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INDEPENDENT AUDITORS' REPORT

To
The Members of Indian Oil Corporation Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Indian Oil Corporation Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the standalone financial statements including a summary of significant accounting policies and other explanatory information in which are incorporated the financial statements for the year ended on that date audited by the Branch Auditor of the Company's one Branch, namely Research & Development (R&D) division situated at Faridabad, Haryana, India.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI"), together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Key Audit Matters	Auditors' response to Key Audit Matters
Property, Plant & Equipment and Intangible Assets	
There are areas where management judgement impacts the carrying value of property, plant and equipment, intangible assets and their respective depreciation/amortisation rates. These include the decision to capitalise or expense costs; the annual asset life review; the timeliness of the capitalisation of assets and the use of management assumptions and estimates for the determination or the measurement and recognition criteria for assets retired from active use. Due to the materiality in the context of the Balance Sheet of the Company and the level of judgement and estimates required, we consider this to be as area of significance.	We assessed the controls in place over the fixed asset cycle, evaluated the appropriateness of capitalisation process, performed tests of details on costs capitalised, the timeliness of the capitalisation of the assets and the de-recognition criteria for assets retired from active use. In performing these procedures, we reviewed the judgements made by management including the nature of underlying costs capitalised; determination of realisable value of the assets retired from active use; the appropriateness of assets lives applied in the calculation of depreciation; the useful

Key Audit Matters	Auditors' response to Key Audit Matters
	lives of assets prescribed in Schedule II to the Act and the useful lives of certain assets as per the technical assessment of the management. We observed that the management has regularly reviewed the aforesaid judgements and there are no material changes.
Capital Work-in-Progress	
The Company is in the process of executing various projects like expansion of refineries, installation of new plants, depots, LPG bottling plants, terminals, pipelines, etc. Since these projects take a substantial period of time to get ready for intended use and due to their materiality in the context of the Balance Sheet of the Company, this is considered to be an area which had the significant effect on the overall audit strategy and allocation of resources in planning and completing our audit	We performed an understanding and evaluation of the system of internal control over the capital work in progress, with reference to identification and testing of key controls. We assessed the progress of the project and the intention and ability of the management to carry forward and bring the asset to its state of intended use.
Provision for Direct Taxes	
The Company has uncertain direct tax positions including matters under dispute which involves significant judgment relating to the possible outcome of these disputes in estimation of the provision for income tax. Because of the judgement required, the area is a key audit matter for our audit.	Our audit procedures involved assessment of the management's underlying assumptions in estimating the tax provision (as confirmed by the Company's tax consultants) and the possible outcome of the disputes taking into account the legal precedence, jurisprudence and other rulings in evaluating management's position on these uncertain direct tax positions. We observed that the provision for tax estimated as above including the deferred tax, has not resulted in material deviation from the applicable rate of tax after considering the exemptions, deductions and disallowances as per the provisions of the Income Tax Act, 1961.
Provisions and Contingent Liabilities	
The Company is involved in various taxes and other disputes for which final outcome cannot be easily predicted and which could potentially result in significant liabilities. The assessment of the risks associated with the litigations is based on complex assumptions, which require the use of judgement and such judgement relates, primarily, to the assessment of the uncertainties connected to the prediction of the outcome of the proceedings and to the adequacy of the disclosures in the standalone financial statements. Because of the judgement required, the materiality of such litigations and the complexity of the assessment process, the area is a key matter for our audit.	Our audit procedures in response to this Key Audit Matter included, among others, • Assessment of the process and relevant controls implemented to identify legal and tax litigations and pending administrative proceedings. • Assessment of assumptions used in the evaluation of potential legal and tax risks performed by the legal and tax department of the Company considering the legal precedence and other rulings in similar cases. • Inquiry with the legal and tax departments regarding the status of the most significant disputes and inspection of the key relevant documentation. • Analysis of opinion received from the experts wherever available. • Review of the adequacy of the disclosures in the notes to the standalone financial statements.

Key Audit Matters	Auditors' response to Key Audit Matters
Investments in Subsidiaries, Joint Ventures and Associates	
Investments in subsidiaries, joint ventures and associates are valued at cost adjusted for impairment losses. In line with "Ind AS 36 Impairment of assets", in case there is an indication of possible impairment, the Company carries out an impairment test by comparing the recoverable amount of the investments determined according to the value in use method and their carrying amount. The valuation process adopted by management is complex and is based on a series of assumptions, such as the forecast cash flows, the appropriate discounting rate and the growth rate. These assumptions are, by nature, influenced by future expectations regarding the evolution of external market. Since judgement of the management is required to determine whether there is indication of possible impairment and considering the subjectivity of the estimates relating to the determination of the cash flows and the key assumptions of the impairment test, the area is considered a key audit matter for our audit.	With reference to this key audit matter, we considered the following: • Book value of the investments in subsidiaries, joint venture and associates as compared to the carrying amount. • Market capitalisation in case of listed entities in which investments have been made. • Some of the entities are still in the construction stage and have not begun commercial operations. Based on the information and explanations obtained as above, we concluded that the Management's judgement regarding indication of impairment in certain investments during the year is appropriate. Where there is indication of impairment, we examined the approach taken by management to determine the value of the investments, analysed the methods and assumptions applied by management to carry out the impairment test and the reports obtained from the experts in valuation. The following audit procedures were adopted: • Identification and understanding of the significant controls implemented by the Company over the impairment testing process; analysis of the reasonableness of the principal assumptions made to estimate their cash flows, and obtaining other information from management that we deemed to be significant; • Analysis of actual data of the year and previous years in comparison with the original plan, in order to assess the nature of variances and the reliability of the planning process; • Assessment of the reasonableness of the discount rate and growth rate; • Verification of the mathematical accuracy of the model used to determine the value in use of the investments. We also examined the adequacy of the information provided by the Company about the impairment test and its consistency with the requirements of Ind AS 36.

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Financial Performance highlights, Board's Report including Annexure to Board's Report, Management Discussions and Analysis, Business Responsibility Report, Report on Corporate Governance, Shareholders Information and other information in the Integrated Annual Report but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and identified above when it becomes available, and in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of auditors' report, we conclude that there is a material misstatement of this information, we are required to report that fact. We have nothing to report in this regard.

When we read the other information, which we will obtain after the date of auditors' report and if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone Financial Statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of one Branch included in the standalone financial statements of the Company whose financial statements reflect total assets of ₹ **1,083.94** Crore as at March 31, 2021 and total revenues of ₹ **39.81** Crore for the year ended on that date, as considered in the standalone financial statements. The financial statements of this Branch have been audited by the Branch Auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of this Branch, is based solely on the report of such Branch Auditor.

The standalone financial statements include the Company's proportionate share (relating to Jointly controlled operations of E&P activities) in assets ₹ **649.97** Crore and liabilities ₹ **122.38** Crore as at March 31, 2021 and total revenue of ₹ **101.08** Crore and total net profit of ₹ **15.93** Crore for the year ended on that date and in items of the statement of cash flow and related disclosures contained in the enclosed standalone financial statements. Our observations thereon are based on unaudited statements from the operators to the extent available with the Company in respect of 21 Blocks (out of which 11 Blocks are relinquished) and have been certified by the management.

Our opinion in respect thereof is solely based on the management certified information.

We have also placed reliance on technical/ commercial evaluations by the management in respect of categorisation of wells as exploratory, development and dry well, allocation of cost incurred on them, liability under New Exploration Licensing Policy (NELP) and nominated blocks for under-performance against agreed Minimum Work Programme.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub- section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in the paragraphs 3 and 4 of the said Order, to the extent applicable.

2. We are enclosing our report in terms of Section 143 (5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, in the "Annexure B" on the directions issued by the Comptroller and Auditor General of India.

3. As required by Section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Branch not visited by us.

   c. The report on the accounts of the Branch office of the Company audited under section 143(8) of the Act, by Branch Auditor has been furnished to us and has been properly dealt with by us in preparing this report.

   d. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account and with the returns received from the Branch not visited by us.

e. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

f. We have been informed that the provisions of Section 164(2) of the Act in respect of disqualification of directors are not applicable to the Company, being a Government Company in terms of notification no. G.S.R.463 (E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, Government of India.

g. With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure C".

h. We are informed that the provisions of Section 197 read with Schedule V of the Act, relating to managerial remuneration are not applicable to the Company, being a Government Company, in terms of Ministry of Corporate Affairs Notification no. G.S.R. 463 (E) dated 5th June, 2015.

i. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements-Refer Note 36B to the standalone financial statements.

   ii. The Company has made provision, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts - Refer Note 17 to the standalone financial statements.

   iii. There has been no delay in transferring the amount, required to be transferred to the Investor Education and Protection Fund by the Company.

For G. S. MATHUR & CO. Chartered Accountants Firm Regn. No. 008744N	**For K. C.MEHTA & CO.** Chartered Accountants Firm Regn. No. 106237W	**For SINGHI & CO.** Chartered Accountants Firm Regn. No. 302049E	**For V. SINGHI & ASSOCIATES** Chartered Accountants Firm Regn. No. 311017E
Sd/- **(Rajiv Kumar Wadhawan)** Partner M. No. 091007 UDIN: 21091007AAAADN7730 New Delhi	Sd/- **(Vishal P. Doshi)** Partner M. No. 101533 UDIN: 21101533AAAABK9531 Vadodara	Sd/- **(Pradeep Kumar Singhi)** Partner M. No. 050773 UDIN: 21050773AAAAAE7966 Kolkata	Sd/- **(Sunil Singhi)** Partner M. No. 060854 UDIN: 21060854AAAABC9278 Kolkata

Date: May 19, 2021

Annexure A to the Independent Auditors' Report

Annexure referred to in Independent Auditors' Report to the members of Indian Oil Corporation Limited on the standalone financial statements for the year ended March 31, 2021

(i) (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) There is a regular programme of physical verification of all fixed assets, other than LPG cylinders and pressure regulators with customers, over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its fixed assets. In our opinion and as per the information given by the Management, the discrepancies observed were not material and have been appropriately accounted for in the books.

(c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title/ lease deeds of the immovable properties are held in the name of the Company except in cases given below:

Particulars	Number of cases	Gross Block/ Value (₹ in Crore)	Net Block/ Value (₹ in Crore)
Freehold			
Freehold Land	16	428.37	428.37
Freehold Building	7	5.58	4.64
ROU assets			
Leasehold Land	104	579.72	403.83
Leasehold Building	3	269.11	265.37

(ii) According to the information and explanations given to us, the inventory (excluding inventory lying with third parties, inventory under joint operations and material in transit) has been physically verified by the management during the year and in our opinion, the frequency of verification is reasonable. As explained to us, no material discrepancies were noticed on physical verification of inventories as compared to the book records.

(iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, during the year, to any companies, firms, and limited liability partnerships or other parties covered in register maintained under Section 189 of the Act.

In view of the above, reporting under clause 3 (iii)(a), 3 (iii)(b) and 3 (iii)(c) of the Order is not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company is exempted from the provisions of section 186 of the Act as it is engaged in the business of providing infrastructure facilities as provided under Schedule-VI of the Act. The Company has complied with the provisions of Section 185 of the Act.

(v) In our opinion and according to the information and explanations given to us, during the year, the Company has not accepted deposits from the public in terms of the provisions of sections 73 to 76 of the Act read with the Companies (Acceptance of Deposits) Rules,2014, as amended and other relevant provisions of the Act or under the directives issued by the Reserve Bank of India and no deposits are outstanding at the year end except old cases under dispute aggregating to ₹ 0.01 Crore, where we are informed that the Company has complied with necessary directions.

(vi) We have broadly reviewed the accounts and records maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act, read with Companies (Cost Records& Audit) Rules, 2014, as amended and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made detailed examination of the records with a view to determine whether they are accurate and complete.

(vii) (a) According to the information and explanations given to us, the Company has been regular in depositing with appropriate authorities undisputed statutory dues, including provident fund, employee's state insurance, income tax, value added tax, goods and service tax, excise duty, cess and other statutory dues applicable to it. Further, no undisputed amounts payable in respect of provident fund, employee's state insurance, income tax, value added tax, goods and service tax, cess and any other statutory dues were in arrears, as at March 31, 2021, for a period of more than six months from the date they become payable.

(b) The disputed statutory dues that have not been deposited on account of matters pending before appropriate authorities are annexed in "Appendix A" with this report.

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks, Government or debenture holders.

(ix) According to the information and explanations given to us, the Company has applied the term loans for the purpose for which those were obtained. During the year the Company has not raised moneys through initial public offer or further public offer (including debt instruments). However, the Company has issued non-convertible debentures for capital expenditure requirements in the domestic market and as per the information and explanations given to us, the funds were applied for the purpose for which those were raised.

(x) According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, no material case of frauds by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) The provisions of Section 197 read with Schedule V of the Act, relating to managerial remuneration are not applicable to the Company, being a Government Company, in terms of Ministry of Corporate Affairs Notification no. G.S.R. 463 (E) dated 5th June, 2015.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and therefore, the reporting under Clause 3 (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given by the management, all transactions during the year with the related parties were approved by the Audit Committee and are in compliance with section 177 and 188 of the Act, where applicable and the details have been disclosed in the standalone financial statements, as required by the applicable Indian accounting standards.

(xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and therefore provisions of Section 42 of the Act are not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions specified under section 192 of the Act with directors or persons connected with directors and therefore, reporting under clause (xv) of the Order is not applicable to the Company.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For G. S. MATHUR & CO. Chartered Accountants Firm Regn. No. 008744N	**For K. C.MEHTA & CO.** Chartered Accountants Firm Regn. No. 106237W	**For SINGHI & CO.** Chartered Accountants Firm Regn. No. 302049E	**For V. SINGHI & ASSOCIATES** Chartered Accountants Firm Regn. No. 311017E
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Date: May 19, 2021

REPORTING AS PER COMPANIES (AUDITOR'S REPORT) ORDER 2016 (DISPUTED STATUTORY DUES)

APPENDIX - A

Sl. No.	Name of the Statute	Nature of Dues	Forum Where Dispute is pending	Gross Amount (₹ Crore)	Amount Paid under Protest (₹ Crore)	Amount (net of deposits) (₹ Crore)	Period to which the Amount relates
1	CENTRAL EXCISE ACT, 1944	CENTRAL EXCISE					
			Supreme Court	52.91	10.00	42.91	1989 to 2004
			High Court	388.22	0.77	387.45	1996 to 2012
			Tribunal	2,126.06	22.87	2,103.19	1980 to 2014
			Revisionary Authority	14.90	0.04	14.86	2005 to 2017
			Appellate Authority (Below Tribunal)	149.67	4.01	145.66	1996 to 2020
			Total	**2,731.76**	**37.69**	**2,694.07**	
2	CUSTOMS ACT, 1962	CUSTOMS DUTY					
			Supreme Court	17.85	4.05	13.80	1998 to 2001
			High Court	1.84	-	1.84	1997 to 1998
			Tribunal	77.50	0.30	77.20	1994 to 2013
			Revisionary Authority	0.13	0.01	0.12	2011
			Appellate Authority (Below Tribunal)	6.88	-	6.88	1998 to 2012
			Total	**104.20**	**4.36**	**99.84**	
3	SALES TAX/ VAT LEGISLATIONS	SALES TAX/ VAT/ TURNOVER TAX					
			Supreme Court	113.01	18.57	94.44	1986 to 2019
			High Court	698.26	41.84	656.42	1978 to 2016
			Tribunal	3,909.13	991.15	2,917.98	1984 to 2016
			Revisionary Authority	307.44	86.43	221.01	1979 to 2019
			Appellate Authority (Below Tribunal)	1,559.61	106.93	1,452.68	1989 to 2018
			Total	**6,587.45**	**1,244.92**	**5,342.53**	
4	INCOME TAX ACT, 1961	INCOME TAX					
			High Court	0.88	-	0.88	2001 to 2006
			Tribunal	783.52	422.30	361.21	2011 to 2014
			Appellate Authority (Below Tribunal)	5,136.09	429.83	4,706.27	2004 to 2018
			Total	**5,920.49**	**852.13**	**5,068.36**	
5	FINANCE ACT, 1994	SERVICE TAX					
			High Court	2.44	-	2.44	2003 to 2008
			Tribunal	305.48	0.68	304.80	2006 to 2016
			Appellate Authority (Below Tribunal)	9.73	0.05	9.68	2012 to 2018
			Total	**317.65**	**0.73**	**316.92**	

APPENDIX - A

Sl. No.	Name of the Statute	Nature of Dues	Forum Where Dispute is pending	Gross Amount (₹ Crore)	Amount Paid under Protest (₹ Crore)	Amount (net of deposits) (₹ Crore)	Period to which the Amount relates
6	STATE LEGISLATIONS	ENTRY TAX					
			Supreme Court	3.08	-	3.08	1991 to 2002
			High Court	5,664.27	102.94	5,561.33	2000 to 2014
			Tribunal	39.45	28.26	11.19	2002 to 2017
			Revisionary Authority	6.16	4.92	1.24	2012 to 2015
			Appellate Authority (Below Tribunal)	2.88	1.69	1.19	1998 to 2017
			Total	**5,715.84**	**137.81**	**5,578.03**	
7	The IGST Act, 2017	GST	Appellate Authority (Below Tribunal)	0.09	0.09	-	2019 to 2020
			Total	**0.09**	**0.09**	**-**	
8	OTHER CENTRAL / STATE LEGISLATIONS	OTHERS COMMERCIAL TAX etc.					
			Supreme Court	11.32	-	11.32	2004 to 2011
			High Court	49.55	-	49.55	2004
			Appellate Authority (Below Tribunal)	43.04	0.38	42.66	2011 to 2021
			Total	**103.91**	**0.38**	**103.53**	
			GRAND TOTAL	**21,481.39**	**2,278.11**	**19,203.28**	

Note: Dues include penalty and interest, wherever applicable.

Annexure B to the Independent Auditors' Report

(Referred to in Paragraph 2 under "Other legal and regulatory requirements "of our report of even date)

Sl. No	Directions	Action Taken	Impact on standalone financial statements
1.	Whether the company has system in the place to process all the accounting transactions through IT system? If, yes the implications of processing of accounting transaction outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The Company has a robust ERP system (SAP) to process all the accounting transactions through IT system.	Nil
2.	Whether there is any restructuring of an existing loan or cases of wavier/write off of debts/loans/ interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a government company, then this direction is also applicable for statutory auditor of lender company).	The Company has been regular in discharging its principal and interest obligations on various loans during 2020-21. Therefore, there are no cases of restructuring of any loan or cases of waiver/ write off of debts/ loans/ interest etc. made by any lender due to the company's inability to repay the loan.	Nil
3.	Whether funds received/receivable (grants / subsidy etc.) for specific schemes from central/ state agencies were properly accounted for / utilised as per its term and conditions? List the cases of deviation.	The Company has properly accounted for/utilised funds (grants / subsidy etc.) received/receivable for specific schemes from central/state agencies, as the case may be, as per its term and conditions	Nil

For G. S. MATHUR & CO.	For K. C.MEHTA & CO.	For SINGHI & CO.	For V. SINGHI & ASSOCIATES
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
Firm Regn. No. 008744N	Firm Regn. No. 106237W	Firm Regn. No. 302049E	Firm Regn. No. 311017E
Sd/-	Sd/-	Sd/-	Sd/-
(Rajiv Kumar Wadhawan)	**(Vishal P. Doshi)**	**(Pradeep Kumar Singhi)**	**(Sunil Singhi)**
Partner	Partner	Partner	Partner
M. No. 091007	M. No. 101533	M. No. 050773	M. No. 060854
UDIN: 21091007AAAADN7730	UDIN: 21101533AAAABK9531	UDIN: 21050773AAAAAE7966	UDIN: 21060854AAAABC9278
New Delhi	Vadodara	Kolkata	Kolkata

Date: May 19, 2021

Annexure C to the Independent Auditors' Report

Annexure referred to in Independent Auditors' report of even date to the members of Indian Oil Corporation Limited on the standalone financial statements for the year ended March 31, 2021

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Indian Oil Corporation Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls with reference to standalone Financial Statement and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with the generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2021 based on the internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

Other Matter

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to standalone financial statements in so far as it relates to one Branch audited by the Branch Auditor, is based on the corresponding report of the Branch Auditor.

For G. S. MATHUR & CO.	**For K. C.MEHTA & CO.**	**For SINGHI & CO.**	**For V. SINGHI & ASSOCIATES**
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
Firm Regn. No. 008744N	Firm Regn. No. 106237W	Firm Regn. No. 302049E	Firm Regn. No. 311017E
Sd/-	Sd/-	Sd/-	Sd/-
(Rajiv Kumar Wadhawan)	**(Vishal P. Doshi)**	**(Pradeep Kumar Singhi)**	**(Sunil Singhi)**
Partner	Partner	Partner	Partner
M. No. 091007	M. No. 101533	M. No. 050773	M. No. 060854
UDIN:	UDIN:	UDIN:	UDIN:
21091007AAAADN7730	21101533AAAABK9531	21050773AAAAAE7966	21060854AAAABC9278
New Delhi	Vadodara	Kolkata	Kolkata

Date: May 19, 2021

STANDALONE FINANCIAL STATEMENTS

BALANCE SHEET AS AT MARCH 31, 2021

(₹ in Crore)

Particulars	Note No.	March 31, 2021	March 31, 2020
ASSETS			
Non-current Assets			
a) Property, Plant and Equipment	2	**1,40,916.14**	1,31,752.76
b) Capital Work-in-Progress	2.1	**31,600.61**	28,134.10
c) Intangible Assets	3	**2,483.80**	1,929.04
d) Intangible Assets Under Development	3.1	**1,451.52**	1,603.65
e) Financial Assets			
i) Investments	4		
Equity investment in Subsidiaries, Joint Ventures and Associates		**19,191.01**	17,578.24
Other Investments		**20,561.11**	13,473.93
ii) Loans	5	**2,556.12**	3,256.75
iii) Other Financial Assets	6	**52.49**	154.04
f) Income Tax Assets (Net)	7	**2,428.85**	4,186.76
g) Other Non-Current Assets	8	**2,827.54**	2,868.43
		2,24,069.19	**2,04,937.70**
Current Assets			
a) Inventories	9	**78,188.01**	63,677.62
b) Financial Assets			
i) Investments	4	**8,867.29**	8,086.39
ii) Trade Receivables	10	**13,397.68**	12,844.09
iii) Cash and Cash Equivalents	11	**313.64**	535.56
iv) Bank Balances other than above	12	**1,354.63**	53.55
v) Loans	5	**970.66**	1,054.79
vi) Other Financial Assets	6	**3,286.02**	15,799.29
c) Current Tax Assets (Net)	7	**-**	66.28
d) Other Current Assets	8	**3,414.06**	3,800.06
		1,09,791.99	**1,05,917.63**
Assets Held for Sale	13	**192.90**	**235.23**
		1,09,984.89	**1,06,152.86**
TOTAL ASSETS		**3,34,054.08**	**3,11,090.56**
EQUITY AND LIABILITIES			
EQUITY			
a) Equity Share Capital	14	**9,181.04**	9,181.04
b) Other Equity	15	**1,01,319.00**	84,587.83
		1,10,500.04	**93,768.87**

STANDALONE FINANCIAL STATEMENTS

BALANCE SHEET AS AT MARCH 31, 2021

(₹ in Crore)

Particulars	Note No.	March 31, 2021	March 31, 2020
LIABILITIES			
Non-Current Liabilities			
a) Financial Liabilities			
i) Borrowings	16	**55,407.95**	49,250.64
ii) Other Financial Liabilities	17	**847.49**	789.58
b) Provisions	18	**943.93**	919.05
c) Deferred Tax Liabilities (Net)	19	**12,964.73**	11,413.14
d) Other Non-Current Liabilities	20	**2,576.10**	2,042.48
		72,740.20	**64,414.89**
Current Liabilities			
a) Financial Liabilities			
i) Borrowings	21	**41,172.86**	63,486.08
ii) Trade Payables	22		
A. Total outstanding dues of Micro and Small Enterprises		**314.90**	205.00
B. Total outstanding dues of creditors other than Micro and Small Enterprises		**33,559.69**	25,019.30
iii) Other Financial Liabilities	17	**49,298.07**	42,550.71
b) Other Current Liabilities	20	**16,416.91**	12,050.96
c) Provisions	18	**9,253.56**	9,594.75
d) Current Tax Liabilities (Net)	7	**797.85**	-
		1,50,813.84	**1,52,906.80**
TOTAL EQUITY AND LIABILITIES		**3,34,054.08**	**3,11,090.56**
Significant Accounting Policies, Estimates & Judgements	1A & 1B		
Accompanying Notes to Financial Statements	2 - 48		

For and on Behalf of Board of Directors

Sd/-	Sd/-	Sd/-
(S. M. Vaidya)	**(S. K. Gupta)**	**(Kamal Kumar Gwalani)**
Chairman	Director (Finance)	Company Secretary
DIN- 06995642	DIN- 07570165	ACS-13737

As per our attached Report of even date

For G.S.MATHUR & CO.	For K.C.MEHTA & CO.	For SINGHI & CO.	For V. SINGHI & ASSOCIATES
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
(Firm Regn. No. 008744N)	(Firm Regn. No. 106237W)	(Firm Regn. No. 302049E)	(Firm Regn. No. 311017E)
Sd/-	Sd/-	Sd/-	Sd/-
(Rajiv Kumar Wadhawan)	**(Vishal P. Doshi)**	**(Pradeep Kumar Singhi)**	**(Sunil Singhi)**
Partner	Partner	Partner	Partner
M.No. 091007	M.No. 101533	M.No. 050773	M.No. 060854

Place: New Delhi
Dated: May 19, 2021

STANDALONE FINANCIAL STATEMENTS

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(₹ in Crore)

Particulars	Note No.	2020-2021	2019-2020
I. Revenue From Operations	23	**5,14,890.47**	5,66,353.55
II. Other Income	24	**4,550.72**	3,554.72
III. Total Income (I+II)		**5,19,441.19**	**5,69,908.27**
IV. Expenses:			
Cost of Materials Consumed	25	**1,56,647.96**	2,47,077.03
Excise Duty		**1,36,832.86**	80,693.19
[Includes ₹ **1,30,127.91 Crore** (2020: ₹ 77,048.34 Crore) included in Revenue from Operations]			
Purchases of Stock-in-Trade		**1,43,662.08**	1,78,535.49
Changes in Inventories of Finished Goods, Stock-in-trade and Stock-In Process	26	**(5,547.57)**	(6,410.43)
Employee Benefits Expense	27	**10,712.04**	8,792.65
Finance Costs	28	**3,093.92**	5,979.45
Depreciation, Amortisation and Impairment on:			
a) Tangible Assets		**9,615.75**	8,631.73
b) Intangible Assets		**188.55**	134.37
		9,804.30	8,766.10
Impairment Loss on Financial Assets (Net)		**1,195.45**	503.89
Net Loss on de-recognition of Financial Assets at Amortised Cost		**7.69**	5.73
Other Expenses	29	**33,316.81**	38,354.64
Total Expenses (IV)		**4,89,725.54**	**5,62,297.74**
V. Profit / (Loss) before Exceptional Items and Tax (III-IV)		**29,715.65**	**7,610.53**
VI. Exceptional Items (Refer Point No. 14 of Note - 48)		**-**	**(11,304.64)**
VII. Profit / (Loss) before Tax (V+VI)		**29,715.65**	**(3,694.11)**
VIII. Tax Expense (Refer Point No. 12 & 13 of Note - 48):			
Current Tax		**6,761.03**	(165.89)
[includes ₹ **1,816.38 Crore** (2020: ₹ (262.89) Crore) relating to prior years]			
Deferred Tax		**1,118.58**	(4,841.45)
[includes ₹ **(228.15) Crore** (2020: ₹ (770.05) Crore) relating to prior years]			
IX. Profit / (Loss) for the Year (VII-VIII)		**21,836.04**	1,313.23
X. Other Comprehensive Income:	30		
A (i) Items that will not be reclassified to profit or loss		**4,690.93**	(11,056.28)
A (ii) Income Tax relating to items that will not be reclassified to profit or loss		**(204.76)**	165.33
B (i) Items that will be reclassified to profit or loss		**119.71**	647.98
B (ii) Income Tax relating to items that will be reclassified to profit or loss		**(21.99)**	(166.35)
XI. Total Comprehensive Income for the Year (IX+X) (Comprising Profit/ (Loss) and Other Comprehensive Income for the Year)		**26,419.93**	**(9,096.09)**

STANDALONE FINANCIAL STATEMENTS

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(₹ in Crore)

Particulars	Note No.	2020-2021	2019-2020
XII. Earnings per Equity Share (₹):	32		
(1) Basic		**23.78**	1.43
(2) Diluted		**23.78**	1.43
Face Value Per Equity Share (₹)		**10**	10
Significant Accounting Policies, Estimates & Judgements	1A & 1B		
Accompanying Notes to Financial Statements	2 - 48		

For and on Behalf of Board of Directors

Sd/- **(S. M. Vaidya)** Chairman DIN- 06995642	Sd/- **(S. K. Gupta)** Director (Finance) DIN- 07570165	Sd/- **(Kamal Kumar Gwalani)** Company Secretary ACS-13737

As per our attached Report of even date

For G.S.MATHUR & CO. Chartered Accountants (Firm Regn. No. 008744N)	**For K.C.MEHTA & CO.** Chartered Accountants (Firm Regn. No. 106237W)	**For SINGHI & CO.** Chartered Accountants (Firm Regn. No. 302049E)	**For V. SINGHI & ASSOCIATES** Chartered Accountants (Firm Regn. No. 311017E)
Sd/- **(Rajiv Kumar Wadhawan)** Partner M.No. 091007	Sd/- **(Vishal P. Doshi)** Partner M.No. 101533	Sd/- **(Pradeep Kumar Singhi)** Partner M.No. 050773	Sd/- **(Sunil Singhi)** Partner M.No. 060854

Place: New Delhi
Dated: May 19, 2021

STANDALONE FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021

(₹ in Crore)

	Particulars	2020-2021	2019-2020
A	Cash Flow from Operating Activities		
1	Profit / (Loss) before Tax	29,715.65	(3,694.11)
2	Adjustments for:		
	Depreciation, Amortisation and Impairment	9,804.30	8,766.10
	Loss/(Profit) on sale of Assets (net)	85.09	93.94
	Loss/(Profit) on sale of Investments (net)	(4.12)	-
	Amortisation of Capital Grants	(170.15)	(134.30)
	Provision for Probable Contingencies (net)	(227.65)	(1,353.49)
	MTM Loss/(gain) arising on financial assets/liabilities as at fair value through profit and loss	(205.56)	59.11
	Unclaimed / Unspent liabilities written back	(371.70)	(171.94)
	Bad Debts, Advances & Claims written off	10.61	11.98
	Provision for Doubtful Advances, Claims and Obsolescence of Stores (net)	564.98	11.55
	Impairment Loss on Financial Assets (Net)	1,195.45	503.89
	MTM Loss/(Gain) on Derivatives	(140.87)	170.58
	Foreign Currency Monetary Item Translation Difference Account	-	28.92
	Remeasurement of Defined Benefit Plans through OCI	22.42	(154.40)
	Interest Income	(1,760.12)	(1,917.23)
	Dividend Income	(1,241.03)	(1,592.02)
	Finance costs	3,921.00	4,525.45
	Amortisation and Remeasurement of PMUY Assets	1,056.60	291.07
		12,539.25	**9,139.21**
3	Operating Profit before Working Capital Changes (1+2)	42,254.90	5,445.10
4	Change in Working Capital (excluding Cash & Cash Equivalents):		
	Trade Receivables & Other Assets	9,359.44	8,942.91
	Inventories	(14,513.92)	7,777.39
	Trade Payables & Other Liabilities	15,922.44	(13,168.38)
	Change in Working Capital	10,767.96	3,551.92
5	Cash Generated From Operations (3+4)	53,022.86	8,997.02
6	Less: Taxes paid	3,927.07	1,806.72
7	**Net Cash Flow from Operating Activities (5-6)**	**49,095.79**	7,190.30
B	Cash Flow from Investing Activities:		
	Proceeds from sale of Property, Plant and Equipment/ Transfer of Assets	998.90	699.77
	Purchase of Property, Plant & Equipment and Intangible Assets	(5,655.54)	(11,678.00)
	Expenditure on Construction Work in Progress	(16,601.87)	(18,716.35)
	Proceeds from sale of financial instruments (other than working capital)	115.28	-
	Investment in subsidiaries	(1.13)	(89.95)
	Purchase of Other Investments	(4,580.49)	(735.67)
	Receipt of government grants (Capital Grant)	580.66	15.02
	Interest Income received	1,749.21	2,030.79
	Dividend Income on Investments	1,241.03	1,592.02
	Net Cash Generated/(Used) in Investing Activities:	**(22,153.95)**	**(26,882.37)**

STANDALONE FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021

(₹ in Crore)

Particulars	2020-2021	2019-2020
C Net Cash Flow From Financing Activities:		
Proceeds from Long-Term Borrowings (Including Lease Obligations)	11,146.69	18,352.92
Repayments of Long-Term Borrowings (Including Lease Obligations)	(3,155.23)	(3,406.11)
Proceeds from/(Repayments of) Short-Term Borrowings	(22,313.22)	14,892.53
Interest paid	(4,458.81)	(3,847.72)
Dividend/Dividend Tax paid	(8,383.19)	(5,802.30)
Net Cash Generated/(Used) from Financing Activities:	**(27,163.76)**	**20,189.32**
D Net Change in Cash & Cash Equivalents (A+B+C)	**(221.92)**	**497.25**
E1 Cash & Cash Equivalents as at end of the year	**313.64**	**535.56**
Less:		
E2 Cash & Cash Equivalents as at the beginning of year	**535.56**	**38.31**
NET CHANGE IN CASH & CASH EQUIVALENTS (E1 - E2)	**(221.92)**	**497.25**

Notes:

1. Net Cash Flow From Financing Activities includes following non-cash changes:

Particulars	2020-2021	2019-2020
(Gain)/ Loss due to changes in exchange rate	**(1,177.78)**	953.87
Increase in Lease liabilities due to new leases	**1,177.99**	4,927.41
Total	**0.21**	**5,881.28**

2. Statement of Cash Flows is prepared using Indirect Method as per Indian Accounting Standard-7: Statement of Cash Flows.
3. Figures for previous year have been regrouped wherever necessary for uniformity in presentation.

For and on Behalf of Board of Directors

Sd/-	Sd/-	Sd/-
(S. M. Vaidya)	**(S. K. Gupta)**	**(Kamal Kumar Gwalani)**
Chairman	Director (Finance)	Company Secretary
DIN- 06995642	DIN- 07570165	ACS-13737

As per our attached Report of even date

For G.S.MATHUR & CO.	**For K.C.MEHTA & CO.**	**For SINGHI & CO.**	**For V. SINGHI & ASSOCIATES**
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
(Firm Regn. No. 008744N)	(Firm Regn. No. 106237W)	(Firm Regn. No. 302049E)	(Firm Regn. No. 311017E)
Sd/-	Sd/-	Sd/-	Sd/-
(Rajiv Kumar Wadhawan)	**(Vishal P. Doshi)**	**(Pradeep Kumar Singhi)**	**(Sunil Singhi)**
Partner	Partner	Partner	Partner
M.No. 091007	M.No. 101533	M.No. 050773	M.No. 060854

Place: New Delhi
Dated: May 19, 2021

STANDALONE FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

A Equity Share Capital

(₹ in Crore)

	March 31, 2021	March 31, 2020
Balance at the beginning of the year	9,181.04	9,181.04
Changes during the year	-	-
Balance at the end of the year	**9,181.04**	**9,181.04**

B Other Equity

	Reserves and Surplus			
	Retained Earnings	Bond Redemption Reserve	Capital Redemption Reserve	Capital Reserve
Opening Balance as at April 1, 2019	**79,533.78**	**3,152.64**	**297.65**	**183.08**
Profit / (Loss) for the Year	1,313.23	-	-	-
Other Comprehensive Income	(115.54)*	-	-	-
Total Comprehensive Income	**1,197.69**	**-**	**-**	**-**
Appropriation towards Interim Dividend	(3,902.09)	-	-	-
Appropriation towards Final Dividend	(918.25)	-	-	-
Appropriation towards Dividend Distribution Tax	(985.94)	-	-	-
Appropriation towards Insurance Reserve (Net)	(20.00)	-	-	-
Foreign Currency Exchange Gain/ (Loss) on Long Term Monetary Items	-	-	-	-
FCMITDA amortised during the year	-	-	-	-
Transferred to Statement of Profit and Loss (recycling)	-	-	-	-
Closing Balance as at March 31, 2020	**74,905.19**	**3,152.64**	**297.65**	**183.08**

(₹ in Crore)

	Reserves and Surplus				Items of Other Comrehensive Income			Total
	Insurance Reserve	Export Profit Reserve	Corporate Social Responsibility Reserve	Foreign Currency Monetary Item Translation Difference Account (FCMITDA)	Fair value of Equity Instruments	Fair value of Debt Instruments	Cash Flow Hedge Reserve	
	241.09	**53.72**	**-**	**(35.78)**	**16,072.20**	**(43.95)**	**22.04**	**99,476.47**
	-	-	-	-	-	-	-	1,313.23
	-	-	-	-	(10,775.41)	435.62	46.01	(10,409.32)
	-	**-**	**-**	**-**	**(10,775.41)**	**435.62**	**46.01**	**(9,096.09)**
	-	-	-	-	-	-	-	(3,902.09)
	-	-	-	-	-	-	-	(918.25)
	-	-	-	-	-	-	-	(985.94)
	20.00	-	-	-	-	-	-	-
	-	-	-	6.86	-	-	-	6.86
	-	-	-	28.92	-	-	-	28.92
	-	-	-	-	-	-	(22.05)	(22.05)
	261.09	**53.72**	**-**	**-**	**5,296.79**	**391.67**	**46.00**	**84,587.83**

STANDALONE FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

	Reserves and Surplus				
	Retained Earnings	Bond Redemption Reserve	Capital Redemption Reserve	Capital Reserve	
Profit / (Loss) for the Year	21,836.04	-	-	-	
Other Comprehensive Income	16.78*	-	-	-	
Total Comprehensive Income	**21,852.82**	**-**	**-**	**-**	
Transfer from Export Profit Reserve	53.72	-	-	-	
Appropriation towards Interim Dividend	(9,640.47)	-	-	-	
Appropriation towards Insurance Reserve (Net)	(11.05)	-	-	-	
Transferred to Statement of Profit and Loss (recycling)	-	-	-	-	
Closing Balance as at March 31, 2021	**87,160.21**	**3,152.64**	**297.65**	**183.08**	

* Remeasurement of Defined Benefit Plans

(₹ in Crore)

	Reserves and Surplus				Items of Other Comrehensive Income			
	Insurance Reserve	Export Profit Reserve	Corporate Social Responsibility Reserve	Foreign Currency Monetary Item Translation Difference Account (FCMITDA)	Fair value of Equity Instruments	Fair value of Debt Instruments	Cash Flow Hedge Reserve	Total
	-	-	-	-	-	-	-	21,836.04
	-	-	-	-	4,469.39	80.91	16.81	4,583.89
	-	**-**	**-**	**-**	**4,469.39**	**80.91**	**16.81**	**26,419.93**
	-	(53.72)		-	-	-	-	-
	-	-	-	-	-	-	-	(9,640.47)
	11.05	-	-	-	-	-	-	-
	-	-	-	-	-	(2.28)	(46.01)	(48.29)
	272.14	**-**	**-**	**-**	**9,766.18**	**470.30**	**16.80**	**1,01,319.00**

For and on Behalf of Board of Directors

Sd/-
(S. M. Vaidya)
Chairman
DIN- 06995642

Sd/-
(S. K. Gupta)
Director (Finance)
DIN- 07570165

Sd/-
(Kamal Kumar Gwalani)
Company Secretary
ACS-13737

As per our attached Report of even date

For G.S.MATHUR & CO.
Chartered Accountants
(Firm Regn. No. 008744N)

Sd/-
(Rajiv Kumar Wadhawan)
Partner
M.No. 091007

For K.C.MEHTA & CO.
Chartered Accountants
(Firm Regn. No. 106237W)

Sd/-
(Vishal P. Doshi)
Partner
M.No. 101533

For SINGHI & CO.
Chartered Accountants
(Firm Regn. No. 302049E)

Sd/-
(Pradeep Kumar Singhi)
Partner
M.No. 050773

For V. SINGHI & ASSOCIATES
Chartered Accountants
(Firm Regn. No. 311017E)

Sd/-
(Sunil Singhi)
Partner
M.No. 060854

Place: New Delhi
Dated: May 19, 2021

STANDALONE FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS

Note-1A SIGNIFICANT ACCOUNTING POLICIES

I. Corporate Information

The financial statements of "Indian Oil Corporation Limited" ("the Company" or "IOCL") are for the year ended March 31, 2021.

