

# REPORT ON CORPORATE GOVERNANCE



## 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

IndianOil strongly believes that good Corporate Governance practices ensure ethical and efficient conduct of the affairs of the Company in a transparent manner and also help in maximising value for all the stakeholders like shareholders, customers, employees, contractors, vendors and the society at large. Good Corporate Governance practices help in building an environment of trust and confidence among all the constituents. The Company endeavours to uphold the principles and practices of Corporate Governance to ensure transparency, integrity and accountability in its functioning, which are vital to achieve its Vision of being the 'Energy of India' and a globally admired Company.

The Company has set high standards of ethical and responsible conduct of business to create value for all its stakeholders. For effective implementation of the Corporate Governance practices, the Company has a well-defined policy framework inter-alia, consisting of the following:

- Code of Conduct for Board Members and Senior Management Personnel
- Code for Prevention of Insider Trading in the Securities of IndianOil and Practices and Procedure for Fair Disclosure
- Enterprise Risk Management Policy
- Integrity Pact to enhance transparency in business
- Whistle Blower Policy
- Conduct, Discipline and Appeal Rules for officers

- Sustainability & Corporate Social Responsibility Policy
- Policy on Related Party Transactions
- Policy for determining Material Subsidiaries
- Policy for determination of Material / Price Sensitive Information and Disclosure Obligations
- Policy for Preservation of Documents
- Dividend Distribution Policy
- Human Resources Initiatives

## 2. BOARD OF DIRECTORS

### (a) Composition of Board of Directors

The Board of the Company comprises Executive (Whole-time) Directors, Non-Executive (Part-Time) Government Nominee Directors and Non-Executive (Part-Time) Independent Directors. The Independent Directors are eminent people with proven record in diverse areas like business, law, finance, economics, administration, etc.

The tenure of the Directors appointed on the Board is as under:

- Whole-time Directors are appointed for a period of five years or their date of superannuation, whichever is earlier;
- Government Nominee Directors are appointed on an ex-officio basis during their tenure in the Ministry of Petroleum & Natural Gas (MoP&NG);
- Independent Directors are appointed for a period of three years

As on March 31, 2021, the Board of the Company comprised 10 Directors, including six Executive Directors (Whole-time Directors including the Chairman), two Government Nominee Directors and two Independent Directors. The composition of the Board as on March 31, 2021 is given below:

Name of the Director	Category	Designation	Date of appointment	Tenure as on March 31, 2021 (in years)
Shri Shrikant Madhav Vaidya	Whole-time Director	Chairman	14.10.2019 (Note 1)	1.46
Shri G. K. Satish	Whole-time Director	Director (Planning & Business Development)	01.09.2016	4.58
Dr S. S. V. Ramakumar	Whole-time Director	Director (Research & Development)	01.02.2017	4.16
Shri Ranjan Kumar Mohapatra	Whole-time Director	Director (Human Resources)	19.02.2018	3.11
Shri Gurmeet Singh	Whole-time Director	Director (Marketing)	26.07.2018	2.68
Shri Sandeep Kumar Gupta	Whole-time Director	Director (Finance)	03.08.2019	1.66
Dr Navneet Mohan Kothari	Non-Executive Director	Government Nominee Director	25.03.2020	1.02
Ms Indrani Kaushal	Non-Executive Director	Government Nominee Director	28.05.2019	1.84
Shri Rajendra Arlekar	Non-Executive Director	Independent Director	24.07.2019	1.69
Ms Lata Usendi	Non-Executive Director	Independent Director	06.11.2019	1.40

Note 1: Shri Shrikant Madhav Vaidya was appointed as Director (Refineries) on 14.10.2019 and became Chairman w.e.f. 01.07.2020

The Independent Directors have given a declaration that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (SEBI (LODR)). In the opinion of the Board, the Independent Directors fulfil the conditions of independence specified in the said Act and SEBI (LODR), and are independent of the management.

The terms and conditions of appointment of Independent Directors are hosted on the website of the Company [www.iocl.com](http://www.iocl.com).

As required under the SEBI (LODR), M/s Ragini Chokshi & Co., Practicing Company Secretary, has certified that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of the Company by the Ministry of Corporate Affairs or any such statutory authority.

#### (b) Skills/Expertise/Competencies of Board of Directors

Being a Government Company, all the Directors on the Board viz. Functional Directors, Government Nominee Directors and Independent Directors are selected and appointed by the Government as per a well laid down process for each category of Directors. The core skills, expertise and competence required for the Board to function effectively, in the context of the Company's

business, forms an integral part of the Government's process for selection of the Directors. In view thereof, the Board of the Company has not identified any such core skills or expertise or competence required by a Director as required under SEBI (LODR).

#### (c) Board Meetings

The Board of Directors oversees the overall functioning of the Company and has set strategic objectives to achieve its Vision. The Board lays down the Company's policy and oversees its implementation in attaining its objectives. It has constituted various committees to facilitate the smooth and efficient flow of the decision-making process.

During the year 2020-21, 11 Board Meetings were held. The dates of the Board Meetings are fixed well in advance and intimated to the Board members to enable the Directors to plan their schedule accordingly. The Directors are also provided the option to participate in the meeting through video conferencing and the facility is provided as and when requested. The agenda papers are circulated to the Directors in advance before the meeting. However, certain exigent proposals are tabled at the Board Meeting with the approval of the Chairman and consent of the Directors. For paperless Board meetings, the agenda items are uploaded on a digital platform (Board Portal) which can be accessed by the Directors electronically on their electronic device in a secured manner. The agenda

items are comprehensive and informative in nature to facilitate deliberations and appropriate decision making at the Board meeting.

Presentations are made to the Board on various functional and operational areas of the Company like Refineries, Pipelines, Marketing, Petrochemicals, Gas and other Business Development activities as well as major projects, financial highlights etc.

The agenda placed before the Board inter-alia includes all statutory, other significant & material information, including the information mentioned in Regulation 17(7), read with Part A of Schedule II of SEBI (LODR) and Annexure IV of the Guidelines on Corporate Governance issued by the Department of Public Enterprises for Government Companies.

The Board Minutes are prepared promptly after the Board meeting and circulated to all Directors for their comments, if any, and thereafter approval of the Chairman

is obtained. The approved minutes are then circulated to the concerned department / group for implementation. The Action Taken Report on the decision of the Board is obtained and submitted to the Board periodically.

Details of the Board Meetings held during the year 2020-2021 are as under:

Sl. No.	Date	Board Strength	No. of Directors Present
1.	24.06.2020	18	18
2.	31.07.2020	17	17
3.	31.08.2020	17	17
4.	21.09.2020	17	16
5.	30.10.2020	11	11
6.	27.11.2020	11	11
7.	31.12.2020	11	11
8.	29.01.2021	11	11
9.	26.02.2021	10	9
10.	16.03.2021	10	9
11.	27.03.2021	10	10

(d) Attendance of each Director at Board Meetings held during 2020-21, last Annual General Meeting (AGM) and number of other Directorships and Chairmanship / Membership of Committees of each Director in various companies are as under:

Name of the Director	No. of Board Meetings attended out of meetings held during the tenure of Director	Attendance at the AGM held on 21.09.2020 (Yes/No/NA)	No. of Directorship in other Companies as on March 31, 2021	Directorship in other listed entities as on March 31, 2021 & category of Directorship	Membership of Committees in other Companies as on March 31, 2021	Chairmanship of Committees in other Companies as on March 31, 2021
<b>Whole-time Directors</b>						
Shri Shrikant Madhav Vaidya (DIN - 06995642) Director (Refineries) upto 30.06.2020 & Chairman w.e.f. 01.07.2020	11(11)	Yes	5	1) Chennai Petroleum Corporation Ltd. (Non-Executive Chairman) 2) Petronet LNG Ltd. (Non-Executive Director)	-	-
Shri G. K. Satish (DIN - 06932170) Director (Planning & Business Development)	10(11)	Yes	6		-	-
Dr S. S. V. Ramakumar (DIN - 07626484) Director (Research & Development)	11(11)	Yes	1		-	-
Shri Ranjan Kumar Mohapatra (DIN - 08006199) Director (Human Resources)	11(11)	Yes	1		-	-
Shri Gurmeet Singh (DIN- 08093170) Director (Marketing) upto 31.03.2021	11(11)	Yes	2		-	-
Shri Sandeep Kumar Gupta (DIN - 07570165) Director (Finance)	11(11)	Yes	3		-	-
Shri Sanjiv Singh (DIN - 05280701) Chairman upto 30.06.2020	1 (1)	NA	5	1) Chennai Petroleum Corporation Limited (Non-Executive Chairman) 2) Petronet LNG Limited (Non-Executive Director)	-	-
Shri Akshay Kumar Singh (DIN - 03579974) Director (Pipelines) upto 31.01.2021	8(8)	Yes	1	-	-	-

