



सत्यमेव जयते



IndianOil

MEMORANDUM OF UNDERSTANDING

BETWEEN

INDIAN OIL CORPORATION LIMITED

AND

**GOVERNMENT OF INDIA
(Ministry of Petroleum & Natural Gas)**

For

2021-22

Main Copy

MOU PERFORMANCE EVALUATION PARAMETERS AND TARGETS (YEAR 2021-22)

S.No.	Name of Parameter	Unit	Weightage	Target 2021-22
1	Revenue from Operations	Rs. In Cr.	5	5,89,419
2	Asset Turnover Ratio	%	5	179.72
3	EBITDA as a percentage of Revenue	%	10	8.65
4	Return on Net Worth	%	15	22.58
5	Return on Capital Employed	%	5	23.54
6	Market capitalization - Share price improvement over BSE Oil & Gas Index	%	15	5
7	Production - Crude Throughput	MMT	25	78.20
8	CAPEX	Rs. Cr.	15	28,547
9	CAPEX achievement till end of 3rd quarter	Rs. Cr.	3	25,692
10	Expenditure on R&D/ Innovations Initiatives as % of PBT	%	2	2
	Total	Total	100	

Notes:

- The targets are based on audited accounts for the FY 2020-21.
- Vision provided by the Administrative Ministry is also considered for Benchmarking.
- CAPEX targets of CPSEs - As per Budget Document of Union Govt (Statement 26)
- Target for Expenditure on R&D/Innovation Initiatives is based on PBT of FY 2021-22 and achievement to be confirmed based on Annual Report of CPSE for FY 2021-22.
- Proportionate marks for achievement of 50% to 100% Targets-Applicable to all except for parameter on CAPEX achievement by 3rd Quarter.
- No marks for achievement below 50% of Targets.
- In working out achievement for FY 2021-22, quantified qualifications of CAG/ Statutory Auditors to be adjusted in case of overstatement of Revenue/Profit/Surplus or understatement of Loss/Deficit.
- As per DPE OM M-03/0003/2020-DPE(MoU) dtd 27.1.2022, the clause of zero marks below 50% achievement will not be applicable for Market Capitalization parameter.

Compliance Parameters for 2021-22

Parameters		Marks	Source/ Verification
1.	25% of Total Procurement From GeM portal: (Procurement of goods and services through GeM portal during the year as per GeM)/(Total procurement of goods and services during the previous year as per Sambandh portal) *100	-2	Administrative Ministry on the basis of GeM portal and Sambandh portal
2.	DPE guidelines on select matters i) Pay Revision guidelines and review of profitability of CPSEs for pay revision ii) Expenditure Management Economy Measures and Rationalization of Expenditure iii) Guidelines on Accessible India Campaign (Sugamya Bharat Abhiyan) iv) Guidelines on implementation of the Apprenticeship Act, 1961 v) Guidelines issued from time to time on CSR expenditure by CPSEs.	-2	Administrative Ministry on the basis of CAG Reports etc.
3.	Compliance of provisions in the Companies Act, 2013 (or SEBI (LODR) regulations in case of listed entities) on Corporate Governance such as: (i) Composition of Board of Directors (ii) Board Committees (Audit Committee etc.) (iii) Holding Board Meetings (iv) Related Party Transaction (v) Disclosures and Transparency	-3	Administrative Ministry on the basis of CAG/ Statutory/ Secretarial Auditor Report(s)
4.	Target as given by DIPAM/ NITI Aayog: i. Dividend Payout ii. Assets Monetization Milestones iii. Specific disinvestment Milestones	-2	Administrative Ministry on the basis confirmation from DIPAM/ NITI Aayog
5.	Procurement and timely payment to Micro Small and Medium Enterprises (25% of Procurement of goods or services through MSEs (including 4% from SC/ST MSEs and 3% from Women MSEs) during the year as per Sambandh Portal)/ (Total procurement of goods and services during the year as per Sambandh Portal)	-2	Administrative Ministry on the basis of Sambandh portal
6.	Steps and initiative taken for Health & Safety improvement of Human Resources in CPSEs (Target to be prescribed by the Administrative Ministry)	-1	Confirmation by the administrative Ministry

The Memorandum of Understanding for the year 2021-22 is hereby agreed and signed on this 9th day of February 2022



Shrikant Madhav Aiyda
Chairman

Indian Oil Corporation Limited
Date:



Pankaj Jain
Secretary to the Govt. of India
Ministry of Petroleum & Natural Gas
Date: