



**Finance Company of IndianOil in IFSC, GIFT City
IOC Global Capital Management IFSC Limited**

Indian Oil & its journey in GIFT City IFSC

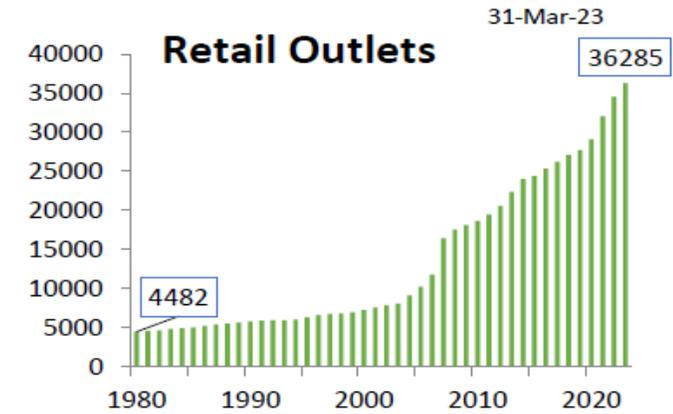
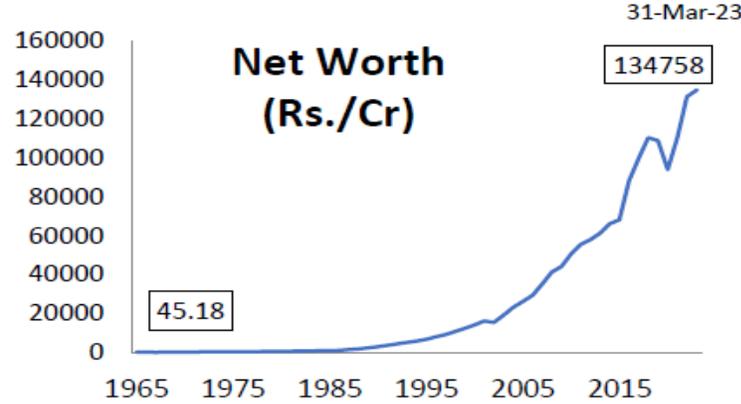
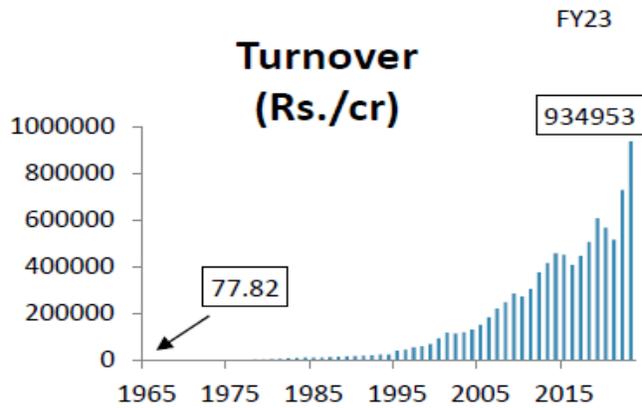


Key Milestones in Indian Oils journey to form Finance Company in GIFT IFSC and become first commercial non-finance company to incorporate as a Finance Company in GIFT City.

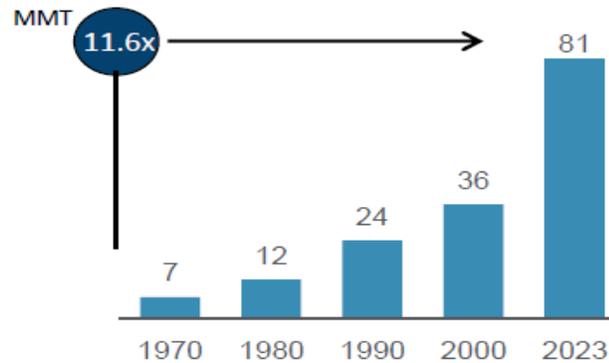
- ❖ Visit to GIFT city and identification of Office Space, Meeting with team IFSCA, seek necessary regulatory approvals from RBI and other authorities **(July 2022)**
- ❖ Overseas Direct Investment (ODI) regulations notified on 22nd August 2022 by RBI and MoF and company immediately moving for Board Approval on **29th Sept 2022**
- ❖ Key Approvals –NITI Aayog **(24th February 2023)**, DIPAM **(12th April 2023)** and MoP&NG **(27th April 2023)**
- ❖ Incorporation of IGCMIL on **17th May 2023 with authorized capital of Rs. 400 Crores** and certificate of registration from IFSCA, DC-SEZ and MCA on **11th August 2023**
- ❖ Equity Infusion and Obtaining key certificates – GST , IEC, RCMC, Bond Cum Legal undertaking and Eligibility Certificate , Lease deed Registration **(August & Sept 23)**
- ❖ Appointment of Auditors , RTA , Banker ,CFO , Board of Directors, Chairman, etc. **(Sept 23)**
- ❖ Physical Office at IFSC , GIFT City - **26th November 2023**
- ❖ First Transaction from Gift City. on **30th January 2024**

Indian Oil have a first mover advantage of having presence in IFSC, Gift city and Indian Oil can play a lead role in future considering the view of NITI Aayog.

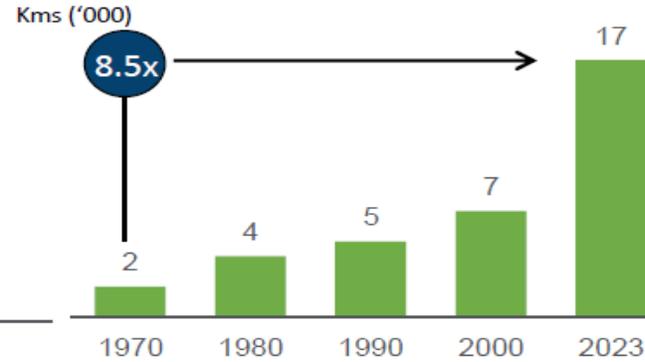
- ❖ Indian Oil, is a leading energy company in the Global Fortune 500 List. Currently its annual revenue is more than **114 billion US Dollar**
- ❖ Keeping growth ambitions of IOCL in mind, it is imperative that new structures are created that can **source funds through innovative Financing** for fueling the growth of the company by way of investment in the fossil's fuels business as well as in renewables during this transition period.
- ❖ Indian Oil is one of the major user of foreign exchange in the country and heavily dependent on forex for its operations. In FY 2022-23, approx. 50% of the expenses amounting to **₹ 4.6 lakh crore out of total expenses of ₹ 9.31 lakh crore were in forex**. On the revenues part, approx. 3% i.e., ₹ 27K crore out of total revenues of 9.41 lakh crore were in forex.
- ❖ During FY 2022-23 IOC treasury purchased Foreign currency above **USD 60 Billion**.



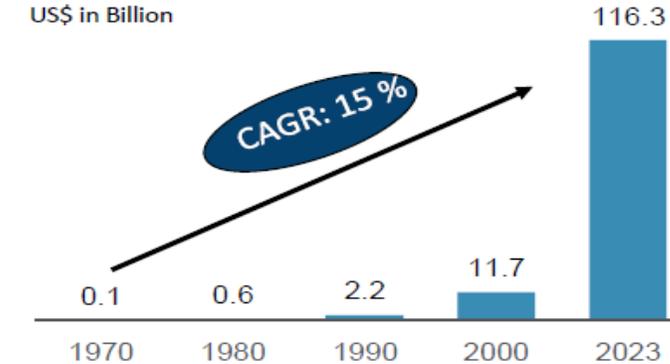
Refining Capacity



Pipeline Network



Turnover



From a humble beginning to an Oil Giant

IndianOil's presence in India



IndianOil has more than 60,000 touch points across length and Breadth of India

IndianOil (Mauritius) Ltd., Mauritius

- 3rd largest petroleum company in Mauritius. (Jan 2004)
- Products range- Automotive Fuels, Aviation Fuel, Marine Fuels, And *SERVO* Lubricants

Lanka IOC (LIOC)

- Incorporated in 2003 to carry out retail marketing
- Only private oil company that operates retail petrol/diesel stations in Sri Lanka

IOC Middle East FZE

- Incorporated on 1st May 2006 at Jebel Ali , UAE
- *SERVO* lubricants in the Middle East, Africa & CIS

Bangladesh, Myanmar and Nepal Offices

- Bangladesh, Myanmar opened in 2018 , Nepal 2019
- Scouting various opportunities in neighboring

Bharat Energy office, Russia

- Incorporated on 18th October 2021, BEO, LLC at Moscow
- Objective: Promote the interests of Indian oil & gas PSUs



IOC is having offices/operations in USA, Canada, Netherlands, Sweden , UAE, Nepal, Bangladesh, Myanmar, Russia, Singapore, Sri Lanka, Mauritius apart from Participating interest in E&P blocks across the globe

IndOil Global B.V. Netherlands

- Incorporated under the laws of the Netherlands on 25 February 2014.
- E&P Investment in Pacific North West LNG Project, Canada & in Lower Zakum, Offshore Concession, Abu Dhabi

IOC Sweden AB

- Incorporated on the 26th February 2010,
- owning of shares in other companies, perform administrative tasks and associate activities.
- E&P Investment-Carabobo Heavy Oil Project, Venezuela

IOCL (USA) Inc.

- Formed on October 1, 2012 as a Texas Corporation
- The Company is a wholly-owned subsidiary
- E&P investment in Carrizo, US [Niobrara Shale Project]

IOCL Singapore Pte. Ltd.

- Incorporated on 13 May 2016 (Friday) in Singapore
- E&P Investment in Taas & Vankor Project, Russia & in Mukhaizna Oil Field
- Oman & Trading operation for procurement of crude oil Import / Export of petroleum products

Leveraging Policy Push on Gas

CGD, LNG Terminal, Cross country pipelines,
LNG as a fuel

Research & Innovation

Green H2
CCUS
2G/3G Ethanol
Battery Technology
New business models

Green Products & Services-For same a separate Green Company is getting incorporated

- ✓ Renewables
- ✓ Biofuels: 1G/2G/2G, SAF
- ✓ Waste to energy - CBG
- ✓ EV Charging & Battery Technology
- ✓ Energy efficient Fuels and Lubricants



Managing Talent

Talent retention
Skill development



Reducing Carbon Emissions in Operations

Net Zero by 2046



Acing Competition-Futuristic Retail

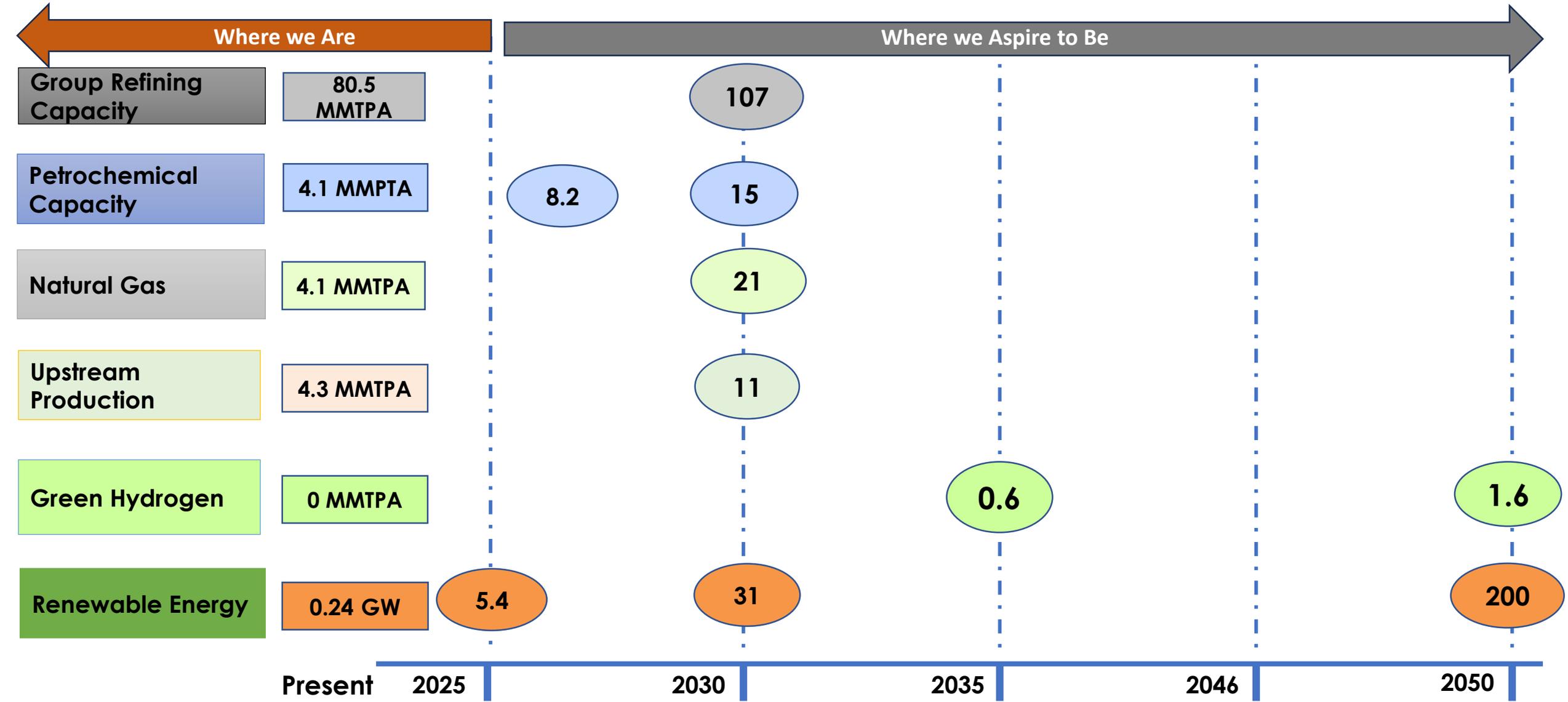
Multifuel offerings
Customer experience: Holistic experience,
leverage CRM details for making customized offerings with digital solutions

PC Integration for Volume & Value Growth

Capacity expansion
Speciality Chemicals,
Compounding, Biopolymers,
Recyclates, Plastic
Neutrality

Focus on Growing Oil Demand

Refinery Expansion
Commensurate Mktg infra and PL connectivity
Upstream Integration
Export markets



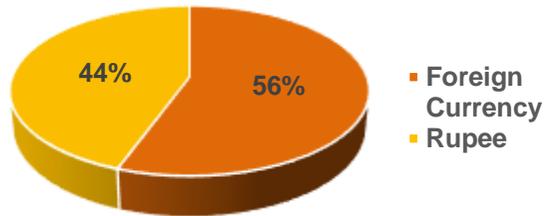
Thrust on Expanding Share in India's energy basket from 9% at present to 12.5%

Borrowing Position as on 31.12.2023

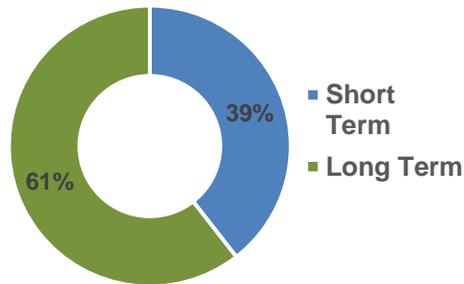
(Rs. / crore)