The Company is a public limited company incorporated and domiciled in India. Its shares are listed on Bombay Stock Exchange and National Stock Exchange in India. The registered office of the Company is located at IndianOil Bhavan, G-9, Ali Yavar Jung Marg, Bandra (East), Mumbai.

IndianOil is India's flagship Maharatna national oil company with business interests straddling the entire hydrocarbon value chain - from refining, pipeline transportation & marketing, to exploration & production of crude oil & gas, petrochemicals, gas marketing, alternative energy sources and globalisation of downstream operations.

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors passed in its meeting held on May 19, 2021

II. Significant Accounting Policies

1. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

1.1 The financial statements have been prepared in accordance with the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules and other relevant provisions of the Act and Rules thereunder, as amended from time to time.

1.2 The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value (refer serial no. 17 of accounting policies regarding financial instruments) and
- Plan assets related to employee benefits (refer serial no. 12 of accounting policies regarding employee benefits)

1.3 The financial statements are presented in Indian Rupees (₹) which is Company's presentation and functional currency and all values are rounded to the nearest Crore (up to two decimals) except when otherwise indicated

2. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

2.1 Property, Plant and Equipment (PPE)

2.1.1 Property, Plant & Equipment (PPE) comprises of tangible assets and capital work in progress. PPE are stated in the Balance Sheet at cost, less any accumulated depreciation and accumulated impairment losses (if any), except freehold land which are carried at historical cost. The cost of an item of PPE comprises its purchase price/construction cost including applicable taxes (net of credits) after deducting any discounts and rebates, any directly attributable costs of bringing the assets to its working condition and location for its intended use and present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located. These costs are capitalised until the asset is ready for use and includes borrowing cost capitalised in accordance with the Company's accounting policy.

2.1.2 The cost of an item of PPE is recognised as an asset if, and only if:

(a) it is probable that future economic benefits associated with the item will flow to the entity; and

(b) the cost of the item can be measured reliably.

In accordance with the above criteria, subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate.

2.1.3 Technical know-how / license fee relating to plants/ facilities and specific software that are integral part of the related hardware are capitalised as part of cost of the underlying asset.

2.1.4 Spare Parts are capitalised when they meet the definition of PPE, i.e., when the Company intends to use these for a period exceeding 12 months.

2.1.5 The acquisition of some items of PPE although not directly increasing the future economic benefits of any particular existing item of PPE, may be necessary for the Company to obtain the future economic benefits from its other assets. Such items of PPE are recognised as assets.

2.1.6 Environment responsibility related obligations directly attributable to projects is recognised as project cost on the basis of progress of project or on actual incurrence, whichever is higher.

2.1.7 On transition to Ind AS, the Company has elected to continue with the carrying value of all of its PPE recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the PPE.

2.2 Capital Work in Progress (CWIP)

A. Construction Period Expenses

2.2.1. Revenue expenses exclusively attributable to projects incurred during construction period are capitalised.

NOTES TO FINANCIAL STATEMENTS

Note-1A SIGNIFICANT ACCOUNTING POLICIES (Contd...)

However, such expenses in respect of capital facilities being executed along with the production/operations simultaneously and where the expenses are not attributable exclusively are charged to revenue.

2.2.2 Borrowing cost incurred during construction period on loans specifically borrowed and utilised for projects is capitalised on quarterly basis up to the date of capitalisation.

2.2.3 Borrowing cost, if any, incurred on General Borrowings used for projects is capitalised at the weighted average cost. The amount of such borrowings is determined on quarterly basis after setting off the amount of internal accruals.

B. Capital Stores

2.2.4 Capital Stores are valued at cost. Specific provision is made for likely diminution in value, wherever required.

2.3 Intangible Assets & Amortisation

2.3.1 Technical know-how / license fee relating to production process and process design are recognised as Intangible Assets and amortised on a straight-line basis over the life of the underlying plant/ facility.

2.3.2 Expenditure incurred in research phase is charged to revenue and that in development phase, unless it is of capital nature, is also charged to revenue.

2.3.3 Cost incurred on computer software/licenses purchased/developed resulting in future economic benefits, other than specific software that are integral part of the related hardware, are capitalised as Intangible Asset and amortised over a period of three years beginning from the quarter in which such software/ licenses are capitalised. However, where such computer software/ license is under development or is not yet ready for use, accumulated cost incurred on such items are accounted as “Intangible Assets Under Development”.

2.3.4 Right of ways with indefinite useful lives are not amortised but tested for impairment annually at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

2.3.5 Intangible Assets acquired separately are measured on initial recognition at cost. The cost of Intangible Assets acquired in a business combination is based on its fair value at the date of acquisition. Following initial recognition, Intangible Assets are carried at cost less any accumulated amortisation and accumulated impairment losses. In case of Internally generated intangibles, development cost is recognised as an asset when all the recognition criteria are met. However, all other internally generated intangibles including research cost are not capitalised and the related expenditure is recognised in the statement of profit and loss in the period in which the expenditure is incurred.

2.3.6 The useful lives of Intangible Assets are assessed as either finite or indefinite. Intangible Assets with finite lives are amortised over the useful life on straight line basis and assessed for impairment whenever there is an indication that the Intangible Asset may be impaired. The amortisation period and the amortisation method for an Intangible Asset with a finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

2.3.7 On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Intangible Assets recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible Assets.

2.3.8 Amortisation is charged pro-rata on quarterly basis on assets, from/upto the quarter of capitalisation/ sale, disposal/ or earmarked for disposal.

2.4 Depreciation

2.4.1 Cost of PPE (net of residual value) excluding freehold land is depreciated on straight-line method as per the useful life prescribed in Schedule II to the Act except in case of the following assets:

a) Useful life of 15 years for Plant and Equipment relating to Retail Outlets (other than storage tanks and related equipment), LPG cylinders and pressure regulators considered based on technical assessment,

b) Useful life of 25 years for solar power plant considered based on technical assessment,

c) In case of specific agreements e.g. enabling assets etc., useful life as per agreement or Schedule II to the Act, whichever is lower,

d) In case of certain assets of R&D Centre useful life (15-25 years) is considered based on technical assessment,

NOTES TO FINANCIAL STATEMENTS

Note-1A SIGNIFICANT ACCOUNTING POLICIES (Contd...)

e) In case of immovable assets constructed on leasehold land, useful life as per Schedule-II to the Act or lease period of land (including renewable/ likely renewable period), whichever is lower and

f) In case of certain assets of CGD business, useful life (Compressor / Booster Compressor and Dispenser - 10 years, Cascade – 20 years) is considered based on technical assessment.

g) In case of Moulds used for the manufacturing of the packaging material for Lubricants, useful life of 5 years is considered based on technical assessment.

h) In other cases, like Spare Parts etc. useful life (2-30 years) is considered based on the technical assessment.

Depreciation is charged pro-rata on quarterly basis on assets, from/upto the quarter of capitalisation/ sale, disposal/ or earmarked for disposal.

Residual value is determined considering past experience and generally the same is between 0 to 5% of cost of assets except

a. In case of Steel LPG cylinder and pressure regulator, residual value is considered maximum at 15% and in case of fibre composite LPG cylinder, residual value is considered at 10% based on estimated realisable value

b. in case of catalyst with noble metal content, residual value is considered based on the cost of metal content and

c. In few cases residual value is considered based on transfer value agreed in respective agreement.

The Company depreciates components of the main asset that are significant in value and have different useful lives as compared to the main asset separately. The Company depreciates spares over the life of the spare from the date it is available for use.

2.4.2 PPE, other than LPG Cylinders and Pressure Regulators, costing upto ₹ 5,000/- per item are depreciated fully in the year of capitalisation. Further, spares, components like catalyst excluding noble metal content and major overhaul/ inspection are also depreciated fully over their respective useful life.

2.4.3 The residual values, useful lives and methods of depreciation of PPE are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.5 Derecognition

2.5.1 PPE and Intangible Assets are derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE or Intangible Asset is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

3. LEASES

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

3.1 Leases as Lessee (Assets taken on lease)

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

3.1.1 Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components, except for leases where the company has elected to use practical expedient not

NOTES TO FINANCIAL STATEMENTS

Note-1A SIGNIFICANT ACCOUNTING POLICIES (Contd...)

to separate non-lease payments from the calculation of the lease liability and ROU asset where the entire consideration is treated as lease component.

3.1.2 **Right-of-use Assets**

The Company recognises right-of-use (ROU) assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of use assets are subject to impairment. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset as per 2.4 above.

3.1.3 Modifications to a lease agreement beyond the original terms and conditions are generally accounted for as a re-measurement of the lease liability with a corresponding adjustment to the ROU asset. Any gain or loss on modification is recognised in the Statement of Profit and Loss. However, the modifications that increase the scope of the lease by adding the right to use one or more underlying assets at a price commensurate with the stand-alone selling price are accounted for as a separate new lease. In case of lease modifications, discounting rates used for measurement of lease liability and ROU assets is also suitably adjusted.

3.1.4 **Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases of Property, Plant and Equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value and is not intended for sublease. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term or another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

3.2 Leases as Lessor (assets given on lease)

3.2.1 When the company acts as lessor, it determines at the commencement of the lease whether it is a finance lease or an operating lease.

3.2.2 Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease except where another systematic basis is more representative of the time pattern of the benefit derived from the asset given on lease.

3.2.3 All assets given on finance lease are shown as receivables at an amount equal to net investment in the lease. Principal component of the lease receipts is adjusted against outstanding receivables and interest income is accounted by applying the interest rate implicit in the lease to the net investment. If an arrangement contains lease and non-lease components, the Company applies principles enunciated in Ind AS 115 "Revenue from Contracts with Customers", to allocate the consideration in the contract.

3.2.4 When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the ROU asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the short-term lease exemption described above, then it classifies the sub-lease as an operating lease.

4. IMPAIRMENT OF NON-FINANCIAL ASSETS (also refer para 14 for impairment of E&P Assets)

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less cost of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Impairment loss is recognised when the carrying amount of an asset exceeds recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared

NOTES TO FINANCIAL STATEMENTS

Note-1A SIGNIFICANT ACCOUNTING POLICIES (Contd...)

separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of 15 years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifteenth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

5. BORROWING COSTS

Borrowing cost consists of interest and other cost incurred in connection with the borrowing of funds. Borrowing costs that are attributable to the acquisition or construction of the qualifying asset are capitalised as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Capitalisation of borrowing costs is suspended when active development activity on the qualifying assets is interrupted other than on temporary basis and charged to the Statement of Profit and Loss during such extended periods. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which the same are incurred.

6. FOREIGN CURRENCY TRANSACTIONS

6.1 The Company's financial statements are presented in Indian Rupee (₹), which is also it's functional currency.

6.2 Transactions in foreign currency are initially recorded at spot exchange rates prevailing on the date of transactions.

6.3 Monetary items denominated in foreign currencies (such as cash, receivables, payables etc.) outstanding at the end of reporting period, are translated at exchange rates prevailing on that date.

6.4 Non-monetary items denominated in foreign currency, (such as PPE, intangible assets, equity investments, capital/revenue advances other than expected to be settled in cash etc.) are recorded at the exchange rate prevailing on the date of the transaction, other than those measured at fair value.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income (OCI) or the Statement of Profit and Loss are also recognised in OCI or the Statement of Profit and Loss, respectively).

6.5 Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit and Loss either under the head foreign exchange fluctuation or interest cost to the extent regarded as an adjustment to borrowing costs as the case may be, except those relating to loans mentioned below.

Exchange differences on long-term foreign currency loans obtained or re-financed on or before March 31, 2016 relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the assets.

7. INVENTORIES

7.1 Raw Materials & Stock-in-Process

7.1.1 Raw materials including crude oil are valued at cost determined on weighted average basis or net realisable value, whichever is lower.

7.1.2 Stock in Process is valued at raw materials cost plus processing cost as applicable or net realisable value, whichever is lower.

7.1.3 Crude oil in Transit is valued at cost or net realisable value, whichever is lower.

7.1.4 Initial cost of inventories includes the transfer of gains and losses on qualifying cash flow hedges, recognised in OCI, in respect of the purchases of raw materials.

7.2 Finished Products and Stock-in-Trade

7.2.1 Finished Products and Stock in Trade, other than lubricants, are valued at cost determined on 'First in First Out' basis or net realisable value, whichever is lower. Cost of Finished Products produced is determined based on raw materials cost and processing cost.

7.2.2 Lubricants are valued at cost on weighted average basis or net realisable value, whichever is lower. Cost of lubricants internally produced is determined based on cost of inputs and processing cost.

NOTES TO FINANCIAL STATEMENTS

Note-1A SIGNIFICANT ACCOUNTING POLICIES (Contd...)

7.2.3 Imported products in transit are valued at cost or net realisable value whichever is lower.

7.3 Stores and Spares

7.3.1 Stores and Spares (including Packing Containers i.e. empty barrels, tins etc.)) are valued at weighted average cost. Specific provision is made in respect of identified obsolete stores & spares and chemicals for likely diminution in value. Further, a provision @ 5% is also made on the balance stores and spares (excluding barrels, tins, stores in transit, chemicals/catalysts, crude oil, and own products) towards likely diminution in the value.

7.3.2 Stores and Spares in transit are valued at cost.

8. PROVISIONS, CONTINGENT LIABILITIES & CONTINGENT ASSETS

8.1 Provisions

8.1.1 Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

8.1.2 When the Company expects some or all of a provision to be recovered from a third party, a receivable is recognised as a separate asset but only when it is virtually certain and amount of the receivable can be measured reliably. The expense relating to a provision is presented in the Statement of Profit and Loss net of reimbursement, if any.

8.1.3 If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

8.1.4 **Decommissioning Liability**

Decommissioning costs are provided at the present value of expected cost to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognised in the Statement of Profit and Loss as a finance cost. The estimated future cost of decommissioning is reviewed annually and adjusted as appropriate. Changes in the estimated future cost or in the discount rate applied are adjusted in the cost of the asset.

8.2 Contingent Liabilities and Contingent Assets

8.2.1 Show-cause notices issued by various Government Authorities are generally not considered as obligations.

8.2.2 When the demand notices are raised against such show cause notices and are disputed by the Company, these are classified as disputed obligations.

8.2.3 The treatment in respect of disputed obligations are as under:

a) a provision is recognised in respect of present obligations where the outflow of resources is probable as per 8.1.1 above;

b) all other cases are disclosed as contingent liabilities unless the possibility of outflow of resources is remote.

8.2.4 Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability. Contingent liabilities are disclosed on the basis of judgment of the management/ independent experts and reviewed at each Balance Sheet date to reflect the current management estimate.

8.2.5 Estimated amount of contracts remaining to be executed towards capital expenditure are considered for disclosure.

8.2.6 A contingent asset is disclosed where an inflow of economic benefits is probable.

9. REVENUE

9.1 Revenue from Contracts with Customers

9.1.1 The Company is in the business of oil and gas operations and it earns revenue primarily from sale of petroleum products and petrochemical products. In addition, the company also earns revenue from other businesses which comprises Gas, Exploration & Production and Others.

Revenue is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

NOTES TO FINANCIAL STATEMENTS

Note-1A SIGNIFICANT ACCOUNTING POLICIES (Contd...)

The Company has generally concluded that it is the principal in its revenue arrangements, except a few agency services, because it typically controls the goods or services before transferring them to the customer.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., customer loyalty points). In determining the transaction price for the sale of products, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration and consideration payable to the customer (if any).

9.1.2 Revenue from the sale of petroleum products, petrochemical products, Crude and gas are recognised at a point in time, generally upon delivery of the products. The Company recognises revenue over time using input method (on the basis of time elapsed) in case of non-refundable deposits from dealers and service contracts. In case of construction contracts, revenue and cost are recognised by measuring the contract progress using input method by comparing the cost incurred and total contract cost. Contract modifications are accounted for as a part of existing contract or separate contract based on conditions prescribed in Ind AS 115.

9.1.3 The Company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty.

However, Sales Tax/ Goods and Services Tax (GST) and Value Added Tax (VAT) is not received by the company on its own account. Rather, it is tax collected on value added to the product by the seller on behalf of the government. Accordingly, it is excluded from revenue.

9.1.4 **Variable consideration**

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved

The Company provides volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. The volume rebates/ Cash discount give rise to variable consideration. To estimate the variable consideration for the expected future rebates/ cash discount, the Company applies the most likely amount method for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract and accordingly, the Company recognises a refund liability for the expected future rebates.

9.1.5 **Loyalty Points**

The Company operates various loyalty point schemes. The transaction price allocated to customer loyalty points is based on their relative estimated standalone selling price and the same is reduced from revenue from sale of goods. While estimating standalone selling price of customer loyalty points, the likelihood of exercising the option is adjusted. Wherever the Company is acting as agent in this arrangement, the Company recognise the revenue on net basis

9.2 Other claims are recognised when there is a reasonable certainty of recovery.

10. EXCISE DUTY

Excise duty is accounted on the basis of both, payments made in respect of goods cleared as also provision made for goods lying in stock. Value of stock includes excise duty payable / paid on finished goods, wherever applicable.

11. TAXES ON INCOME

11.1 Current Income Tax

Provision for current tax is made as per the provisions of the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

NOTES TO FINANCIAL STATEMENTS

Note-1A SIGNIFICANT ACCOUNTING POLICIES (Contd...)

11.2 Deferred Tax

11.2.1 Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit or loss nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available in future against which the deductible temporary differences, and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit or loss nor taxable profit or loss.

Deferred tax assets and liabilities are measured based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

11.2.2 The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available in future to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

11.2.3 Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

11.2.4 Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

12. EMPLOYEE BENEFITS

12.1 Short Term Benefits:

Short Term Employee Benefits are accounted for in the period during which the services have been rendered.

12.2 Post-Employment Benefits and Other Long Term Employee Benefits:

a) The Company's contribution to the Provident Fund is remitted to separate trusts established for this purpose based on a fixed percentage of the eligible employee's salary and charged to the Statement of Profit and Loss/CWIP. Shortfall, if any, in the fund assets, based on the Government specified minimum rate of return, is made good by the Company and charged to the Statement of Profit and Loss/CWIP.

b) The Company operates defined benefit plans for Gratuity, Post-Retirement Medical Benefits, Resettlement, Felicitation Scheme, Ex-gratia and AOD pension fund. The cost of providing such defined benefits is determined using the projected unit credit method of actuarial valuation made at the end of the year. Out of these plans, Gratuity, Post-Retirement Medical Benefits and AOD pension fund are administered through respective Trusts.

c) Obligations on other long term employee benefits viz leave encashment and Long Service Awards are provided using the projected unit credit method of actuarial valuation made at the end of the year. Out of these obligations, leave encashment obligations are funded through qualifying insurance policies made with insurance companies/ corporation.

d) The Company also operates a defined contribution scheme for Pension benefits for its employees and the contribution is remitted to a separate Trust.

12.3 Termination Benefits:

Payments made under Voluntary Retirement Scheme are charged to the Statement of Profit and Loss on incurrence.

12.4 Remeasurements:

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which it occurs. Remeasurements are not reclassified to profit or loss in subsequent periods. Remeasurements in respect of other long-term benefits are recognised in the Statement of Profit and Loss.

Past service cost is recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring cost

NOTES TO FINANCIAL STATEMENTS

Note-1A SIGNIFICANT ACCOUNTING POLICIES (Contd...)

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service cost comprising current service cost, past-service cost, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

13. GRANTS

13.1 Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

13.2 Grant relating to Assets (Capital Grants)

In case of grants relating to depreciable assets, the cost of the asset is shown at gross value and grant thereon is treated as Deferred income which are recognised as "Other Operating Revenues" usually in the Statement of Profit and Loss over the period and in the proportion in which depreciation is charged.

13.3 Grant related to Income (Revenue Grants)

Revenue grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the entity recognises as expenses the related cost for which the grants are intended to compensate.

Subsidy and budgetary support towards under recoveries are recognised in "Revenue from Operations" as per schemes notified by Government from time to time, subject to final adjustments, wherever applicable.

The Company has treated waiver of duty under EPCG Scheme as revenue grant as the condition of meeting the export obligations is a primary condition of availing the grant as per the EPCG Scheme. The above grant is set up by recording the assets at gross value and corresponding grant amount as deferred income. Such grant is recognised in "Other Operating Revenues" in proportion of export obligations actually fulfilled during the accounting period. In case of post export EPCG Scheme, revenue grant is recognised in "Other Operating Revenues" equivalent to the amount of Custom duty remission in proportion to export obligations actually fulfilled during the accounting period.

Revenue grants are generally recorded under "Other Operating Revenues" except some grants which mainly includes north east excise duty and entry tax exemption, which are netted off with the related expense.

13.4 When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate or Nil interest rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities. Classification of the grant is made considering the terms and condition of the grant i.e. whether grants relates to assets or otherwise.

14. OIL & GAS EXPLORATION ACTIVITIES

14.1 Pre-acquisition Cost:

Expenditure incurred before obtaining the right(s) to explore, develop and produce oil and gas are expensed as and when incurred.

14.2 Exploration Stage:

Acquisition cost relating to projects under exploration are initially accounted as "Intangible Assets under Development". The expenses on oil and gas assets that is classified as intangible include:

- acquired rights to explore
- exploratory drilling cost

Cost of Survey and prospecting activities conducted in the search of oil and gas are expensed as exploration cost in the year in which these are incurred

If the project is not viable based upon technical feasibility and commercial viability study, then all cost relating to Exploratory Wells are expensed in the year when determined to be dry.

If the project is proved to be viable, then all cost relating to drilling of Exploratory Wells shall be continued to be presented as "Intangible Assets under Development".

14.3 Development Stage:

Acquisition cost relating to projects under development stage are presented as "Capital Work-in-Progress".

When a well is ready to commence commercial production, the capitalised cost corresponding to proved developed oil and gas reserves is reclassified as 'Completed wells/ Producing wells' from "Capital Work-in-Progress/ Intangible Assets under Development" to the gross block of assets. Examples of Oil and Gas assets that might be classified as Tangible Assets include development drilling cost, piping and pumps and producing wells.

NOTES TO FINANCIAL STATEMENTS

Note-1A SIGNIFICANT ACCOUNTING POLICIES (Contd...)

14.4 Production Phase

Production cost include pre-well head and post-well head expenses including depreciation and applicable operating cost of support equipment and facilities are expensed off.

Depletion is calculated using the Unit of Production method based upon proved and developed reserves.

14.5 Abandonment Phase

In case of development / production phase, abandonment / decommissioning amount is recognised at the present value of the estimated future expenditure. Any change in the present value of the estimated decommissioning expenditure other than the unwinding of discount is adjusted to the decommissioning provision and the carrying value of the corresponding asset. The unwinding of discount on provision is charged in the Statement of Profit and Loss as finance costs.

14.6 Impairment of E&P Assets

14.6.1 **Impairment testing in case of Development and producing assets**

In case of E&P related development and producing assets, expected future cash flows are estimated using management's best estimate of future oil and natural gas prices, production volumes, proved & probable reserves volumes and discount rate. The expected future cash flows are estimated on the basis of value in use concept. The value in use is based on the cash flows expected to be generated by the projected oil or gas production profiles up to the expected dates of cessation of production of each producing field, based on current estimates of proved and probable reserves and on reasonable & supportable fiscal assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the asset. Management takes a long-term view of the range of economic conditions over the remaining useful life of the asset and, are not based on the relatively short-term changes in the economic conditions. However, impairment of exploration and evaluation assets is to be done in line with para 14.6.2

14.6.2 **Impairment in case of Exploration and Evaluation assets**

Exploration and Evaluation assets are tested for impairment where an indicator for impairment exists. In such cases, while calculating recoverable amount, in addition to the factors mentioned in 14.6.1, management's best estimate of total current reserves and resources are considered (including possible and contingent reserve) after appropriately adjusting the associated inherent risks. Impairment loss is reversed subsequently, to the extent that conditions for impairment are no longer present.

14.6.3 **Cash generating unit**

In case of E&P Assets, the Company generally considers a project as cash generating unit. However, in case where the multiple fields are using common production/transportation facilities and are sufficiently economically interdependent the same are considered to constitute a single cash generating unit (CGU).

15. CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification as below.

15.1 An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or Cash Equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

15.2 A liability is treated as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

16. NON-CURRENT ASSETS HELD FOR SALE

16.1 The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

16.2 For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when

NOTES TO FINANCIAL STATEMENTS

Note-1A SIGNIFICANT ACCOUNTING POLICIES (Contd...)

the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

16.3 Non-Current Assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less cost to sell. Assets and liabilities classified as held for sale are presented separately in the Balance Sheet.

PPE and Intangible Assets once classified as held for sale are not depreciated or amortised.

17. FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

17.1 Financial Assets

Initial recognition and measurement

All Financial Assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction cost that are attributable to the acquisition of the Financial Asset. Transaction costs directly attributable to the acquisition of financial assets measured at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

Subsequent measurement

For the purpose of subsequent measurement, Financial Assets are classified in four categories:

- Financial Assets at amortised cost
- Debt Instruments at fair value through Other Comprehensive Income (FVTOCI)
- Equity Instruments at fair value through Other Comprehensive Income (FVTOCI)
- Financial Assets and derivatives at fair value through profit or loss (FVTPL)

17.1.1 Financial Assets at Amortised Cost

A Financial Asset is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such Financial Assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. Apart from the same, any income or expense arising from remeasurement of financial assets measured at amortised cost, in accordance with Ind AS 109, is recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

17.1.2 Debt Instrument at FVTOCI

A ‘Debt Instrument’ is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset’s contractual cash flows represent solely payments of principal and interest (SPPI).

Debt Instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair Value movements are recognised in the Other Comprehensive Income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised

NOTES TO FINANCIAL STATEMENTS

Note-1A SIGNIFICANT ACCOUNTING POLICIES (Contd...)

in OCI is reclassified from the Equity to the Statement of Profit and Loss. Interest earned whilst holding FVTOCI Debt Instrument is reported as interest income using the EIR method.

17.1.3 **Equity Instrument**

A. **Equity Investments at FVTOCI (Other than Subsidiaries, Joint Ventures and Associates)**

All equity investments in scope of Ind AS 109 are measured at fair value. The Company has made an irrevocable election to present subsequent changes in the fair value in Other Comprehensive Income. The classification is made on initial recognition/ transition and is irrevocable.

There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investments.

B. **Equity Investments in Subsidiaries, Joint Ventures and Associates**

Investments in Subsidiaries, Joint Ventures and Associates are accounted for at cost in the financial statements and the same are tested for impairment in case of any indication of impairment.

C. Dividend income is recognised in the Statement of Profit and Loss when the Company's right to receive dividend is established.

17.1.4 **Debt Instruments and Derivatives at FVTPL**

FVTPL is a residual category for Debt Instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Debt Instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss. Interest income on such instruments has been presented under interest income.

17.1.5 **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

17.1.6 **Impairment of Financial Assets**

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial Assets that are Debt Instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Financial guarantee contracts which are not subsequently measured as at FVTPL

c) Lease Receivables under Ind AS 116

Simplified Approach

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade Receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

NOTES TO FINANCIAL STATEMENTS

Note-1A SIGNIFICANT ACCOUNTING POLICIES (Contd...)

General Approach

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-months ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-months ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates provision on trade receivables at the reporting date.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as expense /income/ in the Statement of Profit and Loss. The Balance Sheet presentation for various financial instruments is described below:

- Financial Assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Financial Guarantee contracts: ECL is presented as a provision in the Balance Sheet, i.e. as a liability.
- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

17.2 Financial Liabilities

17.2.1 **Initial recognition and measurement.**

Financial Liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and financial liabilities at amortised cost, as appropriate.

All Financial Liabilities are recognised initially at fair value and, in the case of liabilities subsequently measured at amortised cost, they are measured net of directly attributable transaction cost. In case of Financial Liabilities measured at fair value through profit or loss, transaction costs directly attributable to the acquisition of financial liabilities are recognised immediately in the Statement of Profit and Loss.

The Company's Financial Liabilities include trade and other payables, loans and borrowings including financial guarantee contracts and derivative financial instruments.

17.2.2 **Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

A. Financial Liabilities at fair value through profit or loss

Financial Liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through the Statement of Profit and Loss. Financial Liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

B. Financial Liabilities at amortised cost

Financial Liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

NOTES TO FINANCIAL STATEMENTS

Note-1A SIGNIFICANT ACCOUNTING POLICIES (Contd...)

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

C. Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make the payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction cost that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognised less cumulative income recognised in accordance with principles of Ind AS 115.

17.2.3 **Derecognition**

A Financial Liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

17.3 Embedded Derivatives

If the hybrid contract contains a host that is a Financial Asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

17.4 Offsetting of Financial Instruments

Financial Assets and Financial Liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

17.5 Derivative Instrument- Initial recognition / subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The accounting for subsequent changes in fair value of derivatives depends on the designation or non- designation of derivative as hedging instruments. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

17.5.1 **Derivative that are designated as Hedge Instrument**

The Company undertakes foreign exchange forward contracts, commodity forward contracts and interest rates swap contracts for hedging foreign currency risks, commodity price risks and interest rate risks respectively. The Company generally designates the whole forward contract as hedging instrument. These hedges are accounted for as cash flow hedges. These hedging instruments are as per the policies approved by the Board of Directors.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk.

Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that the hedge is actually have been highly effective throughout the financial reporting periods for which it was designated.

NOTES TO FINANCIAL STATEMENTS

Note-1A SIGNIFICANT ACCOUNTING POLICIES (Contd...)

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in Other Comprehensive Income and accumulated under the heading Cash Flow Hedge Reserve within Equity. The gain or loss relating to the ineffective potion is recognised immediately in the Statement of Profit and Loss and included in the Other Income or Other Expenses as Gain on Derivatives or Loss on Derivatives respectively.

Amounts previously recognised in OCI and accumulated in equity relating to effective portion are reclassified to Statement of Profit and Loss in the periods when the hedged item affects profit or loss, in the same line item as the recognised hedged item or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the Statement of Profit and Loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting.

17.5.2 **Derivatives that are not designated as hedge instrument**

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through the Statement of Profit and Loss and are included in the Other Income or Other Expenses as Gain on Derivatives or Loss on Derivatives respectively.

17.6 Commodity Contracts

Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Company's expected purchase, sale or usage requirements are held at cost.

18. CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Bank overdraft (negative balance in Account) is shown under short term borrowings under Financial Liabilities & Positive balance in that account is shown in Cash & Cash Equivalents.

19. TREASURY SHARES

Pursuant to the Scheme of Amalgamation, IOC Shares Trust has been set up by IOCL for holding treasury shares in relation to IBP and BRPL mergers. The shares held by IOC Shares Trust are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in the Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

20. FAIR VALUE MEASUREMENT

20.1 The Company measures financial instruments, such as, derivatives at fair value at each Balance Sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

20.2 The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or In the absence of a principal market, in the most advantageous market for the asset or liability The principal or the most advantageous market must be accessible by the Company.

20.3 The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

20.4 A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

20.5 The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

20.6 All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities

NOTES TO FINANCIAL STATEMENTS

Note-1A SIGNIFICANT ACCOUNTING POLICIES (Contd...)

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

In case of Level 3 valuations, external valuers are also involved in some cases for valuation of assets and liabilities, such as unquoted financial assets, loans to related parties etc.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

21. EARNINGS PER SHARE

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares. The Company did not have any potentially dilutive securities in the years presented.

III. New Standards/ amendments and other changes effective April 1,2020

Ministry of Corporate Affairs notified amendments to the existing standards vide notification G.S.R. 463(E) dated 24th July 2020. The effect of those amendments is not material.

IV. Standards issued but not yet effective

Ministry of Corporate Affairs notifies new standard or amendments to the existing standards. During the year, no new standard or modifications in existing standards has been notified which will be applicable from April 1, 2021 or thereafter.

NOTES TO FINANCIAL STATEMENTS

Note-1B: SIGNIFICANT ACCOUNTING ESTIMATES & JUDGEMENTS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. These include recognition and measurement of financial instruments, estimates of useful lives and residual value of Property, Plant and Equipment and Intangible Assets, valuation of inventories, measurement of recoverable amounts of cash-generating units, measurement of employee benefits, actuarial assumptions, provisions etc.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognised prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

A. JUDGEMENTS

In the process of applying the company's accounting policies, management has made the following judgements, which have the significant effect on the amounts recognised in the financial statements:

Materiality

Ind AS requires assessment of materiality by the Company for accounting and disclosure of various transactions in the financial statements. Accordingly, the Company assesses materiality limits for various items for accounting and disclosures and follows on a consistent basis. Overall materiality is also assessed based on various financial parameters such as Gross Block of assets, Net Block of Assets, Total Assets, Revenue and Profit Before Tax. The materiality limits are reviewed and approved by the Board.

Intangible Asset under Development

Acquisition costs and drilling of exploratory well costs are capitalised as intangible asset under development and are reviewed at each reporting date to confirm that exploration drilling is still under way or work has been determined / under way to determine that the discovery is economically viable based on a range of technical & commercial considerations and for establishing development plans and timing , sufficient / reasonable progress is being made. If no future activity is planned on reasonable grounds / timeframes, Intangible asset under development and property acquisition costs is written off. Upon start of production from field and recognition of proved reserves, cost carried as intangible asset under development is transferred to producing properties. Also refer Note-34 for related disclosures.

Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

B. ESTIMATES AND ASSUMPTIONS

The key assumptions concerning the future and other key sources of estimation at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the company. Such changes are reflected in the assumptions when they occur.

Defined benefit plans/ Other Long term employee benefits

The cost of the defined benefit plans and other long term employee benefit plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. The management considers the interest rates of government securtities based on expected settlement period of various plans.

Further details about various employee benefit obligations are given in Note 35.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model based on level-2 and level-3 inputs. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include

NOTES TO FINANCIAL STATEMENTS

Note-1B: SIGNIFICANT ACCOUNTING ESTIMATES & JUDGEMENTS (Contd...)

considerations of inputs such as price estimates, volume estimates, rate estimates etc. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Also refer - for further disclosures of estimates and assumptions.

Impairment of Financial Assets

The impairment provisions for trade receivables are made considering simplified approach based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on the company's past history and other factors at the end of each reporting period. In case of other financial assets, the Company applies general approach for recognition of impairment losses wherein the Company uses judgement in considering the probability of default upon initial recognition and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. Also refer Note-40 for impairment analysis and provision.