Name of the Director	No. of Board Meetings attended out of meetings held during the tenure of Director	Attendance at the AGM held on 21.09.2020 (Yes/No/NA)	No. of Directorship in other Companies as on March 31, 2021	Directorship in other listed entities as on March 31, 2021 & category of Directorship	Membership of Committees in other Companies as on March 31, 2021	Chairmanship of Committees in other Companies as on March 31, 2021
<b>Non-Executive Directors (Government Nominee)</b>						
Dr Navneet Mohan Kothari (DIN - 02651712)	11(11)	No	-	-	-	-
Ms Indrani Kaushal (DIN- 02091078)	9 (11)	No	1	-	-	-
<b>Non-Executive Directors (Independent Director)</b>						
Shri Rajendra Arlekar (DIN - 08518169)	11(11)	Yes	-	-	-	-
Ms Lata Usendi (DIN - 07384547)	11(11)	Yes	-	-	-	-
Shri Vinoo Mathur (DIN - 01508809) upto 21.09.2020	4(4)	Yes	-	-	-	-
Shri Samirendra Chatterjee (DIN - 06567818) upto 21.09.2020	4(4)	Yes	-	-	-	-
Shri C. R. Biswal (DIN - 02172414) upto 21.09.2020	4(4)	Yes	1	-	1	-
Dr Jagdish Kishwan (DIN - 07941042) upto 21.09.2020	4(4)	Yes	-	-	-	-
Shri Sankar Chakraborti (DIN - 06905980) upto 21.09.2020	4(4)	Yes	2	-	-	-
Shri D. S. Shekhawat (DIN - 07404367) upto 21.09.2020	4(4)	Yes	-	-	-	-

**Note:**

- 1) The Directorships held by Directors as mentioned above include public limited, private limited and foreign companies but do not include the companies registered under Section 8 of the Companies Act, 2013.
- 2) The Membership / Chairmanship of Committee is considered only for the Audit Committee and the Stakeholders' Relationship Committee.
- 3) In case of cessation of Directorship, the details of directorship on Board of other companies and committee position are as on the date of cessation from the Board of the Company.

All the Directors have intimated about their Directorship and Membership in the various Boards / Committees of other companies, as and when required. None of the Directors on the Board is a Member of more than 10 Committees or a Chairman of more than five Committees across all the Companies in which they hold Directorships. Further, none of the Non-Executive Directors serve as Independent Director in more than seven listed companies and none of the Executive (Whole-time) Directors serve as Independent Directors on any listed Company.

A brief resume of the Directors, who are being re-appointed at the forthcoming AGM, is provided in the notice of the AGM.

**(e) Code of Conduct**

The Code of Conduct for Board Members and Senior Management Personnel of the Company has been laid down by the Board, which is circulated to all concerned

and is also hosted on the website of the Company. The Directors and Senior Management Personnel of the Company have affirmed compliance with the provisions of the Code of Conduct for the year ended March 31, 2021 under Regulation 26(3) of SEBI (LODR) and no material financial or commercial transactions, which may have a potential conflict with the interest of the Company, were reported by them.

**(f) Succession Planning**




The Company has put in place a structured succession planning framework to ensure a systematic development plan to fill key positions, other than Board Members, in line with the vision and business strategies of the Company. Being a Government Company under the administrative control of the MoP&NG, the power to appoint Directors (including Independent Directors) vests with the Government of India.

### 3. COMMITTEES OF THE BOARD

#### (a) Audit Committee

The Audit Committee has been constituted in line with the provisions of Regulation 18 of the SEBI (LODR) and the provisions of the Companies Act, 2013 and the rules notified thereunder. The members of the Audit Committee have requisite financial management expertise.

The Audit Committee comprised the following members as on March 31, 2021:

Name of the Director	Designation	Committee Position
Shri Rajendra Arlekar	Independent Director	
Ms Lata Usendi	Independent Director	
Ms Indrani Kaushal	Government Nominee Director	

 Chairman  Member

The Terms of Reference of the Audit Committee covers the matters specified under the provisions of the Companies Act, 2013 as well as Regulation 18 (3) read with Part C of Schedule II of the SEBI (LODR), which inter-alia include the following:

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible.
- Reviewing with management the quarterly and annual financial statements, auditors' report along with related party transactions, if any, before submission to the Board.
- Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Approval of or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertaking or assets of the listed entity, wherever it is necessary.
- Reviewing the matters to be included in Directors Responsibility Statement that forms part of the Board Report.
- Reviewing with the management and statutory and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussions with internal auditors on the Annual Internal Audit Program, Significant Audit Findings and follow up on such issues.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussions with statutory auditors before the audit commences on the nature and scope of audit, as well as having post-audit discussion to ascertain any area of concern.
- Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- Approving the appointment of Chief Financial Officer after assessing the qualifications, experience and background etc. of the candidate.
- Reviewing the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding Rupees 100 Crore or 10% of the asset size of the subsidiary, whichever is lower

including existing loans / advances / investments existing as on the date of coming into force of this provision.

- Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders
- Reviewing the Company's financial and risk management policies.
- Evaluating the internal financial controls and risk management systems.
- Reviewing with the management, the observations / comments of the Comptroller & Auditor General of India (CAG) and management's assurance thereon.
- Reviewing with the management, the follow-up action taken on the recommendations of the Parliamentary Committee on Public Undertaking (CoPU), if any.
- Noting the appointment of Statutory Auditors of the Company and recommending audit fee for the statutory audit as well as to approve fee for other services by the auditors.
- Recommending the appointment of Cost Auditors of the Company and review of Cost Audit Report.
- Examining, deciding and dealing with all issues relating to Ethics in the Company.
- Reviewing the functioning of the Whistle-Blower Policy.
- Reviewing the compliance with SEBI (LODR) & SEBI (PIT) Regulations.

The attendance at the eight meetings of the Audit Committee held during the year 2020-21 is given below:

Name of the Director	Meeting held on							
	21.05.2020	23.06.2020	30.07.2020	18.09.2020	29.10.2020	30.12.2020	28.01.2021	23.03.2021
Shri D. S. Shekhawat (upto 21.09.2020)	√	√	√	√	Not Applicable			
Shri Samirendra Chatterjee (upto 21.09.2020)	√	√	√	√				
Shri Sankar Chakraborti (upto 21.09.2020)	√	√	√	√				
Shri Rajendra Arlekar (w.e.f. 22.09.2020)	Not Applicable				√	√	√	√
Ms Lata Usendi (w.e.f. 22.09.2020)					√	√	√	√
Ms Indrani Kaushal (w.e.f. 22.09.2020)					√	×	√	×

The Audit Committee meetings are attended by the Director (Finance) and the Head of Internal Audit as invitees. The representatives of the Statutory Auditors are also invited to attend the Audit Committee meetings while considering the quarterly results / annual financial statements and to discuss the nature and scope of the Annual Audit. The Cost Auditors are also invited, when the Cost Audit Report is considered by the Audit Committee.

The Minutes of the meetings of the Audit Committee are circulated to the members of the Audit Committee. The approved minutes are then circulated to all concerned

departments of the Company for necessary action and are also submitted to the Board for information.





The Company Secretary acts as the Secretary of the Audit Committee.