Particulars	Short Term	Long Term	Total
Foreign Currency	28,392	30,617	59,009
Rupee	13,529	33,652	47,181
Total	41,921	64,269	1,06,190

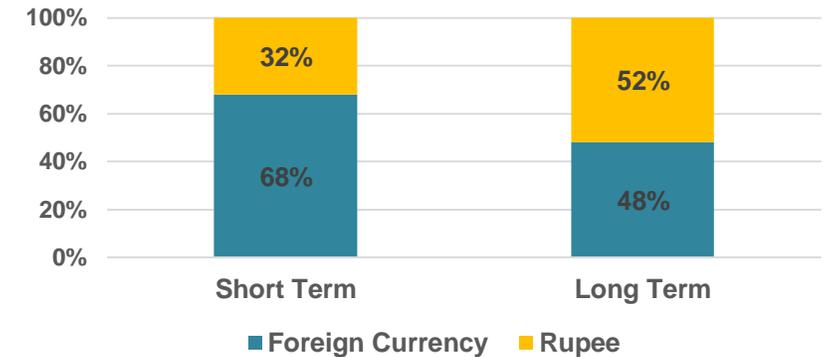
Rupee vs FE Borrowings



Short Term vs Long Term Borrowings



Short Term & Long Term Break up



Particulars	US\$/Mn	Rs./Crore
FE	7066	59,009
Rupee		47,181
Total		1,06,190

To meet its expansion and diversification plans towards ensuring Energy Security as well as Energy Transition Indian Oil as a Group shall be investing another 3.5 Lac Crores by 2030. For same Project Financing is going to be significant. GIFT IFSC shall be playing a key role in bridging the funding Gap.

Presently there are more than **600 registered entities in IFSC**. Among them there are 3 exchanges, 27 Banks, 29 Insurance/ Reinsurance companies/intermediaries, 28 Aircraft Leasing companies, 10 Ship Leasing Companies, 63 Alternate Investment Funds and many other entities registered under various categories in IFSC

Permissible Activities Business

Banking <ul style="list-style-type: none"> ➤ Indian Banks ➤ Foreign Banks 	Capital Market <ul style="list-style-type: none"> ➤ Stock/Commodity Exchanges ➤ Clearing Corporation ➤ Depository ➤ Broker Dealer 	Asset Management <ul style="list-style-type: none"> ➤ Alternate Investment Fund ➤ Investment Advisers ➤ Wealth Management ➤ Portfolio Manager ➤ Custodial Services
Insurance <ul style="list-style-type: none"> ➤ Indian Insurer ➤ Indian Reinsurer ➤ Indian Broker ➤ Foreign Insurer ➤ Foreign Reinsurer 	Other Financial Institutions <ul style="list-style-type: none"> ➤ Finance Company ➤ Global Corporate Treasury Centre ➤ International Trade Finance Services(ITFS) Platform 	Emerging Activities <ul style="list-style-type: none"> ➤ Global Capability Centre (GCC) ➤ India International Bullion Exchange (IFSC) Limited - IIBX ➤ Aircraft Leasing ➤ Ship Leasing ➤ Sustainable Finance ➤ Ancillary Services ➤ Foreign University

Upcoming Investment Opportunities

- Investment Holding companies
- Accounting , Book-Keeping & Taxation services
- PI Holding structure
- Captive Insurance

IOC Global Capital Management IFSC Limited (IOC Global) is not just a new business vertical but also a vision, a dream, and a commitment to excellence in GIFT IFSC. Company plans to undertake following activities in the coming months :-