Income Taxes

The Company uses estimates and judgements based on the relevant facts, circumstances, present and past experience, rulings, and new pronouncements while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

NOTES TO FINANCIAL STATEMENTS

Note - 2 : PROPERTY, PLANT AND EQUIPMENT

Current Year

(₹ in Crore)

		Land - Freehold (Refer A&F)	Land - Leasehold (Refer F)	Buildings, Roads etc. (Refer B&F)	Plant and Equipment	Office Equipments	Transport Equipment	Furniture & Fixtures	Railway Sidings	Drainage, Sewage and Water Supply System	Producing Properties	Right of Use Assets (ROU) (Refer F&J)	Total
GROSS BLOCK	**Gross Block as at April 01, 2020**	**3,517.66**	**-**	**15,019.28**	**1,31,496.40**	**1,829.71**	**78.86**	**703.53**	**183.65**	**1,276.57**	**199.98**	**10,700.15**	**1,65,005.79**
	Additions during the year	206.82	-	135.60	3,098.26	241.07	10.34	30.61	14.60	(12.64)	-	1,547.33	5,271.99
	Transfers from construction work-in-progress	4.37	-	1,838.71	12,485.31	171.41	2.67	62.51	1.33	-	1.21	-	14,567.52
	Disposals/ Deductions/ Transfers/ Reclassifications	(70.29)	-	(139.38)	(883.73)	(102.67)	(0.04)	(13.09)	(0.56)	(0.12)	-	(478.57)	(1,688.45)
	Gross Block as at March 31, 2021	**3,658.56**	**-**	**16,854.21**	**1,46,196.24**	**2,139.52**	**91.83**	**783.56**	**199.02**	**1,263.81**	**201.19**	**11,768.91**	**1,83,156.85**
DEPRECIATION & AMORTISATION	**Depreciation & Amortisation as at April 01, 2020**	**-**	**-**	**3,028.10**	**27,069.56**	**938.88**	**30.81**	**314.46**	**48.91**	**205.90**	**26.68**	**1,589.73**	**33,253.03**
	Depreciation & Amortisation during the year (Refer D)	-	-	795.73	7,154.85	327.54	7.71	73.87	14.71	49.45	17.37	1,200.38	9,641.61
	Disposals/ Deductions/ Transfers/ Reclassifications	-	-	(14.40)	(181.55)	(80.58)	(0.09)	(7.08)	(0.02)	-	-	(370.21)	(653.93)
	Depreciation & Amortisation as at March 31, 2021	**-**	**-**	**3,809.43**	**34,042.86**	**1,185.84**	**38.43**	**381.25**	**63.60**	**255.35**	**44.05**	**2,419.90**	**42,240.71**
	Net Block as at March 31, 2021	**3,658.56**	**-**	**13,044.78**	**1,12,153.38**	**953.68**	**53.40**	**402.31**	**135.42**	**1,008.46**	**157.14**	**9,349.01**	**1,40,916.14**

Previous Year

(₹ in Crore)

		Land - Freehold	Land - Leasehold	Buildings, Roads etc.	Plant and Equipment	Office Equipments	Transport Equipment	Furniture & Fixtures	Railway Sidings	Drainage, Sewage and Water Supply System	Producing Properties	Right of Use Assets (ROU)	Total
GROSS BLOCK	**Gross Block as at April 01, 2019**	**2,962.33**	**410.57**	**13,355.12**	**1,21,787.62**	**1,434.71**	**63.21**	**616.99**	**164.17**	**1,232.02**	**195.91**	**-**	**1,42,222.65**
	Additions during the year	657.73	-	193.29	3,829.21	218.29	7.88	46.43	5.96	44.13	-	6,319.95	11,322.87
	Transfers from construction work-in-progress	-	-	1,753.42	10,449.77	278.23	11.69	53.64	13.89	0.46	4.07	-	12,565.17
	Disposals/ Deductions/ Transfers/ Reclassifications	(102.40)	(410.57)	(282.55)	(4,570.20)	(101.52)	(3.92)	(13.53)	(0.37)	(0.04)	-	4,380.20	(1,104.90)
	Gross Block as at March 31, 2020	**3,517.66**	**-**	**15,019.28**	**1,31,496.40**	**1,829.71**	**78.86**	**703.53**	**183.65**	**1,276.57**	**199.98**	**10,700.15**	**1,65,005.79**
DEPRECIATION & AMORTISATION	**Depreciation & Amortisation as at April 01, 2019**	**-**	**13.89**	**2,318.02**	**21,352.04**	**725.15**	**24.91**	**249.39**	**35.43**	**157.02**	**15.58**	**-**	**24,891.43**
	Depreciation & Amortisation during the year (Refer D)	-	-	718.21	6,592.63	284.37	7.57	71.69	13.50	48.88	11.10	921.42	8,669.37
	Disposals/ Deductions/ Transfers/ Reclassifications	-	(13.89)	(8.13)	(875.11)	(70.64)	(1.67)	(6.62)	(0.02)	-	-	668.31	(307.77)
	Depreciation & Amortisation as at March 31, 2020	**-**	**-**	**3,028.10**	**27,069.56**	**938.88**	**30.81**	**314.46**	**48.91**	**205.90**	**26.68**	**1,589.73**	**33,253.03**
	Net Block as at March 31, 2020	**3,517.66**	**-**	**11,991.18**	**1,04,426.84**	**890.83**	**48.05**	**389.07**	**134.74**	**1,070.67**	**173.30**	**9,110.42**	**1,31,752.76**

NOTES TO FINANCIAL STATEMENTS

Note - 2 : PROPERTY, PLANT AND EQUIPMENT (Contd..)

A. i) Freehold Land includes ₹ **1.61 Crore** (2020: ₹ 22.38 Crore) lying vacant due to title disputes/ litigation.

ii) Out of the Freehold land measuring 1364.01 acres at Mathura and Agra regions, land measuring 50 acres (approx) has been acquired by NHAI as a part of the NH2 widening project for which the determination of value of compensation is pending. Accordingly, the value of land amounting to ₹ **1.18 Crore** is continued to be included in Freehold land.

iii) Freehold Land includes ₹ **41.75 Crore** of compensation paid in respect of land at Panipat Refinery as per District and High court orders of earlier dates, which was later quashed by subsequent High Court order dated 18.12.2019. Since, the process of recovery, for compensation already paid, has been stayed by Honble Supreme Court vide order dated 21.09.2020, necessary adjustment shall be made in the cost of the land upon actual recovery, if any.

B. i) Buildings include ₹ **0.01 Crore** (2020: ₹ 0.01 Crore) towards value of 1605 (2020: 1605) Shares in Co-operative Housing Societies towards membership of such societies for purchase of flats.

ii) Includes Roads, Bridges etc. (i.e. Assets other than Building) of Gross block amounting to ₹ **4,219.39 Crore** (2020: ₹ 3,547.27 Crore) and net block amounting to ₹ **2,390.91 Crore** (2020: ₹ 2,072.21 Crore).

C. During the year ₹ **1,586.03 Crore** (2020: ₹ 1,296.54 Crore) has been availed as GST ITC out of capital expenditure on CWIP/ assets.

D. Depreciation and amortisation for the year includes ₹ **25.86 Crore** (2020: ₹ 37.64 Crore) relating to construction period expenses shown in Note-2.2

E. Railways have claimed transfer of ownership in respect of certain assets provided by the Company at railway premises which has not been accepted by the Company and continue to be part of Property, Plant & Equipment of the Company, WDV of such assets is ₹ **49.28 Crore** (2020: ₹ 51.14 Crore). This includes WDV of assets worth ₹ **17.91 Crore** (2020: ₹ 7.82 Crore) which are being used by other oil companies based on award of tender by Railways. However, considering the right on the assets and future commercial interest of the company, these assets are continued to be reflected as Property, Plant & Equipment.

F. Land and Buildings (Including ROU Asset) include ₹ **1,282.78 Crore** (2020: ₹ 1,020.43 Crore) in respect of which Title/ Lease Deeds are pending for execution or renewal.

G. For details regarding hypothecation/ pledge of assets, refer Note-16.

H. In accordance with the requirements prescribed under Schedule II to Companies Act, 2013, the Company has adopted useful lives as prescribed in that schedule except in some cases as per point no. 2.4.1 of significant accounting policies (Note-1).

I. The estimated residual value of movable assets provided at the residence of employees for official use under various approved schemes has been revised from 1% of original cost to Nil effective from April, 01, 2020. The impact on account of above change is increase in depreciation by ₹ **1.57 Crore** during current year. Overall future impact on the assets existing as on 31.03.2021 will be ₹ **2.58 Crore** by way of increase in depreciation over the remaining useful life of these assets, which will be offset by profit/ loss on sale of assets.

J. Leasehold Land (included in ROU Assets) includes an amount of ₹ **716.47 Crore** (2020: ₹ 716.41 Crore) for Land Development Cost.

NOTES TO FINANCIAL STATEMENTS

Note - 2 : PROPERTY, PLANT AND EQUIPMENT (Contd..)

Details of assets given on operating lease included in the above:

(₹ in Crore)

Asset Particulars	Gross Block	Accumulated Depreciation & Amortisation	Accumulated Impairment Loss	W.D.V. as at March 31, 2021	W.D.V. as at March 31, 2020
Land - Freehold	10.91	-	-	**10.91**	6.10
ROU Asset (Land - Leasehold)	71.02	6.60	-	**64.42**	12.36
Buildings	158.74	15.07	-	**143.67**	30.89
Plant and Equipment	284.74	16.80	-	**267.94**	59.42
Office Equipment	11.04	2.18	-	**8.86**	1.80
Furniture	1.34	0.22	-	**1.12**	0.43
Drainage,Sewage & Water Supply	1.60	0.05	-	**1.55**	-

Details of Company's share of Jointly Owned Assets included in the above:

(₹ in Crore)

Asset Particulars	Name of Joint Owner*	Gross Block	Accumulated Depreciation & Amortisation	Accumulated Impairment Loss	W.D.V. as at March 31, 2021	W.D.V. as at March 31, 2020
Land - Freehold	HPCL, BPCL	1.59	-	-	**1.59**	1.49
ROU Asset (Land - Leasehold)	BPCL	0.07	0.01	-	**0.06**	0.07
Buildings	HPCL, BPCL, Others	49.89	13.36	-	**36.53**	37.91
Plant and Equipment	HPCL, BPCL, RIL, Others	64.26	19.16	-	**45.10**	45.88
Office Equipments	BPCL	0.51	0.20	-	**0.31**	0.45
Railway Sidings	HPCL, BPCL	15.50	5.99	-	**9.51**	9.83
Drainage,Sewage & Water Supply	HPCL, BPCL, GSFC	0.45	0.08	-	**0.37**	1.69
Total		**132.27**	**38.80**	**-**	**93.47**	**97.32**

***HPCL:** Hindustan Petroleum Corporation Ltd., **BPCL:** Bharat Petroleum Corporation Ltd.,
GSFC: Gujarat State Fertilisers & Chemicals Ltd., **RIL:** Reliance Industries Limited

Additions to Gross Block Includes:

(₹ in Crore)

Asset Particulars	Exchange Fluctuation		Borrowing Cost	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Buildings	**(5.30)**	17.65	**3.11**	0.79
Plant and Equipment	**(252.84)**	832.09	**187.90**	15.20
Office Equipments	**(0.04)**	-	**-**	0.06
Drainage, Sewage & Water Supply	**(12.64)**	42.17	**-**	0.01
Total	**(270.82)**	**891.91**	**191.01**	**16.06**

NOTES TO FINANCIAL STATEMENTS

Note - 2.1: CAPITAL WORK IN PROGRESS

Current Year

(₹ in Crore)

	Construction Work in Progress - Tangible Assets	Capital Stores	Capital Goods in Transit	Construction Period Expenses pending allocation	Total
	Refer A	Refer B			
Balance as at beginning of the year	**20,616.59**	**5,617.36**	**611.95**	**1,324.84**	**28,170.74**
Additions during the year	16,389.51	2,905.46	825.66	-	20,120.63
Net expenditure during the year (Note - 2.2)	-	-	-	1,345.89	1,345.89
Transfer to Property, Plant and Equipment (Note 2)	(14,567.52)	-	-	-	(14,567.52)
Transfer to Property, Plant and Equipment - Direct Addition (Note 2)	-	-	(26.73)	-	(26.73)
Transfer to Statement of Profit and Loss	(1.56)	(0.26)	-	-	(1.82)
Other Allocation/ Adjustment during the year	2,215.61	(4,150.85)	(693.32)	(608.03)	(3,236.59)
	24,652.63	**4,371.71**	**717.56**	**2,062.70**	**31,804.60**
Provision for Capital Losses	(183.42)	(20.57)	-	-	(203.99)
Closing Balance	**24,469.21**	**4,351.14**	**717.56**	**2,062.70**	**31,600.61**

Previous Year

(₹ in Crore)

	Construction Work in Progress - Tangible Assets	Capital Stores	Capital Goods in Transit	Construction Period Expenses pending allocation	Total
	Refer A	Refer B			
Balance as at beginning of the year	**15,527.53**	**4,713.35**	**1,049.95**	**908.18**	**22,199.01**
Additions during the year	14,415.84	4,519.69	584.61	-	19,520.14
Net expenditure during the year (Note - 2.2)	-	-	-	918.07	918.07
Transfer to Property, Plant and Equipment (Note 2)	(12,565.17)	-	-	-	(12,565.17)
Transfer to Property, Plant and Equipment - Direct Addition (Note 2)	-	-	(14.45)	-	(14.45)
Transfer to Statement of Profit and Loss	(10.60)	(0.02)	-	(4.04)	(14.66)
Other Allocation/ Adjustment during the year	3,248.99	(3,615.66)	(1,008.16)	(497.37)	(1,872.20)
	20,616.59	**5,617.36**	**611.95**	**1,324.84**	**28,170.74**
Provision for Capital Losses	(23.90)	(12.74)	-	-	(36.64)
Closing Balance	**20,592.69**	**5,604.62**	**611.95**	**1,324.84**	**28,134.10**

A. Includes ₹ **271.88** Crore (2020: ₹ 226.28 Crore) towards Capital Expenditure relating to ongoing Oil & Gas Exploration & Production activities

B. Includes ₹ **689** Crore (2020: ₹ 466.13 Crore) towards Stock lying with Contractors

NOTES TO FINANCIAL STATEMENTS

Note - 2.2: CONSTRUCTION PERIOD EXPENSES (NET) DURING THE YEAR

(₹ in Crore)

Particulars		March 31, 2021	March 31, 2020
Employee Benefit Expenses		**421.12**	372.08
Repairs and Maintenance		**5.82**	4.12
Consumption of Stores and Spares		**0.20**	-
Power & Fuel		**57.88**	161.70
Rent		**11.47**	8.36
Rates and Taxes		**2.69**	3.19
Travelling Expenses		**49.91**	55.06
Communication Expenses		**1.78**	1.63
Printing and Stationery		**0.81**	0.69
Electricity and Water Charges		**6.76**	25.94
Bank Charges		**0.06**	0.09
Technical Assistance Fees		**2.40**	0.62
Finance Costs	A	**697.88**	204.76
Depreciation, Amortisation and Impairment on:			
Tangible Assets		**25.86**	37.64
Intangible Assets		**0.30**	0.03
Start Up/ Trial Run Expenses (net of revenue)		**5.30**	(10.15)
Others		**70.36**	76.30
Total Expenses		**1,360.60**	942.06
Less: Recoveries		**14.71**	23.99
Net Expenditure during the year		**1,345.89**	**918.07**

A. Rate of specific borrowing eligible for capitalisation is **1.08% to 8.12%** (2020 : 5.66% to 8.12%)

Note - 3 : INTANGIBLE ASSETS

Current Year

(₹ in Crore)

	Particulars	Right of Way	Licenses	Computer Software	Total
GROSS BLOCK	**Gross Block as at April 01, 2020**	**919.30**	**1,172.18**	**250.40**	**2,341.88**
	Additions during the year	350.71	1.84	31.00	383.55
	Transfers from Intangible Assets under Development	-	276.21	90.99	367.20
	Disposals/ Deductions / Transfers / Reclassifications	0.02	(6.82)	(0.44)	(7.24)
	Gross Block as at March 31, 2021	**1,270.03**	**1,443.41**	**371.95**	**3,085.39**
AMORTISATION	**Amortisation as at April 01, 2020**	**14.37**	**230.47**	**168.00**	**412.84**
	Amortisation during the year	5.01	97.74	86.10	188.85
	Disposals/ Deductions / Transfers / Reclassifications	(0.01)	(0.21)	0.12	(0.10)
	Amortisation as at March 31, 2021	**19.37**	**328.00**	**254.22**	**601.59**
	Net Block as at March 31, 2021	**1,250.66**	**1,115.41**	**117.73**	**2,483.80**

Previous Year

(₹ in Crore)

	Particulars	Right of Way	Licenses	Computer Software	Total
GROSS BLOCK	**Gross Block as at April 01, 2019**	**612.91**	**847.59**	**195.69**	**1,656.19**
	Additions during the year	306.39	8.36	40.38	355.13
	Transfers from Intangible Assets under Development	-	318.02	18.09	336.11
	Deductions / Transfers / Reclassifications	-	(1.79)	(3.76)	(5.55)
	Gross Block as at March 31, 2020	**919.30**	**1,172.18**	**250.40**	**2,341.88**
AMORTISATION	**Amortisation as at April 01, 2019**	**9.36**	**160.48**	**109.74**	**279.58**
	Amortisation during the year	5.01	70.92	58.47	134.40
	Disposals/ Deductions / Transfers/ Reclassifications	-	(0.93)	(0.21)	(1.14)
	Amortisation as at March 31, 2020	**14.37**	**230.47**	**168.00**	**412.84**
	Net Block as at March 31, 2020	**904.93**	**941.71**	**82.40**	**1,929.04**

NOTES TO FINANCIAL STATEMENTS

Note - 3 : INTANGIBLE ASSETS (Contd..)

A. Amortisation for the year includes ₹ **0.3 Crore** (2020: ₹ 0.03 Crore) relating to construction period expenses shown in Note 2.2

B. Net Block of Intangible Assets with indefinite useful life

(₹ in Crore)

Particulars	At March 31, 2021	At March 31, 2020
Right of Way	1,243.77	893.04

Right of way for laying pipelines are acquired on a perpetual basis.

C. **Details of Company's share of Jointly Owned Assets included in the above:**

(₹ in Crore)

Particulars	Name of Joint Owner*	Gross Block	Accumulated Depreciation & Amortisation	W.D.V. as at March 31, 2021	W.D.V. as at March 31, 2020
Computer Software	HPCL, BPCL	0.95	0.88	**0.07**	0.15
Total		**0.95**	**0.88**	**0.07**	**0.15**

***HPCL:** Hindustan Petroleum Corporation Ltd., **BPCL:** Bharat Petroleum Corporation Ltd.

Note - 3.1 : INTANGIBLE ASSETS UNDER DEVELOPMENT

Current Year

(₹ in Crore)

Particulars	Total
Balance as at beginning of the year	**1,844.48**
Net expenditure during the year	**199.13**
Transfer to Intangible Assets (Note 3)	**(367.20)**
Transfer to Statement of Profit and Loss	**(46.22)**
Other Allocation/ Adjustment during the year	**167.82**
	1,798.01
Provision for Loss	**(346.49)**
Closing Balance	**1,451.52**

Previous Year

(₹ in Crore)

Particulars	Total
Balance as at beginning of the year	1,678.25
Net expenditure during the year	286.40
Transfer to Intangible Assets (Note 3)	(336.11)
Transfer to Statement of Profit and Loss	(0.01)
Other Allocation/ Adjustment during the year	215.95
	1,844.48
Provision for Loss	(240.83)
Closing Balance	**1,603.65**

Intangible assets under development are mainly in the nature of Exploration & Production Blocks and Licences & Computer Softwares. Amount above includes ₹ **204.91 Crore** (2020:₹ 247.31 Crore) towards Capital Expenditure (Net) relating to ongoing Oil & Gas Exploration & Production activities

NOTES TO FINANCIAL STATEMENTS

Note - 4 : INVESTMENTS

Particulars	Investment Currency	Face Value/ Paid up Value	Number	Paid Up Value
NON-CURRENT INVESTMENTS:				
I In Equity Shares				
A In Subsidiaries (At Cost):				
QUOTED:				
Chennai Petroleum Corporation Limited	Indian Rupees	10	**77265200**	**10**
Lanka IOC PLC	Sri Lankan Rupees	10	**400000005**	**10**
(Quoted in Colombo Stock Exchange, Sri Lanka)				
UNQUOTED:				
Indian Oil Mauritius Limited	Mauritian Rupees	100	**4882043**	**100**
IOC Middle East FZE	Arab Emirates Dirham	1000000	**2**	**1000000**
IOC Sweden AB	Swedish Krona	100	**5243808**	**100**
IOCL (USA) Inc.	USD	0.01	**5763538921**	**0.01**
Indian Catalyst Private Limited (in process of closure)	Indian Rupees	10	**9483206**	**10**
(formely known as Indo Cat Private Limited)				
IndOil Global B.V.	Canadian Dollars	1	**1131302435**	**1**
IOCL Singapore PTE Ltd	USD	1	**1079991988**	**1**
Sub-total: (I)(A)				
B In Associates (At Cost):				
QUOTED:				
Petronet LNG Limited	Indian Rupees	10	**187500000**	**10**
UNQUOTED:				
Avi-Oil India Private Limited	Indian Rupees	10	**4500000**	**10**
Petronet India Limited (under liquidation)	Indian Rupees	0.10	**18000000**	**0.10**
Petronet VK Limited	Indian Rupees	10	**50000000**	**10**
Sub-total: (I)(B)				
C In Joint Ventures (At Cost):				
UNQUOTED:				
Indian Oiltanking Limited	Indian Rupees	10	**494828289**	**10**
Indian Oil Panipat Power Consortium Limited	Indian Rupees	-	**-**	**-**
Lubrizol India Private Limited	Indian Rupees	100	**499200**	**100**
Indian Oil Petronas Private Limited	Indian Rupees	10	**134000000**	**10**
Petronet CI Limited (under liquidation)	Indian Rupees	10	**3744000**	**10**
Green Gas Limited	Indian Rupees	10	**23042250**	**10**
IndianOil SkyTanking Private Limited	Indian Rupees	10	**25950000**	**10**
Suntera Nigeria 205 Limited	Naira	1	**2500000**	**1**
Delhi Aviation Fuel Facility Private Limited	Indian Rupees	10	**60680000**	**10**
Indian Synthetic Rubbers Private Limited	Indian Rupees	10	**222861375**	**10**
NPCIL-IndianOil Nuclear Energy Corporation Limited	Indian Rupees	10	**260000**	**10**
GSPL India Gasnet Limited	Indian Rupees	10	**413925030**	**10**

NOTES TO FINANCIAL STATEMENTS

Note - 4 : INVESTMENTS (Contd..)

March 31, 2021				March 31, 2020				
	Investment Value	Impairment Loss/Fair Value Adjustment	Carrying/ Fair Value	Number	Paid Up Value	Investment Value	Impairment Loss/Fair Value Adjustment	Carrying/ Fair Value
	(₹ in Crore)	(₹ in Crore)	(₹ in Crore)			(₹ in Crore)	(₹ in Crore)	(₹ in Crore)
	(1)	(2)	(1+2)			(1)	(2)	(1+2)
	509.33	-	509.33	77265200	10	509.33	-	509.33
	194.13	-	194.13	400000005	10	194.13	-	194.13
	75.67	-	75.67	4882043	100	75.67	-	75.67
	2.30	-	2.30	2	1000000	2.30	-	2.30
	387.26	-	387.26	4241558	100	297.23	-	297.23
	336.32	(154.54)	181.78	5763538921	0.01	336.32	(86.41)	249.91
	4.73	(4.73)	-	15932700	10	11.18	(4.72)	6.46
	7,840.35	(1,909.51)	5,930.84	1131302435	1	7,840.35	(1,909.51)	5,930.84
	7,128.82	-	7,128.82	1079991988	1	7,128.82	-	7,128.82
	16,478.91	(2,068.78)	14,410.13			16,395.33	(2,000.64)	14,394.69
	98.75	-	98.75	187500000	10	98.75	-	98.75
	4.50	-	4.50	4500000	10	4.50	-	4.50
	0.18	-	0.18	18000000	0.10	0.18	-	0.18
	26.02	(26.00)	0.02	50000000	10	26.02	(26.00)	0.02
	129.45	(26.00)	103.45			129.45	(26.00)	103.45
	723.98	-	723.98	494828289	10	723.98	-	723.98
	-	-	-	840000	10	1.99	(1.99)	-
	61.71	-	61.71	499200	100	61.71	-	61.71
	134.00	-	134.00	134000000	10	134.00	-	134.00
	3.83	(3.83)	-	3744000	10	3.83	(3.83)	-
	23.04	-	23.04	23042250	10	23.04	-	23.04
	73.28	-	73.28	25950000	10	73.28	-	73.28
	0.05	-	0.05	2500000	1	0.05	-	0.05
	60.68	-	60.68	60680000	10	60.68	-	60.68
	222.86	-	222.86	222861375	10	222.86	-	222.86
	0.26	-	0.26	260000	10	0.26	-	0.26
	413.93	-	413.93	244925030	10	244.93	-	244.93

NOTES TO FINANCIAL STATEMENTS

Note - 4 : INVESTMENTS (Contd..)

Particulars	Investment Currency	Face Value/ Paid up Value	Number	Paid Up Value
GSPL India Transco Limited	Indian Rupees	10	**151320000**	**10**
Indian Oil Adani Gas Private Limited	Indian Rupees	10	**432245000**	**10**
Mumbai Aviation Fuel Farm Facility Private Limited	Indian Rupees	10	**48288750**	**10**
Kochi Salem Pipeline Private Limited	Indian Rupees	10	**202500000**	**10**
IndianOil LNG Private Limited (Also refer point no. C.2.2 of Note 36)	Indian Rupees	10	**5000**	**10**
Hindustan Urvarak and Rasayan Limited	Indian Rupees	10	**1131765000**	**10**
Ratnagiri Refineries & Petrochemicals Limited	Indian Rupees	10	**100000000**	**10**
Indradhanush Gas Grid Limited	Indian Rupees	10	**61000000**	**10**
IHB Private Limited	Indian Rupees	10	**829000000**	**10**
IndianOil Total Private Limited	Indian Rupees	10	**7500000**	**10**
Sub-total: (I)(C)				
Total Investments in Subsidiaries, Associates & JVs [(I)(A)+(I)(B)+(I)(C)]				
D In Others				
Investments designated at fair value through OCI:				
QUOTED:				
Oil and Natural Gas Corporation Limited	Indian Rupees	5	**986885142**	**5**
GAIL (India) Limited	Indian Rupees	10	**108905460**	**10**
Oil India Limited	Indian Rupees	10	**53501100**	**10**
UNQUOTED:				
International Cooperative Petroleum Association, New York	USD	100	**350**	**100**
Haldia Petrochemical Limited	Indian Rupees	10	**150000000**	**10**
Vadodara Enviro Channel Limited[a] (Formerly Effluent Channel Projects Limited)	Indian Rupees	10	**7151**	**10**
Woodlands Multispeciality Hospital Limited	Indian Rupees	10	**101095**	**10**
Shama Forge Co. Limited[b] (under liquidation)	Indian Rupees	10	**100000**	**10**
In Consumer Cooperative Societies:				
Barauni[c]	Indian Rupees	10	**250**	**10**
Guwahati[d]	Indian Rupees	10	**750**	**10**
Mathura[e]	Indian Rupees	10	**200**	**10**
Haldia[f]	Indian Rupees	10	**2190**	**10**
In Indian Oil Cooperative Consumer Stores Limited, Delhi[g]	Indian Rupees	10	**375**	**10**
Sub-total: (I)(D)				
Sub-total: (I) = [(I)(A)+(I)(B)+(I)(C)+(I)(D)]				

NOTES TO FINANCIAL STATEMENTS

Note - 4 : INVESTMENTS (Contd..)

	March 31, 2021			March 31, 2020				
	Investment Value	Impairment Loss/Fair Value Adjustment	Carrying/ Fair Value	Number	Paid Up Value	Investment Value	Impairment Loss/Fair Value Adjustment	Carrying/ Fair Value
	(₹ in Crore)	(₹ in Crore)	(₹ in Crore)			(₹ in Crore)	(₹ in Crore)	(₹ in Crore)
	(1)	(2)	(1+2)			(1)	(2)	(1+2)
	151.32	-	151.32	127920000	10	127.92	-	127.92
	432.25	-	432.25	291000000	10	291.00	-	291.00
	48.29	-	48.29	48288750	10	48.29	-	48.29
	202.50	-	202.50	152500000	10	152.50	-	152.50
	0.01	-	0.01	5000	10	0.01	-	0.01
	1,131.77	-	1,131.77	751085000	10	751.09	-	751.09
	100.00	-	100.00	100000000	10	100.00	-	100.00
	61.00	-	61.00	12000000	10	12.00	-	12.00
	829.00	-	829.00	52500000	10	52.50	-	52.50
	7.50	-	7.50	-	-	-	-	-
	4,681.26	(3.83)	4,677.43			3,085.92	(5.82)	3,080.10
	21,289.62	(2,098.61)	19,191.01			19,610.70	(2,032.46)	17,578.24
	1,780.12	8,300.91	10,081.03	986885142	5	1,780.12	4,960.31	6,740.43
	122.52	1,353.15	1,475.67	108905460	10	122.52	711.15	833.67
	1,123.52	(466.53)	656.99	53501100	10	1,123.52	(681.34)	442.18
	0.02	-	0.02	350	100	0.02	-	0.02
	150.00	705.40	855.40	150000000	10	150.00	234.30	384.30
	-	-	-	7151	10	-	-	-
	0.10	-	0.10	101095	10	0.10	-	0.10
	-	-	-	100000	10	-	-	-
	-	-	-	250	10	-	-	-
	-	-	-	750	10	-	-	-
	-	-	-	200	10	-	-	-
	-	-	-	2190	10	-	-	-
	-	-	-	375	10	-	-	-
	3,176.28	9,892.93	13,069.21			3,176.28	5,224.42	8,400.70
	24,465.90	7,794.32	32,260.22			22,786.98	3,191.96	25,978.94

NOTES TO FINANCIAL STATEMENTS

Note - 4 : INVESTMENTS (Contd..)

Particulars	Investment Currency	Face Value/ Paid up Value	Number	Paid Up Value
II In Preference Shares				
Investments at fair value through profit and loss				
A In Subsidiary Companies:				
UNQUOTED:				
Chennai Petroleum Corporation Limited	Indian Rupees	10	500000000	10
6.65% Cum. Redeemable Non Convertible Preference Shares				
Sub-total: (II)(A)				
B In Others				
UNQUOTED:				
Shama Forge Co. Limited (under liquidation)[h]	Indian Rupees	100	5000	100
9.5% Cumulative Redeemable Preference Shares				
Sub-total: (II)(B)				
III In Government Securities				
Investments at fair value through OCI				
Quoted: (Note B and C)				
Oil Marketing Companies GOI Special Bonds	Indian Rupees		-	-
9.15% Govt Stock 2024	Indian Rupees	10000	1960000	10000
7.35% Govt.Stock 2024	Indian Rupees	10000	695000	10000
Sub-total: (III)				
IV In Debentures or Bonds				
Investments at fair value through profit and loss				
Unquoted:				
IndianOil LNG Pvt Limited	Indian Rupees	1000000	36650	1000000
7.45% Fully and Compulsorily Convertible Debentures				
(Also refer point no. C.2.2 of Note 36)				
Sub-total: (IV)				
Total Other Investments [(I)(D)+(II)+(III)+(IV)]				
Total Non Current Investments (I+II+III+IV)				
CURRENT INVESTMENTS:				
In Government Securities (at fair value through OCI)				
Quoted:				
Oil Marketing Companies GOI Special Bonds	Indian Rupees	10000	8261020	10000
9.15% Govt Stock 2024	Indian Rupees	-	-	-
Total				

NOTES TO FINANCIAL STATEMENTS

Note - 4 : INVESTMENTS (Contd..)

March 31, 2021			March 31, 2020				
Investment Value	Impairment Loss/Fair Value Adjustment	Carrying/ Fair Value	Number	Paid Up Value	Investment Value	Impairment Loss/Fair Value Adjustment	Carrying/ Fair Value
(₹ in Crore)	(₹ in Crore)	(₹ in Crore)			(₹ in Crore)	(₹ in Crore)	(₹ in Crore)
(1)	(2)	(1+2)			(1)	(2)	(1+2)
500.00	100.00	600.00	500000000	10	500.00	55.63	555.63
500.00	**100.00**	**600.00**			**500.00**	**55.63**	**555.63**
-	-	-	5000	100	-	-	-
-	-	-			-	-	-
-	-	-	3000000	10000	3,000.00	87.07	3,087.07
2,242.91	20.84	2,263.75	6000	10000	6.84	0.13	6.97
704.04	48.45	752.49	695000	10000	704.04	47.34	751.38
2,946.95	**69.29**	**3,016.24**			**3,710.88**	**134.54**	**3,845.42**
3,665.00	210.66	3,875.66	6530	1000000	653.00	19.18	672.18
3665.00	**210.66**	**3875.66**			**653.00**	**19.18**	**672.18**
10,288.23	**10,272.88**	**20,561.11**			**8,040.16**	**5,433.77**	**13,473.93**
31,577.85	**8,174.27**	**39,752.12**			**27,650.86**	**3,401.31**	**31,052.17**
8,261.02	606.27	8,867.29	5366020	10000	5,366.02	452.97	5,818.99
-	-	-	1954000	10000	2,236.07	31.33	2,267.40
8,261.02	**606.27**	**8,867.29**			**7,602.09**	**484.30**	**8,086.39**

NOTES TO FINANCIAL STATEMENTS

Note - 4 : INVESTMENTS (Contd..)

(₹ in Crore)

Particulars	March 31, 2021	March 31, 2020
Aggregate carrying value of quoted investments	**24,899.43**	20,750.30
Aggregate market value of quoted investments	**29,362.46**	24,413.32
Aggregate carrying value of unquoted investments	**23,719.98**	18,388.26
Aggregate amount of impairment in value of investments	**2,098.61**	2,032.46

Followings are not reflected above due to rounding off:-

(Amount in ₹)

	Particulars	March 31, 2021	March 31, 2020
a	Vadodara Enviro Channel Limited	**10**	10
b	Shama Forge Co. Limited	**100**	100
c	Barauni Consumer Cooperative Societies	**2,500**	2,500
d	Guwahati Consumer Cooperative Societies	**2,500**	2,500
e	Mathura Consumer Cooperative Societies	**2,000**	2,000
f	Haldia Consumer Cooperative Societies	**16,630**	16,630
g	Indian Oil Cooperative Consumer Stores Limited, Delhi	**3,750**	3,750
h	Shama Forge Co. Limited	**100**	100

Note: A

During the year New investments as well as additional investments were made, as per details below:

(₹ in Crore)

Name of the entity	Number	Amount
UNQOUTED INVESTMENT:		
1 Investment in Equity Shares:		
IOC Sweden AB	1002250	90.03
GSPL India Gasnet Limited	169000000	169.00
GSPL India Transco Limited	23400000	23.40
Indian Oil Adani Gas Private Limited	141245000	141.25
Kochi Salem Pipeline Private Limited	50000000	50.00
Hindustan Urvarak and Rasayan Limited	380680000	380.68
Indradhanush Gas Grid Limited	49000000	49.00
IHB Private Limited	776500000	776.50
IndianOil Total Private Limied	7500000	7.50
2 Investment in Compulsorily Convertible Debentures:		
IndianOil LNG Private Limited (7.45% Fully and Compulsorily Convertible Debentures)	3012000	3,012.00

Note: B

Investment in Oil Marketing Companies GOI Special Bonds consists of:

(₹ in Crore)

Nature of Bond	No. of Bonds	Face Value Amount	Fair Value Amount
1. Current investment:			
8.13% GOI SPECIAL BONDS 2021	78000	78.00	82.66
7.95% GOI SPECIAL BONDS 2025	457250	457.25	498.71
8.20% GOI SPECIAL BONDS 2023	1453510	1,453.51	1,604.41
6.90% GOI SPECIAL BONDS 2026	2977930	2,977.93	3,109.44
8.00% GOI SPECIAL BONDS 2026	189270	189.27	204.78
8.20% GOI SPECIAL BONDS 2024	3105060	3,105.06	3,367.29
Total Current Investments	**8261020**	**8,261.02**	**8,867.29**

NOTES TO FINANCIAL STATEMENTS

Note - 4 : INVESTMENTS (Contd..)

Note: C - Other Disclosures

1 During the year, Oil Marketing Companies 6.90% special Bonds of investment value of **₹ 3,000 Crore** is reclassified from Non Current to current investment and 9.15% Govt Stock 2024 of investment value of **₹ 2,236.07 Crore** is reclassified from Current to Non current investment.

2 During the current year, company has received consideration of ₹ 6.45 Crore against reduction of ₹ 0.64 Crore shares held in Indian Catalyst Private limited pursuant to scheme of reduction of share capital approved by NCLT for cancelling and extinguishing its paid up equity share capital of ₹ 6.45 Cr.

3 Out of Government Securities classified as non-current, the following are pledged in favour of Clearing Corporation of India Ltd. (CCIL) for Loans through Tri-party Repo Segment (TREPS) of CCIL.

(₹ in Crore)

Nature of Bonds	March 31, 2021		March 31, 2020	
	Face Value	Carrying Value	Face Value	Carrying Value
9.15% GOVT.STOCK 2024	**1,960.00**	**2,263.75**	6.00	6.97
7.35% GOVT.STOCK 2024	**695.00**	**752.49**	695.00	751.38
Oil Marketing Companies GOI Special Bonds	**-**	**-**	3,000.00	3,087.07

Note - 5 : LOANS

(₹ in Crore)

Particulars	Non Current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Security Deposits				
To Others				
Secured, Considered Good	**0.09**	0.08	**-**	-
Unsecured, Considered Good	**166.30**	150.59	**296.68**	300.28
Credit Impaired	**-**	0.10	**1.40**	1.40
	166.39	**150.77**	**298.08**	**301.68**
Less: Allowance for Doubtful Deposits	**-**	0.10	**1.40**	1.40
	166.39	**150.67**	**296.68**	**300.28**
Loans A				
To Related Parties				
Secured, Considered Good	**0.02**	96.10	**104.67**	0.02
Unsecured, Considered Good	**15.00**	144.63	**177.48**	0.16
Credit Impaired	**-**	-	**2.25**	2.25
	15.02	**240.73**	**284.40**	**2.43**
Less: Allowance for Doubtful Loans	**-**	-	**2.25**	2.25
	15.02	**240.73**	**282.15**	**0.18**
To Others				
Secured, Considered Good	**894.59**	816.57	**110.60**	108.67
Unsecured, Considered Good	**1,736.62**	1,954.10	**315.60**	609.85
Which have significant increase in Credit Risk	**215.03**	422.58	**17.44**	134.71
Credit Impaired	**348.75**	74.86	**206.31**	52.75
	3,194.99	**3,268.11**	**649.95**	**905.98**
Less: Allowance for Doubtful Loans	**820.28**	402.76	**258.12**	151.65
	2,374.71	**2,865.35**	**391.83**	**754.33**
	2,389.73	**3,106.08**	**673.98**	**754.51**
TOTAL	**2,556.12**	**3,256.75**	**970.66**	**1,054.79**
A. Includes:				
1. Loans valued at Fair Value through Profit or Loss (FVTPL)	**-**	129.63	**121.51**	-
2. Due from Directors	**0.02**	0.11	**0.01**	0.04
3. Due from Other Officers	**3.44**	3.84	**1.84**	1.90

NOTES TO FINANCIAL STATEMENTS

Note - 6: OTHER FINANCIAL ASSETS

(Unsecured, Considered Good at amortised cost unless otherwise stated)

(₹ in Crore)

Particulars		Non Current		Current	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Advances for Investments	A				
Subsidiary Companies		-	88.90		
Joint Ventures		22.63	-		
		22.63	88.90		
Amount Recoverable from Central/ State Government		-	-	680.35	13,294.80
Finance Lease Receivables		1.93	32.45	2.13	33.32
Interest Accrued on Investments/ Bank Deposits/ Loans		-	-	0.67	0.71
Derivative Instruments at Fair Value		-	-	45.13	131.11
Advance to Employee Benefits Trusts/Funds		-	-	870.53	141.19
Bank Deposits (with more than 12 months maturity)	B	0.52	1.78	1.78	1.48
Receivables on Agency Sales		-	-	1,071.50	1,075.52
Claims Recoverable:					
From Others					
Unsecured, Considered Good		-	-	63.67	108.75
Unsecured, Considered Doubtful		-	-	112.69	54.82
		-	-	176.36	163.57
Less: Provision for Doubtful Claims		-	-	112.69	54.82
		-	-	63.67	108.75
Others:					
Unsecured, Considered Good		27.41	30.91	219.28	1,012.41
Which have significant increase in Credit Risk		-	-	402.54	-
Credit Impaired		-	-	3.04	6.26
		27.41	30.91	624.86	1,018.67
Less: Allowance for Doubtful Asset		-	-	74.60	6.26
		27.41	30.91	550.26	1,012.41
TOTAL		52.49	154.04	3,286.02	15,799.29

A. Advances for equity pending allotment.

B. Earmarked in favour of Statutory Authorities.

Note - 7 : INCOME TAX/ CURRENT TAX ASSET/ (LIABILITY) - NET

(₹ in Crore)

Particulars	Non Current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Income Tax/Current Tax Asset/ (Liability) - Net				
Advance payments for Current Tax	20,635.18	23,159.97	4,703.28	66.28
Less: Provisions	18,206.33	18,973.21	5,501.13	-
	2,428.85	4,186.76	(797.85)	66.28
TOTAL	2,428.85	4,186.76	(797.85)	66.28
Includes amount relating to Fringe Benefit Tax	5.47	5.47	2.04	2.04

NOTES TO FINANCIAL STATEMENTS

Note - 8 : OTHER ASSETS (NON FINANCIAL)

(Unsecured, Considered Good unless otherwise stated)

(₹ in Crore)

Particulars	Non Current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Advances for Capital Expenditure				
To Others				
Secured, Considered Good	**21.01**	10.42		
Unsecured, Considered Good	**1,113.38**	1,275.81		
Unsecured, Considered Doubtful	**9.36**	-		
	1,143.75	**1,286.23**		
	1,143.75	**1,286.23**		
Less: Provision for Doubtful Advances	**9.36**	-		
	1,134.39	**1,286.23**		
Advances Recoverable				
From Related Parties				
Unsecured, Considered Good	**721.90**	488.45	**22.64**	22.64
From Others				
Unsecured, Considered Good	**14.90**	15.81	**2,072.28**	2,447.23
Unsecured, Considered Doubtful	**-**	-	**292.62**	6.76
	14.90	15.81	**2,364.90**	2,453.99
Less: Provision for Doubtful Advances	**-**	-	**292.62**	6.76
	14.90	**15.81**	**2,072.28**	**2,447.23**
	736.80	**504.26**	**2,094.92**	**2,469.87**
Claims Recoverable: A				
From Related Parties				
Unsecured, Considered Good	**-**	-	**7.12**	8.22
Unsecured, Considered Doubtful	**-**	-	**2.61**	2.61
	-	-	**9.73**	**10.83**
From Others				
Unsecured, Considered Good	**-**	-	**452.95**	506.60
Unsecured, Considered Doubtful	**-**	-	**99.01**	95.07
	-	-	**551.96**	601.67
Less: Provision for Doubtful Claims	**-**	-	**101.62**	97.68
	-	**-**	**450.34**	**503.99**
	-	**-**	**460.07**	**514.82**
Balance/ Deposits with Government Authorities				
Unsecured, Considered Good	**-**	-	**501.49**	452.88
Gold/ Other Precious Metals	**-**	-	**62.21**	60.77
Less: Provision for Diminution in value	**-**	-	**-**	10.72
	-	-	**62.21**	**50.05**
Deferred Expenses	**921.01**	1,030.09	**114.06**	296.35
Prepaid Rentals	**35.34**	47.85	**62.94**	16.09
Pre-Spent Corporate Social Responsibility Expenses (Refer Note - 45)	**-**	-	**118.37**	-
TOTAL	**2,827.54**	**2,868.43**	**3,414.06**	**3,800.06**

NOTES TO FINANCIAL STATEMENTS

Note - 8 : OTHER ASSETS (NON FINANCIAL) (Contd..)