#### (b) Nomination and Remuneration Committee

The Company being a Government Company, the appointment and the terms and conditions of appointment (including remuneration), of the Whole-time Directors are decided by the Government of India. However, the Board has constituted a Nomination and Remuneration Committee to:

- Approve certain prerequisites for Whole-time Directors and below Board level executives as well as to approve performance-related pay to the executives of the Company as per the DPE guidelines;
- Create and sanction posts as well as to consider and approve promotions to Grade 'I' (Executive Director) i.e. Senior Management Personnel.

The Nomination and Remuneration Committee comprised the following members as on March 31, 2021:

Name of the Director	Designation	Committee Position
Shri Rajendra Arlekar	Independent Director	
Ms Lata Usendi	Independent Director	
Dr Navneet Mohan Kothari	Government Nominee Director	
Shri Shrikant Madhav Vaidya	Chairman, IndianOil	

 Chairman  Member

The attendance at one meeting of Nomination & Remuneration Committee held during 2020-21 is given below:

Name of the Director	Meeting held on 25.01.2021
Shri Rajendra Arlekar (w.e.f. 22.09.2020)	
Ms Lata Usendi (w.e.f. 22.09.2020)	
Dr Navneet Mohan Kothari (w.e.f. 24.06.2020)	
Shri Shrikant Madhav Vaidya	

The performance evaluation of the Directors (including Independent Directors) has not been carried out by the Nomination & Remuneration Committee, as the Company being a Government Company, the powers relating to appointment, evaluation and the terms of Directors vests with the Government of India. Such evaluation is exempted for Government Companies under the provisions of the Companies Act, 2013.

The Company Secretary acts as the Secretary of the Nomination & Remuneration Committee.

## DIRECTORS' REMUNERATION:

The remuneration paid to Whole-time Directors during the year 2020-21 is as under:

Name of the Director	Designation	Salaries & Allowances	Performance Linked Incentive	Other Benefits & Perquisites	Total Remuneration
Shri Shrikant Madhav Vaidya	Director (Refineries) (upto 30.06.2020) Chairman (w.e.f. 01.07.2020)	43,52,890	2,53,616	16,31,494	62,38,000
Shri G. K. Satish	Director (Planning & Business Development)	43,40,488	1,78,437	26,84,452	72,03,377
Dr S. S. V. Ramakumar	Director (Research & Development)	52,49,763	1,76,660	17,38,369	71,64,792
Shri Ranjan Kumar Mohapatra	Director (Human Resources)	43,54,361	1,70,847	16,96,513	62,21,721
Shri Sandeep Kumar Gupta	Director (Finance)	51,40,392	2,46,625	8,70,266	62,57,283

(₹)

(₹)

Name of the Director	Designation	Salaries & Allowances	Performance Linked Incentive	Other Benefits & Perquisites	Total Remuneration
Shri Sanjiv Singh	Chairman (upto 30.06.2020)	77,96,909	-	46,56,484	1,24,53,393*
Shri Akshay Kumar Singh	Director (Pipelines) (upto 31.01.2021)	58,00,391	1,14,377	22,18,417	81,33,185
Shri Gurmeet Singh	Director (Marketing) (upto 31.03.2021)	1,09,84,434	3,21,786	29,74,633	1,42,80,853*
<b>TOTAL</b>		<b>4,80,19,628</b>	<b>14,62,348</b>	<b>1,84,70,628</b>	<b>6,79,52,604</b>

\* Includes retirement benefits on superannuation.

**Note:**

1. Performance Linked Incentives are payable to the Whole-time Directors as employees of the Company as per the policy applicable to all executives of the Company.
2. During the year no Stock Options were issued by the Company to Whole-time Directors.
3. The terms of appointment of the Whole-time Directors, as issued by the Government of India, provides for three months' notice period or salary in lieu thereof for severance of service.
4. The remuneration does not include the impact of provision made on actuarial valuation for retirement benefits / long-term schemes and provision made during the period towards Post Retirement Benefits as the same are not separately ascertainable for individual Directors.

The Government Nominee Directors are not paid any remuneration, sitting fees, etc.

The Independent Directors are not paid any remuneration except sitting fees of ₹ 40,000/- per meeting for attending meetings of the Board or Committees thereof. The sitting fees paid during the year 2020-21 is as under:

Name of the Director	Sitting Fees (₹)
Shri Rajendra Arlekar	10,00,000
Ms Lata Usendi	6,80,000
Shri Vinoo Mathur (upto 21.09.2020)	3,20,000
Shri Samirendra Chatterjee (upto 21.09.2020)	3,60,000
Shri C. R. Biswal (upto 21.09.2020)	1,60,000
Dr Jagdish Kishwan (upto 21.09.2020)	3,20,000
Shri Sankar Chakraborti (upto 21.09.2020)	3,60,000
Shri D. S. Shekhawat (upto 21.09.2020)	3,20,000
<b>TOTAL</b>	<b>35,20,000</b>

Note: There were no other materially significant pecuniary relationships or transactions of the Independent Directors vis-à-vis the Company.

**Shareholding of Directors**

The details of shares of the Company held by the Directors as on March 31, 2021 are given below:




Name of the Director	Designation	No. of equity shares
Shri Shrikant Madhav Vaidya	Chairman	16,572
Shri G. K. Satish	Director (Planning & Business Development)	2,172
Dr S. S. V. Ramakumar	Director (Research & Development)	9,300
Shri Ranjan Kumar Mohapatra	Director (Human Resources)	9,600
Shri Gurmeet Singh	Director (Marketing)	2,172
Shri Sandeep Kumar Gupta	Director (Finance)	10,872
Dr Navneet Mohan Kothari	Government Nominee Director	-
Ms Indrani Kaushal	Government Nominee Director	-
Shri Rajendra Arlekar	Independent Director	-
Ms Lata Usendi	Independent Director	-



**(c) Stakeholders' Relationship Committee**



The Stakeholders' Relationship Committee examines the grievances of stakeholders / investors and the system of redressal of the same. It also approves issuance of share certificates. The Company endeavours to resolve complaints / grievances / queries of stakeholders / investors within a reasonable period of time.

The Committee comprised the following members as on March 31, 2021:

Name of the Director	Designation	Committee Position
Shri Rajendra Arlekar	Independent Director	
Shri Ranjan Kumar Mohapatra	Director (Human Resources)	
Shri Sandeep Kumar Gupta	Director (Finance)	

 Chairman  Member

The attendance at the meeting of the Stakeholders' Relationship Committee held during 2020-21 is given below:

Name of the Director	Meeting Held on 27.03.2021
Shri Rajendra Arlekar (w.e.f. 22.09.2020)	
Shri Ranjan Kumar Mohapatra	
Shri Sandeep Kumar Gupta	

The Company Secretary acts as the Secretary of the Stakeholders' Relationship Committee and is also the Compliance Officer.

**Details of Complaints Received and Redressed During the year 2020-21:**

During the year, 6853 complaints were received and all have been resolved. As on March 31, 2021, no complaints were pending. Further, during the year, 1286 requests for court/ consumer forum cases, change of address, recording of nomination, issue of duplicate share certificates / dividend warrant, etc. were received, out of which 22 requests were pending as on March 31, 2021 and the same were subsequently addressed.

The Company has created a designated email-id [investors@indianoil.in](mailto:investors@indianoil.in) exclusively for investors and for responding to their queries.

**(d) Corporate Social Responsibility & Sustainable Development Committee**

The Company's Corporate Social Responsibility (CSR) is guided by its corporate vision of caring for the environment and the community. The Company believes that CSR is its continuing commitment to conduct business in an ethical and sustainable manner and to contribute to the economic well-being of the country, while improving the quality of life of the local community residing in the vicinity of its establishments and the society at large.

In line with the above vision, the Board has constituted the Corporate Social Responsibility & Sustainable Development (CSR & SD) Committee to recommend, monitor and administer activities under the Sustainability and CSR Policy and to also oversee its performance / implementation.

