

Press Release

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60 Years in Oil and Gas business- Oil India Celebrates Foundation day with Percy Evans Memorial Lecture

On 18th February 2019, Oil India Limited commonly known as OIL, one of the country's premier National E&P Company marked an impressive achievement - the completion of 60 years in the oil and gas business.

As part of the completion of its 60th year on 18th February 2019, OIL organised the First Percy Evans (A doyen of the Indian Petroleum Industry) Memorial Lecture at its field headquarters in Duliajan, Assam which was attended by a large group of Industry professionals and members of the academia. The Memorial Lecture was delivered by Mr Nayan Mani Borah, Ex-CMD and one of the country's most brilliant geoscientist and an outstanding orator. He highlighted on the enormous spread of challenges and opportunities in the upstream hydrocarbon space and spoke on the role of the industry specialists in geoscientific community, policy makers and the academia while joining hands to add to hydrocarbon resource base and exploit the same for sustainable development of mankind.

Background Note

The oil and gas industry in India dates way back to 1889 when the first crude oil deposits in the country was discovered near Digboi in the state of Assam. Oilfield development at Digboi was sporadic till Burmah Oil Company took over the field and refinery in 1921. It was on February 18, 1959 that Oil India Private Limited was incorporated to expand and develop independent India's first discovered oil fields of Naharkatiya and Moran in the state of Assam, discovered by Burmah Oil Company (BOC). In 1961, it became a joint venture company between the Indian Government and BOC Limited, UK. Later in 1981, OIL became a wholly-owned Government of India enterprise. From the discoveries of crude oil in the far eastern corner of India to its present status as a fully integrated upstream petroleum company engaged in the business of exploration, development, production and transportation of crude oil and natural gas and production of LPG, OIL has come far, crossing many milestones.

In the sixty years of its history OIL has expanded its portfolio across businesses, resource type and geographies by entering the renewable energy sector in wind and solar power and also non-conventional energy with a stake in Niobrara Liquid Shale Asset in USA along with shale oil and gas exploration within India. Today, OIL also provides various E&P related services and holds equity stakes in Numaligarh Refinery Limited, Indian Oil Corporation Limited and Brahmaputra Cracker and Polymer Limited. OIL has also ventured into City Gas Distribution in GAs spread across the country and formed a JV company for gas grid infrastructure in the Northeast. With its deep technical expertise in operation and maintenance of the Company's pipelines, in the transportation sector, OIL today either has stakes or operates crude oil, natural gas, multi-product pipelines and also has stakes in a 741 km pipeline in Sudan.

With E&P and transportation as its primary business, OIL has produced a cumulative of around 170 MMT of oil and 87.83 BCM of gas from its domestic oil and gas fields achieving a crude oil production of 3.394 MMT and natural gas production 2905 MMSCM in the last fiscal. Despite the ageing oilfields in its portfolio, OIL has been able to contribute to the nation's oil production at levels of above 3 MMT for around 3 decades by optimal reservoir management, secondary recovery techniques and making new hydrocarbon discoveries. A significant hydrocarbon discovery has been the first HPHT well discovery in KG Basin. To enhance hydrocarbon production from its mature fields the Company plans are underway to implement chemical EOR in its reservoirs and also studies are ongoing for carbon dioxide flooding – a revival of EOR implementation which started way back in the 1970s. Recently OIL has successfully commissioned the Cyclic Steam Stimulation (CSS) Technology in the Baghewala field of Rajasthan for extraction of heavy crude oil for the first time in India. Hydrofrac, Radial drilling, ESPs, Gravel Packs are also being utilised to enhance production.

The activities have resulted in OIL earning a total revenue of Rs 12,141 crore with a PAT of Rs 2668 crore in FY 18. The Government of India holds 66.13% of the total Issued and Paid-up Capital of the Company. The balance of the equity capital is held by Public and others including Corporate Bodies, Mutual Funds, Banks, FIIs and Resident Individuals etc.

OIL started aggressively pursuing acquisition of overseas E&P properties from the year 2005, with Government of India facilitating the process through the mechanism of Empowered Committee of Secretaries for faster clearance of such acquisition proposals. Currently the Company has established its presence in Libya, Gabon, Nigeria, Venezuela, USA, Bangladesh, Mozambique, Israel and Russia and has a reserve base of 44.0378 MMTOE overseas. In 2013 OIL as an operator made commercial discovery of crude oil in Gabon in West Africa.

The present domestic acreage of the Company is 22647 sq km with 44 blocks including 39 operated ones in the states of Assam, Arunachal Pradesh, Mizoram, Andhra Pradesh, Puducherry and Rajasthan. This includes the successful bidding and award of 9 OALP blocks to OIL in the first round of bidding.

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