



OIL AND NATURAL GAS CORPORATION LIMITED

COMPANY SECRETARIAT

ONGC/CS/SE/2022-23

29.05.2022

National Stock Exchange of India Ltd.

Listing Department
Exchange Plaza
Bandra-Kurla Complex, Bandra (E)
Mumbai – 400 051

BSE Limited

Corporate Relationship Department
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai – 400 001

Symbol-**ONGC**; Series – **EQ**

BSE Security Code No.- **500312**

Sub: Annual Secretarial Compliance Report for the Financial Year 2021-22

Madam/ Sir,

Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we hereby submit the Annual Secretarial Compliance Report for the year ended 31st March 2022 as issued by M/s JMC & Associates, Practicing Company Secretaries, New Delhi.

This is for your kind reference and record.

Thanking You,
Yours faithfully
For Oil and Natural Gas Corporation Ltd.

RAJNI KANT

Digitally signed by RAJNI
KANT
Date: 2022.05.29 16:29:18
+05'30'

Rajni Kant
Company Secretary & Compliance Officer

Encl.(A/a 7 pages)



JMC & ASSOCIATES
COMPANY SECRETARIES
(ICSI Code S2019DE695000/Peer Review No. 1965/2022)

SECRETARIAL COMPLIANCE REPORT
Of
OIL AND NATURAL GAS CORPORATION LIMITED
(CIN: L74899DL1993GOI054155)
for the year ended 31st March, 2022

We, JMC & Associates, Practicing Company Secretaries, New Delhi have examined:

- (a) all the documents and records made available to us and explanation provided by Oil and Natural Gas Corporation Limited (“the listed entity”),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity (www ONGC India.com),
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended **31st March, 2022** (“Review Period”), in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued there under; and
- (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued there under by the Securities and Exchange Board of India (“SEBI”).

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined (to the extent applicable), include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR), Regulations, 2015”);
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the listed entity during the Review Period)
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021 (Not applicable to the listed entity during the Review Period)

- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013; (Not applicable to the listed entity during the Review Period);
- (h) Securities and Exchange Board of India (Issue and Listing of Non - Convertible Securities) Regulations, 2021;
- (i) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
- (j) The Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018.

and based on the above examination and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that, during the Review Period:

- (a) the listed entity has complied with the provisions of the above Regulations and circulars/ Guidelines issued thereunder, except in respect of matters specified below:-

Sl. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
Board and Board Committee(s) – Audit and Nomination & Remuneration Committee requirements			
1.	<p>(i) Regulation 17(1)(a) of SEBI (LODR), Regulations, 2015. The board of directors of the listed entity shall have an optimum combination of executive and non-executive directors with at least one woman director and not less than fifty per cent of the board of directors shall comprise of non-executive directors.</p> <p>Further, the Board of directors shall have at least one independent woman director.</p>	<p>(i) The number of non-executive directors on the Board of Directors was less than fifty percent till 13th November, 2021.</p> <p>Further, there was no independent woman director till 13th November, 2021.</p>	<p>There were non-compliances with the requirements of Regulation 17(1)(a) & (b) of SEBI (LODR) Regulations, 2015 during part of the Review Period.</p> <p>During the Review Period, depending on the number of whole time and the Government nominee directors, there were shortfalls in the number of Independent Directors on the Board of the Company varying from 7 as on 1st April, 2021 to 1 as on 31st December, 2021.</p> <p>The Company made appointment of 4 Independent Directors including one woman Independent Director on 14th</p>

