WorldAce Investments Limited's result for the year, because there were no audited financial statements of WorldAce Investments Limited as at 31 March 2016 available to us.

The information available consisted of the audited financial statements of WorldAce Investments Limited as at 31 December 2015 and unaudited management accounts of WorldAce Investments Limited as at 31 March 2016. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

- d) The auditors of Oil India International BV in their Emphasis of Matter Paragraph has reported the following:

We draw attention to the note 'going concern' of the notes to the financial statements which indicates that the company's interest in its joint venture incurred a significant loss during the year ended 31 December 2015. As of 31 March 2016, the company's equity became negative. As a result of this situation there is a material uncertainty about the joint venture's ability to fulfill its obligations toward Oil India International B.V. These conditions, along with other matters as set forth in the note 'going concern', indicate the existence of a material uncertainty which may cast significant doubt about Oil India International B.V.'s ability to continue as a going concern. However, Oil India International B.V.'s management has indicated that the shareholder will continue to support Oil India International B.V. and therefore the 'going concern' basis for the preparation of the financial statements is appropriate.

Our opinion is not modified in respect of these matters.

Other Matters

We did not audit the financial statements / financial information of five subsidiaries, and two jointly controlled entities, whose financial statements / financial information reflect total assets of ₹ 2706.38 crores as at 31st March, 2016, total revenues of ₹ 139.81 crores and net cash flows amounting to ₹ 551.48 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of



net profits of ₹ 189.10 for the year ended 31st March, 2016 as considered in the consolidated financial statements, in respect of two associates, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors. In respect of one jointly controlled entity we have considered the audited accounts as of 31st December 2015 for our report duly adjusted with unaudited accounts as of 31st March 2016 and as of 31st March 2015.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies, associated companies and jointly controlled

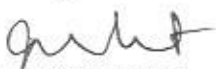


companies incorporated in India and the operating effectiveness of such controls, as required under Section 143 (3)(i) of the Act, refer to our separate report in Annexure A.

(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities—Refer Note 32.14 I (i) (a) and 32.14 I (i) (b) to the consolidated financial statements.
- ii. The Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

For A.K.SABAT & CO.
Chartered Accountants
Firm Regn. No: 321012E


(CA A.K.SABAT)
Partner
Membership No.: 030310

Place: Noida
Date: 27/05/2016



For N.C. BANERJEE & CO.
Chartered Accountants
Firm Regn. No: 302081E


(CA B.K.BISWAS)
Partner
Membership No.: 055623



Annexure A to the Independent Auditors' Report

The Annexure A referred to in paragraph 1(f) of Report on Other Legal and Regulatory Requirements paragraph of our report of even date to the members of OIL INDIA LIMITED on the Consolidated Financial Statements (CFS) for the year ended 31st March, 2016.

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended 31st March 2016, we have audited the internal financial controls over financial reporting of Oil India Limited ("the Holding Company") and its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies and its jointly controlled companies which are companies incorporated in India are responsible for laying down and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group wherever applicable considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting, wherever applicable, based on our audit and audit report of the subsidiary companies, associate companies and jointly controlled companies. We conducted our audit in accordance with the Standards on Auditing, to the extent applicable to an audit of internal financial controls and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note"), both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the



assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports are sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group, wherever applicable, has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

- (i) Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary company and two associate companies which are companies incorporated

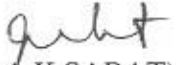


in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

- (ii) Attention is invited regarding no independent directors having been appointed in the Holding Company till date after 2nd Sep 2015 by the Central Government resulting in non-compliance of certain provisions of the Act as well as SEBI (Listing Obligation & Disclosure Requirements) Regulations 2015 as to composition of Board of Directors, Audit Committee, CSR Committee and Nomination & Remuneration Committee as part of proper corporate governance.

Our opinion is not modified in respect of these matters.

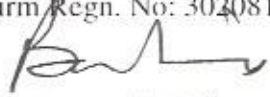
For A.K.SABAT & CO.
Chartered Accountants
Firm Regn. No: 321012E


(CA A.K.SABAT)
Partner
Membership No.: 030310

Place: Noida
Date: 29/05/2016



For N.C. BANERJEE & CO.
Chartered Accountants
Firm Regn. No: 302081E


(CA B.K.BISWAS)
Partner
Membership No.: 055623



FORM A

(Regulation 33(3)(d) of the SEBI (LODR) Regulations, 2015)
(for Audit Report with unmodified opinion)