(Unsecured, Considered Good unless otherwise stated)

(₹ in Crore)

Particulars	Non Current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
A. Includes:				
1. Customs/ Excise Duty/ DEPB/ Duty Drawback Claims which are in the process of being claimed with the Department.	-	-	7.65	6.11
2. Claims recoverable from Customs Authorities pending for final assessment/ settlement.	-	-	31.31	35.84

Note - 9 : INVENTORIES

(₹ in Crore)

		March 31, 2021	March 31, 2020
In Hand:			
Raw Materials	A	17,246.18	14,578.83
Stock in Process		5,964.42	5,432.60
Finished Products	B	29,540.73	26,475.37
Stock in Trade	C	6,345.74	5,884.91
Stores, Spares etc.	D	4,330.71	4,100.53
Less: Provision for Losses		189.12	185.59
		4,141.59	3,914.94
Barrels and Tins	E	106.30	63.18
		63,344.96	56,349.83
In Transit:			
Raw Materials		10,818.14	4,771.37
Finished Products		1,112.22	599.11
Stock in Trade		2,721.63	1,745.18
Stores, Spares etc.		191.06	212.13
		14,843.05	7,327.79
TOTAL		78,188.01	63,677.62
Includes-			
A. Stock lying with others		4.07	4.07
B. Stock lying with others		1,711.92	1,726.61
C. Stock lying with others		1,117.38	888.50
D. Stock lying with contractors		9.78	13.54
E. Stock lying with others		0.46	5.48
Amount of write down of inventories carried at NRV and recognised as Expense.		422.68	-
Amount of write down of inventories carried at NRV and recognised as Exceptional Item.		-	11,304.64

Valuation of inventories are done as per point no. 7 of significant accounting policies (Note-1).

For hypothecation details refer Note-21.

NOTES TO FINANCIAL STATEMENTS

Note - 10 : TRADE RECEIVABLES (At amortised cost)

(₹ in Crore)

		March 31, 2021	March 31, 2020
From Related Parties			
Unsecured, Considered Good		339.63	215.43
Credit Impaired		7.03	-
		346.66	215.43
From Others			
Secured Considered Good		21.40	12.21
Unsecured, Considered Good		11,075.10	12,629.32
Which have significant increase in Credit Risk		2,399.55	-
Credit Impaired		162.02	114.98
		13,658.07	12,756.51
Total		14,004.73	12,971.94
Less: Allowance for Doubtful Debts	A	607.05	127.85
TOTAL		13,397.68	12,844.09
A. Includes provision as per Expected Credit Loss method in line with accounting policy (Refer Note 40)		11.45	12.87

Note - 11 : CASH AND CASH EQUIVALENTS

(₹ in Crore)

	March 31, 2021	March 31, 2020
Bank Balances with Scheduled Banks:		
In Current Account	299.03	531.96
In Fixed Deposit - Maturity within 3 months	0.78	0.01
	299.81	531.97
Bank Balances with Non-Scheduled Banks	1.93	1.40
Cheques, Drafts in hand	11.54	1.75
Cash in Hand, Including Imprest	0.36	0.44
TOTAL	313.64	535.56

Note - 12 : BANK BALANCES OTHER THAN ABOVE

(₹ in Crore)

		March 31, 2021	March 31, 2020
Fixed Deposits	A	12.91	8.17
Earmarked Balances	B	1,340.99	44.63
Blocked Account	C	0.72	0.74
Other Bank Balances	D	0.01	0.01
TOTAL		1,354.63	53.55
A) Earmarked in favour of Statutory Authorities.			
B) Pertains to			
- Unpaid Dividend		41.09	44.60
- Fractional Share Warrants		0.03	0.03
- Interim Dividend Declared but not Disbursed (including TDS)		1,299.87	-
C) There exists restrictions on banking transactions in Libya due to political unrest.			
D) There exists restrictions on repatriation from bank account in Myanmar.			

NOTES TO FINANCIAL STATEMENTS

Note - 13 : ASSETS HELD FOR SALE

(₹ in Crore)

	Note	March 31, 2021	March 31, 2020
Freehold land		**1.56**	1.56
Building	A	**0.17**	0.30
Plant and Equipment	B	**190.90**	232.73
Office Equipment	B	**0.23**	0.59
Transport Equipment	B	**0.02**	0.02
Furniture and Fixtures	B	**0.02**	0.03
Total		**192.90**	**235.23**

A. The Company has surplus land at various locations such as LPG Plant, Depots and RO's etc. which is under the process of disposal. The management intends to sell the land. No impairment was recognised on reclassification of land as held for sale as the Company expects that the fair value (estimated based on the recent market prices of similar properties in similar locations) less costs to sell is higher than the carrying amount.

B. Includes non current assets retired from active use earlier used in various segments and held for disposal through tendering process within a year.

During the year, the company has recognised impairment loss of **₹ 30.00 Crore** (2020: ₹ 42.39 Crore) on write-down of asset to fair value less costs to sell and the same has been shown in Provision/loss on Other Assets sold or written off under 'Other Expenses' in the Statement of Profit and Loss.

Note - 14 : EQUITY SHARE CAPITAL

(₹ in Crore)

	March 31, 2021	March 31, 2020
Authorised:		
15,00,00,00,000 Equity Shares of ₹ 10 each	**15,000.00**	15,000.00
Issued Subscribed and Paid Up:		
9,41,41,58,922 (2020: 9,41,41,58,922)	**9,414.16**	9,414.16
Equity Shares of ₹ 10 each fully paid up		
Less: Equity Shares held under IOC Shares Trust	**233.12**	233.12
23,31,18,456 (2020: 23,31,18,456)		
Equity Shares of ₹ 10 each fully paid up		
TOTAL	**9,181.04**	**9,181.04**
A. Reconciliation of No. of Equity Shares		
Opening Balance	**9,41,41,58,922**	9,41,41,58,922
Closing Balance	**9,41,41,58,922**	9,41,41,58,922

B. Terms/ Rights attached to Equity Shares

The Company has only one class of equity shares having par value of ₹ 10 each and is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held.

IOC Shares Trust (Shareholder) has waived its right to receive the dividend w.e.f. 02.03.2020.

NOTES TO FINANCIAL STATEMENTS

Note - 14 : EQUITY SHARE CAPITAL (Contd..)

C. Details of shareholders holdings more than 5% shares

(₹ in Crore)

Name of Shareholder	March 31, 2021		March 31, 2020	
	Number of shares held	Percentage of Holding	Number of shares held	Percentage of Holding
THE PRESIDENT OF INDIA	**4848133178**	**51.50**	4848133178	51.50
OIL AND NATURAL GAS CORPORATION LIMITED	**1337215256**	**14.20**	1337215256	14.20
LIFE INSURANCE CORPORATION OF INDIA	**722680547**	**7.68**	610467282	6.48
OIL INDIA LIMITED	**485590496**	**5.16**	485590496	5.16

D. For the period of preceding five years as on the Balance Sheet date, the:

(a) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	Nil
(b) Aggregate number of shares allotted as fully paid up by way of bonus shares:	
- During FY 2016-17 (October 2016) in ratio of 1:1	2427952482
- During FY 2017-18 (March 2018) in ratio of 1:1	4855904964
(c) Aggregate number and class of shares bought back - During FY 2018-19 (February 2019)	297651006

Note - 15 : OTHER EQUITY

(₹ in Crore)

	March 31, 2021	March 31, 2020
Retained Earnings		
General Reserve:		
Opening Balance	**74,905.19**	79,533.78
Add: Remeasurement of Defined Benefit Plans	**16.78**	(115.54)
Add: Transfer from Export profit Reserve	**53.72**	-
Add: Appropriation from Surplus	**12,184.52**	(4,513.05)
	87,160.21	**74,905.19**
Surplus (Balance in Statement of Profit and Loss)		
Profit for the Year	**21,836.04**	1,313.23
Less: Appropriations		
Interim Dividend	**9,640.47**	3,902.09
Final Dividend	**-**	918.25
Dividend Distribution Tax on:		
Interim Dividend	**-**	799.27
Final Dividend	**-**	186.67
Insurance Reserve (Net)	**11.05**	20.00
General Reserve	**12,184.52**	(4,513.05)
Balance carried forward to next year	**-**	-
	87,160.21	**74,905.19**
Other Reserves		
Bond Redemption Reserve	**3,152.64**	3,152.64
Capital Redemption Reserve Account	**297.65**	297.65
Capital Reserve	**183.08**	183.08

NOTES TO FINANCIAL STATEMENTS

Note - 15 : OTHER EQUITY (Contd..)

(₹ in Crore)

	March 31, 2021	March 31, 2020
Insurance Reserve:		
Opening Balance	261.09	241.09
Add: Appropriation from Surplus	20.00	20.00
Less: Recoupment of uninsured fire loss	8.95	-
	272.14	261.09
Export Profit Reserve:		
As per last Account	53.72	53.72
Less: Transfer to General Reserve	53.72	-
	-	53.72
Corporate Social Responsibility Reserve (refer Note - 45)		
Opening Balance	-	-
Add: Appropriation from Surplus	-	543.38
Less: Utilised during the year	-	543.38
	-	-
Foreign Currency Monetary Item Translation Difference Account		
Opening Balance	-	(35.78)
Add: Foreign Currency Exchange Gain/ (Loss) on Long Term Monetary Items	-	6.86
Less: Amortised during the year	-	(28.92)
	-	-
Fair Value Through Other Comprehensive Income:		
Fair value of Equity Instruments		
Opening Balance	5,296.79	16,072.20
Add: Fair value during the year	4,469.39	(10,775.41)
	9,766.18	5,296.79
Fair value of Debt Instruments		
Opening Balance	391.67	(43.95)
Add: Fair value during the year	80.91	435.62
Less: Transferred to Statement of Profit and Loss	2.28	-
	470.30	391.67
Cash Flow Hedge Reserve		
Opening Balance	46.00	22.04
Add: Gain/(Loss) during the year	16.81	46.01
Less: Transferred during the year	46.01	22.05
	16.80	46.00
TOTAL	1,01,319.00	84,587.83

Nature and Purpose of Reserves

A. Retained Earnings

The retained earnings comprises of general reserve and surplus which is used from time to time to transfer profits by appropriations. Retained earnings is free reserve of the Company and is used for the purposes like issuing bonus shares, buy back of shares and other purposes (like declaring Dividend etc.) as per the approval of Board Of Directors. It includes the re-measurement of defined benefit plan as per actuarial valuations which will not be re-classified to statement of profit and loss in subsequent periods.

B. Bond Redemption Reserve

As per the Companies Act 2013, a Bond Redemption Reserve was required to be created for all bonds/ debentures issued by the company at a specified percentage. This reserve is created out of appropriation of profits over the tenure of bonds and will be transferred back to general reserve on repayment of bonds for which it is created.

NOTES TO FINANCIAL STATEMENTS

Note - 15 : OTHER EQUITY (Contd..)

C. Capital Redemption Reserve

As per the Companies Act 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. Utilisation of this reserve is governed by the provisions of the Companies Act 2013.

D. Capital Reserve

Capital Reserve was created through business combinations and shall be utilised as per the provisions of the Companies Act 2013.

E. Insurance Reserve

Insurance Reserve is created by the company with the approval of Board of Directors to mitigate risk of loss of assets not insured with external insurance agencies. ₹ 20.00 Crore is appropriated by the company every year to this reserve. The reserve is utilised to mitigate actual losses by way of net appropriation in case any uninsured loss is incurred. Amount of ₹ 8.95 Crore (2020 : NIL) has been utilised for recoupment of uninsured losses.

F. Export Profit Reserve

Amount set aside out of profits from exports for availing income tax benefits u/s 80HHC of the Income Tax Act, 1961 for the Assessments Years 1986-87 to 1988-89. Creation of reserve for claiming deduction u/s 80HHC was dispensed from AY 1989-90 onwards. In view of settlement of tax dispute with respect to claim under Section 80HHC, Export profit reserve created in earlier year is no longer required and therefore the balance lying has been transfered to General Reserve.

G. Corporate Social Responsibility Reserve

Corporate Social Responsibility (CSR) Reserve was being created till FY 2019-20 for meeting expenses relating to CSR activities in line with CSR policy of the Company. Pursuant to the recent amendments in Companies Act, 2013 & CSR Rules (January 22, 2021), entire CSR amount required to be spent in a financial year is to be recorded as expenditure in the financial statements. CSR expenditure is being recognised by Company as expense in the statement of profit and loss as and when such expenditure is incurred. However, at the end of the financial year, liability is created for any unspent amount while asset is created for the overspent amount.

H. Foreign Currency Monetary Item Translation Difference Account

This reserve is created to accumulate and amortise exchange fluctuations on Long-Term Monetary Items (other than those related to depreciable PP&E) over the remaining life of these items. This is as per the transition exemption taken by the company at the time of implementation of Ind-AS wherein the company has chosen to continue the old GAAP practice for items upto 31.03.2016.

I. Fair value of Equity Instruments

This reserve represents the cumulative effect of fair value fluctuations of investments made by the company in equity instruments of other entities. The cumulative gain or loss arising on such changes are recognised through Other Comprehensive Income (OCI) and accumulated under this reserve. This will not be re-classified to the statement of profit and loss in subsequent periods.

J. Fair value of Debt Instruments

This reserve represents the cumulative effect of fair value fluctuations in debt investments made by the company which are classified as available for sale investments. The cumulative gain or loss arising on such changes are recognised through Other Comprehensive Income (OCI) and accumulated under this reserve. This amount will be re-classified to the statement of profit and loss in subsequent periods on disposal of respective instruments.

K. Cash Flow Hedge Reserve

The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on such changes are recognised through Other Comprehensive Income (OCI) and accumulated under this reserve. Such gains or losses will be reclassified to statement of profit and loss in the period in which the hedged item occurs/ affects the statement of profit and loss.

NOTES TO FINANCIAL STATEMENTS

Note - 16 : LONG TERM BORROWINGS (At Amortised Cost)

(₹ in Crore)

		Non Current		Current Maturities*	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
SECURED LOANS					
Term Loans:					
Oil Industry Development Board (OIDB)	A	**531.59**	144.47	**37.50**	177.81
Total Secured Loans		**531.59**	**144.47**	**37.50**	**177.81**
UNSECURED LOANS					
Bonds/ Debentures:					
Foreign Currency Bonds	B	**12,402.76**	16,478.13	**3,853.59**	209.27
Rupee Bonds/ Debentures	C	**15,908.35**	7,994.02	**378.81**	135.14
		28,311.11	**24,472.15**	**4,232.40**	**344.41**
Term Loans:					
From Banks/ Financial Institutions					
In Foreign Currency Loans	D	**17,331.83**	17,144.21	**2.15**	1,888.39
In Rupees	E	**1,500.00**	-	**2.22**	-
From Government					
In Rupees	F	**1,291.34**	962.66	**-**	-
		20,123.17	**18,106.87**	**4.37**	**1,888.39**
Lease Obligations	G	**6,442.08**	6,527.15	**1,472.41**	1,397.65
Total Unsecured Loans		**54,876.36**	**49,106.17**	**5,709.18**	**3,630.45**
TOTAL LONG-TERM BORROWINGS		**55,407.95**	**49,250.64**	**5,746.68**	**3,808.26**

* Current maturities (including Lease Obligations) are carried to Note - 17: Other Financial Liabilities.

Secured Loans:

A. Secured Term Loans

1. Security Details for OIDB Loans:

a) First charge on the facilities at IndMax Unit, Bongaigaon Refinery, Assam.

2. Loan Repayment Schedule against loans from OIDB (Secured)-Term Loans

Sl. No.	Repayable During	Repayable Amount (₹ In Crore)	Range of Interest (%)
1	2021-22	37.50	6.51%
2	2022-23	146.75	5.31% - 6.51%
3	2023-24	146.75	5.31% - 6.51%
4	2024-25	146.75	5.31% - 6.51%
5	2025-26	109.25	5.31% - 5.51%
	Total	**587.00**	

NOTES TO FINANCIAL STATEMENTS

Note - 16 : LONG TERM BORROWINGS (At Amortised Cost) (Contd..)

Unsecured Loans:

B. Repayment Schedule of Foreign Currency Bonds

Sl. No.	Particulars	Date of Issue	Date of Repayment
1	USD 900 Million Reg S Bonds	January 16, 2019	Payable after 5 years from the date of issue
2	USD 500 Million Reg S Bonds	August 01, 2013	Payable after 10 years from the date of issue
3	SGD 400 Million Reg S Bonds	October 15, 2012	On the same day, Cross Currency Swap amounting to USD 325.57 Million done. Payable after 10 years from the date of issue
4	USD 500 Million Reg S Bonds	August 02, 2011	Payable after 10 years from the date of issue

C. Repayment Schedule of Rupee Bonds/ Debentures

Sl. No.	Particulars	Date of Allotment	Coupon Rate	Date of Redemption
1	Indian Oil-2029 (Series XIV) 30000 debenture of Face Value ₹ 10,00,000 each	October 22, 2019	7.41% p.a.payable annually on 22 October	10 years from the deemed date of allotment i.e. October 22, 2029
2	Indian Oil-2023 (Series XV) 20000 debenture of Face Value ₹ 10,00,000 each	January 14, 2020	6.44% p.a.payable annually on 14 January	3 years 3 months from the deemed date of allotment i.e. April 14, 2023
3	Indian Oil-2025 (Series XVI) 29950 debenture of Face Value ₹ 10,00,000 each	March 06, 2020	6.39% p.a.payable annually on 6 March	5 years from the deemed date of allotment i.e. March 6, 2025
4	Indian Oil-2022 (Series XVII) 30000 debenture of Face Value ₹ 10,00,000 each	May 27, 2020	5.05% p.a.payable annually on 27 May	2 years 6 months from the deemed date of allotment i.e. November 25, 2022
5	Indian Oil-2025 (Series XVIII) 16250 debenture of Face Value ₹ 10,00,000 each	August 03, 2020	5.40% p.a.payable annually on 03 August	4 years 8 months and 8 days from the deemed date of allotment i.e. April 11, 2025
6	Indian Oil-2025 (Series XIX) 20000 debenture of Face Value ₹ 10,00,000 each	October 20, 2020	5.50% p.a.payable annually on 20 October	5 years from the deemed date of allotment i.e. October 20, 2025
7	Indian Oil-2026 (Series XX) 12902 debenture of Face Value ₹ 10,00,000 each	January 25, 2021	5.60% p.a.payable annually on 25 January	4 years 11 months and 29 days from the deemed date of allotment i.e. January 23, 2026.

NOTES TO FINANCIAL STATEMENTS

Note - 16 : LONG TERM BORROWINGS (At Amortised Cost) (Contd..)

D. Repayment Schedule of loans from Banks and Financial Institutions in Foreign Currency

Sl. No.	Particulars of Loans	Date of drawal	Date of Repayment
1	USD 100 Million Term Loan	March 12, 2021	Payable after 3 years & 3 months from the date of drawal
2	USD 300 Million Term loan	June 19, 2019	Payable after 3 years from the date of drawal
3	USD 50 Million Syndication Loan	March 07, 2019	Payable after 5 years from the date of drawal
4	USD 200 Million Syndication Loan	March 05, 2019	
5	USD 150 Million Syndication Loan	February 28, 2019	
6	USD 100 Million Syndication Loan	December 31, 2018	
7	USD 100 Million Syndication Loan	December 28, 2018	
8	USD 200 Million Syndication Loan	December 24, 2018	
9	USD 100 Million Syndication Loan	December 20, 2018	
10	USD 250 Million Syndication Loan	December 18, 2018	
11	USD 100 Million Syndication Loan	December 12, 2018	
12	USD 450 Million Syndication Loan	December 11, 2018	
13	USD 300 Million syndication loan	September 29, 2017	

E. Repayment Schedule of Term loans from Banks and Financial Institutions in Rupees

Sl. No.	Particulars of Loans	Date of drawal	Date of Repayment
1	HDFC ₹ 1,500 Crore Term Loan	20 March 2021	Payable after 3 years from the date of drawal

F. Repayment Schedule of Unsecured Interest Free Loans from Govt of Odisha

Interest free loan given by Odisha Government for 15 years is disbursed in quarterly instalment of ₹ 175 Crore starting from April 01, 2016 repayble after 15 years. Total loan disbursed till now is ₹ 3,500 Crore which is repayable after 15 years from the quarter for which the same is given i.e. in quarterly instalments starting from last week of June, 2031 onwards. This loan being interest free loan is accounted at fair value and accordingly accounting for government grant is done.

G. Lease Obligations

The Lease Obligations are against Assets aquired on lease. The carrying value of the same is **₹ 7,914.31 Crore** (2020: ₹ 7,659.84 Crore).

Note - 17 : OTHER FINANCIAL LIABILITIES (At Amortised Cost unless otherwise stated)

(₹ in Crore)

Particulars	Non Current		Current	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Current Maturities of Long-term Debt (refer Note - 16)	-	-	**5,746.68**	3,808.26
Liability for Capital Expenditure	-	-	**5,782.32**	4,728.60
Liability to Trusts and Other Funds	-	-	**117.41**	353.36
Employee Liabilities	-	-	**2,484.00**	977.21
Liability for Purchases on Agency Basis	-	-	**2,277.29**	1,460.23

NOTES TO FINANCIAL STATEMENTS

Note - 17 : OTHER FINANCIAL LIABILITIES (At Amortised Cost unless otherwise stated) (Contd..)

(₹ in Crore)

Particulars		Non Current		Current	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Investor Education & Protection Fund to be credited on the due dates:					
- Unpaid Dividend		-	-	41.09	44.60
- Unpaid Matured Deposits		-	-	0.01	0.01
		-	-	41.10	44.61
Derivative Instruments at Fair Value		-	-	252.65	467.38
Security Deposits	A	847.49	789.58	29,639.11	28,953.94
Liability for Dividend		-	-	1,260.79	-
Others		-	-	1,696.72	1,757.12
TOTAL		847.49	789.58	49,298.07	42,550.71
A. LPG Deposits classified as current in line with industry practice and includes towards:					
1. Deposit received towards LPG connection issued under PRADHAN MANTRI UJJAWALA YOJNA (PMUY), Rajiv Gandhi Gramin LPG Vitrak Yojana (RGGLVY) and various other schemes of State Government/Central Government of India. The deposits against these schemes have been funded from CSR fund and/or by State Government /Central Government of India		-	-	6,259.51	6,261.73
2. Deposit free LPG connections funded by Chennai Petroleum Corporation Limited.		-	-	0.52	0.52

Note - 18 : PROVISIONS

(₹ in Crore)

Particulars		Non Current		Current	
		March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Provision for Employee Benefits		936.57	913.65	204.81	484.95
Decommissioning Liability	A	7.36	5.40	2.31	2.31
Contingencies for probable obligations	B	-	-	10,796.53	10,703.42
Less: Deposits		-	-	1,750.09	1,595.93
		-	-	9,046.44	9,107.49
TOTAL		943.93	919.05	9,253.56	9,594.75

A. In compliance of Ind AS 37 - "Provisions, Contingent Liabilities and Contingent Assets", the required information are as under:

(₹ in Crore)

	Opening Balance	Addition during the year	Utilisation during the year	Reversals during the year	Unwinding of discount and changes in the discount rate	Closing Balance
Decommissioning Liability - E&P Blocks	7.71	3.20	-	1.40	0.16	9.67
Previous Year Total	4.62	2.74	-	-	0.35	7.71

NOTES TO FINANCIAL STATEMENTS

Note - 18 : PROVISIONS

B. In compliance of Ind AS 37 - "Provisions, Contingent Liabilities and Contingent Assets", the required information is as under:

(₹ in Crore)

	Opening Balance	Addition during the year	Utilisation during the year	Reversals during the year	Closing Balance*
Excise	15.45	0.05	-	-	15.50
Sales Tax/ GST	1,802.27	165.98	-	-	1,968.25
Entry Tax	5,614.66	-	-	2.90	5,611.76
Others	3,271.04	598.91	434.37	234.56	3,201.02
TOTAL	**10,703.42**	**764.94**	**434.37**	**237.46**	**10,796.53**
Previous Year Total	**11,624.71**	**1,031.87**	**586.25**	**1,366.91**	**10,703.42**

(₹ in Crore)

	Addition includes	Reversal includes
- capitalised	0.79	-
- included in Raw Material	55.80	-
- included in Finance Cost	367.74	-
- included in Employee Benefit Expenses	132.02	-
- included in Other Expenses	204.70	9.81
- Amount transferred from Liabilities to Provisions	3.89	-
- Adjusted against Deposits/ Paid	-	-

* Expected timing of outflow is not ascertainable at this stage, the matters being under dispute/ contingent.

Note - 19 : DEFERRED TAX LIABILITIES (NET)

(i) In compliance of Ind AS – 12 on "Income Taxes", the item wise details of Deferred Tax Liabilities (net) are as under:

(₹ in Crore)

	As on April 1, 2020	Provided during the year in the Statement of Profit and Loss	Provided during the year in OCI (net)	Balance as on March 31, 2021
Deferred Tax Liability:				
Related to Plant, Property & Equipment	16,685.78	249.82	-	**16,935.60**
Total Deferred Tax Liability (A)	**16,685.78**	**249.82**	**-**	**16,935.60**
Deferred Tax Assets:				
Provision on Inventories, Trade Receivable, Loans and Advance, Investments	845.10	443.07	-	**1,288.17**
Compensation for Voluntary Retirement Scheme	3.50	(2.49)	-	**1.01**
43B/40 (a)(ia)/other Disallowances etc.	2,590.81	203.47	-	**2,794.28**
Carry Forward Business Losses/ Unabsorbed Depreciation	1,828.80	(1,828.80)	-	**-**
Fair Valuation of Equity Instruments	72.36	-	(199.12)	**(126.76)**
MTM on Hedging Instruments *	(15.48)	-	9.82	**(5.66)**
Fair Value of Debt Instruments **	(145.11)	-	(15.56)	**(160.67)**
Others	92.66	87.84	-	**180.50**
Total Deferred Tax Assets (B)	**5,272.64**	**(1,096.91)**	**(204.86)**	**3,970.87**
Deferred Tax Liability (net) (A-B)	**11,413.14**	**1,346.73**	**204.86**	**12,964.73**

Note: During FY 2020-21, on account of change in the tax liabilities pertaining to the past periods, MAT credit amounting to **₹ 228.15** Crore out of previously written off MAT balance has been recognised and utilised against such increased tax liability.

* Net of amount recycled to Statement of Profit and Loss during the year.

** Excludes the amount of tax on fair value of debt instrument sold during the year.

NOTES TO FINANCIAL STATEMENTS

Note - 19 : DEFERRED TAX LIABILITIES (NET) (Contd..)

(₹ in Crore)

	As on April 1, 2019	Provided during the year in the Statement of Profit and Loss	Provided during the year in OCI (net)	Balance as on March 31, 2020
Deferred Tax Liability:				
Related to Plant, Property & Equipment	22,100.50	(5,414.72)	-	**16,685.78**
Foreign Currency gain on long term monetary item	12.50	(12.50)	-	**-**
Total Deferred Tax Liability (A)	**22,113.00**	**(5,427.22)**	**-**	**16,685.78**
Deferred Tax Assets:				
Provision on Inventories, Trade Receivable, Loans and Advance, Investments	993.23	(148.13)	-	**845.10**
Compensation for Voluntary Retirement Scheme	9.38	(5.88)	-	**3.50**
43B/40 (a)(ia)/other Disallowances etc.	3,692.50	(1,101.69)	-	**2,590.81**
Carry Forward Business Losses/ Unabsorbed Depreciation	-	1,828.80	-	**1,828.80**
Fair Valuation of Equity Instruments	(54.11)	-	126.47	**72.36**
MTM on Hedging Instruments	(11.85)	-	(3.63)	**(15.48)**
Fair Value of Debt Instruments	5.76	-	(150.87)	**(145.11)**
Others	61.59	31.07	-	**92.66**
Total Deferred Tax Assets (B)	**4,696.50**	**604.17**	**(28.03)**	**5,272.64**
MAT Credit Entitlement (C) Net#	**1,593.43**	**(1,593.43)**	**-**	**-**
Deferred Tax Liability net of MAT Credit (A-B-C)	**15,823.07**	**(4,437.96)**	**28.03**	**11,413.14**

#Includes generation of MAT Credit of ₹ 770.05 Crore due to alignment of tax provisions with ITR for earlier years and ₹ 1,921.13 Crore towards MAT credit written off upon movement to new regime

(ii) Reconciliation between the average effective tax rate and the applicable tax rate is as below:

	2020-21		2019-20	
	%	(₹ in Crore)	%	(₹ in Crore)
Profit Before Tax		**29,715.65**		**(3,694.11)**
Tax as per applicable Tax Rate	**25.168**	**7,478.83**	**25.168**	**(929.73)**
Tax effect of:				
Income that are not taxable in determining taxable profit	**(1.05)**	**(312.34)**	8.37	(309.31)
Expenses that are not deductible in determining taxable profit	**0.50**	**147.46**	(4.66)	172.23
Recognition of previously unrecognised allowance/ disallowances	**(3.43)**	**(1,020.09)**	1.88	(69.39)
Expenses/income related to prior years	**5.34**	**1,588.23**	(17.03)	629.08
Difference in tax due to income chargeable to tax at special rates	**(0.01)**	**(2.48)**	2.63	(97.24)
Difference due to change in Rate of Tax	**-**	**-**	119.19	(4,402.98)
Average Effective Tax Rate/ Income Tax Expenses	**26.517**	**7,879.61**	**135.549**	**(5,007.34)**

NOTES TO FINANCIAL STATEMENTS

Note - 20 : OTHER LIABILITIES (NON FINANCIAL)

(₹ in Crore)

Particulars		Non Current		Current	
		March 31,2021	March 31, 2020	March 31, 2021	March 31, 2020
Deferred Income		3.64	4.41	0.86	1.20
Government Grants (refer Note - 46)		2,265.19	1,925.98	201.21	170.70
Statutory Liabilities		-	-	10,745.81	6,051.01
Advances from Customers		306.74	111.49	4,404.71	4,895.07
Others	A	0.53	0.60	1,064.32	932.98
TOTAL		2,576.10	2,042.48	16,416.91	12,050.96
A. Includes liability towards Fleet Customers				920.15	793.24

Note - 21 : BORROWINGS - CURRENT

(₹ in Crore)

Particulars		March 31, 2021	March 31, 2020
SECURED LOANS			
Loans Repayable on Demand			
From Banks:	A		
Working Capital Demand Loan		7,822.63	7,186.93
Cash Credit		113.34	641.44
		7,935.97	7,828.37
From Others:			
Loans through Tri-Party Repo Segment (TREPS) of Clearing Corporation of India Ltd. (CCIL)	B	319.97	2,629.95
Total Secured Loans		8,255.94	10,458.32
UNSECURED LOANS			
Loans Repayable on Demand			
From Banks/ Financial Institutions			
In Foreign Currency		11,080.47	29,488.48
In Rupee		8,905.58	5,800.00
		19,986.05	35,288.48
From Others			
Commercial Papers		12,930.87	17,739.28
Total Unsecured Loans		32,916.92	53,027.76
TOTAL SHORT-TERM BORROWINGS		41,172.86	63,486.08

A. Against hypothecation by way of first pari passu charge on Raw Materials, Finished Goods, Stock-in Trade, Trade Receivables, Outstanding monies, Receivables, Claims, Contracts, Engagements to SBI and HDFC Banks.

B. Against pledging of the following to CCIL:		
Government Securities (Including OMC GOI Special Bonds)	2,655.00	3,701.00
Bank Guarantees	1,650.00	1,650.00

Note - 22 : TRADE PAYABLES (At amortised cost)

(₹ in Crore)

Particulars		March 31, 2021	March 31, 2020
Dues to Micro and Small Enterprises		314.90	205.00
Dues to Related Parties		1,014.06	910.39
Dues to Others	A	32,545.63	24,108.91
TOTAL		33,874.59	25,224.30
A. Includes amount related to Micro and Small enterprises for which payment to be made to financial institutions in pursuance of bills discounted by them		0.65	2.51

NOTES TO FINANCIAL STATEMENTS

Note - 23 : REVENUE FROM OPERATIONS

(₹ in Crore)

Particulars	2020-2021	2019-2020
Sale of Products and Crude	5,20,749.66	5,73,924.19
Less: Discounts	10,204.13	13,466.07
Sales (Net of Discounts)	5,10,545.53	5,60,458.12
Sale of Services	301.37	152.55
Other Operating Revenues (Note "23.1")	3,076.48	4,184.83
	5,13,923.38	5,64,795.50
Net Claim/(Surrender) of SSC and Other Claims	891.49	100.20
Subsidy From Central/ State Governments	75.60	161.68
Grant from Government of India	-	1,296.17
TOTAL	5,14,890.47	5,66,353.55

Note - 23.1 : OTHER OPERATING REVENUES

(₹ in Crore)

Particulars	2020-2021	2019-2020
Sale of Power and Water	253.77	337.19
Revenue from Construction Contracts	3.91	8.11
Unclaimed / Unspent liabilities written back	371.70	171.94
Provision for Doubtful Advances, Claims and Stores written back	9.41	15.34
Provision for Contingencies written back	227.65	1,353.49
Recoveries from Employees	13.32	15.46
Retail Outlet License Fees	998.91	1,117.06
Income from Non Fuel Business	132.45	170.47
Commission and Discount Received	7.01	3.75
Sale of Scrap	251.68	213.62
Income from Finance Leases	0.13	5.03
Amortisation of Capital Grants	170.15	134.30
Revenue Grants	46.00	43.66
Terminalling Charges	56.48	56.85
Other Miscellaneous Income	533.91	538.56
TOTAL	3,076.48	4,184.83

Particulars relating to Revenue Grants are given in Note - 46.

Note - 24 : OTHER INCOME

(₹ in Crore)

Particulars		2020-2021	2019-2020
Interest on:	A		
Financial items:			
Deposits with Banks		6.41	6.16
Customers Outstandings		341.72	342.10
Oil Companies GOI SPL Bonds/ Other Investments		912.69	825.50
Other Financial Items		459.74	623.61
Total interest on Financial items		1,720.56	1,797.37
Non-Financial items		39.56	119.86
		1,760.12	1,917.23
Dividend:	B		
From Related Parties		984.90	882.06
From Other Companies		256.13	709.96
		1,241.03	1,592.02

NOTES TO FINANCIAL STATEMENTS

Note - 24 : OTHER INCOME (Contd..)