			November, 2021 and hence complied with provisions of Regulation 17 (1) (a).
	(ii) Regulation 17 (1) (b) of SEBI (LODR), Regulations, 2015, where the chairperson of the board of directors is a non-executive director, at least one-third of the board of directors shall comprise of independent directors and where the listed entity does not have a regular non-executive chairperson, at least half of the board of directors shall comprise of independent directors.	(ii) The number of Independent Directors was less than half of the Board of Directors till 31 st December, 2021.	Further, the Company made appointment of 1 (one) more Independent Director on 31 st December, 2021. The Company has become compliant with the requirements of Regulation 17(1) (a) and (b) w.e.f. 14 th November, 2021 and 1 st January, 2022 respectively.
	(iii) Regulations 18 & 19 SEBI (LODR), Regulations 2015 regarding Audit Committee and Nomination and Remuneration Committee.	The Audit Committee and the Nomination & Remuneration Committee were not constituted with minimum two Independent Directors till 13 th November, 2021. No meeting of the Audit Committee was convened from 1 st April, 2021 to 14 th December, 2021 to comply with statutory requirements as specified under Regulation 18 (2) & (3).	The Audit Committee and the Nomination & Remuneration Committee were re-constituted upon appointment of 4 additional Independent Directors on 14 th November, 2021. Upon reconstitution, meeting of the Audit Committee was convened on 15 th December, 2021. Further, agenda pertaining to Audit Committee were directly considered by the Board prior to its re-constitution.

b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from our examination of those records.

(c) The following are the details of actions taken against the listed entity/ ~~its promoters/ directors/ material subsidiaries either by SEBI or~~ by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) pertaining to the financial year under review, under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sl. No.	Action taken by	Details of violation Under the SEBI (LODR)	Details of action taken e.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if
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		Regulations, 2015		any.
1.	National Stock Exchange of India Ltd (NSE)	Regulations 17(1), 18(1) and 19(1) & (2) for quarters ended 30 th June 2021, 30 th September, 2021 and 31 st December, 2021.	NSE vide its e-mails/letters:- (a) No. NSE/LIST-SOP/COMB/FINES/08/21 dated 20/08/2021, issued notice and imposed fine of Rs.8,19,000/- for quarter ended 30 th June 2021. (b) No.NSE/LISTSOP/COMB/ FINES/0825 dated 22/11/2021 issued notice and imposed fine of Rs.8,28,000/- for the quarter ended 30 th September 2021. (c) No. NSE/LIST-SOP/COMB/FINES/0832 dated 21/02/2022 issued notice and imposed fine of Rs.6,36,000/- for the quarter ended 31 st December 2021.	The Company submitted replies to each of Notice vide letter (s) dated 31 st August, 2021, 3 rd December 2021 and 9 th March 2022, for quarters ended 30 th June, 2021, 30 th September, 2021 and 31 st December 2021 respectively and requested therein to waive-off fines imposed on the Company. It was stated that non-compliances were only on account of inadequate number of Independent Directors. The Company being a Government Company, directors on its Board are appointed based on nomination by the Government of India and the Company has been requesting the Government of India for appointment of requisite number of Independent Directors from time to time. As the compliance conditions were beyond control of the Company, waiver of penalty was requested. Response/ waiver is awaited.
2.	BSE Limited (BSE)	Regulations 17(1), 18(1) and 19(1) & (2) for quarters ended 30 th June 2021, 30 th September 2021	BSE vide its e-mails:- (a) No.SOB-CReview- (20-Aug-2021 dated 20/08/2021, issued notice and imposed fine of	The Company submitted replies to each of Notice vide letter (s) dated 31 st August, 2021, 3 rd December 2021 and 9 th March 2022, for

		and 31 st December 2021.	Rs.8,19,000/- for quarter ended 30 th June 2021. (b) No. SOP-CReview-(22-Nov-2021) dated 22/11/2021 issued notice and imposed fine of Rs.8,28,000/- for the quarter ended 30 th September 2021. (c) No. SOP-CReview-(21-Feb-2022) dated 21/02/2022 issued notice and imposed fine of Rs.6,36,000/- for the quarter ended 31 st December 2021.	quarters ended 30 th June 2021, 30 th September 2021 and 31 st December 2021 respectively and requested therein to waive-off fines imposed on the Company. It was stated that non-compliances were only on account of inadequate number of Independent Directors. The Company being a Government Company, directors on its Board are appointed based on nomination by the Government of India and the Company has been requesting the Government of India for appointment of requisite number of Independent Directors from time to time. As the compliance conditions were beyond the control of Company, waiver of penalty was requested. Response/ waiver is awaited.
3.	The Company has two listed material subsidiaries namely Mangalore Refinery and Petrochemicals Limited and Hindustan Petroleum Corporation Limited. The Annual Secretarial Compliance Report(s) for the year ended 31 st March, 2022 including the details of action taken against them, will be filed with Stock Exchanges, by the respective subsidiaries.			