1.	Name of the Company:	OIL INDIA LIMITED
2.	Annual financial statements for the year ended	31 st March 2016 (Standalone)
3.	Type of Audit observation	Un-Modified / Emphasis of Matter Quote We draw attention to the following matters in the Notes to the standalone financial statements: i. Note 3.3 to the financial statements which specifies about repayment and servicing of overseas borrowings from domestic resources based on management opinion. ii. Note 32.12(b) to the financial statements which describes uncertainty regarding payment related to the demand for Royalty raised by Director of Geology and Mines, Assam for 2008-09 to 2013-14 amounting to ₹7224.20 crore and further estimated liability of ₹2525.35 crore upto 31st March 2016 considered as contingent liability. Our opinion is not modified in respect of these matters. Unquote
4.	Frequency of observation	Appearing for the 2 nd time


(U.P. Singh)
CMD


(Mrs. R.S. Borah)
Director (Finance)


For A.K. Sabat & Co.
(CA A.K. Sabat)
Partner
M No.: 030310


Auditors
For N.C. Banerjee & Co.
(CA B.K. Biswas)
Partner
M No.: 055623


(Sunjay Sudhir)
Chairman-
Audit
Committee

Place : Noida
Date : 27.05.2016



FORM A
(Regulation 33(3)(d) of the SEBI (LODR) Regulations, 2015)
(for Audit Report with unmodified opinion)

1.	Name of the Company:	OIL INDIA LIMITED
2.	Annual financial statements for the year ended	31 st March 2016 (Consolidated)
3.	Type of Audit observation	Un-Modified / Emphasis of Matter Quote We draw attention to the following matters in the Notes to the consolidated financial statements: a). Note 3.3 to the consolidated financial statements which specifies about repayment and servicing of overseas borrowings from domestic resources based on management opinion. b) Note 32.11(b) to the consolidated financial statements which describes uncertainty regarding payment related to the demand for Royalty raised by Director of Geology and Mines, Assam for 2008-09 to 2013-14 amounting to ₹7224.20 crore and further estimated liability of ₹2525.35 crore upto 31st March 2016 considered as contingent liability. c). The auditors of a subsidiary Oil India International BV, Netherlands have given a qualified opinion in their independent auditor's report as follows: Oil India International B.V.'s investment in WorldAce Investments Limited, a foreign associate acquired during the year and accounted for by the equity method, is carried at USD 1 in the Balance Sheet as at 31 March 2016, the loan due from WorldAce Investments Limited is carried at USD 41,144,842 and Oil India International B.V.'s share of WorldAce Investments Limited's net loss of USD 17,215,336 is included in Oil India International B.V.'s result for the year then ended. We were unable to obtain sufficient appropriate audit evidence about the carrying amounts of Oil India International B.V.'s loan due from WorldAce Investments Limited as at 31 March 2016 and Oil India International B.V.'s share of WorldAce Investments Limited's result for the year, because there were no audited financial statements of WorldAce Investments Limited as at 31 March 2016 available to us.



		The information available consisted of the audited financial statements of WorldAce Investments Limited as at 31 December 2015 and unaudited management accounts of WorldAcc Investments Limited as at 31 March 2016. Consequently, we were unable to determine whether any adjustments to these amounts were necessary. d). The auditors of Oil India International BV in their Emphasis of Matter Paragraph has reported the following: We draw attention to the note 'going concern' of the notes to the financial statements which indicates that the company's interest in its joint venture incurred a significant loss during the year ended 31 December 2015. As of 31 March 2016, the company's equity became negative. As a result of this situation there is a material uncertainty about the joint venture's ability to fulfill its obligations toward Oil India International B.V. These conditions, along with other matters as set forth in the note 'going concern', indicate the existence of a material uncertainty which may cast significant doubt about Oil India International B.V.'s ability to continue as a going concern. However, Oil India International B.V.'s management has indicated that the shareholder will continue to support Oil India International B.V. and therefore the 'going concern' basis for the preparation of the financial statements is appropriate. Our opinion is not modified in respect of these matters. Unquote
4.	Frequency of observation	(a) & (b) Appearing 2nd time (c) & (d) Appearing 1st time


(U.P. Singh)
CMD


(Mrs. R.S. Borah)
Director (Finance)


For A.K. Sabat & Co.
(CA A.K. Sabat)
Partner
M No.: 030310


Auditors
For N.C. Banerjee & Co.
(CA B.K. Biswas)
Partner
M No.: 055623


(Sunjay Sudhir)
Chairman-
Audit
Committee

Place : Noida
Date : 27.05.2016