- I. **Global Treasury Operations** (GTC/ RTC) and utilizing IFSC to raise Capital and Debt from overseas and carry fund pooling of group foreign companies. Working capital management using trade financing models [Buyers Credit, Suppliers Credit, Reimbursement Authorization financing, Export Bill Rediscounting, Factoring]
- II. **Venture into the business of Shipping - Acquisition, financing and leasing**
- III. **Captive Insurance** Entity - become gateway for inbound and outbound reinsurance business
- IV. Operating and Financial **Leasing** activities from GIFT City (For equipment's , metals for catalyst etc)
- V. **Fund management services** to attract foreign investments especially towards green ventures planned by Indian Oil
- VI. **Investment holding company** for assets located across the globe. This shall help in onshoring the offshore investments of Indian Oil and shall bring back the controls of all its investments in India.
- VII. **Global Capability Centre** by way of Centralisation of Payment, Accounting , Book keeping, Taxation services of all Foreign Subsidiaries outside India at GIFT City

In future other Oil & Gas PSU's can also use the platform offered by this company to optimize their costs

As Global Treasury centre (GTC), IGCMIL shall be providing services to its group entities in the areas of Intra -group financing in respect of the borrowing of money and investments by the Group entities.

To begin with following treasury activities shall be carried out :-

- i. Project Financing for upcoming expansion and diversification plans of Indian Oil
- ii. Cross financing and Pooling of Funds of Overseas Group Entities and its associates Entities
- iii. Trade financing activities for group companies - Buyers Credit, Suppliers Credit, Reimbursement Authorization financing, Export Bill Rediscounting
- iv. Transaction in respect of foreign exchange contracts including hedging for commodities, commodity derivatives, forward or futures contracts.
- v. Extending credit facilities to any or all Group Entities by raising short term or long-term debt
- vi. Refinancing of Existing ECB loans through IGCMIL at attractive terms

Ship leasing from the IFSC : To tap the unleashed opportunity in aircraft leasing and financing and to realise the vision of the Ship Acquisition Financing and Leasing (SAFAL) report, in January 2022, the IFSCA notified ‘ship lease’ as a financial product.

Permissible activities that can be targeted by IOC : - Financial lease, hybrid of financial and operating lease or operating lease, including sale and leaseback

Key advantages to be considered for carrying Ship Leasing from IFSC –

- i. 10-year tax holiday out of the first 15 years and other benefits such as minimum alternate tax
- ii. No withholding on lease payments to non-residents
- iii. ECB Norms are not applicable making borrowing cheaper and easier. No withholding on interest payment to non-residents on monies borrowed
- iv. Vessels that are owned by IFSC can avail the ROFR preference , which makes vessels registered in IFSC more attractive than the one sin Foreign.