(₹ in Crore)

Particulars	2020-2021	2019-2020
Profit on Sale of Investments (Net)	1.84	-
Exchange Fluctuations (Net)	1,154.42	-
Gain on Derivatives	140.87	-
Fair value Gain on Financial instruments classified as FVTPL	205.56	-
Other Non Operating Income	46.88	45.47
TOTAL	4,550.72	3,554.72
A 1. Includes Tax Deducted at Source	8.55	8.43
A 2. Includes interest received under section 244A of the Income Tax Act.	24.15	45.75
A 3. Include interest on:		
Current Investments	638.32	516.93
Non-Current Investments	274.37	308.57
A 4. Total interest income (calculated using the effective interest method) for financial assets:		
In relation to Financial Assets classified at amortised cost	807.87	971.87
In relation to Financial Assets classified at FVOCI	832.42	772.28
In relation to Financial Assets classified at FVTPL	80.27	53.22
B.1 Dividend Income consists of Dividend on:		
Current Investments	1.69	5.65
Non-Current Investments	1,239.34	1,586.37
B.2 Dividend on Non Current Investments Includes Dividend from Subsidiaries	557.95	556.54
B.3. Includes Tax Deducted at Source	54.12	-

Note - 25: COST OF MATERIALS CONSUMED

(₹ in Crore)

Particulars	2020-2021	2019-2020
Opening Stock	19,350.20	28,359.50
Add: Purchases	1,65,362.08	2,43,784.87
	1,84,712.28	2,72,144.37
Less: Closing Stock	28,064.32	19,350.20
Less: Transfer to Exceptional Items	-	5,717.14
TOTAL	1,56,647.96	2,47,077.03

Note - 26 : CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND STOCK IN PROCESS

(₹ in Crore)

Particulars		2020-2021	2019-2020
Closing Stock			
Finished Products		30,652.95	27,074.48
Stock in Process		5,964.42	5,432.60
Stock- in - trade		9,067.37	7,630.09
		45,684.74	40,137.17
Less:			
Opening Stock			
Finished Products		27,074.48	24,260.44
Stock in Process		5,432.60	5,739.85
Stock - in - Trade		7,630.09	9,313.95
		40,137.17	39,314.24
Add: Transfer to Exceptional Items		-	5,587.50
NET INCREASE / (DECREASE)	A	5,547.57	6,410.43

A. Includes ₹ **37.25** Crore towards energy imbalance of 375,644 MMBTU in Ennore - Manali Spur Pipeline . The Company has appointed third party expert agency to conduct the system audit of metering system and the final report from the expert agency is awaited

NOTES TO FINANCIAL STATEMENTS

Note - 27 : EMPLOYEE BENEFITS EXPENSE

(₹ in Crore)

Particulars	2020-2021	2019-2020
Salaries, Wages, Bonus etc	**8,156.65**	6,504.09
Contribution to Provident & Other Funds	**1,426.95**	1,207.10
Voluntary Retirement Compensation	**2.60**	1.75
Staff Welfare Expenses	**1,125.84**	1,079.71
TOTAL	**10,712.04**	**8,792.65**

A. Excludes ₹ **421.12 Crore** (2020: ₹ **405.12** Crore) included in capital work in progress (construction period expenses - Note-2.2) / intangible assets under development (Note - 3.1) and ₹ **15.08 Crore** (2020: ₹ 24.63 Crore) included in CSR expenses (Note - 29.1).

B. Includes expenditure on account of Staff and Establishment amounting to ₹ **22.75 Crore** (2020: ₹ 24.82 Crore) engaged in Public Relations and Publicity (Refer Note 29.1)

C. Includes ₹ **132.02 Crore** (2020: 130.24) towards Provident Fund contribution for likely future interest shortfall on portfolio basis.

D. Disclosure in compliance with Indian Accounting Standard-19 on "Employee Benefits" is given in Note - 35.

Note - 28 : FINANCE COSTS

(₹ in Crore)

Particulars		2020-2021	2019-2020
Interest Payments on Financial items:			
Working Capital Loans:			
Bank Borrowings		**540.54**	842.92
Bonds/ Debentures		**434.03**	325.13
Others		**787.52**	1,379.05
		1,762.09	**2,547.10**
Other Loans:			
Bank Borrowings		**133.26**	242.54
Bonds/Debentures		**564.58**	533.18
Lease Obligations		**765.92**	756.53
		1,463.76	**1,532.25**
Unwinding of Discount		**88.61**	65.74
Others		**6.17**	5.59
		3,320.63	**4,150.68**
Interest Payments on Non Financial items:			
Unwinding of Discount		**0.14**	0.14
Others	A	**581.15**	343.30
		581.29	**343.44**
		3,901.92	**4,494.12**
Other Borrowing Cost	B	**19.08**	31.33
Applicable Net (Gain) / Loss on Foreign Currency Transactions and Translation	C	**(827.08)**	1,454.00
TOTAL		**3,093.92**	**5,979.45**
A. Mainly includes:			
Interest expenses u/s 234B and 234C		**135.19**	-
Interest on Kandla Port Trust Rental Liability		**131.61**	326.54
B. Mainly pertains to franking charges, service charges & other indirect expenses on borrowings.			
C. Net adjustment pertaining to current year's exchange gain considering unrealised exchange losses treated as finance cost in earlier years in line with Ind AS 23			
Total interest expense (calculated using the effective interest method) for financial liabilities that are not at fair value through profit or loss		**3,320.63**	4,150.68

NOTES TO FINANCIAL STATEMENTS

Note - 29 : OTHER EXPENSES

(₹ in Crore)

Particulars	2020-2021	2019-2020
Consumption:		
a) Stores, Spares and Consumables	**1,717.88**	1,875.26
b) Packages & Drum Sheets	**421.30**	438.79
	2,139.18	**2,314.05**
Power & Fuel	**17,845.30**	21,823.59
Less: Fuel from own production	**13,485.22**	16,637.78
	4,360.08	**5,185.81**
Throughput, Processing & Blending Fees, Royalty and Other Charges	**1,020.26**	1,444.38
Octroi, Other Levies and Irrecoverable taxes	**1,566.81**	1,665.52
Repairs and Maintenance		
i) Plant & Equipment	**3,136.90**	3,564.85
ii) Buildings	**337.89**	365.71
iii) Others	**526.50**	518.36
	4,001.29	**4,448.92**
Freight, Transportation Charges and Demurrage	**14,100.70**	14,097.80
Office Administration, Selling and Other Expenses (Note "29.1")	**6,816.81**	10,034.55
TOTAL	**34,005.13**	**39,191.03**
Less: Company's use of own Products and Crude	**688.32**	836.39
TOTAL (Net)	**33,316.81**	**38,354.64**

Note - 29.1 : OFFICE, ADMINISTRATION, SELLING AND OTHER EXPENSES

(₹ in Crore)

Particulars	2020-2021	2019-2020
Rent	**602.41**	477.30
Insurance	**260.86**	151.35
Rates & Taxes	**144.19**	148.29
Donation	**1.00**	0.01
Payment to Auditors		
As Auditors	**2.18**	2.17
For Taxation Matters	**0.43**	0.42
Other Services (for issuing other certificates etc.)	**1.41**	1.33
For reimbursement of expenses	**0.14**	0.35
	4.16	**4.27**
Travelling & Conveyance	**470.71**	714.97
Communication Expenses	**59.00**	54.46
Printing & Stationery	**31.47**	41.24
Electricity & Water	**376.92**	389.80
Bank Charges	**30.06**	48.44
Advances & Claims written off	**2.92**	6.25
Provision/ Loss on Assets sold or written off (Net)	**85.09**	93.94
Technical Assistance Fees	**103.45**	48.94
Exchange Fluctuation (net)	**-**	3,944.60
Provision for Doubtful Advances, Claims, CWIP, Stores etc.	**574.39**	26.89

NOTES TO FINANCIAL STATEMENTS

Note - 29.1 : OFFICE, ADMINISTRATION, SELLING AND OTHER EXPENSES (Contd..)

(₹ in Crore)

Particulars	2020-2021	2019-2020
Security Force Expenses	**855.22**	825.48
Sales Promotion Expenses (Including Commission)	**339.07**	443.39
Handling Expenses	**611.52**	595.65
Exploration & Production Cost	**68.40**	57.24
Loss on Derivatives	**-**	170.58
Fair value Loss on Financial instruments classified as FVTPL	**-**	59.11
Amortisation of FC Monetary Item Translation	**-**	28.92
Expenses on Construction Contracts	**3.65**	7.08
Expenses on CSR Activities (Refer Note - 45)	**342.00**	543.38
Training Expenses	**59.15**	97.06
Legal Expenses / Payment To Consultants	**151.30**	170.34
Notices and Announcement	**9.73**	18.87
Advertisement and Publicity	**65.03**	62.31
Pollution Control Expenses	**108.60**	96.94
Amortisation and Remeasurement of PMUY Assets	**1,056.60**	291.07
Miscellaneous Expenses	**399.91**	416.38
TOTAL	**6,816.81**	**10,034.55**

Expenses includes expenditure on Public Relations and Publicity amounting to ₹ **97.33 Crore** (2020 ₹ 101.32 Crore) which is inclusive of ₹ **22.75 Crore** (2020: ₹ 24.82 Crore) on account of Staff and Establishment and ₹ **74.58 Crore** (2020: ₹ 76.5 Crore) for payment to others. The ratio of annual expenditure on Public Relations and Publicity to the annual turnover (inclusive of excise duty) is **0.00019:1** (2020: 0.00018:1)

Note - 30 : OTHER COMPREHENSIVE INCOME

(₹ in Crore)

Particulars	2020-2021	2019-2020
Items that will not be reclassified to profit or loss:		
Remeasurement of Defined Benefit Plans	**22.42**	(154.40)
Fair value of Equity Instruments	**4,668.51**	(10,901.88)
	4,690.93	**(11,056.28)**
Income Tax relating to items that will not be reclassified to profit or loss:		
Remeasurement of Defined Benefit Plans	**(5.64)**	38.86
Fair value of Equity Instruments	**(199.12)**	126.47
	(204.76)	**165.33**
Items that will be reclassified to profit or loss:		
Fair value of Debt Instruments	**97.24**	586.49
Gain/(Loss) on Hedging Instruments	**22.47**	61.49
	119.71	**647.98**
Income Tax relating to items that will be reclassified to profit or loss:		
Fair value of Debt Instruments	**(16.33)**	(150.87)
Gain/(Loss) on Hedging Instruments	**(5.66)**	(15.48)
	(21.99)	**(166.35)**
TOTAL	**4,583.89**	**(10,409.32)**

NOTES TO FINANCIAL STATEMENTS

Note - 31 : DISTRIBUTIONS MADE AND PROPOSED

(₹ in Crore)

Particulars	March 31, 2021	March 31, 2020
Cash Dividends on Equity Shares declared:		
Final Dividend		
Total Final Dividend during the current year for previous financial year: ₹ **Nil per share** (2020: ₹ 1.00 per share for previous financial year)	-	941.42
Less: Final Dividend pertaining to IOC Share trust (Refer Note-1)	-	23.31
Final Dividend net of IOC share trust	**-**	**918.11**
Dividend Distribution Tax on final Dividend	-	186.67
Interim Dividend		
Total Interim Dividend for current financial year: ₹ **10.50 per share** (2020: ₹ 4.25 per share).	**9,640.09**	3,901.94
Less: Interim Dividend pertaining to IOC Share trust (Refer Note-1)	-	-
Interim Dividend net of IOC share trust	**9,640.09**	**3,901.94**
Dividend Distribution Tax on interim Dividend	-	799.27
Total	**9,640.09**	**5,805.99**
Proposed Dividend on Equity Shares		
Final proposed Dividend for current financial year: ₹ **1.50 per share** (2020: ₹ Nil per share)	**1,377.16**	-
Less: Proposed Dividend pertaining to IOC Share trust (Refer Note-1)	-	-
Final proposed Dividend net of IOC share trust	**1,377.16**	**-**
Dividend Distribution Tax on proposed Dividend	-	-
	1,377.16	**-**

Notes

1. 233118456 shares held under IOC Share Trust (Shareholder) of face value ₹ **233.12** Crore (2020: ₹ 233.12 Crore) has been netted off from paid up capital. IOC Share Trust have waived its right to receive the Dividend w.e.f. March 02, 2020 and therefore interim Dividend on shares held by IOC Share Trust was neither proposed in the last year nor during the current financial year.

2. The Company has also incurred expenses on distribution of final dividend amounting to **Nil** (2020: ₹ 0.14 Crore) and on distribution of interim Dividend amounting to ₹ **0.38 Crore** (2020: ₹ 0.15 Crore) which have been debited to equity.

Note - 32 : EARNINGS PER SHARE (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit/ (loss) for the year attributable to equity holders by the weighted average number of Equity Shares outstanding during the year.

The following reflects the profit/ (loss) and number of shares used in the basic and diluted EPS computations:

Particulars	2020-21	2019-20
Profit/ (Loss) attributable to Equity holders (₹ in Crore)	**21,836.04**	1,313.23
Weighted Average number of Equity Shares used for computing Earning Per Share (Basic) (Refer note-1)	**9181040466**	9181040466
Weighted Average number of Equity Shares used for computing Earning Per Share (Diluted) (Refer note-1)	**9181040466**	9181040466
Earnings Per Share (Basic) (₹)	**23.78**	1.43
Earnings Per Share (Diluted) (₹)	**23.78**	1.43
Face value per share (₹)	**10.00**	10.00

Notes

1. 233118456 Equity Shares held under IOC Share Trust of face value ₹ **233.12 Crore** have been excluded from weighted average number of Equity Shares and EPS is computed accordingly.

NOTES TO FINANCIAL STATEMENTS

Note - 33A : INTEREST IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The list of Investments in Subsidiaries, Joint Ventures and Associates are as under-

Name	Country of Incorporation/ Principal place of business	Equity Interest	
		March 31, 2021	March 31, 2020
Subsidiaries			
Chennai Petroleum Corporation Limited	India	**51.89%**	51.89%
Indian Catalyst Private Limited#	India	**-**	100.00%
IndianOil (Mauritius) Limited	Mauritius	**100.00%**	100.00%
Lanka IOC PLC	Sri Lanka	**75.12%**	75.12%
IOC Middle East FZE	UAE	**100.00%**	100.00%
IOC Sweden AB	Sweden	**100.00%**	100.00%
IOCL (USA) Inc.	USA	**100.00%**	100.00%
IndOil Global B.V.	Netherlands	**100.00%**	100.00%
IOCL Singapore Pte Limited	Singapore	**100.00%**	100.00%
Associates			
Petronet LNG Limited	India	**12.50%**	12.50%
AVI-OIL India Private Limited	India	**25.00%**	25.00%
Petronet India Limited@	India	**18.00%**	18.00%
Petronet VK Limited	India	**50.00%**	50.00%
Joint Ventures			
Indian Oiltanking Limited	India	**49.38%**	49.38%
Lubrizol India Private Limited	India	**26.00%**	26.00%
Indian Oil Petronas Private Limited	India	**50.00%**	50.00%
Green Gas Limited	India	**49.97%**	49.97%
IndianOil Skytanking Private Limited	India	**50.00%**	50.00%
Suntera Nigeria 205 Limited	Nigeria	**25.00%**	25.00%
Delhi Aviation Fuel Facility (Private) Limited	India	**37.00%**	37.00%
Indian Synthetic Rubber Private Limited	India	**50.00%**	50.00%
NPCIL IndianOil Nuclear Energy Corporation Limited	India	**26.00%**	26.00%
GSPL India Transco Limited	India	**26.00%**	26.00%
GSPL India Gasnet Limited	India	**26.00%**	26.00%
IndianOil Adani Gas Private Limited	India	**50.00%**	50.00%
Mumbai Aviation Fuel Farm Facility Private Limited	India	**25.00%**	25.00%
Kochi Salem Pipelines Private Limited	India	**50.00%**	50.00%
IndianOil LNG Private Limited	India	**50.00%**	50.00%
IndianOil Panipat Power Consortium Limited (upto 05.03.2021)@@	India	**-**	50.00%
Petronet CI LTD@@@	India	**26.00%**	26.00%
IndianOil Ruchi Bio Fuels LLP##	India	**50.00%**	50.00%
Hindustan Urvarak and Rasayan Limited	India	**29.67%**	29.67%

NOTES TO FINANCIAL STATEMENTS

Note – 33A : INTEREST IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (Contd..)

Name	Country of Incorporation/ Principal place of business	Equity Interest	
		March 31, 2021	March 31, 2020
Ratnagiri Refinery & Petrochemicals Limited	India	**50.00%**	50.00%
Indradhanush Gas Grid Limited	India	**20.00%**	20.00%
IHB Private Limited	India	**50.00%**	50.00%
IndianOil Total Private Limited (Incorporated on 07.10.2020)	India	**50.00%**	-

#Application has been submitted to RoC Ahmedabad on December 30, 2020 for striking-off the Company's name from the ROC's Register.

@ Liquidator has been appointed for winding up of Company w.e.f August 30, 2018.

@@ IndianOil has exited the Joint Venture by selling its entire stake in IPPCL to SCION Exports Private Limited on March 5, 2021.

@@@ The Company is under winding up process and the appointed liquidator has submitted his report to the official liquidator who is still to submit its report to Tribunal for winding up of the company.

IndianOil has exited the Joint Venture, IndianOil Ruchi Biofuels LLP (M/s IORB) by giving notice of its exit from the LLP to the other JV partner viz. Ruchi Soya Industries Limited (M/s Ruchi) as well as to the LLP on December 26, 2018 stating that it will exit the LLP w.e.f. January 25, 2019. The time frame for completing exit formalities by M/s. Ruchi by filing requisite forms with ROC was within 30 days of notice expiry period (i.e., by February 24, 2019) but the same is still pending and IndianOil name is appearing on ROC website as Partner in the said LLP. M/s Ruchi was under Corporate Insolvency Resolution Process and has been taken over by Patanjali Ayurveda Limited. All necessary documents have been provided to M/s Ruchi for completing formalities relating to exit of IndianOil from IORB LLP.

Notes:

1. Ujjwala Plus Foundation is a joint venture of IOCL, BPCL and HPCL with fund contribution in the ratio of 50:25:25 which was incorporated as a limited by guarantee Company (without share capital) under section 8 of Companies Act, 2013.

2. IOC Phinergy Pvt. Limited is a joint venture of IOCL and Phinergy Limited, Israel and was incorporated on 19th February,2021 having shareholding in the ratio of 50:50 for development of indigenous batteries using locally available Aluminum to boost India's pursuit of e-mobility.

Note - 33B : INTEREST IN JOINT OPERATIONS

Name		Principle place of Business	Proportion of Ownership Interest	
			March 31, 2021	March 31, 2020
E&P BLOCKS				
1) AA-ONN-2001/2	A	India	**20.00%**	20.00%
2) GK-OSN-2009/1		India	**25.00%**	25.00%
3) GK-OSN-2009/2	B	India	**-**	30.00%
4) CB-ONN-2010/6	B	India	**-**	20.00%
5) AAP-ON-94/1		India	**29.03%**	29.03%
6) AA/ONDSF/UMATARA/2018		India	**90.00%**	90.00%
7) BK-CBM-2001/1		India	**20.00%**	20.00%
8) NK-CBM-2001/1		India	**20.00%**	20.00%
9) FARSI BLOCK IRAN	C	Iran	**40.00%**	40.00%
10) LIBYA BLOCK 86	B	Libya	**-**	50.00%

NOTES TO FINANCIAL STATEMENTS

Note - 33B : INTEREST IN JOINT OPERATIONS (Contd..)

Name		Principle place of Business	Proportion of Ownership Interest	
			March 31, 2021	March 31, 2020
11) LIBYA BLOCK 102/4	B	Libya	-	50.00%
12) SHAKTHI GABON		Gabon	**50.00%**	50.00%
13) AREA 95-96	D	Libya	**25.00%**	25.00%
14) RJ-ONHP-2017/8		India	**30.00%**	30.00%
15) AA-ONHP-2017/12		India	**20.00%**	20.00%
16) Block-32	B	Israel	-	25.00%
OTHERS				
17) Petroleum India International (PII)	E	India	-	27.27%

A. Exploration License expired on October 7, 2015. Consortium has requested Directorate General of Hydrocarbon (DGH) for Appraisal phase, however vide letter dated March 6, 2019, it was opined to carry out Exploration activity instead of Appraisal work. Accordingly, Operator requested DGH for extension of exploration period. Response from DGH is awaited.

B. Blocks relinquished during the year 2020-21 vide approval dated November 27, 2020.

C. The project 's exploration period ended on 24 June 2009. The contractual arrangement with respect to development of the block could not be finalised so far with Iranian Authorities.

D. Under Force Majeure since May 20, 2014

E. Members in Petroleum India International (AOP) are HPCL, BPCL, EIL, IOCL, CPCL, ONGC, OIL and Reliance Industries Ltd. During the current financial year, final communication is received from PII for bringing an end to the MOU (entered on 01/03/1986) vide letter dated March 31, 2021 as all the balance activities facilitating the dissolution mentioned in termination agreement dated March 18, 2020 ,for dissolution of AOP is completed.

IOCL share of Financial position of Joint Operations are as under:

(₹ in Crore)

Particulars	March 31, 2021	March 31, 2020
Assets	**650.23**	**653.02**
PPE (including Producing Properties)	**157.13**	173.30
Capital Work in Progress	**271.19**	225.60
Intangible Asset under Development (Net of Provisions)	**204.90**	247.30
Other Assets (Net of Provisions)	**17.01**	6.82
Liabilities & Provisions	**122.38**	**149.30**
Liabilities	**112.71**	141.59
Provisions	**9.67**	7.71
Income	**101.08**	**157.90**
Sale of Products (Net of Own Consumption)	**100.58**	144.49
Other Income	**0.50**	13.41
Expenditure	**67.78**	**57.16**
Expenditure written off (incl exploration related)	**45.64**	0.01
Other Costs (incl exploration related)	**22.14**	57.15
Net Results	**33.30**	**100.74**
Commitments	**766.60**	**837.16**
Contingent Liabilities	-	-

Note: Including financial position of relinquished blocks.

NOTES TO FINANCIAL STATEMENTS

Note - 34A : DISCLOSURE RELATING EXPLORATION AND PRODUCTION ACTIVITIES

In compliance of Ind-AS-106 on "Exploration and Evaluation of Mineral Resources", the disclosure of financial information relating to activity associated with the exploration for and evaluation of mineral resources (crude oil, natural gas etc.) are as under:

(₹ in Crore)

Name	March 31, 2021	March 31, 2020
(i) Assets	**211.02**	**252.14**
- Intangible Assets under Development	**204.91**	247.31
- Capital Work in Progress	**0.79**	0.79
- Other Assets	**5.32**	4.04
(ii) Liabilities	**86.30**	**98.00**
- Provisions	**2.31**	2.31
- Other Liabilities	**83.99**	95.69
(iii) Income	**0.19**	**10.33**
- Other Income	**0.19**	10.33
(iv) Expenses	**68.71**	**28.98**
- Exploration expenditure written off	**45.64**	0.01
- Other exploration costs	**23.07**	28.97
(v) Cash Flow		
- Net Cash from/(used) in operating activities	**(35.85)**	**(37.71)**
- Net Cash from/(used) in investing activities	**(2.47)**	**(8.82)**

NOTE - 34 B : IN COMPLIANCE OF REVISED GUIDANCE NOTE ON ACCOUNTING FOR OIL AND GAS PRODUCING ACTIVITIES, THE REQUIRED DISCLOSURES IN RESPECT OF RESERVES ARE AS UNDER:

Dirok field of Pre-NELP block AAP-ON-94/1 commenced production of gas and condensate on August 26, 2017 having producing life cycle of 20 years. IndianOil has the participating interest of 29.03% in the block.

Net Proved Reserves of Crude Oil, Condensate, Natural Gas Liquids and Gas:

Assets		March 31, 2021		March 31, 2020	
		Crude Oil, Condensate, NGLs	Natural Gas	Crude Oil, Condensate, NGLs	Natural Gas
		TMT	Million Cubic Meter	TMT	Million Cubic Meter
A) Proved Reserves					
Assam AAP-ON-94/1	Beginning	**35.81**	**1137.21**	69.46	1621.05
	Addition	**-**	**-**	-	-
	Deduction	**-**	**-**	24.91	396.25
	Production	**9.66**	**106.67**	8.74	87.59
	Balance	**26.15**	**1030.54**	**35.81**	**1137.21**
Total Proved Reserves		**26.15**	**1030.54**	**35.81**	**1137.21**
B) Proved developed Reserves					
Assam AAP-ON-94/1	Beginning	**35.81**	**1137.21**	69.46	1621.05
	Addition	**-**	**-**	-	-
	Deduction	**-**	**-**	24.91	396.25
	Production	**9.66**	**106.67**	8.74	87.59
	Balance	**26.15**	**1030.54**	**35.81**	**1137.21**
Total Proved developed Reserves		**26.15**	**1030.54**	**35.81**	**1137.21**

NOTES TO FINANCIAL STATEMENTS

NOTE - 34 B : IN COMPLIANCE OF REVSIED GUIDANCE NOTE ON ACCOUNTING FOR OIL AND GAS PRODUCING ACTIVITIES, THE REQUIRED DISCLOSURES IN RESPECT OF RESERVES ARE AS UNDER: (Contd..)

Net Proved Reserves & Proved developed Reserves of Crude Oil, Condensate, Natural Gas Liquids and Gas on geographical Basis:

Details		March 31, 2021		March 31, 2020	
		Crude Oil, Condensate, NGLs	Natural Gas	Crude Oil, Condensate, NGLs	Natural Gas
		TMT	Million Cubic Meter	TMT	Million Cubic Meter
A) Proved Reserves					
India		26.15	1030.54	35.81	1137.21
Total Proved Reserves		26.15	1030.54	35.81	1137.21
B) Proved developed Reserves					
India		26.15	1030.54	35.81	1137.21
Total Proved developed Reserves		26.15	1030.54	35.81	1137.21

Frequency

The Proved (PD) and Proved & Developed (PDD) reserves mentioned above are the provisional numbers based on the estimate provided by the operator. For the purpose of estimation of Proved (PD) and Proved Developed (PDD) reserves, Deterministic method has been used by the operator. The annual revision of Reserve Estimates is based on the yearly exploratory and development activities and results thereof.

Note - 35 : EMPLOYEE BENEFITS FOR THE YEAR ENDED ON MARCH 31, 2021

Disclosures in compliance with Ind-As 19 on "Employee Benefits" is as under:

A. Defined Contribution Plans- General Description

Provident Fund (EPS-95)*

During the year, the company has recognised ₹ **32.68 Crore** (2020: ₹ 34.89 Crore) as contribution to EPS-95 in the Statement of Profit and Loss/ CWIP (included in Contribution to Provident and Other Funds in Note - 27/ Construction period expenses in Note-2.2).

Pension Scheme*

During the year, the company has recognised ₹ **449.83 Crore** (2020: ₹ 312.3 Crore) towards Defined Contributory Employees Pension Scheme (including contribution in corporate National Pension System) in the Statement of Profit and Loss/ CWIP (included in Contribution to Provident and Other Funds in Note - 27/ Construction period expenses in Note-2.2).

B. Defined Benefit Plans- General Description

Provident Fund:*

The Company's contribution to the Provident Fund is remitted to separate provident fund trusts established for this purpose based on a fixed percentage of the eligible employee's salary and charged to the Statement of Profit and Loss. Shortfall, if any, in the fund assets, based on the Government specified minimum rate of return, will be made good by the Company. The Company has three Provident Funds maintained by respective PF Trusts in respect of which actuarial valuation is carried out and ₹ **132.02 Crore** (2020: ₹ 130.24 Crore) has been provided by the company for current and future interest shortfall/ losses of PF trusts beyond available surplus at respective trust level.

NOTES TO FINANCIAL STATEMENTS

Note - 35 : EMPLOYEE BENEFITS FOR THE YEAR ENDED ON MARCH 31, 2021 (Contd..)

Gratuity:*

Each employee rendering continuous service of 5 years or more is entitled to receive gratuity amount based on completed tenure of service subject to maximum of ₹ 0.20 Crore at the time of separation from the company. Besides, the ceiling of gratuity increases by 25% whenever IDA rises by 50% with reference to January 01, 2017.

Post Retirement Medical Benefit Facility (PRMBF):*

PRMBF provides medical coverage to retired employees and their eligible dependant family members.

Resettlement Benefit:

Resettlement benefit is allowed to employees to facilitate them to settle down upon retirement.

Ex gratia Scheme:

Ex-gratia is payable to those employees who have retired before January 01, 2007 and either not drawing pension from superannuation benefit fund (as they superannuated prior to January 01, 1987, i.e. introduction of superannuation benefit fund scheme in IndianOil) or are drawing a pension lower than the ex gratia fixed for a Grade (in such case differential amount between pension and ex gratia is paid).

Employees Compensation for injuries arising out of or during the course of employment:

Employees covered under the Employees' Compensation Act, 1923 who meet with accidents, while on duty, are eligible for compensation under the said Act. Besides, a lumpsum monetary compensation equivalent to 100 months' Pay (BP+DA) is paid in the event of an employee suffering death or permanent total disablement due to an accident arising out of and in the course of his employment.

Felicitation of Retired Employees:

The company has a scheme to felicitate retired employees on attaining different age milestones with a token lumpsum amount.

* As per the DPE Guidelines on Pay Revision, the company can contribute upto 30% of Basic Pay plus Dearness Allowance towards Provident Fund, Gratuity, Post-Retirement Medical Benefits (PRMB) and Pension of its employees. The superannuation benefits expenditure charged to Statement of Profit and Loss / Other Comprehensive Income has been limited to 30% of Basic pay plus Dearness Allowance and the balance amount is shown as recoverable advance from the company's contribution towards superannuation benefits including pension schemes.

Accordingly, as per the actuarial valuation of Gratuity and PRMB, ₹ 369.01 Crore was charged to the Statement of Profit and Loss, ₹ (-) 28.87 Crore has been adjusted in Other Comprehensive income during the year and ₹ 648.80 Crore (i.e. ₹ 214.24 Crore and ₹ 434.56 Crore towards Gratuity and PRMBF respectively) has been shown as recoverable advance. This advance amount is included in Advance to Employee Benefits Trust / Funds of ₹ 870.53 Crore in Note 6.

C. Other Long-Term Employee Benefits - General Description

Leave Encashment:

Each employee is entitled to get 8 earned leaves for each completed quarter of service. Encashment of earned leaves is allowed during service leaving a minimum balance of 15 days subject to maximum accumulation of 300 days. In addition, each employee is entitled to get 5 sick leaves (in lieu of 10 HPL) at the end of every six months. The entire accumulation is permitted for encashment only at the time of retirement. DPE had clarified earlier that sick leave cannot be encashed, though Earned Leave (EL) and Half Pay Leave (HPL) could be considered for encashment on retirement subject to the overall limit of 300 days. MOP&NG has advised the company to comply with the said DPE Guidelines. However, in compliance to the DPE guidelines of 1987 which had allowed framing of own leave rules within broad parameters laid down by the Government and keeping in view operational complications and service agreements the company had requested concerned authorities to reconsider the matter. Subsequently, based on the recommendation of the 3rd PRC, DPE in its guidelines on pay revision, effective from January 01, 2017 has inter-alia allowed CPSEs to frame their own leave rules considering operational necessities and subject to conditions set therein. The requisite conditions are fully met by the company.

Long Service Award:

On completion of specified period of service with the company and also at the time of retirement, employees are rewarded with amounts based on the length of service completed. It is a mode of recognising long years of loyalty and faithful service in line with Bureau of Public Enterprises (currently DPE) advice vide its DO No. 7(3)/79-BPE (GM.I) dated February 14, 1983. On receipt of communication from MoPNG advising us that the issue of Long Service Award has been made into an audit para in the Annual Report of CAG of 2019, the Corporation has been clarifying its position to MoP&NG individually as well as on industry basis as to how Long Service Awards are not in the nature of Bonus or Ex-gratia or honorarium and is emanating from a settlement with

NOTES TO FINANCIAL STATEMENTS

Note - 35 : EMPLOYEE BENEFITS FOR THE YEAR ENDED ON MARCH 31, 2021 (Contd..)

the unions under the ID Act as well as with the approval of the Board in line with the DPE's advice of 1983. The matter is being pursued with MOP&NG for resolution. Pending this the provision is in line with Board approved policy.

The amount provided during the year on this account is ₹ **18.49 Crore** (2020: ₹ 28.4 Crore) and the payments made to employees during the year is ₹ **25.33 Crore** (2020: ₹ 26.28 Crore). The actuarial liability of ₹ 182.36 Crore in this respect as on March 31, 2021 is included under "Provision for Employees Benefit" in "Note 18 – Provisions".

Leave Fare Allowance (LFA) / Leave Travel Concession (LTC):

LFA/ LTC is allowed once in a period of two calendar years (viz. two yearly block).

D. The summarised position of various Defined Benefit Plans recognised in the Statement of Profit & Loss, Balance Sheet and Other Comprehensive Income are as under:

(Figures given in Unbold & Italic Font in the table are for previous year)

(i) Reconciliation of Balance of Defined Benefit Plans

(₹ in Crore)

	Provident Fund	Gratuity	PRMS	Resettlement Allowance	Ex-Gratia	Felicitation
	Funded	Funded	Funded	Non-Funded	Non-Funded	Non-Funded
Defined Obligation at the beginning	**16,128.32**	**2,777.24**	**5,897.04**	**133.63**	**246.72**	**444.67**
	14,325.99	*2,662.76*	*4,908.94*	*120.83*	*208.92*	*475.90*
Current Service Cost	**505.09**	**51.44**	**252.04**	**19.22**	**-**	**1.74**
	511.07	*48.74*	*215.58*	*19.24*	*-*	*1.42*
Past Service Cost	**-**	**-**	**-**	**-**	**-**	**-**
	-	*-*	*-*	*-*	*-*	*-*
Interest Cost	**1,345.15**	**190.52**	**401.59**	**9.17**	**14.90**	**30.37**
	1,234.30	*207.43*	*381.92*	*9.41*	*15.75*	*37.03*
Contribution by employees	**1,187.14**				**-**	
	1,364.74	*-*	*-*	*-*	*-*	*-*
Net Liability transferred In / (Out)	**103.53**	**-**	**-**	**-**	**-**	**-**
	25.81	*-*	*-*	*-*	*-*	*-*
Benefits paid	**(1,894.45)**	**(305.52)**	**(228.48)**	**(6.89)**	**(36.40)**	**(13.70)**
	(1,463.83)	*(398.02)*	*(208.91)*	*(7.85)*	*(30.11)*	*(6.70)*
Actuarial (gain)/ loss on obligations due to Future Interest Shortfall	**132.02**	**25.48**	**205.56**	**(27.87)**	**11.01**	**23.31**
	130.24	256.33	*599.51*	*(8.00)*	*52.16*	*(62.98)*
Defined Benefit Obligation at the end of the year	**17,506.80**	**2,739.16**	**6,527.75**	**127.26**	**236.23**	**486.39**
	16,128.32	*2,777.24*	*5,897.04*	*133.63*	*246.72*	*444.67*

(ii) Reconciliation of balance of Fair Value of Plan Assets

(₹ in Crore)

	Provident Fund	Gratuity	PRMS	Resettlement Allowance	Ex-Gratia	Felicitation
	Funded	Funded	Funded	Non-Funded	Non-Funded	Non-Funded
Fair Value of Plan Assets at the beginning of the year	**16,048.14**	**2,344.86**	**5,352.41**	**-**	**-**	**-**
	14,635.72	*2,549.13*	*4,993.59*	*-*	*-*	*-*
Interest Income	**1,345.15**	**160.86**	**364.50**	**-**	**-**	**-**
	1,234.30	*198.58*	*388.50*	*-*	*-*	*-*
Contribution by employer	**505.09**	**528.93**	**746.56**	**-**	**-**	**-**
	511.07	*-*	*163.54*	*-*	*-*	*-*
Contribution by employees	**1,187.14**	**-**	**1.22**	**-**	**-**	**-**
	1,364.74	*-*	*1.19*	*-*	*-*	*-*

NOTES TO FINANCIAL STATEMENTS

Note - 35 : EMPLOYEE BENEFITS FOR THE YEAR ENDED ON MARCH 31, 2021 (Contd..)

(₹ in Crore)

	Provident Fund	Gratuity	PRMS	Resettlement Allowance	Ex-Gratia	Felicitation
	Funded	Funded	Funded	Non-Funded	Non-Funded	Non-Funded
Net Liability transferred In / (Out)	**103.53**	**-**	**-**	**-**	**-**	**-**
	25.81	*-*	*-*	*-*	*-*	*-*
Benefit paid	**(1,894.45)**	**(305.52)**	**(228.48)**	**-**	**-**	**-**
	(1,463.83)	*(398.02)*	*(208.91)*	*-*	*-*	*-*
Provision for Stressed Assets	**-**	**-**	**-**	**-**	**-**	**-**
	(83.23)	*-*	*-*	*-*	*-*	*-*
Re-measurement (Return on plan assets excluding Interest Income)	**87.06**	**13.77**	**50.49**	**-**	**-**	**-**
	(176.44)	*(4.83)*	*14.50*	*-*	*-*	*-*
Fair value of plan assets at the end of the year	**17,381.66**	**2,742.90**	**6,286.70**	**-**	**-**	**-**
	16,048.14	*2,344.86*	*5,352.41*	*-*	*-*	*-*

(iii) Reconciliation of Fair Value of Plan Assets and Defined Benefit Obligation

(₹ in Crore)

	Provident Fund	Gratuity	PRMS	Resettlement Allowance	Ex-Gratia	Felicitation
	Funded	Funded	Funded	Non-Funded	Non-Funded	Non-Funded
Fair Value of Plan Assets at the end of the year	**17,381.66**	**2,742.90**	**6,286.70**	**-**	**-**	**-**
	16,048.14	*2,344.86*	*5,352.41*	*-*	*-*	*-*
Defined Benefit Obligation at the end of the year (Net of Interest Shortfall)	**17,244.54**	**2,739.16**	**6,527.75**	**127.26**	**236.23**	**486.39**
	16,128.32	*2,777.24*	*5,897.04*	*133.63*	*246.72*	*444.67*
Amount not recognised in the Balance Sheet (as per para 64 of Ind-As 19)	**137.12**	**-**	**-**	**-**	**-**	**-**
	(50.06)	*-*	*-*	*-*	*-*	*-*
Amount recognised in the Balance Sheet	**262.26**	**(3.74)**	**241.05**	**127.26**	**236.23**	**486.39**
	130.24	*432.38*	*544.63*	*133.63*	*246.72*	*444.67*

(iv) Amount recognised in Statement of Profit and Loss/ Construction Period Expenses

(₹ in Crore)

	Provident Fund	Gratuity	PRMS	Resettlement Allowance	Ex-Gratia	Felicitation
	Funded	Funded	Funded	Non-Funded	Non-Funded	Non-Funded
Current Service Cost	**505.09**	**51.44**	**252.04**	**19.22**	**-**	**1.74**
	511.07	*48.74*	*215.58*	*19.24*	*-*	*1.42*
Past Service Cost	**-**	**-**	**-**	**-**	**-**	**-**
	-	*-*	*-*	*-*	*-*	*-*
Net Interest Cost	**-**	**29.66**	**37.09**	**9.17**	**14.90**	**30.37**
	-	*8.85*	*(6.58)*	*9.41*	*15.75*	*37.03*
Contribution by Employees	**-**	**-**	**(1.22)**	**-**	**-**	**-**
	-	*-*	*(1.19)*	*-*	*-*	*-*
Actuarial (gain)/ loss on obligations due to Future Interest Shortfall	**132.02**	**-**	**-**	**-**	**-**	**-**
	130.24	*-*	*-*	*-*	*-*	*-*
Expenses for the year	**637.11**	**81.10**	**287.91**	**28.39**	**14.90**	**32.11**
	641.31	*57.59*	*207.81*	*28.65*	*15.75*	*38.45*

NOTES TO FINANCIAL STATEMENTS

Note - 35 : EMPLOYEE BENEFITS FOR THE YEAR ENDED ON MARCH 31, 2021 (Contd..)