(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sl. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the Secretarial Compliance	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by
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		Report for the year ended 31.03.2021.		the listed entity
1	Board of Directors – Composition & Evaluation			
	<p>There were non-compliance with the requirements of Regulation 17(1)(a) & (b) of SEBI (LODR) Regulations, 2015 including no woman Independent Director on the Board w.e.f. 8th September, 2020.</p> <p>There was only one (01) Independent Director w.e.f. 8th September, 2020 as against the requirement of 9 (nine) on the Board of Directors, composition the Audit Committee and the Nomination & Remuneration Committee was not in compliance with the SEBI (LODR) Regulations, 2015 w.e.f. 8th September, 2020.</p> <p>No meeting of the Audit Committee was convened after 31st August, 2020 to comply with statutory requirements, however agendas of Audit Committee were directly</p>	31.03.2021.	<p>The Company has informed that being a Government Company/ Central Public Sector Enterprises, the power to appoint/ nominate Directors (including Independent Directors) and the terms & conditions of such appointment, including remuneration and evaluation, vests with the Government of India (GOI). The requirement for appointment of requisite number of Independent Directors was communicated to the Ministry of Petroleum and Natural Gas (MoPNG)/ Administrative Ministry from time to time. Further, the Company has also requested the Department of Public Enterprises (DPE) for arranging exemption for evaluation of performance of Directors and Board under SEBI (LODR) Regulations, 2015 in line with exemptions granted under the Companies Act, 2013.</p> <p>During the financial year 2021-22, 6 new Independent Directors have been appointed. The Company has become compliant with the requirements of Regulation 17(1) (a) and (b) w.e.f. 14th November, 2021</p>	<p>The Company has complied with Regulations 17 (1) (a) & (b), 18 19 and 25(3) of SEBI (LODR) Regulations, 2015 during the year.</p> <p>Being a Government Company, the evaluation of performance of the Directors is being carried out as per the established procedure of the Government of India. Further, the Company has requested Department of Public Enterprises, Government of India for arranging exemption for evaluation of performance of Directors and Board under SEBI (LODR) Regulations, 2015 in line with exemptions granted under the Companies Act, 2013.</p>

	<p>considered by the Board.</p> <p>The Company did not comply with Regulation 17(10) and 25 (3) & (4) on evaluation of performance of Independent Directors by the Board and review of performance of non-independent directors, the Board of Directors as a whole and the Chairperson by the IDs. Also the meeting of Independent Director as required under SEBI (LODR), Regulations 2015 was not convened.</p>		<p>and 1st January, 2022 respectively.</p> <p>The Audit Committee and Nomination & Remuneration Committee have also been re-constituted on 14th November, 2021.</p> <p>In terms of Regulation 25(3), a separate meeting of the Independent Directors was held on 15th March, 2022.</p> <p>As regards, evaluation of performance of Independent Directors, the Company has already taken up with the Department of Public Enterprises (DPE), Government of India to seek suitable exemption from SEBI in line with the exemptions granted under the Companies Act, 2013.</p>	
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(e) With regard to reporting of clause 6(A) and 6(B) of the circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019, issued by the Securities and Exchange Board of India on “Resignation of statutory auditors from listed entities and their material subsidiaries”, it has been informed by the Management that all the Statutory Auditor(s) for the Financial Year 2021-22 have been appointed in the listed entity by the C&AG of India. Further, there was no case of resignation by any of these Auditors appointed by the C&AG of India for the Company and/or its material subsidiaries.

For JMC & Associates

MUKESH Digitally signed
by MUKESH
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JAIN Date: 2022.05.27
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(Mukesh Chand Jain)

Proprietor

FCS No.: F10483

COP : 22307

UDIN: F010483D000405636

Place: New Delhi

Date: 27 May 2022