The Committee comprised the following members as on March 31, 2021

Name of the Director	Designation	Committee Position
Shri Rajendra Arlekar	Independent Director	
Shri G. K. Satish	Director (Planning & Business Development)	
Shri Ranjan Kumar Mohapatra	Director (Human Resources)	
Shri Gurmeet Singh	Director (Marketing)	
Shri Sandeep Kumar Gupta	Director (Finance)	

 Chairman  Member

The attendance at the seven meetings of the CSR & SD Committee held during the year 2020-21 is given below:

Name of the Director	Meeting held on						
	18.06.2020	29.07.2020	21.09.2020	29.12.2020	22.01.2021	26.02.2021	27.03.2021
Shri Rajendra Arlekar	✓	✓	✓	✓	✓	✓	✓
Shri G. K. Satish	✓	✓	✓	✓	✓	✓	✓
Shri Ranjan Kumar Mohapatra	✓	✓	✓	✓	✓	✓	✓
Shri Gurmeet Singh	✓	✓	✓	✗	✗	✓	✓
Shri Sandeep Kumar Gupta	✓	✓	✓	✓	✗	✓	✓





The Company Secretary acts as the Secretary of the CSR & SD Committee.

The CSR Policy is hosted on the website of the Company on the link [https://iocl.com/download/Policies/IOC\\_S&CSR\\_Policy.pdf](https://iocl.com/download/Policies/IOC_S&CSR_Policy.pdf). The CSR Report, as required under the Companies Act, 2013 for the year ended March 31, 2021 is annexed to the Director's Report.

#### (e) Risk Management Committee

The Company has constituted a Risk Management Committee to review the risk management process involving risk assessment and minimisation procedure as well as to approve the derivative transactions above US\$ 100 Million on a 'mark to market' basis.

The Committee comprised the following members as on March 31, 2021:

Name of the Director	Designation	Committee Position
Shri Shrikant Madhav Vaidya	Chairman, IndianOil	
Shri G. K. Satish	Director (Planning & Business Development)	
Shri Gurmeet Singh	Director (Marketing)	
Shri Sandeep Kumar Gupta	Director (Finance)	

 Chairman  Member

The attendance at the one meeting of the Risk Management Committee held during 2020-21 is given below:

Name of the Director	Meeting held on 21.01.2021
Shri Shrikant Madhav Vaidya	✓
Shri G. K. Satish	✓
Shri Gurmeet Singh	✗
Shri Sandeep Kumar Gupta	✓

**(f) Other Board Committees:**

In addition to the above committees, the Board has delegated certain powers to various committees with distinct roles and responsibilities. The composition of such committees as on March 31, 2021 is as under:

Name of Committee	Role and Responsibilities	Members
<b>Project Evaluation Committee</b>	To appraise projects costing ₹ 250 Crore and above before the projects are submitted to the Board for approval.	<ul style="list-style-type: none"> <li>- 1 Government Nominee Director</li> <li>- Director(Research &amp; Development)</li> <li>- Director(Human Resources)</li> <li>- Director(Finance)</li> </ul> <p>The Committee is headed by a Government Nominee Director.</p>
<b>Marketing Strategies &amp; Information Technology Oversight Committee</b>	To evolve the strategies, policies, guidelines and take decisions on all matters relating to marketing activities of the Company, including the revival of dealerships/distributorships and to oversee the implementation of IT strategies of the Company.	<ul style="list-style-type: none"> <li>- 1 Government Nominee Director</li> <li>- Director (Refineries)</li> <li>- Director (Planning &amp; Business Development)</li> <li>- Director (Finance)</li> <li>- Director (Marketing)</li> </ul> <p>The Committee is headed by a Government Nominee Director.</p>
<b>Deleasing of Immovable Properties Committee</b>	To consider deleasing of Company leased flats/ accommodation / immovable properties.	<ul style="list-style-type: none"> <li>- Chairman</li> <li>- Director (Finance)</li> <li>- Director (Human Resources)</li> <li>- Director (Marketing)</li> <li>- One Government Nominee Director</li> </ul> <p>The Committee is headed by the Chairman of the Company.</p>
<b>Contracts Committee</b>	To approve contracts beyond certain limits as provided in the Delegation of Authority of the Company.	<p>All Whole-time Directors.</p> <p>The Committee is headed by the Chairman of the Company.</p>
<b>Planning &amp; Projects Committee</b>	To consider and approve all project proposals above ₹ 100 Crore and up to ₹ 250 Crore.	<p>All Whole-time Directors.</p> <p>The Committee is headed by the Chairman of the Company.</p>
<b>LNG Sourcing Committee</b>	To review the terms and condition of the LNG sales and Purchase Agreement and recommend the same to Board for approval for the purchase of LNG on a long-term basis.	<ul style="list-style-type: none"> <li>- Chairman</li> <li>- Director (Finance)</li> <li>- Director (Planning &amp; Business Development)</li> <li>- Director (Refineries)</li> </ul> <p>The Committee is headed by the Chairman of the Company.</p>
<b>Dispute Settlement Committee</b>	To examine and recommend the settlement proposals having financial implication of more than ₹ 25 Crore for approval of the Board as per Conciliation Policy of the Company.	<ul style="list-style-type: none"> <li>- Two Independent Directors</li> <li>- Director (Finance)</li> <li>- Concerned Functional Director</li> <li>- Co-opt an additional Director, if any.</li> </ul> <p>The Committee is headed by an Independent Director.</p>

The Company Secretary is the Secretary to all the Board Committees.

The composition of various committees of the Board of Directors is also hosted on the website of the Company.

There were no instances wherein recommendations made by any Board Committee were not accepted by the Board of the Company during the year 2020-21.

#### 4. GENERAL MEETINGS

The AGM of the Company is held at Mumbai, where the registered office is situated. The details of the AGM held for the last three years are as under:

	2017-18	2018-19	2019-20
<b>Date and Time</b>	29.08.2018 10:30 AM	28.08.2019 10:00 AM	21.09.2020 02:30 PM
<b>Venue</b>	Nehru Centre Auditorium, Discovery of India Building, Worli, Mumbai – 400 018.	Nehru Centre Auditorium, Discovery of India Building, Worli, Mumbai – 400 018.	In view of the Covid pandemic, the AGM was held Online through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)
<b>Special Resolutions Passed (nos.)</b>	1	2	1

No Extraordinary General Meeting of the shareholders was held during the year 2020-21.

#### 5. POSTAL BALLOT

No approval of shareholders was sought by means of postal ballot during the year 2020-21.

There is no immediate proposal for passing any resolution through Postal Ballot. None of the businesses proposed to be transacted at the ensuing AGM require passing the resolution through Postal Ballot.

#### 6. DISCLOSURES

##### a. Independent Directors' Meeting

During the year under review, the Independent Directors met on 26.02.2021 without the presence of Non-Independent Directors and members of the management.

##### b. Related Party Transactions

The Company has a policy on 'Materiality of Related Party Transactions and dealing with Related Party Transactions' (policy on RPTs) which is hosted on the website of the Company and can be accessed at the following link:

[https://iocl.com/download/Policies/RPT\\_Policy.pdf](https://iocl.com/download/Policies/RPT_Policy.pdf)

As per the policy on RPTs, all related party transactions are approved by the Audit Committee. The Audit Committee had granted omnibus approval for related party transactions during 2020-21 in line with the provisions of the Companies Act, 2013, SEBI (LODR) and the policy on RPTs. A report on such transactions was submitted to the Audit Committee on a quarterly basis.

The Company has not entered into any materially significant related party transactions during the year. As required under the SEBI (LODR), the disclosure of Related Party Transactions on a consolidated basis in the prescribed format was filed with the Stock Exchanges and has also been hosted on the website of the Company.

##### c. Subsidiary Companies

The Company has a 'Policy for Determining Material Subsidiaries' and the same is hosted on the website of the Company and can be accessed at the following link: [https://iocl.com/download/Policies/Material\\_Subsiary\\_Policy.pdf](https://iocl.com/download/Policies/Material_Subsiary_Policy.pdf)

There were no material unlisted subsidiaries during the year 2020-21. The minutes of the Board Meetings of unlisted subsidiaries are submitted to the Board of the Company on a periodic basis.

##### d. Non-Compliances/Strictures/Penalties during the last three years

There was neither any case of non-compliance, nor any penalties / strictures were imposed on the Company by the Stock Exchanges / SEBI or any other statutory authority on any matter related to capital markets during the last three years.