(v) Amount recognised in Other Comprehensive Income (OCI)

(₹ in Crore)

	Provident Fund	Gratuity	PRMS	Resettlement Allowance	Ex-Gratia	Felicitation
	Funded	Funded	Funded	Non-Funded	Non-Funded	Non-Funded
Actuarial (gain)/ loss on Obligations - Due to change in Demographic assumptions	**-**	**-**	**653.45**	**-**	**5.05**	**69.18**
	-	-	-	-	-	-
Actuarial (gain)/ loss on Obligations - Due to change in Financial assumptions	**-**	**(8.82)**	**(115.06)**	**(0.73)**	**(2.81)**	**(4.18)**
	-	*163.43*	*847.67*	*15.81*	*14.55*	*39.96*
Actuarial (gain)/ loss on Obligations - Due to Experience	**-**	**34.30**	**(332.83)**	**(27.14)**	**8.77**	**(41.69)**
	-	*92.90*	*(248.16)*	*(23.81)*	*37.61*	*(102.94)*
Re-measurement (Return on plan assets excluding Interest Income)	**-**	**13.77**	**50.49**	**-**	**-**	**-**
	-	*(4.83)*	*14.50*	-	-	-
Amount recoverable from employee adjusted in OCI	**-**	**(13.68)**	**209.33**	**-**	**-**	**-**
	-	*214.24*	*521.69*	-	-	-
Net Loss / (Gain) recognised in OCI *	**-**	**25.39**	**(54.26)**	**(27.87)**	**11.01**	**23.31**
	-	*46.92*	*63.32*	*(8.00)*	*52.16*	*(62.98)*

* OCI Gain of ₹ 62.98 Crore pertaining to felicitation was not recognised in OCI during FY 2019-20

(vi) Major Actuarial Assumptions

	Provident Fund	Gratuity	PRMS	Resettlement Allowance	Ex-Gratia	Felicitation
	Funded	Funded	Funded	Non-Funded	Non-Funded	Non-Funded
Discount rate	**6.90%**	**6.90%**	**6.91%**	**6.90%**	**6.33%**	**6.91%**
	6.86%	*6.86%*	*6.81%*	*6.86%*	*6.04%*	*6.81%*
Salary escalation	**-**	**8.00%**	**-**	**-**	**-**	**-**
	-	*8.00%*	-	-	-	-
Inflation	**-**	**-**	**8.00%**	**6.00%**		
	-	-	*8.00%*	*6.00%*		
Average Expected Future Service/ Obligation (Years)	**-**	**16**	**30**	**16**	**9**	**30**
	-	*16*	*30*	*16*	*9*	*30*
Mortality rate during employment	**-**	**Indian Assured Lives Mortality (2006-08) Ult**				
	-	*Indian Assured Lives Mortality (2006-08) Ult*				

In case of funded schemes above, expected return on plan assets is same as that of respective discount rate.

The estimate of future salary increases considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

NOTES TO FINANCIAL STATEMENTS

Note - 35 : EMPLOYEE BENEFITS FOR THE YEAR ENDED ON MARCH 31, 2021 (Contd..)

(vii) Sensitivity on Actuarial Assumptions:

(₹ in Crore)

	Provident Fund	Gratuity	PRMS	Resettlement Allowance	Ex-Gratia	Felicitation
	Funded	Funded	Funded	Non-Funded	Non-Funded	Non-Funded
Change in Discounting Rate						
Increase by 1%	**-**	**(202.94)**	**(986.91)**	**(16.16)**	**(9.17)**	**(47.09)**
	-	*(175.62)*	*(870.46)*	*(16.87)*	*(9.92)*	*(41.87)*
Decrease by 1%	**-**	**239.79**	**1,322.26**	**20.45**	**10.03**	**57.68**
	-	*204.92*	*1,163.05*	*21.40*	*10.88*	*51.18*
Change in Salary Escalation						
Increase by 1%	**-**	**57.41**	**-**	**-**	**-**	**-**
	-	40.51	-	-	-	-
Decrease by 1%	**-**	**(64.02)**	**-**	**-**	**-**	**-**
	-	*(47.11)*	-	-	-	-
Change in Inflation Rate						
Increase by 1%	**-**	**-**	**790.95**	**-**	**-**	**-**
	-	-	*677.59*	-	-	-
Decrease by 1%	**-**	**-**	**(640.81)**	**-**	**-**	**-**
	-	-	*(550.78)*	-	-	-

(viii) Investment details:

	Provident Fund	Gratuity	PRMS
	Funded	Funded	Funded
Investment with Insurer	**-**	**99.54%**	**88.07%**
	-	*99.50%*	*91.16%*
Self managed investments	**100.00%**	**0.46%**	**11.93%**
	100.00%	*0.50%*	*8.84%*

Details of the investment pattern for the above mentioned funded obligations are as under:

	Provident Fund	Gratuity*	PRMS*
	Funded	Funded	Funded
Government Securities (Central & State)	**50.77%**	**42.84%**	**21.22%**
	55.00%	*73.24%*	*73.33%*
Investment in Equity / Mutual Funds	**7.84%**	**2.83%**	**-**
	4.26%	*5.40%*	*5.33%*
Investment in Debentures / Securities	**39.32%**	**52.12%**	**78.20%**
	40.25%	*21.26%*	*21.33%*
Other approved investments (incl. Cash)	**2.06%**	**2.21%**	**0.58%**
	0.49%	*0.10%*	*0.01%*

* Pending receipt of investment pattern from LIC for current year, pattern above pertains to self managed funds & funds managed by other insurers and the actual investment pattern after considering the details from LIC shall vary.

NOTES TO FINANCIAL STATEMENTS

Note - 35 : EMPLOYEE BENEFITS FOR THE YEAR ENDED ON MARCH 31, 2021 (Contd..)

(ix) The following payments are expected projections to the defined benefit plan in future years:

(₹ in Crore)

Cash Flow Projection from the Fund/ Employer	Gratuity	PRMS	Resettlement Allowance	Ex-Gratia	Felicitation
Within next 12 Months	**188.83**	**235.73**	**8.38**	**36.74**	**22.89**
	531.83	*223.62*	*9.01*	*41.63*	*23.08*
Between 1 to 5 Years	**1,117.71**	**1,010.80**	**28.69**	**109.65**	**106.51**
	1,058.87	*958.66*	*30.80*	*131.35*	*97.36*
Between 6 to 10 Years	**1,110.33**	**1,391.30**	**34.38**	**72.48**	**162.23**
	1,029.87	*1,315.78*	*37.18*	*97.12*	*146.56*

Note - 36 : COMMITMENTS AND CONTINGENCIES

A. Leases

(a) As Lessee

The Company has entered into various material lease arrangements (including in substance lease arrangements) such as lands and buildings for the purpose of its plants, facilities, offices, retail outlet etc., storage tankages facility for storing petroleum products, time charter arrangements for coastal transportation of crude and petroleum products, transportation agreement for dedicated tank trucks for road transportation of petroleum products, handling arrangement with CFA for providing dedicated storage facility and handling lubes, supply of utilities like Hydrogen, Oxygen, Nitrogen and Water, and port facilities among others.

There are no significant sale and lease back transactions and lease agreements entered by the Company do not contain any material restrictions or covenants imposed by the lessor upto the current reporting period.

Details of significant leases entered by the Company (including in substance leases) are as under;

1. BOOT Agreement in respect of Tankages facility for a period of 15 years. Lessor will transfer ownership to IOCL after 15 years at Nil value.
2. BOOT Agreement in respect of Water Intake facility for a period of 25 years. Lessor will transfer ownership to IOCL after 25 years at ₹ 0.01 Crore.
3. Leasehold lands from government for the purpose of plants, facilities and offices for the period 30 to 90 years.
4. Agreements with vessel owners for hiring of vessels for various tenures, these are classified as Transport Equipments.
5. BOO agreement for supply of oxygen and nitrogen at Panipat Refinery. The land is owned by IOCL and the plant is being operated by contractor for supply of oxygen and nitrogen to IOCL.
6. BOO Agreement for leasing of Nitrogen & Hydrogen Plant at Paradip for 15 years .
7. BOOT Agreement for leasing of Quality Control Lab at Paradip for 10 years. Lessor will transfer the Assets after 10 years at ₹ 0.01 Crore.
8. Arrangements with Gujarat Adani Port Limited related to port facilities at Gujarat for a period of 25 years and 11 months.
9. Arrangement for lease of land for operating Retail Outlets for sale of Petroleum products, setting up terminals/Bottling plant/Lube Blending plant for storing petroleum products/bottling LPG/Manufacturing Lubes respectively.
10. CFA handling arrangement with CFAs for providing dedicated storage facility for handling lubes.
11. Arrangements with Tank truck operators for providing dedicated tank trucks for transportation of company's petroleum products.
12. Arrangements for dedicated time charter vessels for coastal transportation of Company's petroleum products.
13. Arrangement for dedicated storage tanks for storing Company's petroleum products at various locations.

NOTES TO FINANCIAL STATEMENTS

Note - 36 : COMMITMENTS AND CONTINGENCIES (Contd..)

Amount Recognised in the Statement of Profit and Loss or Carrying Amount of Another Asset

(₹ in Crore)

Particulars	2020-21		2019-20	
Depreciation recognised		**1,200.38**		921.42
Interest on lease liabilities		**794.35**		776.46
Expenses relating to short-term leases (leases more than 30 days but less than 12 months)*		**1,425.09**		1,047.16
Expenses relating to leases of low-value assets, excluding short-term leases of Low-value assets		**13.56**		4.69
Variable lease payments not included in the measurement of lease liabilities		**8,955.04**		8,879.31
Income from sub-leasing right-of-use assets				
- As Rental income from Operating Lease	**22.64**		24.16	
- As Finance income from Finance Lease of RoU Asset	**0.13**	**22.77**	4.99	29.15
Total cash outflow for leases		**1,929.21**		1,370.19
Additions to ROU during the year		**1,438.97**		1,489.22
Gain or losses arising from sale and leaseback transactions		**-**		-
Net Carrying Amount of ROU at the end the year		**9,349.01**		9,110.42
Others including Disputed, Leave & License, Reversal of excess liability of previous year, exchange fluctuation on lease liability etc...		**172.92**		159.47

*Includes Leases for which agreement are yet to be entered or due for renewal.

The details of ROU Asset included in PPE (Note 2) held as lessee by class of underlying asset (excluding those covered in Investment property) are presented below:-

2020-21

(₹ in Crore)

Asset Class	Net Carrying value as at April 01, 2020	Additions to RoU Asset during the Year**	Depreciation Recognised During the Year	Net Carrying value as at March 31, 2021
Leasehold Land	4,182.54	478.28	301.93	**4,358.89**
Buildings Roads etc.	94.62	281.77	30.01	**346.38**
Plant & Equipment	3,887.62	16.91	268.45	**3,636.08**
Transport Equipments	945.53	662.01	599.98	**1,007.56**
Railway Sidings	0.11	-	0.01	**0.10**
Total	**9,110.42**	**1,438.97**	**1,200.38**	**9,349.01**

2019-20

(₹ in Crore)

Asset Class	Items Added to RoU Asset as on April 1, 2019	Additions to RoU Asset during the Year**	Depreciation Recognised During the Year	Net Carrying value as at March 31, 2020
Leasehold Land	4,065.54	389.16	272.16	4,182.54
Buildings Roads etc.	105.62	16.60	27.60	94.62
Plant & Equipment	4,145.43	17.76	275.57	3,887.62
Transport Equipments	225.91	1,065.70	346.08	945.53
Railway Sidings	0.12	-	0.01	0.11
Total	**8,542.62**	**1,489.22**	**921.42**	**9,110.42**

** Additions to RoU Asset during the year is net of RoU Assets given on Sublease or modifications and cancellations during the year, if any. Its asset class wise details have been shown under Note 2: Property, Plant and Equipment.

NOTES TO FINANCIAL STATEMENTS

Note - 36 : COMMITMENTS AND CONTINGENCIES (Contd..)

As per requirement of the standard, maturity analysis of Lease Liabilities have been shown separately from the maturity analysis of other financial liabilities under Liquidity Risk-Note 40: Financial Instruments & Risk Factors.

Details of items of future cash outflows which the Company is exposed as lessee but are not reflected in the measurement of lease liabilities are as under;

(i) Variable Lease Payments

Variable lease payments that depend on an index or a rate are to be included in the measurement of lease liability although not paid at the commencement date. As per general industry practice, the Company incurs various variable lease payments which are not based any index or rate (variable based on kms covered or % of sales etc..) and are recognised in profit or loss and not included in the measurement of lease liability. Details of some of the arrangements entered by the Company which contain variable lease payments are as under;

1. Transportation arrangement based on number of kms covered for dedicated tank trucks with different operators for road transportation of petroleum, petrochemical and gas products.
2. Leases of Land of Retail Outlets based on Sales volume.
3. Rent for storage tanks for petroleum products on per day basis.
4. Payment of VTS software and VSAT equipment based on performance of equipment.
5. DG Set charges based on usage.

(ii) Extension and Termination Options

The Company lease arrangements includes extension options only to provide operational flexibility. Company assesses at every lease commencement whether it is reasonably certain to exercise the extension options and further reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control. However, where Company has the sole discretion to extend the contract such lease term is included for the purpose of calculation of lease liabilities.

The Company has the sole discretion to terminate the lease in case of lease agreement for Retail Outlets. However, Company is reasonably certain not to exercise the option in view of significant improvement and prominent importance of Retail to the entity's operations. Accordingly, such lease term without any effect of termination is considered for the purpose of calculation of lease liabilities.

(iii) Residual Value Guarantees

The Company have entered into various BOOT agreements wherein at the end of lease term the leased assets will be transferred to the company at Nominal value which has no significant impact on measurement of lease liabilities.

(iv) Committed leases which are yet to commence

1. The Company has entered into lease agreement on BOO basis for supply of oxygen and nitrogen gas to IOCL Ethylene Glycol Project at Paradip Refinery for a period of 20 years. IOCL has sub leased the land for the construction of the plant. Lease will commence once plant is commissioned.
2. The Company has entered into lease agreement with VSAT providers (Highes,Nelco and Airtel) for VSAT equipment at ₹ 1175/ month upto Sep/Oct 2024 for subleasing to Retail outlet to ensure seamless connectivity of automated and online data from them. Out of total contracts, 499 no's are pending as at March 31, 2021. However, payment is in the nature of variable lease payment.
3. Advance upfront premium is paid to Greater Noida Developement Authority for leasing of land for the period of 90 years for New Retail Outlet of ₹ 7.58 Crore at Greater Noida. The agreement is yet to be executed and therefore the amount is lying as Capital advance and shall form part of ROU once lease is commenced.

NOTES TO FINANCIAL STATEMENTS

Note - 36 : COMMITMENTS AND CONTINGENCIES (Contd..)

4. The Company has entered into lease agreement for 1 Nos of Retail Outlet at Rajkot for a period of 20 years at an annual rental of ₹ 4,20,000/- with an increment of 10% in every 5 years. Lease for such case will commence once RO is commisioned.

5. The Company has entered into lease agreement with various lessors for 3 no's of Retail outlet at Ahmedabad for a period of 19 years 11 months at an annual rental of ₹ 90,000/-, ₹ 1,08,000/-, ₹ 2,40,000/- respectively with an increment of 10% in every 5 years. Leases for all such cases will commence once RO is commissioned.

6. The Company has entered into lease agreement for providing e-locks from various vendors for a period of 3 years (with an option to extend at the option of IOCL) at rate ranging from ₹ 1050-1300/month and for 1 vendor ₹ 2,450/- month. As at March 31, 2021, 8897 no's are yet to be supplied. However, the same are low value items.

7. The Company has entered into lease agreement with Andhra Pradesh State Civil Supplies for 1 Nos of Retail Outlet at Vizag for a period of 20 years at an monthly rental of ₹ 20,000/- with an increment of 10% in every 3 years. The possession of land is not given and the matter is pending in the court.

8. The Company has entered into centralised lease agreement with M/s Trimble for rent payment of ₹ 373/month for VTS software for POL trucks customised to IOCL requirement for a period of 5 years. As at March 31, 2021 total 1776 Nos are yet to be installed. However, payment is in the nature of variable lease payment.

9. The Company has entered into lease agreement with M/s Geovista for VTS software for 2800 Nos of LPG trucks for a period of 5 years. As at March 31, 2021 lease pending to be commence for all 2800 Nos.

(b) As Lessor

(i) Operating Lease

The lease rentals recognised as income in these statements as per the rentals stated in the respective agreements:

(₹ in Crore)

Particulars	2020-21	2019-20
Lease rentals recognised as income during the year	**105.33**	45.42
- Variable Lease	**48.52**	5.94
- Others	**56.81**	39.48

These relate to Land/Buildings subleased for non fuel business, storage tankage facilities for petroleum products, Leave and License model, machinery and office equipments given on lease. Asset class wise details have been presented under Note 2: Property, Plant and Equipments.

Maturity Analysis of Undiscounted Lease Payments to be received after the reporting date

(₹ in Crore)

Particulars	March 31, 2021	March 31, 2020
Less than one year	**61.53**	18.88
One to two years	**56.38**	15.24
Two to three year	**45.23**	12.65
Three to four years	**40.61**	10.30
Four to five years	**13.78**	8.01
More than five years	**1.22**	4.67
Total	**218.75**	**69.75**

NOTES TO FINANCIAL STATEMENTS

Note - 36: COMMITMENTS AND CONTINGENCIES (Contd..)

(ii) Finance Lease

The Company has entered into the following material finance lease arrangements:

(i) The Company has entered into Lease Agreement with Indian Railways in respect of BTPN Tank Wagons for a minimum period of 20 years. The lease rentals from the date of formation of rake are @ 16% for the first 10 years and thereafter at the nominal rate of 1% of the cost.

(ii) The Company has subleased Telematics Equipments to its Fleet Customers. IOCL has classified the sub lease as a finance lease, because the sub-lease is for the whole of the remaining term of the head lease.

(iii) The Company has entered into sublease arrangement of Office Space to PCRA for a period of 3 years. The same has been classified as finance lease as the sub-lease is for the whole of the remaining term of the head lease.

(iv) The Company has entered into arrangement with Chandigarh administration for subleasing LPG Godowns to LPG Distributors for a period of 15 years. The same has been classified as finance lease as the sub-lease is for the whole of the remaining term of the head lease.

(v) The Company has entered into a lease agreement with Indian Synthetic Rubber Private Limited in which the Company has leased out land for one time upfront payment of ₹ 16.65 Crore

(vi) The Company has subleased certain Office Premises to IHB Private Limited.

Lease income from lease contracts in which the Company acts as a lessor is as below:-

(₹ in Crore)

	2020-21	2019-20
Selling Profit & Loss	0.13	3.07
Finance income on the net investment in the lease	0.13	5.03

(₹ in Crore)

	March 31, 2021	March 31, 2020
Gross Investments in Finance Lease	120.51	224.94
Less: Unearned Finance Income	0.27	5.20
Less: Finance Income Received	40.36	47.59
Less: Minimum Lease payment received	75.82	106.38
Net Investment in Finance Lease as on Date	4.06	65.77
Opening Net Investment in Finance Lease	65.77	59.97
Add: New Leases added during the year	4.44	33.10
Less: PV of Minimum Lease payment received during the year	1.41	27.30
Less: Adjustment during the year	64.74	-
Closing Net Investment in Finance Lease	4.06	65.77

Maturity Analysis of Undiscounted Lease Payments to be received after the reporting date

(₹ in Crore)

	March 31, 2021	March 31, 2020
Less than one year	2.30	37.04
One to two years	1.55	29.40
Two to three year	0.48	4.53
Three to four years	-	-
Four to five years	-	-
More than five years	-	-
Total Undiscounted Lease Payment	4.33	70.97
Less: Unearned finance Income	0.27	5.20
Net Investment in Finance Lease as on date	4.06	65.77

NOTES TO FINANCIAL STATEMENTS

Note - 36 : COMMITMENTS AND CONTINGENCIES (Contd..)

B. Contingent Liabilities

B.1 Claims against the Company not acknowledged as debt

Claims against the Company not acknowledged as debt amounting to ₹ **8,069.65 Crore** (2020: ₹ 8,862.31 Crore) are as under:

B.1.1 ₹ **49.15 Crore** (2020: ₹ 48.02 Crore) being the demands raised by the Central Excise /Customs/ Service Tax Authorities including interest of ₹ **22.43 Crore** (2020: ₹ 21.31 Crore.)

B.1.2 ₹ **42.81 Crore** (2020: ₹ 52.39 Crore) in respect of demands for Entry Tax from State Governments including interest of ₹ **8.61 Crore** (2020: ₹ 11.69 Crore).

B.1.3 ₹ **2,033.87 Crore** (2020: ₹ 2,027.91 Crore) being the demands raised by the VAT/ Sales Tax Authorities including interest of ₹ **848.96 Crore** (2020: ₹ 841.17 Crore).

B.1.4 ₹ **1,812.86 Crore** (2020: ₹ 2,589.45 Crore) in respect of Income Tax demands including interest of ₹ **80.15 Crore** (2020: Nil).

B.1.5 ₹ **3,779.27 Crore** (2020: ₹ 2,980.96 Crore) including ₹ **3,169.42 Crore** (2020: ₹ 2,404.28 Crore) on account of Projects for which suits have been filed in the Courts or cases are lying with Arbitrator. This includes interest of ₹ **110.53 Crore** (2020: ₹ 210.53 Crore).

B.1.6 ₹ **351.69 Crore** (2020: ₹ 1,163.58 Crore) in respect of other claims including interest of ₹ **25.22 Crore** (2020: ₹ 545.86 Crore).

The Company has not considered those disputed demands/claims as contingent liabilities, for which, the outflow of resources has been considered as remote. Contingent liabilities in respect of joint operations are disclosed in Note 33B.

B.2 Guarantees excluding Financial Guarantees

B.2.1 The Company has issued Corporate Guarantee in favour of three beneficiaries i.e. Bolivarian Republic of Venezuela (Republic), The Corporation Venezolana del Petroleo S.A. and PeTroCarabobo S.A., on behalf of Indoil Netherlands B.V., Netherlands (an associate Company) to fulfill the associate Company's future obligations of payment of signature bonus / equity contribution / loan to the beneficiaries. The total amount sanctioned by the Board of Directors is USD 424 Million. The estimated amount of such obligation (net of amount paid) is ₹ **2,678.71 Crore** - USD 366.37 Million (2020: ₹ 2,772.13 Crore – USD 366.37 Million).

B.2.2 The Company has entered into Master Guarantee Agreement, on behalf of its subsidiaries viz. Indoil Global B.V. and Indoil Montney Ltd. for all of its payments and performance obligations under the various Project Agreements entered by the subsidiaries with PETRONAS Carigali Canada B.V. and Progress Energy Canada Ltd. (now renamed as Petronas Energy Canada Ltd.). The total amount sanctioned by the Board of Directors is CAD 3924.76 Million. The estimated amount of such obligation (net of amount paid) is ₹ **4,332.44 Crore** – CAD 746.55 Million (2020: ₹ 4,317.78 Crore - CAD 813.51 Million). The sanctioned amount was reduced by CAD 1,462.00 Million due to winding down of LNG Plant during 2017.

B.2.3 The Company has issued Corporate Guarantee, on behalf of IndianOil Adani Gas Private Limited (IOAGPL), to the extent of obligations of later company under Performance Bank Guarantee facility provided to IOAGPL by State Bank of India, Canara Bank, Bank of Baroda, Indian Bank, IndusInd Bank, Jammu and Kashmir Bank, Axis Bank and ICICI Bank. The Company's share of such obligation is estimated at ₹ **3,533.46 Crore** (2020: ₹ 3,533.46 Crore).

B.2.4 The Company has issued Corporate Guarantee, on behalf of IndianOil LNG Private Limited (IOLPL), to the extent of obligations of IOLPL under Performance Bank Guarantee Facility provided to IOLPL by State Bank of India. The estimated amount of such obligation is at Nil (2020: ₹ 11.40 Crore).

B.2.5 The Company has issued Parent Company Guarantee in favor of Abu Dabhi National Oil Company, on behalf of Urja Bharat Pte. Ltd., Singapore (a joint venture company of Company's subsidiary i.e. IOCL Singapore Pte Ltd) to fulfill the joint venture Company's future obligations of payment and performance of Minimum Work Programme. The total amount sanctioned by the Board of Directors is USD 89.7 Million. The estimated amount of such obligation (net of amount paid) is ₹ **418.22 Crore** - USD 57.20 Million (2020: ₹ 565.22 Crore - USD 74.70 Million).

NOTES TO FINANCIAL STATEMENTS

Note - 36 : COMMITMENTS AND CONTINGENCIES (Contd..)

B.3 Other money for which the Company is Contingently Liable

Pending decision of the Government, no liability could be determined and provided for in respect of additional compensation, if any, payable to the land owners and the Government for certain lands acquired.

C. Commitments

C.1 Capital Commitments

Estimated amount of contracts remaining to be executed on Capital Account and not provided for is **₹ 30,679.89 Crore** (2020: ₹ 26,677.10 Crore) inclusive of taxes.Capital Commitments in respect of Joint Operations are disclosed in Note 33B.

C.2 Other Commitments

C.2.1 The Company has an export obligation to the extent of **Nil** (2020: ₹ 583.56 Crore) on account of concessional rate of duty availed under EPCG license scheme on procurement of capital goods and the same is expected to be fulfilled by way of exports.

C.2.2 IndianOil LNG Private Limited (IOLPL), the JV Company, entered into Debenture Subscription Agreement with ICICI Bank (ICICI), in which, the Company, as promoter of IOLPL, provided put option under certain conditions in which ICICI has option to sell Compulsory Convertible Debenture (CCD) to the Company. During the year, ICICI Bank has exercised put option and the Company (IOCL) has paid **₹ 787.00 Crore** and its share of obligation is ₹ Nil as on March 31, 2021 (2020 ₹ 808.44 Crore).

D. Contingent assets

(₹ in Crore)

		March 31, 2021	March 31, 2020
a.	In respect of M/s Khazana Projects and Industries (P) Ltd. for the amount of risk & cost claim along with 15% supervision charges admitted by the Arbitrator in favour of the Company.	**3.85**	3.73
b.	In respect of M/s Metro Builders for the amount of risk & cost claim along with 15% supervision charges, price discount and interest admitted by the Arbitrator in favour of the Company.	**7.16**	6.26
Total		**11.01**	**9.99**

Note - 37 : RELATED PARTY DISCLOSURES

As required by Ind-AS -24 "Related Party Disclosures", are given below:

1. Relationship with Entities

A. Details of Subsidiary Companies/ Entities and their Subsidiaries:

1) Chennai Petroleum Corporation Limited
2) IndianOil (Mauritius) Limited
3) Lanka IOC PLC
4) IOC Middle East FZE
5) Indian Catalyst Private Limited#
6) IOC Sweden AB
7) IOCL (USA) INC.
8) IndOil Global B.V., Netherlands
9) IOCL Singapore Pte. Limited
10) IndOil Montney Limited
11) IOC Cyprus Limited
12) IOCL Exploration and Production Oman Limited

NOTES TO FINANCIAL STATEMENTS

Note -37 : RELATED PARTY DISCLOSURES (Contd..)

B. The following transactions were carried out with Subsidiary Companies/Entities in the ordinary course of business:

(₹ in Crore)

		March 31, 2021	March 31, 2020
1	**Sales of Products/ Services**	**1,660.29**	1,196.61
	[Includes sales to Chennai Petroleum Corporation Limited ₹ **1,447.50 Crore** (2020: ₹ 1,043.83 Crore)]		
2	**Other Operating Revenue / Other Income**	**606.08**	579.58
	[Includes Other Operating Revenue / Other Income from IOCL Singapore Pte. Limited ₹ **297.69 Crore** (2020: ₹ 528.81 Crore) and IndOil Global B.V., Netherlands ₹ **234.12 Crore** (2020: Nil)]		
3	**Purchase of Products**	**38,964.08**	44,240.98
	[Includes Purchase of Products from Chennai Petroleum Corporation Limited ₹ **38,964.08 Crore** (2020: ₹ 44,240.98 Crore)]		
4	**Purchase of Raw Materials/ Others**	**1,556.66**	3,051.67
	[Includes Purchase of Raw Materials/Others from Chennai Petroleum Corporation Limited ₹ **859.58 Crore** (2020: ₹ 942.90 Crore) and IndOil Global B.V., Netherlands ₹ **694.57 Crore** (2020: ₹ 2,102.90 Crore)]		
5	**Expenses Paid/ (Recovered) (Net)**	**(12.22)**	(11.09)
	[Includes Expenses Paid to/(Recovered) from Chennai Petroleum Corporation Limited- ₹ **15.46 Crore** (2020:- ₹ 11.77 Crore)]		
6	**Investments made/ (sold) during the year (Incl Advance for Investment)**	**(5.32)**	89.95
	[Includes Investment made/ (reduction in share capital) in Indian Catalyst Private Limited- ₹ **6.45 Crore** (2020: Nil) and IOC Sweden AB ₹ **1.13 Crore** (2020: ₹ 89.95 Crore)]		
7	**Purchase/ (Sale)/ Acquisition of Fixed Assets (Incl. CWIP/ Leases)**	**19.96**	252.81
	[Includes Purchase/ (Sale)/ Acquisition of Fixed Assets incl. CWIP/ Leases from Chennai Petroleum Corporation Limited ₹ **19.96 Crore** (2020: ₹ 252.81 Crore)]		
8	**Provisions made/ (write back) during the year**	**68.13**	1,431.65
	[Includes Provision made/ (written back) in IOCL (USA) INC. ₹ **68.12 Crore** (2020: ₹ 86.41 Crore) and IndOil Global B.V., Netherlands- Nil (2020: ₹ 1,345.24 Crore)]		
9	**Outstanding Receivables/ Loans**	**1,169.88**	1,702.62
	[Includes Outstanding Receivables from Chennai Petroleum Corporation Limited ₹ **1,083.35 Crore** (2020: ₹ 1,082.96 Crore)]		
10	**Outstanding Payables (Incl Lease Obligation)**	**386.74**	602.39
	[Includes Outstanding payable to Chennai Petroleum Corporation Limited ₹ **348.51 Crore** (2020: ₹ 290.13 Crore)]		
11	**Investments in Subsidiaries as on date**	**15,010.13**	14,950.32
12	**Guarantees**		
	Financial Guarantees	**5,270.99**	4,709.97
	[Includes Financial Guarantees given to IndOil Montney Limited ₹ **3,369.92 Crore** (2020: ₹ 2,591.16 Crore) and IOCL Singapore Pte. Limited ₹ **1,901.07 Crore** (2020: ₹ 2,118.81 Crore)]		
	Other than Financial Guarantees	**4,332.44**	4,317.78
	[Includes Parent Company Guarantees for other than debt obligation given to IndOil Montney Limited ₹ **4,332.44 Crore** (2020: ₹ 4,317.78 Crore)]		

Note:

1) Transactions in excess of 10% of the total related party transactions for each type has been disclosed above.
2) In case of Subsidiary Companies constituted/acquired during the year, transactions w.e.f. date of constitution / acquisition are disclosed.
3) In case of Subsidiary Companies which have been closed/divested during the year, transactions up to the date of closure / disinvestment only are disclosed.

#Application submitted to ROC, Ahmedabad on 30th Dec 2020 for striking off the Company name from the ROC Register.

NOTES TO FINANCIAL STATEMENTS

Note -37 : RELATED PARTY DISCLOSURES (Contd..)

2. Relationship with Entities

A) Details of Joint Ventures (JV) / Associate Entities to IOCL & its subsidiaries

1) Indian Oiltanking Limited
2) Lubrizol India Private Limited
3) Petronet VK Limited
4) IndianOil Petronas Private Limited
5) Avi-Oil India Private Limited
6) Petronet India Limited *
7) Petronet LNG Limited
8) Green Gas Limited
9) IndianOil Panipat Power Consortium Limited @@
10) Petronet CI Limited @
11) IndianOil LNG Private Limited
12) IndianOil SkyTanking Private Limited
13) Suntera Nigeria 205 Limited
14) Delhi Aviation Fuel Facility Private Limited
15) Indian Synthetic Rubber Private Limited
16) Indian Oil Ruchi Biofuels LLP#
17) NPCIL- IndianOil Nuclear Energy Corporation Limited
18) GSPL India Transco Limited
19) GSPL India Gasnet Limited
20) IndianOil - Adani Gas Private Limited
21) Mumbai Aviation Fuel Farm Facility Private Limited
22) Kochi Salem Pipeline Private Limited
23) Hindustan Urvarak & Rasayan Limited
24) Ratnagiri Refinery & Petrochemicals Limited
25) Indradhanush Gas Grid Limited
26) Indian Additives Limited
27) National Aromatics & Petrochemicals Corporation Limited
28) INDOIL Netherlands B.V.
29) Taas India PTE Limited
30) Vankor India PTE Limited
31) Ceylon Petroleum Storage Terminals Limited
32) Falcon Oil & Gas B.V.
33) Urja Bharat PTE Limited
34) IHB Private Limited
35) Ujjwala Plus Foundation
36) Beximco IOC Petroleum and Energy Limited (Incorporated on 28.09.20)
37) IndianOil Total Private Limited (Incorporated on 07.10.20)
38) IOC Phinergy Private Limited (Incorporated on 19.02.21)

B) Details of Subsidiaries to JV's of IOCL

1) IOT Engineering & Construction Services Ltd.
2) Stewarts and Lloyds of India Limited
3) IOT Infrastructures Private Limited
4) IOT Utkal Energy Services Limited
5) PT IOT EPC Indonesia
6) IOT Engineering Projects Limited
7) Indian Oiltanking Engineering & Construction Services LLC Oman
8) JSC KazakhstanCaspishelf
9) IOT VITO MUHENDISLIK INSAAT VE TAAHUT A.S.
10) IndianOil Skytanking Delhi Private Limited
11) IOT Biogas Private Limited
12) Petronet LNG Foundation
13) Petronet Energy Limited (Incorporated on 26.02.2021)

NOTES TO FINANCIAL STATEMENTS

Note - 37 : RELATED PARTY DISCLOSURES (Contd..)

C) The following transactions were carried out with the related parties in the ordinary course of business:

(₹ in Crore)

		March 31, 2021	March 31, 2020
1	**Sales of Products / Services**	**1,992.70**	1,592.78
	[Includes sales to IndianOil Petronas Private Limited ₹ **1,325.16 Crore** (2020: ₹ 1,083.75 Crore) and Indian Synthetic Rubber Private Limited ₹ **322.55 Crore** (2020: ₹ 350.95 Crore)]		
2	**Interest received**	**93.17**	66.98
	[Includes interest received from IndianOil LNG Private Limited ₹ **81.88 Crore** (2020: ₹ 54.77 Crore) and Petronet VK Limited ₹ **9.64 Crore** (2020: ₹ 9.49 Crore)]		
3	**Other Operating Revenue/ Other Income**	**528.79**	467.28
	[Includes Other Operating Revenue / Other Income from Petronet LNG Limited ₹ **287.33 Crore** (2020: ₹ 192.60 Crore), IndianOil Petronas Private Limited ₹ **141.52 Crore** (2020: ₹ 107.22 Crore) and Indian Synthetic Rubber Private Limited ₹ **57.19 Crore** (2020: ₹ 116.00 Crore)]		
4	**Purchase of Products**	**4,474.71**	6,177.51
	[Includes Purchase of Products from Petronet LNG Limited ₹ **3,963.39 Crore** (2020: ₹ 5,686.10 Crore)]		
5	**Purchase of Raw Materials/ Others**	**3,980.99**	5,402.30
	[Includes Purchase of Raw Materials/Others from Petronet LNG Limited ₹ **3,638.75 Crore** (2020: ₹ 5,027.29 Crore)]		
6	**Interest paid**	**249.97**	268.25
	[Includes Interest paid to IOT Utkal Energy Services Limited ₹ **249.97 Crore** (2020: ₹ 268.25 Crore)]		
7	**Expenses Paid/ (Recovered) (Net)**	**686.22**	875.65
	[Includes Expenses Paid to/ (Recovered) from IndianOil Petronas Private Limited ₹ **355.17 Crore** (2020: ₹ 316.90 Crore), IndianOil Sky Tanking Private Limited ₹ **141.42 Crore** (2020: ₹ 346.19 Crore) and Indian Oiltanking Ltd ₹ **110.15 Crore** (2020: ₹ 105.51 Crore)]		
8	**Investments made/ (sold) during the year (Incl. Advance for Investment)**	**4,629.97**	735.67
	[Includes Investment made in IndianOil LNG Private Limited ₹ **3,012.00 Crore** (2020: Nil), IHB Private Limited ₹ **776.50 Crore** (2020: ₹ 52.50 Crore) and Hindustan Urvarak and Rasayan Limited ₹ **380.68 Crore** (2020: ₹ 310.76 Crore)]		
9	**Purchase/(Sale)/Acquisition of Fixed Assets (Incl. CWIP/ Leases)**	**(1.56)**	3.91
	[Includes Purchase/ (Sale)/ Acquisition/ (Recovered) of Fixed Assets incl. CWIP/ Leases from Indian Oiltanking Ltd- Nil (2020: ₹ 3.50 Crore), IHB Private Limited ₹ **(1.34) Crore** (2020: Nil) and IOT Engineering & Construction Services Limited ₹ **(0.28) Crore** (2020: Nil)]		
10	**Provisions made/ (write back) during the year**	**5.93**	(316.66)
	[Includes Provision made / (written back) in INDOIL Netherlands B.V. ₹ **7.03 Crore** (2020: Nil) and Indian Oiltanking Ltd- Nil (2020: ₹ (316.66) Crore)]		
11	**Outstanding Receivables/ Loans**	**1,381.09**	963.03
	[Includes Outstanding Receivables/ Loans from IndianOil LNG Private Limited ₹ **500.66 Crore** (2020: ₹ 251.32 Crore), Petronet LNG Limited ₹ **297.15 Crore** (2020: ₹ 265.58 Crore) and Suntera Nigeria 205 Limited ₹ **158.23 Crore** (2020: ₹ 163.76 Crore)]		
12	**Outstanding Payables (Incl. Lease Obligation)**	**3,149.20**	3,027.40
	[Includes Outstanding payable to IOT Utkal Energy Services Limited ₹ **2,321.57 Crore** (2020: ₹ 2,497.78 Crore) and Petronet LNG Limited ₹ **533.88 Crore** (2020: ₹ 420.86 Crore)]		
13	**Investments in JV/ Associates as on date**	**8,656.54**	3,855.73

NOTES TO FINANCIAL STATEMENTS

Note - 37 : RELATED PARTY DISCLOSURES (Contd..)

