

MEMORANDUM OF UNDERSTANDING
2021-22



ONGC VIDESH LTD.
(A WHOLLY OWNED SUBSIDIARY OF ONGC)

AND



OIL AND NATURAL GAS CORPORATION LTD.

December – 2021

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ONGC Videsh Ltd. (Standalone) - MoU for 2021-22						
S. No	Name of Parameter	Unit	Weightage	Estimates for (2020-21)	Best of Legacy performance	Target 2021-22
1	Revenue from Operations	Rs. In Cr.	5	12666	17435	15806
2	Asset Turnover Ratio	%	5	11.2	15.81	19.33
3	EBITDA as a percentage of Revenue	%	10	66.03	69.73	66.03
4	Return on Net Worth	%	10	4.82	4.82	5.75
5	Return on Capital Employed	%	5	4.41	7.97	8.40
6	Earning per Share	Rs.	15			15.02
7	Crude Oil Production	MMT	25			9.842
8	Natural Gas Production	BCM	10			5.012
9	CAPEX	Rs. Cr.	10			8380
10	CAPEX achievement till end of 3rd quarter	Rs. Cr.	3			7542
11	Expenditure on R&D/ Innovations Initiatives as % of PBT	%	2			2
	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/Innovations 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 50.00% of Targets.
- In working out achievements 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.

Compliance Parameters for 2021-22			
Sr.	Parameter	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 Rationalisation 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 of 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

Anupama

MD, ONGC Videsh Ltd.

Date- 30.12.2021

Sugamve

CMD, Oil and Natural Gas Corporation Ltd.

Date- 30.12.2021