However, during the year, the Company received notices from the National Stock Exchange of India Limited (NSE) as well as the BSE Limited (BSE) regarding non-compliance with the provision of Reg. 17(1) of the SEBI (LODR) for the quarter ended June 2020, September 2020, December 2020 & March 2021 and imposition of monetary fine for not having requisite number of Independent Directors on the Board. In response to the notice, the Company wrote to the Exchange(s) clarifying that the shortfall in Independent Directors was not due to any negligence / default by the Company as the appointment of Directors is done by the Government of India. In view thereof, the Company has requested the Exchanges to waive-off the fines. Reckoning the request, the BSE has waived-off the fine for non-compliance for the period September 2018 to December 2020.

**e. Proceeds from Public, Right and Preferential issues etc:**

During the year under review, the Company did not raise any proceeds from public issues, rights issues or preferential issues. However, the Company had issued Unsecured, Rated, Listed, Taxable, Redeemable, Non-Convertible Debentures of ₹ 10,00,000/- each (NCDs) amounting to ₹ 7,915.20 Crore on a private placement basis. The funds were utilised for the purpose for which these were raised and there has been no deviation or variation in utilisation of funds.

**f. Vigil Mechanism and Whistle-Blower Policy**

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has laid down procedures and internal controls like Delegation of Authority, Standard Operating Procedures (SOP's), Conduct, Discipline and Appeal Rules for employees, etc. The Vigilance Department, which forms an important part of the vigil mechanism, undertakes participative, preventive and punitive action for establishing effective internal control systems and procedures for minimising systemic failures, with greater emphasis on participative and preventive aspects. The Government Auditors, Statutory Auditors and Internal Auditors are also important constituents of the vigil mechanism to review the activities of the Company and report observations on any deficiency or irregularities.

The Company has framed a Whistle-Blower Policy wherein the employees are free to report any improper activity resulting in violations of laws, rules, regulations or code of conduct by any of the employees, including leakage / misuse of unpublished price sensitive information in violation of IndianOil's Insider Trading Code, to the Competent Authority or Chairman of the Audit Committee, as the case may be. Any complaint received would be reviewed by the Competent Authority or Chairman of the Audit Committee. The policy provides that the confidentiality of those reporting violations shall be maintained and they shall not be subjected to any discriminatory practice. No employee has been denied access to the Audit Committee.

The Whistle-Blower policy is hosted on the website of the Company.

**g. Code for Prevention of Insider Trading in securities of IndianOil and Practices and Procedure for Fair Disclosure**

In terms of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, IndianOil has adopted a Code of Conduct to regulate, monitor and report trading by designated persons in listed or proposed to be listed securities of the Company ("the Code"). The Code aims at preserving and preventing misuse of unpublished price sensitive information. The code of practices and

procedures for fair disclosure of unpublished price sensitive Information is hosted on the website of the Company.

**h. CEO / CFO Certification**

The Chairman and Director (Finance) of the Company have given the "CEO / CFO Certification" to the Board.

**i. Integrity Pact**

The Company has signed a Memorandum of Understanding (MoU) with Transparency International India (TII) in 2008 for implementing the Integrity Pact (IP) Program focused on enhancing transparency, probity, equity and competitiveness in its procurement process.

Presently, three Independent External Monitors (IEMs) have been nominated by the Central Vigilance Commission (CVC) to monitor the implementation of IP in all tenders, of the threshold value of ₹ 10 Crore and above, across all Divisions of the Company.

During the year 10 meetings of IEM's were held. Based on the above threshold value, 471 tenders came under the purview of the IP during the year 2020-21 against which 33 complaints were received which were referred to the IEMs and deliberated. Two pending complaints of 2020-21 were taken up for deliberation with IEMs in the month of May 2021.

**j. Relationship Between Directors**

None of the Directors is inter-se related to other Directors of the Company.

**k. Details of Familiarisation Programmes For Independent Directors**

The details of familiarisation programmes imparted to Independent Directors are hosted on the website of the Company and can be accessed at the link <https://iocl.com/download/IDFP.pdf>

**l. Outstanding Global Depository Receipts (GDRs) / American Depository Receipts (ADRs) / Warrants or any Convertible instruments:**

During the year, the Company has not issued any GDRs / ADRs / Warrants or any convertible instruments.

**m. Disclosure Regarding Commodity Price Risk and Hedging Activities****(i) Entity's Risk Management Policy w.r.t. Commodities and its Hedging:**

IndianOil is exposed to a number of commodity price risks such as variation in refining margins, i.e. the difference between refined product price and crude price, risk of value erosion in inventory due to prices, risk of higher crude prices on crude consumed in IndianOil refining system, risk of variation in prices of LNG on refinery consumption, risk of price variations on imports of petroleum products and LNG for marketing, etc.

The company assesses these risks and based on potential of these risks being realised, appropriate hedging positions are undertaken using hedging tools allowed to be traded under laws in India to monitor & manage significant risks.

The company has a Board-approved policy for the risk management covering the exposure towards commodities, commodity risk and hedged exposure.

**(ii) Exposure to Commodity and Commodity Risks Throughout the Year:**

**(a) Total Estimated Exposure of the Company to Commodities in INR:**

The value of the total inventory held by the Company for raw material, stock in process, finished goods and stock in trade as on March 31, 2021 is ₹ 73,749.06 Crore.

**(b) Exposure of the Company to Material Commodities:**

Commodity Name	Exposure in INR towards the particular commodity#	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				Total
			Domestic Market		International market		
	₹ in Crore	In MMT	OTC	Exchange	OTC	Exchange	
Refinery Margin	1,300	58.465	NIL	NIL	0.49%	NIL	0.49%
Inventory as on 31.03.2021							
- Crude Oil	2,700	7.993	NIL	NIL	NIL	NIL	NIL
- Finished Goods (including Stock in Trade)	4,000	6.641	NIL	NIL	NIL	NIL	NIL

# Estimated Impact for each 10% variation in exposure has been given for the particular commodity

**(c) Commodity Risks faced by the Company during the year and how they have been managed:**

The primary commodity risk faced by IndianOil is the risk around price movement in crude oil, refined products and LNG. Any adverse movement in commodity prices may affect the margin. Similarly, any favourable movement in prices can also allow margins to rise. Hedging activities are targeted at fixing a price for reducing uncertainties/volatilities in future cash flows.

**n. Disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

Six complaints of sexual harassment were pending as on 01.04.2020. During the year, four complaints were received, and eight complaints were disposed-off. As on March 31, 2021, two complaints were pending.

**o. Fees Paid to Statutory Auditors**

An amount of ₹ 4.02 Crore is paid / payable to the Statutory Auditors of the Company for the year 2020-21 towards various services rendered by them to the Company.

**p. Compliance Report on Corporate Governance**

The Company has submitted the quarterly / half yearly / annual compliance report on Corporate Governance in the prescribed format to the stock exchange(s) within the prescribed time period. The same is also hosted on the website of the Company.

**q. Compliance with the Mandatory Requirements of SEBI (LODR)**

The Company adheres to the provisions of the laws and guidelines of regulatory authorities including SEBI and covenants in the agreements with the Stock Exchanges and Depositories. The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and Regulation 46(2)(b) to 46(2)(i) of the SEBI (LODR), except as given below:

- Composition of the Board of Directors with regard to not less than 50% of the Board as Non-Executive Directors for the period September 22, 2020 to March 31, 2021;
- Composition of the Board of Directors with regard to at least 50% Independent Directors during the year 2020-21;
- Performance evaluation of Independent Directors by the Board of Directors.

The Company, being a Government Company under the administrative control of the Ministry of Petroleum & Natural Gas (MoP&NG), the power to appoint Directors (including Independent Directors) and their performance evaluation vests with the Government of India.

The Company is following up with the MoP&NG on a regular basis to appoint the requisite number of Directors to ensure compliance with SEBI (LODR).

**r. Adoption of the Non-mandatory Requirements of SEBI (LODR)**

The Company has not adopted any discretionary requirements provided under Part E of Schedule II of SEBI (LODR).