(₹ in Crore)

	March 31, 2021	March 31, 2020
14 Guarantees		
Financial Guarantees	**217.51**	1,114.28
[Includes Financial Guarantee given to Indian Synthetic Rubber Private Limited **₹ 217.51 Crore** (2020: ₹ 305.88 Crore) and IndianOil LNG Private Limited- Nil (2020: ₹ 808.40 Crore)]		
Other than Financial Guarantees	**6,630.39**	6,882.21
[Includes Parent Company Guarantees for other than debt obligation given to IndianOil Adani Gas Private Limited **₹ 3,533.46 Crore** (2020: ₹ 3,533.46 Crore) and INDOIL Netherlands B.V. **₹ 2,678.71 Crore** (2020: ₹ 2,772.13 Crore)]		

Note:

1) Transactions in excess of 10% of the total related party transactions for each type has been disclosed above.

2) In case of Joint Venture/ Subsidiary Companies constituted/acquired during the period, transactions w.e.f. date of constitution / acquisition is disclosed.

3) In case of Joint Venture / Subsidiary Companies which have been closed/divested during the period, transactions up to the date of closure / disinvestment only are disclosed.

3. Government related entities where significant transactions carried out

Apart from transactions reported above, the Company has transactions with other Government related entities, which includes but not limited to the following:

Name of Government: Government of India (Central and State Government)

Nature of Transactions:

- Sale of Products and Services
- Purchase of Products
- Purchase of Raw Materials
- Handling and Freight Charges, etc.

These transactions are conducted in the ordinary course of the Company's business on terms comparable to those with other entities that are not Government-related.

*Liquidator has been appointed for winding up of Company w.e.f. August 30, 2018.

@@IndianOil has exited the Joint Venture by selling its entire stake in IPPCL to SCION Exports Private Limited on March 5, 2021.

@The Company is under winding up process and the appointed liquidator has submitted his report to the official liquidator who is still to submit its report to Tribunal for winding up of the company.

#IndianOil has exited the Joint Venture, IndianOil Ruchi Biofuels LLP (M/s IORB) by giving notice of its exit from the LLP to the other JV partner viz. Ruchi Soya Industries Limited (M/s Ruchi) as well as to the LLP on December 26, 2018 stating that it will exit the LLP w.e.f. January 25, 2019. The time frame for completing exit formalities by M/s Ruchi by filing requisite forms with ROC was within 30 days of notice expiry period (i.e., by February 24, 2019) but the same is still pending and IndianOil name is appearing on ROC website as Partner in the said LLP. M/s Ruchi was under Corporate Insolvency Resolution Process and has been taken over by Patanjali Ayurveda Limited. All necessary documents have been provided to M/s Ruchi for completing formalities relating to exit of IndianOil from IORB LLP.

NOTES TO FINANCIAL STATEMENTS

Note - 37 : RELATED PARTY DISCLOSURES (Contd..)

4) Key Managerial Personnel

A. Whole-time Directors/ Company Secretary	B. Independent Directors	C. Government Nominee Directors
1) Shri S. M. Vaidya (w.e.f. 14.10.2019)	1) Shri Rajendra Arlekar	1) Ms Indrani Kaushal
2) Shri G. K. Satish	2) Ms Lata Usendi	2) Dr Navneet Mohan Kothari
3) Dr S. S. V. Ramakumar	3) Shri Vinoo Mathur (upto 21.09.2020)	
4) Shri Ranjan Kumar Mohapatra	4) Shri Samirendra Chatterjee (upto 21.09.2020)	
5) Shri Gurmeet Singh	5) Shri Chitta Ranjan Biswal (upto 21.09.2020)	
6) Shri S. K. Gupta (w.e.f. 18.05.2019)	6) Dr Jagdish Kishwan (upto 21.09.2020)	
7) Shri Akshay Kumar Singh (upto 31.01.2021)	7) Shri Sankar Chakraborti (upto 21.09.2020)	
8) Shri Sanjiv Singh (upto 30.06.2020)	8) Shri Dharmendra Singh Shekhawat (upto 21.09.2020)	
9) Shri Kamal Kumar Gwalani		

D) Details relating to the personnel referred to in Item No. 4A & 4B above:

March 31, 2021

(₹ in Crore)

Key Managerial Personnel	Short-Term Employee Benefits	Post Employment Benefits	Other Long Term Benefits	Total Remuneration	Sitting Fees	Outstanding Loans (Gross)/ Advance Receivables
A. Whole-time Directors/ Company Secretary						
1) Shri S. M. Vaidya	0.45	0.09	0.08	0.62	-	0.01
2) Shri G. K. Satish	0.47	0.09	0.16	0.72	-	-
3) Dr S. S. V. Ramakumar	0.55	0.09	0.08	0.72	-	0.01
4) Shri Ranjan Kumar Mohapatra	0.46	0.08	0.08	0.62	-	0.02
5) Shri Gurmeet Singh	0.61	0.73	0.09	1.43	-	-
6) Shri S. K. Gupta	0.47	0.08	0.08	0.63	-	-
7) Shri Akshay Kumar Singh	0.35	0.30	0.16	0.81	-	-
8) Shri Sanjiv Singh	0.37	0.70	0.18	1.25	-	-
9) Shri Kamal Kumar Gwalani	0.47	0.08	0.06	0.61	-	0.19
B. Independent Directors						
1) Shri Rajendra Arlekar	-	-	-	-	0.10	-
2) Ms Lata Usendi	-	-	-	-	0.07	-
3) Shri Vinoo Mathur	-	-	-	-	0.03	-
4) Shri Samirendra Chatterjee	-	-	-	-	0.04	-
5) Shri Chitta Ranjan Biswal	-	-	-	-	0.02	-
6) Dr Jagdish Kishwan	-	-	-	-	0.03	-
7) Shri Sankar Chakraborti	-	-	-	-	0.04	-
8) Shri Dharmendra Singh Shekhawat	-	-	-	-	0.03	-
TOTAL	**4.20**	**2.24**	**0.97**	**7.41**	**0.36**	**0.23**

NOTES TO FINANCIAL STATEMENTS

Note - 37 : RELATED PARTY DISCLOSURES (Contd..)

March 31, 2020

(₹ in Crore)

Key Managerial Personnel	Short-Term Employee Benefits	Post Employment Benefits	Other Long Term Benefits	Total Remuneration	Sitting Fees	Outstanding Loans (Gross)/ Advance Receivables
A. Whole-time Directors/ Company Secretary						
1) Shri S. M. Vaidya	0.21	0.03	-	0.24	-	0.01
2) Shri G. K. Satish	0.59	0.07	-	0.66	-	-
3) Dr S. S. V. Ramakumar	0.63	0.08	0.04	0.75	-	0.02
4) Shri Ranjan Kumar Mohapatra	0.60	0.07	-	0.67	-	0.04
5) Shri Gurmeet Singh	0.61	0.07	-	0.68	-	-
6) Shri S. K. Gupta	0.47	0.06	-	0.53	-	0.11
7) Shri Akshay Kumar Singh	0.58	0.07	-	0.65	-	0.01
8) Shri Sanjiv Singh	0.60	0.07	-	0.67	-	-
9) Shri Kamal Kumar Gwalani	0.50	0.07	-	0.57	-	0.21
B. Independent Directors						
1) Shri Rajendra Arlekar	-	-	-	-	0.04	-
2) Ms Lata Usendi	-	-	-	-	0.02	-
3) Shri Vinoo Mathur	-	-	-	-	0.09	-
4) Shri Samirendra Chatterjee	-	-	-	-	0.09	-
5) Shri Chitta Ranjan Biswal	-	-	-	-	0.05	-
6) Dr Jagdish Kishwan	-	-	-	-	0.10	-
7) Shri Sankar Chakraborti	-	-	-	-	0.09	-
8) Shri Dharmendra Singh Shekhawat	-	-	-	-	0.09	-
TOTAL	**4.79**	**0.59**	**0.04**	**5.42**	**0.57**	**0.40**

Notes:

1) This does not include the impact of provision made on actuarial valuation of retirement benefit/ long term Schemes and provision made during the period towards Post Retirement Benefits as the same are not separately ascertainable for individual directors.

2) There were no Share Based Employee Benefits given to KMPs during the period.

3) In addition, whole-time Directors are also allowed the use of Corporation's car for private purposes up to 12,000 kms. per annum on a payment of ₹ 2,000/- per mensem.

5) Relatives of Key Managerial Personnel and nature of relation with whom transactions are undertaken during the year:

1) Shri Siddharth Shrikant Vaidya (Senior Production Engineer, Indian Oil Corporation Limited): Son of Key Managerial Personnel

(₹ in Crore)

	March 31, 2021	March 31, 2020
1 Remuneration		
Shri Siddharth Shrikant Vaidya ^	**0.15**	0.08
2 Outstanding Receivables/ Loans		
Shri Siddharth Shrikant Vaidya ^	**-**	-

^ Remuneration and Loan balances for relative of KMP is reported for the period of tenure of KMP.

NOTES TO FINANCIAL STATEMENTS

Note - 37 : RELATED PARTY DISCLOSURES (Contd..)

6) Trusts

Transactions with Post Employment Benefit Plans managed through separate trust

(₹ in Crore)

	Post Employment Benefit Plan	March 31, 2021		March 31, 2020	
		Contribution by employer	Outstanding Receivable/ (Payable)	Contribution by employer	Outstanding Receivable/ (Payable)
1 IOCL (Refinery Division) Employees Provident Fund *	Provident Fund	**237.27**	**82.50**	229.72	(7.40)
2 Indian Oil Corporation Limited (Assam Oil Division) Employees Provident Fund	Provident Fund	**21.35**	**38.10**	24.46	(7.52)
3 Provident Fund for the Employees of Indian Oil Corporation Limited (Marketing Division) *	Provident Fund	**246.47**	**168.24**	256.89	(59.90)
4 IOCL Employees Superannuation Benefit Fund	Pension Scheme	**164.06**	**33.42**	294.21	135.97
5 IOCL Employees Post Retirement Medical Benefit Fund	Post Retirement Medical Scheme	**746.56**	**(241.05)**	163.54	(544.63)
6 IOCL Employees Group Gratuity Trust	Gratuity	**528.93**	**3.74**	-	(432.38)

*Includes ₹ 335.00 Crore advance given to PF trust in FY 20-21 as per actuarial valuation against interest shortfall in future years against which provision for probable contingencies to the tune of ₹ 262.26 Crore was provided for in books as Contingencies for Probable Obligation as on March 31, 2021 (Refer Note 35)

NOTES TO FINANCIAL STATEMENTS

Note - 38 : SEGMENT INFORMATION

Operating Segment Reporting as per Ind-AS 108 for the year ended March 31, 2021 is as under:

(₹ in Crore)

	2020-2021					2019-2020				
	Petroleum Products	Petro-chemicals	Other Business	Eliminations	Total	Petroleum Products	Petro-chemicals	Other Business	Eliminations	Total
Revenue										
External Revenue	4,84,610.57	19,149.78	11,130.12	-	5,14,890.47	5,37,442.80	15,702.53	13,208.22	-	5,66,353.55
Inter-segment Revenue	8,516.35	19.31	68.19	(8,603.85)	-	10,054.57	24.28	80.21	(10,159.06)	-
Total Revenue	4,93,126.92	19,169.09	11,198.31	(8,603.85)	5,14,890.47	5,47,497.37	15,726.81	13,288.43	(10,159.06)	5,66,353.55
Result										
Segment Results excluding Exchange Gain/ (Loss)	23,337.30	5,218.82	(146.03)	-	28,410.09	12,534.15	2,029.99	883.26	-	15,447.40
Segmental Exchange Gain/ (Loss)	516.51	(0.56)	23.09	-	539.04	(2,051.60)	(21.64)	8.08	-	(2,065.16)
Segment Results (Before Exceptional Items)	23,853.81	5,218.26	(122.94)	-	28,949.13	10,482.55	2,008.35	891.34	-	13,382.24
Less: Unallocable Expenditure										
- Finance Cost					3,093.92					5,979.45
- Impairment Loss on Financial Assets - Pertaining to Investment					66.15					1,114.99
- Loss on sale and disposal of Assets					85.09					93.94
- Exchange Loss - (Net)					-					1,879.44
- Loss on Derivatives					-					170.58
- Fair value Loss on Financial instruments classified as FVTPL					-					59.11
- Amortisation of FC Monetary Item Translation					-					28.92
Add: Unallocable Income										
- Interest and Dividend Income					3,001.15					3,509.25
- Profit on Sale of Investments (Net)					1.84					-
- Exchange Gain - (Net)					615.38					-
- Gain on Derivatives					140.87					-
- Fair value gain on Financial instruments classified as FVTPL					205.56					-
- Other non operating income					46.88					45.47
Profit before Exceptional items and Tax					29,715.65					7,610.53
Exceptional Items (Refer Point No. 14 of Note-48)	-	-	-	-	-	(10,946.98)	(293.73)	(63.93)	-	(11,304.64)
Profit / (Loss) Before Tax					29,715.65					(3,694.11)
Less: Income Tax (including deferred tax) (Refer Point No. 12 & 13 of Note-48)					7,879.61					(5,007.34)
Profit / (Loss) After Tax					21,836.04					1,313.23

1. The Company is engaged in the following operating segments:

   a) Sale of Petroleum Products

   b) Sale of Petrochemicals

   c) Other operating segment of the Corporation comprises; Gas, Oil & Gas Exploration Activities, Explosives & Cryogenic Business and Wind Mill & Solar Power Generation.

   Segments have been identified and reported taking into account, the nature of products and services and differing risks and returns.

2. Segment Revenue comprises of the following:

   a) Turnover (Inclusive of Excise Duties)

   b) Net Claim/(Surrender) of SSC

   c) Subsidy / Grants received from Governments

   d) Other Operating Revenue

3. Inter segment pricing are at Arm's length basis

4. There are no reportable geographical segments.

NOTES TO FINANCIAL STATEMENTS

Note - 38 : SEGMENT INFORMATION (Contd..)

Other Information

(₹ in Crore)

	March 31, 2021				March 31, 2020			
	Petroleum Products	Petro-chemicals	Other Business	Total	Petroleum Products	Petro-chemicals	Other Business	Total
Segment Assets	2,48,925.70	21,734.13	9,209.79	2,79,869.62	2,37,349.85	19,970.34	6,231.69	2,63,551.88
Corporate Assets								
Investments (Current and Non Current)				48,619.41				39,138.56
Advances For Investments				22.63				88.90
Advance Tax				2,428.85				4,253.04
Interest Accrued On Investments/ Bank Deposits				0.67				0.71
Loans				3,063.71				3,860.59
Derivative Asset				45.13				131.11
Finance Lease Receivables				4.06				65.77
Total Assets				3,34,054.08				3,11,090.56
Segment Liabilities	1,03,058.05	847.13	2,045.35	1,05,950.53	86,519.67	970.38	1,406.14	88,896.19
Corporate Liabilities								
Liability for Dividend				1,260.79				-
Provision For Taxation				797.85				-
Borrowings (Short Term and Long Term)				96,580.81				1,12,736.72
Current Maturities Of Long-Term Debt				5,746.68				3,808.26
Deferred Tax Liability				12,964.73				11,413.14
Derivative Liabiliies				252.65				467.38
Total Liabilities				2,23,554.04				2,17,321.69
Capital Employed								
Segment Wise	1,45,867.65	20,887.00	7,164.44	1,73,919.09	1,50,830.18	18,999.96	4,825.55	1,74,655.69
Corporate				(63,419.05)				(80,886.82)
Total Capital Employed				1,10,500.04				93,768.87
Capital Expenditure	19,875.26	2,071.48	2,230.91	24,177.65	25,266.54	3,259.98	2,190.72	30,717.24
Depreciation and Amortisation	8,777.27	918.02	109.01	9,804.30	7,777.07	898.09	90.94	8,766.10

Geographical information

(₹ in Crore)

	Revenue from external customers		Non-current assets	
	2020-2021	2019-2020	March 31, 2021	March 31, 2020
India	4,98,109.51	5,44,499.15	1,79,039.90	1,66,048.45
Outside India	16,780.96	21,854.40	239.71	239.53
Total	5,14,890.47	5,66,353.55	1,79,279.61	1,66,287.98

Revenue from major products and services

(₹ in Crore)

	2020-2021	2019-2020
Motor Spirit (MS)	1,11,485.89	1,12,707.55
High Speed Diesel (HSD)	2,58,141.00	2,81,617.99
Superior Kerosene Oil (SKO)	4,376.53	9,346.74
Liquified Petroleum Gas (LPG)	64,124.29	64,963.59
Aviation Turbine Fuel (ATF)	9,201.40	27,190.13
Others	67,561.36	70,527.55
Total External Revenue	5,14,890.47	5,66,353.55

NOTES TO FINANCIAL STATEMENTS

Note - 39 : FAIR VALUE MEASUREMENT

I. Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, along with the fair value measurement hierarchy:

(₹ in Crore)

	Carrying Value		Fair Value		Fair Value measurement hierarchy level
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	
FINANCIAL ASSETS					
A. Fair Value through Other Comprehensive Income (FVTOCI):					
Quoted Equity Shares	**12,213.69**	8,016.28	**12,213.69**	8,016.28	Level 1
Unquoted Equity Instrument	**855.52**	384.42	**855.52**	384.42	Level 3
Quoted Government Securities	**11,883.53**	11,931.81	**11,883.53**	11,931.81	Level 1
Hedging Derivatives					
Foreign exchange forward contracts- Loans	**-**	18.67	**-**	18.67	Level 2
Foreign exchange forward contracts- Crude/ Product Liablities	**-**	3.23	**-**	3.23	Level 2
Commodity forward contracts- Margin Hedging	**17.12**	93.00	**17.12**	93.00	Level 2
Interest Rate Swap	**5.35**	-	**5.35**	-	Level 2
B. Fair Value through Profit and Loss (FVTPL):					
Non Convertible Redeemable Preference shares	**600.00**	555.63	**600.00**	555.63	Level 3
Compulsorily Convertible Debentures	**3,875.66**	672.18	**3,875.66**	672.18	Level 3
Loan to Related Party - Suntera Nigeria 205 Limited	**121.51**	129.63	**121.51**	129.63	Level 3
Derivative Instruments at fair value through profit or loss	**22.66**	16.21	**22.66**	16.21	Level 2
C. Amortised Cost:					
Loans to employees	**1,467.62**	1,379.74	**1,644.69**	1,504.12	Level 2
PMUY Loan (Refer point 1 of Note-48 for more details)	**1,058.43**	2,098.54	**1,108.88**	2,132.88	Level 3
FINANCIAL LIABILITIES					
A. Amortised Cost:					
Non-Convertible Redeemable Bonds	**16,287.16**	8,129.16	**16,301.33**	8,134.87	Level 2
Term Loans from Oil Industry Development Board (OIDB)	**472.49**	322.28	**466.82**	317.80	Level 2
Foreign Currency Bonds - US Dollars	**10,330.07**	14,510.96	**11,451.94**	14,077.15	Level 1
Foreign Currency Bonds - Singapore Dollars	**2,227.92**	2,176.44	**2,321.48**	2,065.38	Level 2
Loan from Odisha Government	**1,291.34**	962.66	**1,303.89**	1,000.53	Level 2
USD 100 Mn Term Loan	**731.59**	-	**731.50**	-	Level 2
B. Fair Value through Profit and Loss (FVTPL):					
Derivative Instruments at fair value through profit or loss	**252.65**	435.87	**252.65**	435.87	Level 2
C. Fair Value through Other Comprehensive Income (FVTOCI):					
Hedging Derivatives					
Commodity forward contracts- Margin Hedging	**-**	31.51	**-**	31.51	Level 2

NOTES TO FINANCIAL STATEMENTS

Note - 39 : FAIR VALUE MEASUREMENT (Contd..)

Note:

The management has assessed that fair value of Trade Receivables, Cash and Cash Equivalents, Bank Balances/ Deposits, Advances for Investment, Recoverable from Employee Benefits Trusts, Other Non-derivative Current Financial Assets, Finance Lease Receivable, B site RO modernisation loans, Security Deposits paid and received, Short-term Borrowings (including Current Maturities of Long term Borrowings), Trade Payables, Floating Rate Borrowings/ Receivables, Other Non-derivative Current Financial Liabilities and Liabilities towards financial guarantees approximate their carrying amounts.

METHODS AND ASSUMPTIONS

The following methods and assumptions were used to estimate the fair values at the reporting date:

A. Level 1 Hierarchy:

(i) **Quoted Equity Shares:** Closing quoted price (unadjusted) in National Stock Exchange of India Limited

(ii) **Quoted Government Securities:** Closing published price (unadjusted) in Clearing Corporation of India Limited

(iii) **Foreign Currency Bonds** - US Dollars: Closing price for the specific bond collected from Bank

B. Level 2 Hierarchy:

(i) **Derivative Instruments at FVTPL:** Replacement cost quoted by institutions for similar instruments by employing use of market observable inputs.

(ii) **Hedging Derivatives at FVTOCI:** Replacement cost quoted by institutions for similar instruments by employing use of market observable inputs.

(iii) **Loans to employees:** Discounting future cash flows using rates currently available for items on similar terms, credit risk and remaining maturities, adjusted for insignificant unobservable inputs specific to such loan like principal and interest repayments are such that employee get more flexibility in repayment as per the respective loan schemes.

(iv) **Non-Convertible Redeemable Bonds, Foreign Currency Bonds - Singapore Dollars , Loan from Odisha Government and USD 100 Mn Term Loan:** Discounting future cash flows using rates currently available for items on similar terms, credit risk and remaining maturities (Excluding floating rate borrowings).

(v) **Term Loans from Oil Industry Development Board (OIDB):** Discounting future cash flows using rates currently available for similar type of borrowings (OIDB Borrowing Rate) using exit model as per Ind AS 113.

C. Level 3 Hierarchy:

(i) **Unquoted Equity Instruments:** Fair values of the unquoted equity shares have been estimated using Market Approach & Income Approach of valuation techniques. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

(ii) **Non Convertible Redeemable Preference Shares, Compulsorily Convertible Debentures (CCDs) and Loan to Related parties - Suntera:** Fair value of Preference shares, CCDs and Loan to Suntera is estimated with the help of external valuer by discounting future cash flows. The CCDs are valued considering conversion into equity shares at face value on conversion date. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

(iii) **PMUY Loan:** Fair value of PMUY loans is estimated by discounting future cash flows using approximate interest rates applicable on loans given by Banks duly adjusted for significant use of unobservable inputs in estimating the cash flows comprising of specific qualitative and quantitative factors like consumption pattern, assumption of subsidy rate, deferment of loan etc.

NOTES TO FINANCIAL STATEMENTS

Note - 39 : FAIR VALUE MEASUREMENT (Contd..)

The significant unobservable inputs used in fair value assessment categorised within Level 3 of the Fair Value Hierarchy together with a quantitative sensitivity analysis as on March 31, 2021 and March 31, 2020 are shown below:

	Valuation technique	Significant unobservable Input	Range (weighted average)	Sensitivity of the Input to Fair Value
I Haldia Petrochemical Limited (included under FVTOCI assets in unquoted equity instruments. Refer Note-4 for Carrying Value)	Market Approach with equal weights to Revenue Multiple and EBITDA Multiple	Revenue Multiple	March 31, 2021: 1.02x - 1.06x (1.04x) March 31, 2020: 0.49x - 0.53x (0.51x)	0.01x increase/(decrease) in Revenue Multiple would result in increase/ (decrease) in fair value by: March 31, 2021: ₹ 4.5 Crore/ ₹ (4.5) Crore March 31, 2020: ₹ 4.2 Crore/ ₹ (4.1) Crore
		EBITDA Multiple	March 31, 2021: 4.8x - 5.2x (5.0x) March 31, 2020: 5.6x - 6.0x (5.8x)	0.1x increase/(decrease) in EBITDA Multiple would result in increase/ (decrease) in fair value by: March 31, 2021: ₹ 10.0 Crore/ ₹ (10.0) Crore March 31, 2020: ₹ 4.3 Crore/ ₹ (4.2) Crore
II Non Convertible Redeemable Preference Shares - Chennai Petroleum Corporation Limited	Income Approach - Present Value Measurement	Discount Rate	March 31, 2021: 4.63% - 6.63% (5.63%) March 31, 2020: 5.98% - 7.98% (6.98%)	0.5% increase/(decrease) in Discount Rate would result in (decrease)/increase in fair value by: March 31, 2021: ₹ (10.0) Crore/ ₹ 10.0 Crore March 31, 2020: ₹ (11.0) Crore/ ₹ 11.5 Crore
III Compulsorily Convertible Debentures - IndianOil LNG Private Limited	Income Approach - Present Value Measurement	Discount Rate	CCD-1&2: March 31, 2021: 4.54% - 6.54% (5.54%) March 31, 2020: 5.54% - 7.54% (6.54%)	0.5% increase/(decrease) in Discount Rate would result in (decrease)/increase in fair value by: March 31, 2021: ₹ (8.42) Crore/ ₹ 8.57 Crore March 31, 2020: ₹ (2.44) Crore/ ₹ 2.47 Crore
			CCD-3: March 31, 2021: 4.54% - 6.54% (5.54%) March 31, 2020: N/A	0.5% increase/(decrease) in Discount Rate would result in (decrease)/increase in fair value by: March 31, 2021: ₹ (10.17) Crore/ ₹ 10.34 Crore March 31, 2020: N/A
			CCD-4: March 31, 2021: 4.66% - 6.66% (5.66%) March 31, 2020: N/A	0.5% increase/(decrease) in Discount Rate would result in (decrease)/increase in fair value by: March 31, 2021: ₹ (30.12) Crore/ ₹ 30.69 Crore March 31, 2020: N/A
IV Loan to Related Party - Suntera Nigeria 205 Limited	Income Approach - Present Value Measurement	Discount Rate	March 31, 2021: 15.0% - 19.0% (17.0%) March 31, 2020: 15.5% - 19.5% (17.5%)	1% increase/(decrease) in Discount Rate would result in (decrease)/increase in fair value by: March 31, 2021: ₹ (5.1) Crore/ ₹ 5.1 Crore March 31, 2020: ₹ (5.3) Crore/ ₹ 6.8 Crore

NOTES TO FINANCIAL STATEMENTS

Note - 39 : FAIR VALUE MEASUREMENT (Contd..)

Unquoted Equity Instruments carried at FVTOCI includes following investments for which sensitivity disclosure is not disclosed:

	Carrying Value (₹ in Crore)	
	March 31, 2021	March 31, 2020
Woodlands Multispeciality Hospital Limited	**0.10**	0.10
International Cooperative Petroleum Association, New York	**0.02**	0.02

Reconciliation of fair value measurement of Assets and Liabilities under Level 3 hierarchy of Fair Value measurement:

(₹ in Crore)

	FVTOCI Assets		FVTPL Assets	
	Unquoted Equity Shares	Non Convertible Redeemable Preference Shares	Compulsorily Convertible Debentures	Loan to Suntera Nigeria 205 Ltd.
Balance as at March 31 2020	**384.42**	**555.63**	**672.18**	**129.63**
Addition	-	-	3,012.00	-
Fair Value Changes	471.10	44.37	191.48	(3.75)
Exchange Difference	-	-	-	(4.37)
Balance as at March 31 2021	**855.52**	**600.00**	**3,875.66**	**121.51**

II. Disclosures relating to recognition of differences between the fair value at initial recognition and the transaction price

In the following cases, the Company has not recognised gains/losses in profit or loss on initial recognition of financial assets/ financial liability, instead, such gains/losses are deferred and recognised as per the accounting policy mentioned below.

Financial Assets

1. Loan to Employees

As per the terms of service, the Company has given long term loan to its employees at concessional interest rate. Transaction price is not fair value because loans are not extended at market rates applicable to employees. Since implied benefit is on the basis of the services rendered by the employee, it is deferred and recognised as employee benefit expense over the loan period.

2. PMUY loan

The PMUY loan is the interest free loan given to PMUY beneficiaries towards cost of burner and 1st refill. The loan is interest free and therefore transaction price is not at fair value. The difference between fair value and transaction price is accumulated in Deferred expenses and amortised over the loan period on straight line basis in the Statement of Profit and Loss.

3. Security Deposits

The security deposit is paid to landlord in relation to lease of land. The security deposit is interest free and therefore transaction price is not fair value.The difference between fair value and transaction price is accumulated in Deferred expenses and amortised over the loan period on straight line basis in the statement of Profit and loss till March 31,2019 prior to introduction of IND AS 116.

NOTES TO FINANCIAL STATEMENTS

Note - 39 : FAIR VALUE MEASUREMENT (Contd..)

Financial Liabilities

1. Security Deposits

In case certain deposits payable to deceased employees under R2 option and security deposits received in relation to some revenue expenses contracts, transaction price is not considered as fair value because deposits are interest free. The difference between fair value and transaction price is accumulated in Deferred income and amortised over the tenure of security deposit on straight line basis in the Statement of Profit and Loss.

Reconciliation of deferred gains/losses yet to be recognised in the Statement of Profit and Loss are as under:

(₹ in Crore)

	Opening Balance	Addition During the Year	Amortised During the Year	Adjusted During the Year	Closing Balance
2020-21					
Deferred Expenses (Refer Note 8)					
Loan to employees	678.89	26.36	46.68	-	658.57
PMUY Loan	647.55	-	209.52	61.53	376.50
Deferred Income (Refer Note 20)					
Security Deposits	5.61	-	1.11	-	4.50
2019-20					
Deferred Expenses (Refer Note 8)					
Loan to employees	634.48	96.56	52.15	-	678.89
PMUY Loan	247.03	691.59	291.07	-	647.55
Security Deposits	14.90	-	-	14.90	-
Deferred Income (Refer Note 20)					
Security Deposits	7.38	-	1.35	0.42	5.61

Note - 40 : FINANCIAL INSTRUMENTS AND RISK FACTORS

Financial Risk Factors

The Company's principal financial liabilities, other than derivatives, comprise Borrowings, trade and other payables, security deposits, employee liabilities and lease obligation. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans & advances, trade and other receivables, short-term deposits and cash / cash equivalents that derive directly from its operations. The Company also holds FVTOCI investments and enters into derivative transactions.

The Company is exposed to a number of different financial risks arising from natural business exposures as well as its use of financial instruments including market risk relating to interest rate, commodity prices, foreign currency exchange rates and equity price, credit risk and liquidity risk.

The Risk Management Commitee comprised of senior management oversees the management of these risks. The Company's senior management is supported by a Risk Management Compliance Board that advises on financial risks and the appropriate financial risk governance framework for the Company. The Risk Management Committee provides assurance to the Board that the Company's risks are governed by appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Company's policies, risk objectives and risk appetite.

The Company's requirement of crude oil are managed through integrated function handled through its international trade and optimisation department. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. As per the Company's policy, derivatives contracts are taken only to hedge the various risks that the Company is exposed to and not for speculation purpose.

NOTES TO FINANCIAL STATEMENTS

Note - 40 : FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd..)

The Board of Directors oversee the risk management activities for managing each of these risks, which are summarised below:

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The major components of market risk are interest rate risk, foreign currency risk, commodity price risk and other price risk viz. equity shares etc. Financial instruments affected by market risk include Borrowings, Deposits, FVTOCI investments and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2021 and March 31, 2020.

The analysis excludes the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations, provisions, and other non-financial assets and liabilities of foreign operations.

1. Interest Rate Risk

The Company is exposed to interest rate risk from the possibiltiy that changes in interst rates will affect future cash flows of a financial instrument, principally financial debt. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages to maintian a mix between fixed and floating rates for rupee and foreign currency loans, based on liquidity, availability of cost effective instruments and considering the market/ regulatory constraints etc. The Company also use interest rate swap contracts for managing the interest rate risk of floating interest rate debt. As at March 31, 2021, approximately 66% of the Company's borrowings are at a fixed rate of interest (March 31, 2020: 58%).

Company is exposed to USD LIBOR interest rate benchmark reform with respect to floating rate debts raised by it and associated derivative contracts. Company is closely monitoring the market and the announcements from the various agencies managing the transition to new benchmark interest rates. Secured Overnight Financing Rate (SOFR) has been identified by the regulators as the replacement benchmark for USD LIBOR. This is applicable for both loans as well as interest rate derivatives contracts benchmarked to USD LIBOR. Based on announcements made in March 2021 by various agencies involved in USD LIBOR transition, the transition from USD LIBOR to SOFR will take effect immediately after 30 June 2023. The Company is not expecting any material financial impact of transition from USD LIBOR to SOFR on its floating rate loans linked to USD LIBOR and associated derivative contracts which are maturing beyond 30th June 2023.

The sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, with all other variables held constant, on floating rate borrowings is as follows:

Currency of Borrowings	Increase/ Decrease in basis points	Effect on profit before tax (₹ in Crore)	Increase/ Decrease in basis points	Effect on profit before tax (₹ in Crore)
	March 31, 2021		March 31, 2020	
INR	**+50**	**(37.74)**	+50	(3.32)
US Dollar	**+50**	**(136.59)**	+50	(242.61)
INR	**-50**	**37.74**	-50	3.32
US Dollar	**-50**	**136.59**	-50	242.61

2. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and Borrowings.

The Company manages its foreign currency risk through combination of natural hedge, mandatory hedging and hedging undertaken on occurence of pre-determined triggers. The hedging is mostly undertaken through forward contracts.

NOTES TO FINANCIAL STATEMENTS

Note - 40 : FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd..)

The Company has outstanding forward contract of Nil as at March 31, 2021 (March 31, 2020: ₹ 3,296.52 Crore) which has been undertaken to hedge its exposure to borrowings and other financial liabilities.

The sensitivity to a reasonably possible change in USD/INR exchange rates, with all other variables held constant, the impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. The Company's exposure to foreign currency changes for all other currencies other than below is not material.

Currency	Increase/ Decrease in basis points	Effect on profit before tax (₹ in Crore)	Increase/ Decrease in basis points	Effect on profit before tax (₹ in Crore)
	March 31, 2021		March 31, 2020	
Forward Contract - US Dollar	+5%	-	+5%	164.83
	-5%	-	-5%	(164.83)
Other Exposures - US Dollar	+5%	(3,274.30)	+5%	(3,995.70)
	-5%	3,274.30	-5%	3,995.70
Other Exposures - SGD	+5%	(111.40)	+5%	(108.82)
	-5%	111.40	-5%	108.82
Cross Currency - USD vs. SGD	+5%	(119.03)	+5%	(123.18)
	-5%	119.03	-5%	123.18
Cross Currency - USD vs. INR	+5%	(63.98)	+5%	-
	-5%	63.98	-5%	-

The effects of most exchange rate fluctuations are absorbed in business operating results which are offset by changing cost competitiveness, lags in market adjustments to movements in rates to its other non-financial assets like inventory etc. For this reason, the total effect of exchange rate fluctuations is not identifiable separately in the Company's reported results.

3. Commodity Price Risk

The Company is exposed to various commodity price related risk such as Refinery Margins i.e. Differential between the prices of petroleum products & crude oil, Crude Oil Price fluctuation on accounts of inventoty valuation fluctuation and crude oil imports etc. As per approved risk management policy, the Company can undertake refinery margin hedging, inventory hedging and crude oil price hedging through swaps, options and futures in the OTC market as well as domestic exchanges to mitigate the risk within the approved limits.

The Company's exposure of various inventories as at the end of the financial year is provided below:

In MMT

Inventory	March 31, 2021	March 31, 2020
- Raw Materials	8.084	9.735
- Stock in Process	1.662	1.856
- Finished Products	4.947	5.689
- Stock in Trade	1.694	1.799

Due to variation in prices, the Company incurred total inventory gain/ (Loss) of ₹ **20,503.03 Crore** during the current year (2020: ₹ (16,616.17) Crore). Out of the above, an amount of **Nil** (2020: ₹ (11,304.64) Crore is shown as exceptional item towards write down of inventories at net realisable value.

Category-wise quantitative data about commodity derivative transactions that are oustanding as at the end of the financial year is given below:

Quantity (in Lakhs bbls)

Particulars	March 31, 2021	March 31, 2020
Margin Hedging Forward contracts	14.25	50.50

NOTES TO FINANCIAL STATEMENTS

Note - 40 : FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd..)

The sensitivity to a reasonably possible change in Crude benchmark price difference/ refinery margin on the outstanding commodity hedging position as on March 31, 2021:

(₹ in Crore)

Particulars	Increase/ Decrease in %	Effect on profit before tax (₹ in Crore)	Increase/ Decrease in %	Effect on profit before tax (₹ in Crore)
	March 31, 2021		March 31, 2020	
Margin Hedging	**+10%**	**(2.88)**	+10%	(14.37)
Margin Hedging	**-10%**	**2.88**	-10%	14.37

4. Equity Price Risk

The Company's investment in listed and non-listed equity securities, other than its investments in Joint Ventures/ Associates and Subsidiaries, are susceptible to market price risk arising from uncertainties about future values of the investment securities.

At the reporting date, the exposure to unlisted equity securities at fair value was **₹ 855.52 Crore**. Sensitivity analysis of these investments have been provided in Note 39.

The exposure to listed equity securities valued at fair value was **₹ 12,213.69 Crore.** An increase / decrease of 5% on the NSE market index could have an impact of approximately **₹ 610.68 Crore** on the OCI and equity attributable to the Company. These changes would not have an effect on profit or loss.

5. Derivatives and Hedging

(i) Classification of derivatives

The Company is exposed to certain market risks relating to its ongoing business operations as explained above.

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are accounted for at fair value through profit or loss. Information about the derivatives used by the Company and outstanding as at the end of the financial year is provided below:

(₹ in Crore)

Particulars	March 31, 2021		March 31, 2020	
	Other Financial Assets	Other Financial Liabilities	Other Financial Assets	Other Financial Liabilities
Derivatives not designated as hedging instruments				
Foreign exchange forward contracts-Loans	**-**	**-**	16.21	-
Foreign Exchange currency swap	**22.66**	**252.65**	-	435.87
Derivatives designated as hedging instruments				
Foreign exchange forward contracts-Loans	**-**	**-**	18.67	-
Foreign exchange forward contracts-Crude/ Product Liabilities	**-**	**-**	3.23	-
Interest Rate Swap	**5.35**	**-**	-	-
Commodity Forward Contracts - Margin Hedging	**17.12**	**-**	93.00	31.51

NOTES TO FINANCIAL STATEMENTS

Note - 40 : FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd..)

(ii) Hedging activities

The primary risks managed using derivative instruments are commodity price risk, foreign currency risk and interest rate risk.

Commodity Price Risk

Margin Hedging

IndianOil buys crude and sells petroleum products linked to international benchmark prices and these benchmark prices do not move in tandem. This exposes IndianOil to the risk of variation in refining margins.

The risk of fall in refining margins of petroleum products in highly probable forecast sale transactions is hedged by undertaking crack spread forward contracts. The Company wants to protect the realisation of margins and therefore to mitigate this risk, the Company is taking these forward contracts to hedge the margin on highly probable forecast sale in future. Risk management activities are undertaken in OTC market i.e. these are the bilateral contracts with registered counterparties.

All these hedges are accounted for as cash flow hedges.