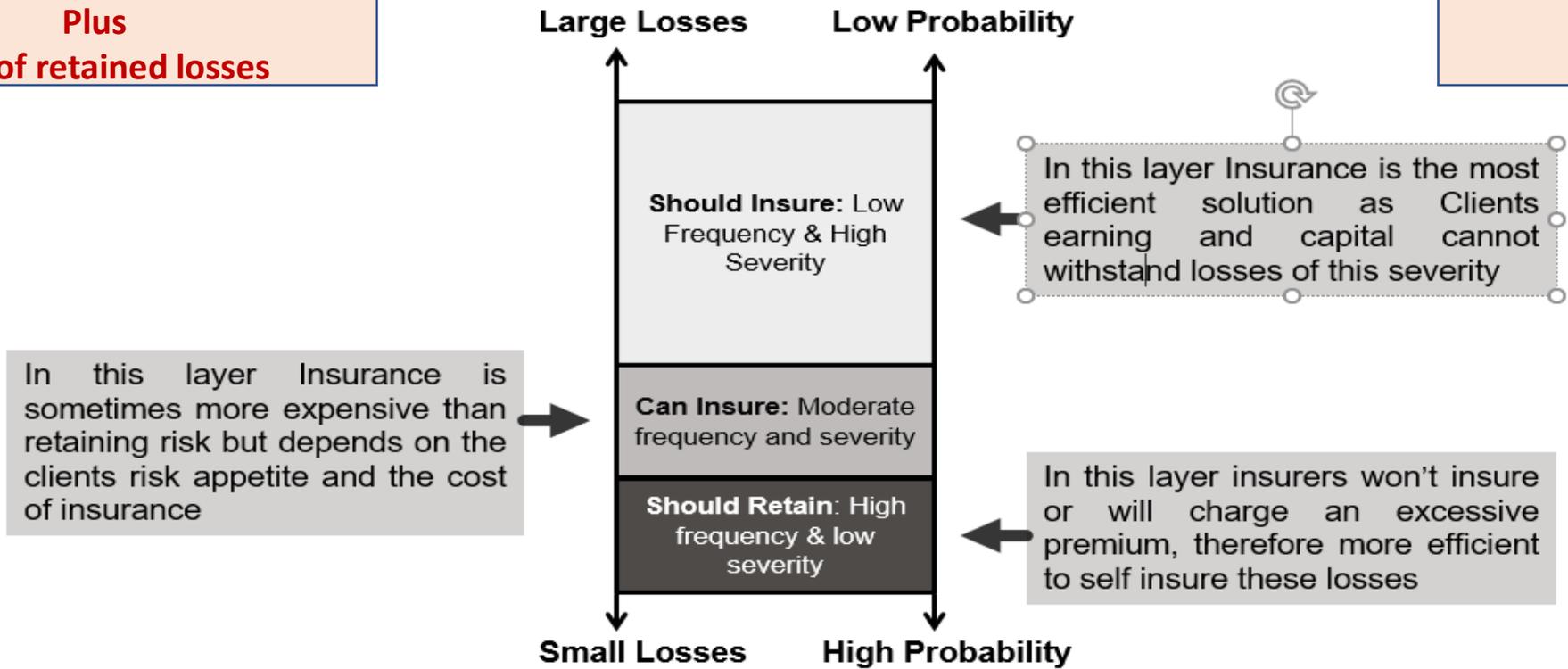
Built	Ownership	Flag	Existing order of ROFR	New order of ROFR
Indian	Indian	Indian	I	I
Indian	IFSC	Indian	-	II(New)
Foreign	Indian	Indian	II	III
Foreign	IFSC	Indian	-	IV (New)
Indian	Foreign	Foreign	III	V



The current Risk Transfer Mechanism of downstream property insurance requires review in view of **Increasing Risk-cost**, **Lack of Capital/Capacity in Domestic Market**, **Cost economy scale is not optimized** despite opting for increasing retention limits, **Delay in realisation of claims** and **Limited Coverages** when it comes to green field and/or brown field construction programmes

**Total Cost of Risk (TCor) =
Insurance Premium
Plus
Cost of retained losses**

**Need to strike the optimum
balance**





Journey
Ahead

- ❖ To carry forward vision of GoI towards IFSC and Indian Oil core value of Nation First and considering the geopolitical situation around the globe like US Russia Sanctions, onshoring of activities in IFSC jurisdiction of India will assume more importance in the days to come.
- ❖ IFSCA is continuously doing efforts and engaging with stakeholders like MCA, RBI, CBDT, Central and State Government , MoF and other agencies to bring more benefits for IFSC which will surely make it even more lucrative in the coming times.
- ❖ Team IFSCA have been listening to the suggestions of all the companies and giving full support to be part of IFSC eco system.
- ❖ Recently an expert committee formed by IFSCA has come up with an exhaustive report namely “Onshoring the Indian Innovation to GIFT IFSC” where slew of measures have been recommended. If implemented it is going to give major boost for Indian Entities for shifting of their many offshore businesses to Indian upon implementation.
- ❖ Execution of Ideas shall be key as many of these transactions are first of its kind. For same dedicated groups of in-house experts have been made to ensure the time bound implementation of Ideas. For same we shall also seek assistance from Consultants wherever required.
- ❖ Indian Oil has an uphill task before it, but **‘The journey of thousand miles begins with the first step’**.

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Thank You