The Statutory Auditors have expressed un-modified opinion on the Financial Statements for the year 2020-21.

**s. Guidelines on Corporate Governance by Department of Public Enterprise (DPE)**

The Company is complying with all the requirements of the DPE Guidelines on Corporate Governance except with regard to composition of the Board as stated in para (q) above.

The Company also scrupulously follows the Presidential Directives and guidelines issued by the Government of India regarding reservation in services for SC / ST / OBC / PwBD (Persons with Benchmark Disabilities) / Ex-servicemen / Economically Weaker Sections (EWSs) to promote inclusive growth.

No items of expenditure have been debited in books of account, which are not for the purpose of business. No expenses, which are of personal nature, have been incurred for the Board of Directors and the top management.

The regular administrative and office expenses were 1.31% of total expenses during 2020-21 as against 1.69% during the previous year.

## 7. MEANS OF COMMUNICATION

**a. Financial Results**

The quarterly audited/unaudited financial results are announced within the time prescribed under the SEBI (LODR). The results are published in leading newspapers like The Economic Times, Business Standard, The Hindu Business Line, The Financial Express, Mint and Maharashtra Times (Marathi Newspaper). The financial results are also hosted on the Company's website. The Company issues news releases on significant corporate decisions / activities and posts them on its website as well as notifies the stock exchanges as and when deemed necessary.

**b. Conference call with Investors**

IndianOil participates in conference calls to discuss the quarterly / annual financial performance of the Company and prior intimation thereof is given to the stock exchanges and is also hosted on the website of the Company.

**c. News Releases**

Official press releases, detailed presentations made to media, analysts, institutional investors, etc. are displayed on the Company's website.

**d. Website**

The Company's website [www.iocl.com](http://www.iocl.com) provides a separate section for investors where relevant shareholder information is available. The Annual Report of the Company is also hosted on the Company's website.

**e. Annual Report**

The Annual Report is circulated to shareholders and others entitled thereto. The Management Discussion and Analysis (MDA) Report and Corporate Governance Report form a part of the Annual Report.

**f. Chairman's Speech at AGM**

The Chairman read out his speech at the AGM which was held through VC / OAVM on 21.09.2020. The same was also placed on the website of the Company for information of the shareholders.

**g. Webcast of AGM Proceedings**

The AGM for the year 2019-20 was held through VC / OAVM. The Company provided live webcast of the proceedings of the AGM held on 21.09.2020 and the members were also provided options to ask queries and interact with the management of the Company.

**h. Investor Service Cell**

The Investor Service Cell exists at IndianOil's Registered Office in Mumbai and the Corporate Office in New Delhi as well as at KFin Technologies Private Limited, Registrar & Transfer Agent (RTA) office in Hyderabad to address the grievances / queries of shareholders / debenture holders.

To facilitate the investors to raise queries / grievances through electronic mode, separate e-mail ID viz. [investors@indianoil.in](mailto:investors@indianoil.in) & [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com) has been provided.

**i. SCORES (SEBI Complaints Redressal System)**

SEBI has provided a centralised web-based complaints-redressal system named, SCORES, through which an investor can lodge complaint(s) against a Company for his grievance.

**j. Green Initiative – Service of Documents in Electronic Form**

The provisions of the Companies Act, 2013 and rules made thereunder permit paperless communication by allowing service of all documents in electronic mode. Further, the Ministry of Corporate Affairs (MCA) as well as the SEBI, in view of the nationwide lockdown, has permitted that all communication to shareholders may be served electronically. In compliance thereof, the Company has adopted the practice of sending communications, including Annual Report, through email to those shareholders whose email id is available as per registered records.

## 8. GENERAL SHAREHOLDER INFORMATION

### (a) Annual General Meeting:

Date, Time and Mode of the Annual General Meeting	Friday, August 27, 2021 at 10:30 a.m through Video Conferencing (VC) / Other Audio Visual Means (OAVM)
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### (b) Financial Year:

The Financial Year of the Company is from 1<sup>st</sup> April to 31<sup>st</sup> March. The financial calendar to approve quarterly / annual financial results for the year 2021-22 is given below:

Quarter ending June 30, 2021	On or before 14 <sup>th</sup> August 2021
Quarter ending September 30, 2021	On or before 14 <sup>th</sup> November 2021
Quarter ending December 31, 2021	On or before 14 <sup>th</sup> February 2022
Quarter and year ending March 31, 2022	On or before 30 <sup>th</sup> May 2022

The trading window closure period for dealing in securities of IndianOil is notified to the stock exchanges and also hosted on the website of the Company. The Trading Window generally remains closed for 'Insiders' of the Company from the end of each quarter till 48 hours after the financial results for the quarter are filed with stock exchanges and become generally available, unless otherwise notified by Company Secretary.

### (c) Dividend:

During the year, the Company has declared Interim

Dividend(s) of ₹ 7.50 & ₹ 3.00 per share in the month of January & March 2021 respectively which has been paid to the eligible shareholders within the stipulated period of 30 days, as provided under the Companies Act, 2013.

In addition, a final dividend of ₹ 1.50 per share, as recommended by the Board of Directors, if approved at the AGM, shall be paid to the eligible shareholders within the stipulated period of 30 days, as provided under the Companies Act, 2013, after the AGM.

The Company has fixed Friday, August 6, 2021 as the Record Date to ascertain the eligibility of shareholders to receive the final dividend, if declared at the AGM.

### (d) Listing of Securities on Stock Exchanges:

- The equity shares of the Company are listed on the BSE and the NSE. The address of the BSE & NSE is provided in the Annual Report.
- The debt securities issued by the Company are listed on the Debt Segment of the BSE and the NSE. The Company has appointed SBICAP Trustee Company Limited as the Debenture Trustee for the debt securities.
- The Company has paid listing fees in respect of its listed securities to both the stock exchanges for the year 2020-21. In addition, the Commercial Papers issued by the Company are also listed on the BSE & the NSE.

### (e) Corporate Identity Number (CIN):

The Company is registered with the Registrar of Companies (RoC) in the State of Maharashtra, India. The CIN allotted to the Company by the MCA is L23201MH1959GOI011388.

(f) ISIN Number of Equity Shares : INE 242A01010

(g) Stock Code at BSE : 530965

(h) Stock Code at NSE : IOC

(i) Details of Debenture outstanding as on March 31, 2021 :

Bond Series	ISIN	Issue Date	Maturity	Tenure	Rate of Interest	Issue Size (₹ Crore)
XIV	INE242A08437	22.10.2019	22.10.2029	10 Years	7.41%	3000
XV	INE242A08445	14.01.2020	14.04.2023	3 Years 3 Month	6.44%	2000
XVI	INE242A08452	06.03.2020	06.03.2025	5 Years	6.39%	2995
XVII	INE242A08460	27.05.2020	25.11.2022	2 Years 6 Month	5.05%	3000
XVIII	INE242A08478	03.08.2020	11.04.2025	4 Years 8 Month 8 Days	5.40%	1625
XIX	INE242A08486	20.10.2020	20.10.2025	5 Years	5.50%	2000
XX	INE242A08494	25.01.2021	23.01.2026	4 Years 11 Month 29 Days	5.60%	1290.2



**(j) Stock Market Data:**

The market price and volume of the Company's Equity Shares (face value ₹ 10 each) traded on the BSE & NSE during the year 2020-21 are given below:

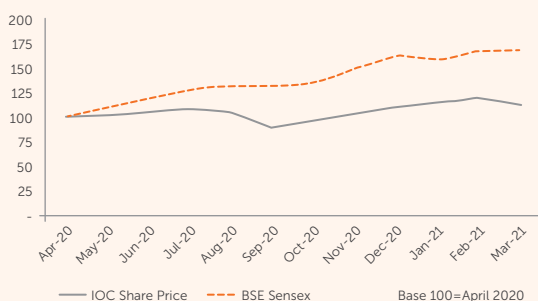
Month	BSE			NSE		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
April 2020	89.60	76.70	1,10,38,338	89.50	76.60	24,65,34,083
May 2020	84.75	71.15	1,39,71,843	84.70	71.15	29,45,09,360
June 2020	96.25	83.75	3,67,54,978	96.40	83.75	53,85,57,342
July 2020	95.65	82.50	3,57,21,821	95.65	82.50	61,54,95,039
August 2020	91.75	84.60	3,16,30,298	91.75	84.55	46,46,65,519
September 2020	86.60	71.35	2,02,59,750	86.60	71.65	40,15,20,941
October 2020	81.90	73.45	3,48,82,125	81.90	73.45	39,68,37,816
November 2020	87.40	76.90	1,86,38,821	87.35	76.85	34,04,75,273
December 2020	97.40	84.10	4,16,83,175	97.50	84.10	57,60,29,208
January 2021	103.90	90.30	4,17,74,516	103.90	90.25	54,33,04,800
February 2021	105.00	87.95	5,67,36,178	104.60	93.40	71,52,62,705
March 2021	105.00	90.15	3,27,74,631	105.00	90.10	56,74,38,844

**(k) Stock Price Performance in Comparison to Broad-based Indices:**

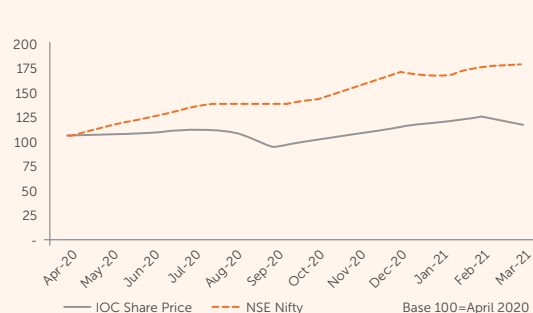
During 2020-21, the equity share price of the Company opened at ₹ 82.00 (on April 1, 2020) and closed at ₹ 91.80 (on March 31, 2021) on the BSE, thereby increasing by 11.95%. During the same period, the BSE SENSEX opened at 29,505 and closed at 49,509, thereby increasing by 67.80%. The NSE NIFTY opened at 8,584 and closed at 14,691, thereby increasing by 71.14%.

The relative comparison (on base of 100) of the monthly closing price of the Company's equity share vis-a-vis BSE SENSEX and NSE NIFTY during 2020-21 are given below:

**RELATIVE MOVEMENT OF INDIANOIL SHARE CLOSING PRICE VIS-A-VIS BSE SENSEX DURING 2020-21**



**RELATIVE MOVEMENT OF INDIANOIL SHARE CLOSING PRICE VIS-A-VIS NSE NIFTY DURING 2020-21**

**(l) Registrar & Transfer Agents (RTA):**

KFin Technologies Private Limited  
Selenium Tower B, Plot 31-32,  
Gachibowli Financial District, Nanakramguda,  
Hyderabad – 500 032  
Toll Free No. : 1800 309 4001  
E-mail Address : [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)  
Website : [www.kfintech.com](http://www.kfintech.com)

**(m) Share Transfer System:**

The equity shares of the Company are traded in dematerialised form. In compliance with SEBI guidelines, no physical transfer of shares is allowed. To expedite the other processes related to physical shares like transmission, etc, the Company has delegated the power of share transfer to its RTA- KFin Technologies Private Limited

## (n) Distribution of Shareholding as on March 31, 2021:

Nominal Value of Equity Shares (₹)	No. of Shareholders (Folios)	% of Shareholders	Amount (₹)	% of Amount
1 - 5000	817,136	84.19	90,28,59,580	0.96
5001 - 10000	66,491	6.85	52,39,61,430	0.56
10001 - 20000	36,592	3.77	54,98,48,720	0.58
20001 - 30000	15,401	1.59	38,41,10,450	0.41
30001 - 40000	7,362	0.76	26,39,49,560	0.28
40001 - 50000	5,289	0.54	24,72,69,540	0.26
50001 - 100000	10,866	1.12	79,23,98,830	0.84
100001 & Above	11,484	1.18	904,771,91,110	96.11
<b>Total</b>	<b>970,621</b>	<b>100.00</b>	<b>9414,15,89,220</b>	<b>100.00</b>

## (o) Shareholding Pattern as on March 31, 2021:

Category	Shareholders (Folios)		Equity Shares	
	No.	%	No.	%
<b>Promoter Shareholding</b>				
President of India	1	0.00	484,81,33,178	51.50
<b>Public Shareholding</b>				
Governor of Gujarat	1	0.00	1,08,00,000	0.11
Government Company (Oil & Natural Gas Corp. Ltd.)	1	0.00	133,72,15,256	14.20
Government Company (Oil India Ltd.)	1	0.00	48,55,90,496	5.16
Corporate Bodies	2198	0.23	3,94,63,392	0.42
FII/NRIs / FPIs	10691	1.10	56,24,05,286	5.97
Banks / Indian Financial Institutions	29	0.00	17,67,456	0.02
Mutual Funds	106	0.01	43,89,09,744	4.66
Insurance Companies	8	0.00	78,14,74,043	8.30
Public	956949	98.59	56,60,29,575	6.01
Trusts	91	0.01	23,41,90,354	2.49
Investor Education & Protection Fund	1	0.00	34,74,480	0.04
Others	544	0.06	104,70,56,62	1.12
<b>Total</b>	<b>970621</b>	<b>100.00</b>	<b>941,41,58,922</b>	<b>100.00</b>

## (p) Top 10 Shareholders as on March 31, 2021:

Name	No. of Equity Shares	% to Equity Shares
President of India	484,81,33,178	51.50
Oil & Natural Gas Corporation Limited	133,72,15,256	14.20
Life Insurance Corporation of India	7,22,68,0547	7.68
Oil India Limited	48,55,90,496	5.16
IOC Shares Trust	23,31,18,456	2.48
SBI Equity Hybrid Fund	7,00,00,000	0.74
Life Insurance Corporation of India P&GS Fund	4,08,79,000	0.43
SBI-ETF NIFTY50	3,65,09,145	0.39
Vanguard EM Stock Index Fund	3,26,59,501	0.35
Franklin India Focussed Equity Fund	3,10,00,000	0.33

**(q) Dematerialisation of Equity Shares and Liquidity:**

The equity shares of the Company are traded in dematerialised form. To facilitate the shareholders to dematerialise the equity shares, the Company has entered into an agreement with NSDL and CDSL. The summarised position of shareholders in Physical and Demat segment as on March 31, 2021 is as under:

Type of Shareholding	Shareholders (Folios)		Shareholding	
	No.	%	No.	%
Physical	3,772	0.39	1,44,07,477	0.15
Demat	9,66,849	99.61	939,97,51,445	99.85
<b>TOTAL</b>	<b>9,70,621</b>	<b>100.00</b>	<b>941,41,58,922</b>	<b>100.00</b>

**(r) Corporate Action:****i) Dividend History :**

The Company has been consistently declaring dividends. The dividend paid during the last ten years is given below:

Year	Rate	Remarks
2010-11	95 %	-
2011-12	50 %	-
2012-13	62 %	-
2013-14	87 %	-
2014-15	66 %	-
2015-16	140 %	Includes Interim Dividend of 55%
2016-17	190 %	Includes interim dividend of 180%
2017-18	210 %	Includes Interim Dividend of 190%
2018-19	92.50 %	Includes Interim Dividend of 82.50%
2019-20	42.50 %	Interim Dividend of 42.50%. No final dividend was declared.

**ii) Bonus Issue since listing of the Equity Shares:**

Year	Ratio
1999-00	1:1
2003-04	1:2
2009-10	1:1
2016-17	1:1
2017-18	1:1

The details of the dividend which remains unpaid/unclaimed as on March 31, 2021 are given below:

Year	Amount (₹)
2013-14 (Final)	1,41,89,647.80
2014-15 (Final)	1,45,86,613.80
2015-16 (Interim)	1,39,65,160.00
2015-16 (Final)	2,18,04,685.00
2016-17 (1 <sup>st</sup> Interim)	6,03,51,224.86
2016-17 (2 <sup>nd</sup> Interim)	2,15,29,535.00
2016-17 (Final)	55,78,578.00
2017-18 (Interim)	7,45,97,059.00
2017-18 (Final)	1,93,26,764.00
2018-19 (1 <sup>st</sup> Interim)	4,97,98,111.50
2018-19 (2 <sup>nd</sup> Interim)	1,25,58,045.50
2018-19 (Final)	82,70,684.00
2019-20 (Interim)	3,82,92,551.00
2020-21 (1 <sup>st</sup> Interim)	5,60,24,443.00
<b>Total</b>	<b>41,08,73,102.46</b>

**(s) Unclaimed Dividend and Shares Transferred to Investor Education and Protection Fund (IEPF) Authority:**

Section 124 of the Companies Act, 2013 provides that any dividend that has remained unpaid / unclaimed for a period of seven years from the date of transfer to an unpaid dividend account shall be transferred to the Investor Education and Protection Fund (IEPF), established by the Central Government.

The Company annually sends reminder letters to the shareholders, advising them to lodge their claim for such unpaid dividend. Thereafter the unclaimed / unpaid dividend is transferred to the IEPF authority on the due date. Accordingly, the unclaimed dividend of ₹ 1,18,61,821/- for the year 2012-13 was transferred to the IEPF authority on November 2, 2020.

The IEPF rules notified by the MCA further provides that details of all unclaimed / unpaid dividend as on the date of closure of year, shall be filed with the MCA and also hosted on the website of the Company within 60 days from the date of the AGM. Accordingly, the Company has filed the information as on March 30, 2020 with the MCA and also hosted it on the Company's website within the prescribed period.

Section 124(6) of the Companies Act, 2013, read with rules made thereunder, provides that all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company in the name of the IEPF. Section 125 further provides that a shareholder whose dividend amount / shares have been transferred to the IEPF shall be entitled to claim a refund therefrom.

In line with the IEPF Rules, the Company sends reminder letters to all such shareholders, whose dividend has remained unpaid / unclaimed for a consecutive period of seven years with a request to claim the dividends, failing which the equity shares would be transferred to the IEPF Authority on the due date.

Accordingly, all such equity shares in respect of which dividend had remained unpaid/unclaimed for a consecutive period of seven years i.e. from 2012-13 to 2019-20, were transferred to the demat account of the IEPF authority on November 19, 2020. The details of such equity shares are hosted on the website of the Company.

The summary of equity shares lying in the Demat account of IEPF authority is given below:

Particulars	No. of Shares
Equity Shares in the demat account of IEPF Authority as on April 1, 2020	32,55,935
Add: Equity Shares transferred to demat account of IEPF authority on November 19, 2020	2,42,705
Less: Equity Shares refunded by the IEPF authority to the investor	24,160
Equity Shares in the demat account of IEPF Authority as on March 31, 2021	34,74,480

The procedure for claiming the unpaid dividend amount and equity shares transferred to the IEPF Authority is provided on the link: <http://www.iepf.gov.in/IEPF/refund.html>

#### (t) Credit Rating

Credit rating assigned to the Company for various debt instruments by rating agencies is as under:

Instrument	Rating Agency	Rating	Outlook
Senior unsecured Debt - Foreign Currency	Moody's	Baa3	Negative*
Senior unsecured Debt - Foreign Currency	Fitch	BBB-	Negative#
Non-Convertible Debenture	CRISIL	CRISIL AAA	Stable
Non-Convertible Debenture	India Ratings	IND AAA	Stable
Non-Convertible Debenture	ICRA	[ICRA] AAA	Stable
Bank Facilities - Long Term	CRISIL	CRISIL AAA	Stable
Bank Facilities - Short Term	CRISIL	CRISIL A1+	-
Commercial Paper	ICRA	[ICRA] A1+	-
Commercial Paper	India Ratings	IND A1+	-

\* Moody's Investors Service has downgraded the long-term issuer rating of IOCL from "Baa2 Negative" to "Baa3 Negative" in June 2020.

# Fitch has downgraded the long-term issuer rating of IOCL from "BBB- Stable" to "BBB- Negative" in June 2020.

#### (u) Plant Locations:

The addresses of the plant locations are given elsewhere in the Annual Report.

#### (v) Address for Correspondence:

Company Secretary  
 Indian Oil Corporation Limited  
 IndianOil Bhavan  
 G-9, Ali Yavar Jung Marg  
 Bandra (East)  
 Mumbai - 400051  
 Tel. No. : (022) 26447327 / 26447150  
 Email ID : [investors@indianoil.in](mailto:investors@indianoil.in)

**G. S. MATHUR & CO.**  
Chartered Accountants  
A-160, Ground Floor  
Defence Colony,  
New Delhi – 110024

**K. C. MEHTA & CO.**  
Chartered Accountants  
Meghdhanush,  
Race Course Circle,  
Vadodara – 390007

**SINGHI & CO.**  
Chartered Accountants  
161, Sarat Bose Road,  
West Bengal,  
Kolkata - 700026

**V. SINGHI & ASSOCIATES**  
Chartered Accountants  
Four Mangoe Lane,  
Surendra Mohan Ghosh Sarani,  
Kolkata - 700001

# INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

## To The Members of Indian Oil Corporation Limited

1. We have examined the compliance of conditions of Corporate Governance by Indian Oil Corporation Limited ("the Company") for the year ended March 31, 2021, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and part C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended ("SEBI LODR") and the guidelines on Corporate Governance for Central Public Sector Enterprises, as enunciated by the Department of Public Enterprises ("DPE").

### Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the SEBI LODR, issued by the Securities and Exchange Board of India as well as guidelines issued by the DPE.

### Auditor's Responsibility

4. We have conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on 'Reports or Certificates for Special Purposes' and the Guidance Note on 'Certification of Corporate Governance', both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on 'Reports or Certificates for Special Purposes' requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
6. The procedure selected depends on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria.
7. The procedures include but is not limited to verification of secretarial records and financial information of the Company. We have obtained necessary representations and declarations from directors including independent directors of the Company.
8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

## Opinion

9. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has, in all material respects, complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46 (2) and part C and D of Schedule V to the SEBI LODR for the year ended March 31, 2021 as well as guidelines issued by the DPE except for the following:
- Regulation 17(1)(a) of SEBI LODR, with regard to the requirement of having not less than 50% of the Board of Directors as Non-Executive Directors during the period September 22, 2020 to March 31, 2021.
  - Regulation 17(1)(b) of the SEBI LODR, with regard to the composition of the Board of Directors comprising of at least 50% Independent Directors during the year 2020-21.
  - In view of exemption provided to Government Companies, vide notification dated June 5, 2015 issued by Ministry of Corporate Affairs, from complying with the provision of section 134(3)(p) of the Companies Act 2013, the Company has not complied with Regulation 17(10) of the SEBI LODR, which requires performance evaluation of Independent Directors by the entire Board of Directors and Regulation 25(4) of the SEBI LODR, which requires review of performance of Non-Independent Directors, the Board of Directors as a whole and the Chairperson of the Company by the Independent Directors.

## Other Matters and Restrictions on use

10. We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.
11. The certificate is addressed and provided to the members of the Company solely for the purpose of complying with the requirement of the SEBI LODR, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For G. S. MATHUR & CO.**  
Chartered Accountants  
Firm Regn. No. 008744N

**For K. C. MEHTA & CO.**  
Chartered Accountants  
Firm Regn. No. 106237W

**For SINGHI & CO.**  
Chartered Accountants  
Firm Regn. No. 302049E

**For V. SINGHI & ASSOCIATES**  
Chartered Accountants  
Firm Regn. No. 311017E

Sd/-  
**(Rajiv Kumar Wadhawan)**  
Partner  
M. No. 091007  
UDIN: 21091007AAAAEB6306

Sd/-  
**(Vishal P. Doshi)**  
Partner  
M. No. 101533  
UDIN: 21101533AAAACB9538

Sd/-  
**(Pradeep Kumar Singhi)**  
Partner  
M. No. 050773  
UDIN: 21050773AAAAAO1980

Sd/-  
**(Sunil Singhi)**  
Partner  
M. No. 060854  
UDIN: 21060854AAAAACA5262

New Delhi

Vadodara

Kolkata

Kolkata

Date: July 14, 2021