Foreign Currency Risk

The Company is exposed to various foreign currency risks as explained in A.2 above. As per Company's Foreign Currency & Interest Rate Risk Management Policy , the Company is required to fully hedge the short term foreign currency loans (other than revolving lines and PCFC loans) and at least 50% of the long term foreign currency loans based on market conditions.

Apart from mandatory hedging of loans, the Company also undertakes foreign currency forward contracts for the management of currency purchase for repayment of crude/ product liabilities based on market conditions and requirements. The above hedgings are undertaken through delivery based forward contracts.

All these hedges are accounted for as cash flow hedges.

Interest Rate Risk

The Company is exposed to interest rate risks on floating rate borrowings as explained in A.1 above. Company hedges interest rate risk by taking interest rate swaps as per company's Interest Rate Risk Management Policy based on market conditions. The Company uses interest rate derivatives to hedge exposure to interest payments for floating rate borrowings denominated in foreign currencies.

All these hedges are accounted for as cash flow hedges.

Hedge Effectiveness

There is an economic relationship between the hedged items and the hedging instruments as the terms of the foreign exchange and commodity forward contracts match the terms of hedge items. The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign exchange, interest rate and commodity forward contracts are identical to the hedged risk components. To test the hedge effectiveness, the Company compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks. In case of interest rate swaps, as the critical terms of the interest rate swap contracts and their corresponding hedged items are the same, the company performs a qualitative assessment of effectiveness and it is expected that the value of the interest rate swap contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying interest rates.

Source of Hedge ineffetiveness

In case of commodity price risk, the Company has identified the following sources of ineffectiveness, which are not expected to be material:

- Differences in the timing of the cash flows of the hedged items and the hedging instruments
- Different indexes linked to the hedged risk of the hedged items and hedging instruments
- The counterparties' credit risk differently impacting the fair value movements of the hedging instruments and hedged items
- Changes to the forecasted amount of cash flows of hedged items and hedging instruments

NOTES TO FINANCIAL STATEMENTS

Note - 40 : FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd..)

In case of foreign currency risk and interest rate risk, the main source of hedge ineffectiveness is the effect of the counterparty and the company's own credit risk on the fair value of hedge contracts, which is not reflected in the fair value of the hedged items. The effect of this is not expected to be material.

Disclosures of effects of Cash Flow Hedge Accounting

Hedging instruments

The Company is holding the following hedging instruments:

(₹ in Crore)

As at March 31,2021	Maturity					
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	More than 12 Months	Total
Foreign exchange forward contracts- Loans						
Nominal amount	-	-	-	-	-	-
Average forward rate	-	-	-	-	-	
Foreign exchange forward contracts- Crude/ Product Liabilities						
Nominal amount	-	-	-	-	-	-
Average forward rate	-	-	-	-	-	
Interest Rate Swaps						
Nominal amount	-	-	-	-	1,438.43	1,438.43
Commodity forward contracts- Margin Hedging						
Nominal volume (Quantity in Lakhs bbls)	0.75	1.50	6.00	6.00	-	14.25
Nominal amount (₹ Crore)	(0.91)	(1.82)	37.48	11.17	-	45.92
Average forward rate ($ /bbl)	(1.66)	(1.66)	8.55	2.55	-	-

(₹ in Crore)

As at March 31,2020	Maturity					
	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	More than 12 Months	Total
Foreign exchange forward contracts- Loans						
Nominal amount	449.00	-	756.00	-	-	1,205.00
Average forward rate	74.76	-	75.62	-	-	
Foreign exchange forward contracts- Crude/ Product Liabilities						
Nominal amount	1,131.99	-	-	-	-	1,131.99
Average forward rate	75.47	-	-	-	-	
Interest Rate Swaps						
Nominal amount	-	-	-	-	-	-
Commodity forward contracts- Margin Hedging						
Nominal volume (Quantity in Lakhs bbls)	8.75	12.50	17.25	12.00	-	50.50
Nominal amount (₹ Crore)	16.14	31.15	109.81	32.40	-	189.50
Average forward rate ($ /bbl)	2.44	3.29	8.41	3.57	-	

NOTES TO FINANCIAL STATEMENTS

Note - 40 : FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd..)

The impact of the hedging instruments on the Balance Sheet is as under:

(₹ in Crore)

	Foreign exchange forward contracts- Loans		Foreign exchange forward contracts- Crude/ Product Liablities		Interest Rate Swaps		Commodity forward contracts- Margin Hedging	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Nominal amount	**-**	1,205.00	**-**	1,131.99	**1,438.43**	-	**45.92**	189.50
Carrying amount	**-**	18.67	**-**	3.23	**5.35**	-	**17.12**	61.49
Line item in the Balance Sheet that's includes Hedging Instruments	Other Current Financial Assets / Other Current Financial Liabilities*							
Change in fair value used for measuring ineffectiveness for the period - Gain (Loss)	**(14.14)**	18.67	**(6.30)**	(6.61)	**5.35**	0.00	**136.67**	124.70

* Refer 5(i) above for further break-up.

Hedge Items

The impact of the Hedged Items on the Balance Sheet is as follows:

(₹ in Crore)

	Foreign exchange forward contracts- Loans		Foreign exchange forward contracts- Crude/ Product Liablities		Interest Rate Swaps		Commodity forward contracts- Margin Hedging	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Balance in Cash flow hedge reserve as at the end of the year for continuing hedges (net of tax)	**-**	-	**-**	-	**4.00**	-	**12.80**	46.00
Change in value of the hedged items used for measuring ineffectiveness for the period	**14.14**	(18.67)	**6.30**	6.61	**(5.35)**	-	**(136.67)**	(124.70)

NOTES TO FINANCIAL STATEMENTS

Note - 40 : FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd..)

The effect of the cash flow hedge in the Statement of Profit and Loss and Other Comprehensive Income is as follows:

(₹ in Crore)

	Foreign exchange forward contracts- Loans		Foreign exchange forward contracts- Crude/ Product Liablities		Interest Rate Swaps		Commodity forward contracts- Margin Hedging	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Cash flow Hedge Reserve at the beginning of the year	**-**	(1.08)	**-**	-	**-**	-	**46.00**	23.12
Total hedging gain/(loss) recognised in OCI	**(14.14)**	20.33	**(6.30)**	(6.61)	**5.35**	-	**75.18**	89.14
Income tax on above	**3.56**	(5.12)	**1.59**	1.66	**(1.35)**	-	**(18.92)**	(22.43)
Ineffectiveness recognised in profit or loss	**-**	-	**-**	-	**-**	-	**-**	-
Line item in the statement of profit or loss that includes the recognised ineffectiveness	**NA**	NA	**NA**	NA	**NA**	NA	**NA**	NA
Amount reclassified from OCI to profit or loss	**(14.14)**	18.67	**(6.30)**	(6.61)	**-**	-	**119.55**	63.21
Income tax on above	**3.56**	(4.54)	**1.59**	1.66	**-**	-	**(30.09)**	(19.38)
Cash flow Hedge Reserve at the end of the year	**-**	-	**-**	-	**4.00**	-	**12.80**	46.00
Line item in the statement of profit or loss that includes the reclassification adjustments	**Other Income**	Other Expenses	**Other Income**	Other Expenses	**NA**	NA	**Revenue from Operations**	Revenue from Operations

B. Credit risk

Trade Receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by Letters of Credit, Bank Guarantees or other forms of credit insurance, wherever required.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The Company applies Simplified approach for providing the expected credit losses on Trade Receivables as per the accounting policy of the company. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 10. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

NOTES TO FINANCIAL STATEMENTS

Note - 40 : FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd..)

(₹ in Crore)

	0 - 90 days	91 days to 6 months	Above 6 months to 1 Year	Above 1 Year to 3 Years	> 3 years	Total
Year ended March 31, 2021						
Gross Carrying amount	9,999.28	621.84	993.21	2,128.83	261.57	14,004.73
Expected loss rate	0.10%	0.10%	0.10%	0.10%	0.10%	
Expected credit losses	(9.44)	(0.27)	(0.66)	(0.98)	(0.10)	(11.45)
Specific Provision	(102.05)	(62.99)	(57.76)	(203.76)	(169.04)	(595.60)
Carrying amount	**9,887.79**	**558.58**	**934.79**	**1,924.09**	**92.43**	**13,397.68**
Year ended March 31, 2020						
Gross Carrying amount	6,855.79	3,175.07	2,388.86	354.34	197.88	12,971.94
Expected loss rate	0.10%	0.10%	0.10%	0.10%	0.10%	
Expected credit losses	(6.86)	(3.18)	(2.39)	(0.37)	(0.07)	(12.87)
Specific Provision	-	(0.09)	-	-	(114.89)	(114.98)
Carrying amount	**6,848.93**	**3,171.80**	**2,386.47**	**353.97**	**82.92**	**12,844.09**

Other Financial instruments and cash deposits

The Company's maximum exposure to credit risk for the components of the Balance Sheet at March 31, 2021 and March 31, 2020 is the carrying amounts as provided in Note 4, 5, 6, 11 & 12.

The Company applies General approach for providing the expected credit losses on these items as per the accounting policy of the company.

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are approved by the Company's Board of Directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company has given loans to PMUY (Pradhan Mantri Ujjwala Yojana) customers which are shown under Loans in Note-5. PMUY loans are given to provide clean cooking fuel to BPL families as per GOI scheme wherein free LPG connections are issued by Oil Marketing Companies (OMCs) to the women belonging to the Below Poverty Line (BPL) households. As per the scheme, OMCs are providing an option for interest free loan towards cost of burner and 1st refill to PMUY consumers which is to be recovered from the subsidy amount payable to customer when such customers book refill.

In case of certain PMUY loans, the Company has determined that there is significant increase in the credit risk. The Company considers the probability of default upon initial recognition of the loan and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. It considers past experience and time elapsed since the last refill for determining probability of default on collective basis. The Company has categorised the PMUY loans wherein credit risk has increased significantly under various categories considering the likelihood of default based on time gap since last refill. During the year, due to inactivity of a portion of PMUY consumers despite the efforts of company and GOI, company has changed the percentage of ECL provisioning. ECL is provided **@80%** (2020: @50%) in case of time gap since last refill is more than 12 months but not exceeding 18 months, **@90%** (2020: @70%) in case of time gap is more than 18 months but not exceeding 24 months and **@100%** (2020: @90%) for those consumers who have not taken any refill more than 24 months. ECL is provided for the loans where the refill is taken within last 12 months based on experience ratio of more than 12 months as above.

The PMUY loans are classified as credit impaired as on reporting date considering significant financial difficulty in case the customer has not taken any refill from past 24 months (2020: 30 months).

In case of other financial assets, there are certain credit impaired cases mainly due to breach of contract arising due to default or bankruptcy proceedings.

NOTES TO FINANCIAL STATEMENTS

Note - 40 : FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd..)

The movement in the loss allowance for impairment of financial assets at amortised cost during the year was as follows:

(₹ in Crore)

2020-21	Opening Balance	ECL created during the year	ECL write Back	ECL written off/ Reclassifications	Closing Balance
	A	B	C	D	(A+B+C+D)
Trade Receivables					
Expected credit losses	12.87	0.62	(2.04)	-	**11.45**
Specific Provision	114.98	482.71	(2.14)	0.05	**595.60**
Total	**127.85**	**483.33**	**(4.18)**	**0.05**	**607.05**
Loans					
12 Months ECL	69.98	257.07	-	(0.02)	**327.03**
Life Time ECL- not credit impaired	126.39	69.92	-	-	**196.31**
Life Time ECL- credit impaired	360.29	197.25	(0.14)	(0.09)	**557.31**
Total	**556.66**	**524.24**	**(0.14)**	**(0.11)**	**1,080.65**
Security Deposits					
12 Months ECL	-	-	-	-	**-**
Life Time ECL- not credit impaired	-	-	-	-	**-**
Life Time ECL- credit impaired	1.50	-	(0.10)	-	**1.40**
Total	**1.50**	**-**	**(0.10)**	**-**	**1.40**
Other Financial assets					
12 Months ECL	-	-	-	-	**-**
Life Time ECL- not credit impaired	-	71.56	-	-	**71.56**
Life Time ECL- credit impaired	**61.08**	**58.00**	**(3.28)**	**(0.07)**	**115.73**
Total	**61.08**	**129.56**	**(3.28)**	**(0.07)**	**187.29**

(₹ in Crore)

2019-20	Opening Balance	ECL created during the year	ECL write Back	ECL written off/ Reclassifications	Closing Balance
	A	B	C	D	(A+B+C+D)
Trade Receivables					
Expected Credit Loss	15.49	-	(0.56)	(2.06)	**12.87**
Specific Provision	118.61	4.61	(0.49)	(7.75)	**114.98**
Total	**134.10**	**4.61**	**(1.05)**	**(9.81)**	**127.85**
Loans					
12 Months ECL	-	69.98	-	-	**69.98**
Life Time ECL- not credit impaired	1,141.71	-	(658.50)	(356.82)	**126.39**
Life Time ECL- credit impaired	3.63	-	-	356.66	**360.29**
Total	**1,145.34**	**69.98**	**(658.50)**	**(0.16)**	**556.66**
Security Deposits					
12 Months ECL	-	-	-	-	**-**
Life Time ECL- not credit impaired	-	-	-	-	**-**
Life Time ECL- credit impaired	1.56	0.05	(0.10)	(0.01)	**1.50**
Total	**1.56**	**0.05**	**(0.10)**	**(0.01)**	**1.50**
Other Financial assets					
12 Months ECL	-	-	-	-	**-**
Life Time ECL- not credit impaired	-	-	-	-	**-**
Life Time ECL- credit impaired	**77.19**	**0.22**	**(16.33)**	**-**	**61.08**
Total	**77.19**	**0.22**	**(16.33)**	**-**	**61.08**

NOTES TO FINANCIAL STATEMENTS

Note - 40 : FINANCIAL INSTRUMENTS AND RISK FACTORS (Contd..)

C. Liquidity risk

The Company monitors its risk of shortage of funds using a liquidity planning tool. The Company seeks to manage its liquidity requirement by maintaining access to both short term and long term debt markets. In addition, Company has committed credit facilities from banks.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, commercial papers, bank loans, debentures, and leases. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual payments.

(₹ in Crore)

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended March 31, 2021						
Borrowings excluding Lease Obligations	16,394.51	21,065.37	7,987.25	44,674.87	4,291.00	**94,413.00**
Lease Obligations	15.86	296.41	1,160.14	2,458.54	3,983.54	**7,914.49**
Trade payables	3,002.33	29,458.28	1,413.98	-	-	**33,874.59**
Other financial liabilities	29,310.76	9,597.88	4,348.50	517.68	329.81	**44,104.63**
Financial guarantee contracts*	5,488.50	-	-	-	-	**5,488.50**
Derivatives	-	252.65	-	-	-	**252.65**
	54,211.96	**60,670.59**	**14,909.87**	**47,651.09**	**8,604.35**	**1,86,047.86**
Year ended March 31, 2020						
Borrowings excluding Lease Obligations	13,627.94	27,532.80	24,735.95	38,761.17	3,962.32	1,08,620.18
Lease Obligations	48.41	303.33	1,045.91	2,861.20	3,665.95	7,924.80
Trade payables	2,357.23	21,603.04	1,264.03	-	-	25,224.30
Other financial liabilities	30,180.14	6,694.83	1,353.08	415.98	373.60	39,017.63
Financial guarantee contracts*	5,824.25	-	-	-	-	5,824.25
Derivatives	-	467.38	-	-	-	467.38
	52,037.97	**56,601.38**	**28,398.97**	**42,038.35**	**8,001.87**	**1,87,078.54**

* Based on the maximum amount that can be called for under the financial guarantee contract.

D. Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

E. Collateral

As Company has been rated investment grade by various domestic and international rating agencies, there has been no requirement of submitting any collateral for booking of derivative contracts. Company undertakes derivatives contract only with those counterparties that have credit rating above the internally approved threshold rating. Accordingly, Company does not seek any collaterals from its counterparties.

NOTES TO FINANCIAL STATEMENTS

Note - 41 : CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity shareholders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using debt equity ratio, which is borrowings divided by Equity. The Company's endeavour is to keep the debt equity ratio around 1:1.

(₹ in Crore)

	March 31, 2021	March 31, 2020
Borrowings	**1,02,327.49**	1,16,544.98
Equity Share Capital	**9,181.04**	9,181.04
Reserves and Surplus	**1,01,319.00**	84,587.83
Equity	**1,10,500.04**	**93,768.87**
Debt Equity Ratio	**0.93 : 1**	**1.24 : 1**

No changes were made in the objectives, policies or processes for managing capital during the financial year ended March 31, 2021 and March 31, 2020.

Note - 42 : DISCLOSURES AS REQUIRED BY REGULATION 34(3) OF SEBI(LODR) REGULATIONS, 2015

In compliance of Regulation 34(3) of SEBI(LODR) Regulations 2015, the required information are given as under:

(₹ in Crore)

	Amount as at		Maximum Amount outstanding during the year ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
I. Loans and Advances in the nature of loans:				
A) To Subsidiary Companies	**-**	-	**-**	-
B) To Associates /Joint Venture				
(i) Petronet V. K. Ltd.	**107.05**	98.37	**107.05**	98.37
(No repayment schedule available)				
(ii) Suntera Nigeria 205 Ltd. (For Exploration activities) (Refer Note-1)	**156.77**	162.24	**161.90**	162.24
(iii) IndianOil LNG Private Limited (For LNG terminal construction)	**-**	-	**135.00**	108.00
(iv) Indian Oiltanking Limited	**15.00**	15.00	**15.00**	15.00
C) To Firms/Companies in which directors are interested	**-**	-	**-**	-
II. Investment by the loanee (as detailed above) in the shares of IOC and its subsidiaries	**-**	-	**-**	-

Note

1 As per the applicable provisions of Indian Accounting Standards, the loan given to Suntera Nigeria 205 Ltd. is measured at fair value through the Statement of Profit and Loss in the financial statements and fair value of the loan is **₹ 121.51 Crore** as at March 31, 2021 (2020: ₹ 129.63 Crore). Refer Note -39 for further details regarding fair valuation.

NOTES TO FINANCIAL STATEMENTS

Note - 43 : DUES TO MICRO AND SMALL ENTERPRISES

The dues to Micro and Small Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the Company is given below:

(₹ in Crore)

	March 31, 2021	March 31, 2020
Amount due and Payable at the year end		
- Principal *	**651.78**	391.69
- Interest on above Principal	-	-
Payments made during the year after the due date		
- Principal	-	0.03
- Interest	-	0.06
Interest due and payable for principals already paid	-	-
Total Interest accrued and remained unpaid at year end	-	-
Further Interest remaining due and payable in succeeding year	-	-

*Amount of ₹ **336.88 Crore** (2020: ₹ 186.69 Crore) included in Note 17: Other Financial Liabilities.

Note - 44 : RESEARCH AND DEVELOPMENT COSTS

Research and Development Expenses of ₹ **226.16 Crore** (2020: ₹ 161.04 Crore) have been capitalised and ₹ **282.79 Crore** (2020 : ₹ 267.00 Crore) have been accounted for in the Statment of Profit and Loss during the year. Detailed break up of total expenditure are as under:

A. CAPITAL EXPENSES (Property, Plant and Equipment)

(₹ in Crore)

S. No.	Asset Block	Gross Block as at April 1, 2020	Additions during the year	Transferred from CWIP	Transfer/ Deduction/ Disposal during the year	Gross Block as at March 31, 2021	Work-in-Progress as at April 1, 2020	Additions during the year	Transferred to Fixed Assets (Capitalised)	Work-in-Progress as at March 31, 2021	Total Capital Expenditure
1	2	3	4	5	6	7 = (3+4+5-6)	8	9	10	11 = (8+9-10)	12=(4+5+11-8)
(a)	**Property, Plant and Equipment**										
1	Land - Free Hold	377.26	-	-	3.83	**373.43**	-	-	-	-	-
2	Building, Roads etc	104.45	0.78	2.13	0.42	**106.94**	36.43	24.00	2.13	**58.30**	**24.78**
3	Plant & Equipment	688.47	43.39	75.22	-0.36	**807.44**	67.34	140.67	75.22	**132.79**	**184.06**
4	Office Equipment	29.52	7.85	3.92	2.18	**39.11**	0.60	3.40	3.92	**0.08**	**11.25**
5	Transport Equipment	0.06	-	-	-	**0.06**	-	-	-	-	-
6	Furniture & Fixtures	16.25	0.57	0.03	0.23	**16.62**	-	0.03	0.03	-	**0.60**
7	Drainage & Sewage	1.42	-	-	-	**1.42**	-	-	-	-	-
8	ROU Asset	0.38	-	-	-	**0.38**	-	-	-	-	-
	Sub Total	**1,217.81**	**52.59**	**81.30**	**6.30**	**1,345.40**	**104.37**	**168.10**	**81.30**	**191.17**	**220.69**
(b)	**Intangible Assets**										
1	Right of way	-	-	-	-	-	-	-	-	-	-
2	Licenses / Technical Know-how	0.11	-	-	-	**0.11**	-	-	-	-	-
3	Computer Software	20.69	2.96	7.86	-	**31.51**	6.48	2.51	7.86	**1.13**	**5.47**
		20.80	**2.96**	**7.86**	-	**31.62**	**6.48**	**2.51**	**7.86**	**1.13**	**5.47**
	Total	**1,238.61**	**55.55**	**89.16**	**6.30**	**1,377.02**	**110.85**	**170.61**	**89.16**	**192.30**	**226.16**

NOTES TO FINANCIAL STATEMENTS

Note - 44 : RESEARCH AND DEVELOPMENT COSTS (Contd..)

(₹ in Crore)

S. No.	Asset Block	Gross Block as at April 1, 2019	Additions during the year	Transferred from CWIP	Transfer/ Deduction/ Disposal during the year	Gross Block as at March 31, 2020	Work-in-Progress as at April 1, 2019	Additions during the year	Transferred to Fixed Assets (Capitalised)	Work-in-Progress as at March 31, 2020	Total Capital Expenditure
1	2	3	4	5	6	7 = (3+4+5-6)	8	9	10	11 = (8+9-10)	12=(4+5+11-8)
(a)	Property, Plant and Equipment										
1	Land - Free Hold	377.26	-	-	-	377.26	-	-	-	-	-
2	Building, Roads etc	101.14	0.32	4.20	1.21	104.45	28.36	12.27	4.20	36.43	12.59
3	Plant & Equipment	599.51	39.21	56.91	7.16	688.47	36.14	88.11	56.91	67.34	127.32
4	Office Equipment	22.26	4.88	3.88	1.50	29.52	3.71	0.77	3.88	0.60	5.65
5	Transport Equipment	0.06	-	-	-	0.06	-	-	-	-	-
6	Furniture & Fixtures	13.57	2.08	0.90	0.30	16.25	0.45	0.45	0.90	-	2.53
7	Drainage & Sewage	1.42	-	-	-	1.42	-	-	-	-	-
8	ROU Asset	-	0.38	-	-	0.38	-	-	-	-	0.38
	Sub Total	1,115.22	46.87	65.89	10.17	1,217.81	68.66	101.60	65.89	104.37	148.47
(b)	Intangible Assets										
1	Right of way	-	-	-	-	-	-	-	-	-	-
2	Licenses / Technical Know-how	0.11	-	-	-	0.11	-	-	-	-	-
3	Computer Software	11.92	6.09	2.68	-	20.69	2.68	6.48	2.68	6.48	12.57
	Sub Total	12.03	6.09	2.68	-	20.80	2.68	6.48	2.68	6.48	12.57
	Total	1,127.25	52.96	68.57	10.17	1,238.61	71.34	108.08	68.57	110.85	161.04

B. RECURRING EXPENSES

(₹ in Crore)

	Particulars	2020-21	2019-20
1	Consumption of Stores, Spares & Consumables	9.78	9.55
2	Repairs & Maintenance		
	(a) Plant & Machinery	11.74	12.84
	(b) Building	7.95	10.29
	(c) Others	2.33	2.26
3	Freight, Transportation Charges & demurrage	0.09	0.20
4	Payment to and Provisions for employees	178.36	149.16
5	Office Administration, Selling and Other Expenses	72.51	82.68
6	Interest	0.03	0.02
	Total	282.79	267.00

C. TOTAL RESEARCH EXPENSES

(₹ in Crore)

Particulars	2020-21	2019-20
Capital Expenditure	226.16	161.04
Recurring Expenditure	282.79	267.00
Total	508.95	428.04

NOTES TO FINANCIAL STATEMENTS

Note - 45 : DISCLOSURE RELATING TO CORPORATE SOCIAL RESPONSIBILITY (CSR) EXPENDITURE

The disclosure in respect of CSR Expenditure is as under:

(₹ in Crore)

Particulars	March 31, 2021	March 31, 2020
Gross amount required to be spent by the Company during the year (2% of Avg Net Profit as per Section 135(5))	342.00	543.38
Surplus arising out of CSR Project	-	-
Set Off Available from Previous Years	-	-
Total CSR Obligation for the year	**342.00**	**543.38**
Amount approved by the Board to be spent during the year	460.37	543.38
Amount Spent during the Year	460.37	543.38
Set Off available for succeeding years	118.37	-
Amount Unspent during the year	-	-

Amount spent during the year on:

(₹ in Crore)

Particulars	2020-21			2019-20		
	In cash	Yet to be paid In cash**	Total	In cash	Yet to be paid In cash**	Total
(i) Construction/acquisition of any assets	-	-	-	-	-	-
(ii) On purposes other than (i) above						
Health and Sanitation	28.48	1.06	29.54	83.19	3.71	86.90
Contribution towards PMUY	-	-	-	73.87	-	73.87
Flagship Projects-CSR	12.27	0.42	12.69	16.69	0.13	16.82
Educational Scholarship	1.21	-	1.21	1.69	-	1.69
Swachh Bharat	9.85	6.53	16.38	6.24	0.93	7.17
Education/employment vocational skills	82.31	2.68	84.99	251.21	3.36	254.57
Administration Expenses, training etc.	15.37	-	15.37	24.80	0.07	24.87
Drinking Water	10.15	0.80	10.95	9.50	1.63	11.13
Promotion of National Heritage, Art and Culture	11.94	0.01	11.95	5.90	0.14	6.04
Covid-19	251.17	1.31	252.48	0.42	0.05	0.47
Other expenses	23.15	1.66	24.81	58.20	1.65	59.85
Total Expenses (ii)	445.90	14.47	460.37	531.71	11.67	543.38
Grand Total (i) and (ii)	445.90	14.47	460.37	531.71	11.67	543.38

**Provisions made for liabilities incurred

NOTES TO FINANCIAL STATEMENTS

Note - 46 : DISCLOSURE ON GOVERNMENT GRANTS

A. Revenue Grants

1 Subsidies on sales of SKO (PDS) and LPG (Domestic)

Subsidies on sales of SKO (PDS) and LPG (Domestic) in India amounting to ₹ **72.46 Crore** (2020: ₹ 148.29 Crore) and subsidies on sales of SKO and LPG to customers in Bhutan amounting to ₹ **3.13 Crore** (2020: ₹ 13.39 Crore) have been reckoned as per the schemes notified by Governments.

2 Compensation against under recoveries

The Company has accounted for Budgetary Support of **Nil** (2020: ₹ 1,296.17 Crore) towards under-recovery on sale of SKO (PDS) in the Statement of Profit and Loss as Revenue Grant.

3 Export of Notified Goods under MEIS Claims

The Company has recognised ₹ **0.02 Crore** (2020: ₹ 1.41 Crore) on export of notified goods under Merchandise Exports from India Scheme (MEIS) in the Statement of Profit and Loss as Revenue Grant.

4 Stipend to apprentices under NATS scheme

As per Ministry of HRD, 50% of the cost of stipend for apprentices which are paid under National Apprenticeship Training Scheme (NATS) will be reimbursed to employer from Government subject to prescribed threshhold limit. The Company has recognised grant in respect of stipend paid to apprentices appointed under NATS amounting to ₹ **2.43 Crore** (2020: ₹ 4.88 Crore) as Revenue Grant.

5 Grant in respect of revenue expenditure for research projects

During the year, the Company has received revenue grant of ₹ **1.59 Crore** (2020: ₹ 1.93 Crore) in respect of meeting out revenue expenditure such as Manpower, Consumables, Travel & Contingency etc for research projects undertaken with various agencies.

6 Incentive on sale of power

Company is getting incentive from Department of Renewable Energy, GOI for wind power generation of Electricity at the rate of ₹ 0.50 paise for per unit of power generated. The Company has received grant of ₹ **2.08 Crore** during the current year (2020: ₹ 2.76 Crore).

7 EPCG Grant

Grant recognised in respect of duty waiver on procurement of capital goods under EPCG scheme of Central Govt. which allows procurement of capital goods including spares for pre production and post production at zero duty subject to an export obligation of 6 times of the duty saved on capital goods procured. The unamortised grant amount as at March 31, 2021 is **Nil** (2020: ₹ 39.89 Crore) . During the year, the Company has recognised ₹ **39.89 Crore** (2020: ₹ 17.68 Crore) in the Statement of Profit and Loss as amortisation of revenue grant.

8 Excise duty benefit in North East

Excise duty exemption of 50% of goods manufactured and cleared from north east refineries has been reckoned at full value in revenue and on net basis in expenses under 'Excise Duty' (to the extent of duty paid). Financial impact for the current year is ₹ **5,655.21 Crore** (2020: ₹ 2,627.98 Crore).

9 Grant in respect of Hydrogen blended Natural Gas project at Rajghat DTC

The Company has received grant from Transport Ministry, Govt of NCT, DELHI as per the direction of Hon'ble Supreme Court to carry out its study & pilot project of hydrogen blended CNG (H-CNG). The Company has recognised **Nil** (2020: ₹ 15.00 Crore) in Statement of Profit & Loss during the year.

B. Capital Grants

1 OIDB Government Grant for strengthening distribution of SKO (PDS)

The Company has received government grant from OIDB (Oil Industry Development Board) for strengthening distribution of PDS Kerosene as per the directions of MoP&NG to be used in construction of 20KL underground Tank, Mechanical Dispensing

NOTES TO FINANCIAL STATEMENTS

Note - 46 : DISCLOSURE ON GOVERNMENT GRANTS (Contd..)

Units and Barrel Shed. The unamortised capital grant amount as at March 31, 2021 is ₹ **0.76 Crore** (2020: ₹ 1.01 Crore). During the year, the Company has recognised ₹ **0.25 Crore** (2020: ₹ 0.27 Crore) in Statement of Profit and Loss as amortisation of capital grants.

2 **Capital Grant in respect of Excise duty, Custom duty and GST waiver**

The Company has received grant in respect of Custom duty waiver on import on capital goods,Excise duty waiver and GST waiver on purchase of goods from local manufacturer in India under the certificate issued by Department of Scientific and Industrial Research (DSIR). The unamortised capital grant amount as at March 31, 2021 is ₹ **67.77 Crore** (2020: ₹ 61.78 Crore) The goods so imported or procured from local manufacturer shall not be transferred or sold for a period of five years from date of installation. During the year, the Company has recognised ₹ **10.85 Crore** (2020: ₹ 8.50 Crore) in the Statement of Profit and Loss as amortisation of capital grants.

3 **Capital Grant in respect of Research projects**

The Company has received capital grant from various agencies in respect of procurement/ setting up of Capital assets for research projects undertaken. The unamortised capital grant amount as at March 31, 2021 is ₹ **11.19 Crore** (2020: ₹ 12.24 Crore). During the year, the Company has recognised ₹ **2.60 Crore** (2020: ₹ 2.51 Crore) in the Statement of Profit and Loss as amortisation of capital grants.

4 **Capital Grant in respect of Entry Tax Exemption from Odisha Govt.**

Entry Tax exemption received from Odisha Government for Paradip Refinery Project has been recognised as Capital Grant and grossed up with the concerned Assets.The unamortised capital grant amount as at March 31, 2021 is ₹ **105.55 Crore** (2020: ₹ 111.02 Crore). During the year, the Company has recognised ₹ **5.47 Crore** (2020: ₹ 5.30 Crore) in the Statement of Profit and Loss as amortisation of capital grants.

5 **Capital Grant in respect of demonstration unit**

Grant received from OIDB for setting up of demonstration unit at Guwahati refinery with the company's R&D developed IndaDeptG technology and also for Ethanol production from Refinery off gases at Panipat Refinery. The unamortised capital grant amount as at March 31, 2021 is ₹ **173.27 Crore** (2020: ₹ 90.77 Crore). During the year, the Company has recognised ₹ **4.38 Crore** (2020: ₹ 4.38 Crore) in the Statement of Profit and Loss as amortisation of capital grants.

6 **Capital Grant in respect of interest subsidy**

The Company has received capital grant in respect of interest subsidy on loans taken from OIDB. The unamortised capital grant amount as at March 31, 2021 is ₹ **26.32 Crore** (2020: ₹ 11.56 Crore). During the year, the Company has recognised ₹ **0.51 Crore** (2020: ₹ 0.34 Crore) in the Statement of Profit and Loss as amortisation of capital grants.

7 **Capital Grant in respect of Viability Gap Funding (VGF)**

The Company has received capital grant in the form of interest free loans from Orissa Government for a period of 15 years.The unamortised capital grant amount as at March 31, 2021 is ₹ **2,065.16 Crore** (2020: ₹ 1,750.64 Crore). During the year, the Company has recognised ₹ **144.86 Crore** (2020: ₹ 112.11 Crore) in the Statement of Profit and Loss as amortisation of capital grants.

8 **Capital Grant in respect of Solar Power Generation**

The Company has received capital financial assistance from Ministry of New and Renewable Energy in respect of procurement and installation of Solar Panels for Power Generation.The unamortised capital grant amount as at March 31, 2021 is ₹ **3.96 Crore** (2020: ₹ 4.14 Crore). During the year, the Company has recognised ₹ **0.18 Crore** (2020: ₹ 0.19 Crore) in the Statement of Profit and Loss as amortisation of capital grants.

9 **Capital Grant from Nepal Government**

The Company has received grant from Nepal Government by way of waiver of Local taxes on goods/services procured locally in Nepal and Import Duty for goods/services imported into Nepal. The Company has recognised ₹ **1.05 Crore** (2020: ₹ 0.71 Crore) in Statement of Profit & Loss. The unamortised balance is ₹ **12.42 Crore** (2020: ₹ 13.63 Crore)

NOTES TO FINANCIAL STATEMENTS

Note - 47 : REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company is in the business of oil and gas and it earns revenue primarily from sale of petroleum products, petrochemicals and others comprising of Gas, E&P and Others. Revenue are recognised when control of the goods and services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods and services. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. In determining the transaction price for the sale of products, the company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Generally, Company enters into contract with customers;

a. On delivered basis in case of Retail Sales, LPG and Aviation.

b. On EX-MI as well as delivered basis in case of Lubes and Consumers.

c. On FOB or CIF basis depending on terms of contract in case of Export sales.

Majority of Company's sales are to retail category which are mostly on cash and carry basis. Company also execute supply to Institutional Businesses(IB), Lubes , Aviation on credit which are for less than a year.

For maintaining uninterrupted supply of products, customers generally deposit amount in advance with the Company against which orders for purchase of products are placed by the customers. Based on these orders, supply is maintained by the Company and revenue is recognised when the goods are delivered to the customer by adjusting the advance from customers.

Company also extend volume/slab based discounts to its customers on contract to contract basis for upliftment of products and it is adjusted in revenue as per the terms of the contract. Company also runs loyalty programmes and incentive schemes for its retail and bulk customers. Loyalty points are generated and accumulated by the customers on doing transactions at Company's outlet which can be redeemed subsequently for fuel purchases from Company outlets. Revenue is recognised net of these loyalty points and incentive schemes.

Beside this, though not significant, Company also undertakes construction contracts on deposit basis. Revenue is recognised for these contracts on input based on cost incurred. Similarly non-refundable deposits received from Retail Outlets (ROs) are recognised as revenue over time.

Bifurcation of Total Revenue into Revenue from contract with customers and other sources of revenue as per requirement of Ind AS is given below;

(₹ in Crore)

	2020-21	2019-20
Total Revenue (A+D)	**5,14,890.47**	**5,66,353.55**
Revenue from contract with customers (A)	**5,12,429.23**	5,62,426.49
Recognised from contract liability balance of previous year (B)	**4,288.98**	3,225.89
Recognised from contracts initiated in current year (C)	**5,08,140.25**	5,59,200.60
Revenue from other contracts/from others (D)	**2,461.24**	3,927.06

An amount of ₹ **483.48 Crore** (2020: ₹ 1.76 Crore) on account of impairment losses on receivables is recognised under the head Impairment Loss on Financial Assets on the face of Statement of Profit and Loss.

The Company disclose information on reportable segment as per Ind AS 108 under Note 38 - Segmental Information. An amount of ₹ **300.55 Crore** (2020: ₹ 69.19 Crore) is recognised over time under Revenue from contract with customers.

(₹ in Crore)

	Receivables	Contract Asset	Contract Liability
Opening Balance	12,878.18	-	5,948.98
Closing Balance	13,445.75	-	5,769.20

The Company has applied practical expedient as per IndAS 115 in case of delivered sales, advance from customers where the performance obligation is part of the contract and the original expected duration is one year or less and in case of construction contracts/deposit works wherein the company has a right to consideration from customer that correspond directly with the value of the entity's performance completed for the customer.

Revenue in cases of performance obligation related to delivered sales and advance from customers are recognised in time based on delivery of identified and actual goods and no significant judgement is involved. Revenue in case of construction contracts/ deposit works are recognised over time using input based on cost incurred. Revenue in case of Non Refundable RO Deposit is recognised on time proportion basis.

NOTES TO FINANCIAL STATEMENTS

Note - 48 : OTHER DISCLOSURES

1 In order to provide clean cooking fuel to BPL families, Government has approved "Pradhan Mantri Ujjwala Yojana (PMUY)" scheme where free LPG connections are issued by Oil Marketing Companies (OMCs) to the women belonging to the Below Poverty Line (BPL) households as per SECC -2011 (Rural) database. The scheme was launched on May 1, 2016. As per the scheme, the initial cost towards connection charges (Refundable deposit) would be borne by the Central Government for each card holder. Few State Governments have also extended this scheme to other beneficiaries. As per the scheme, OMCs would provide an option for EMI/Loans towards cost of burner and 1st refill to the PMUY consumers. The loan amount is to be recovered from the subsidy amount payable by the government to the customers on each refill sale. During the year, discounting of the loan has been done based on assumption of 3 refills in a year and average subsidy of ₹ 44.69 per cylinder as loan recovery.

The amount of outstanding as at March 31, 2021 towards PMUY claim from Central Government is **₹ 6.38 Crore** (2020: ₹ 468.54 Crore) and loan to PMUY consumers is **₹ 3,022.58 Crore** (2020: ₹ 3,185.64 Crore) (net of recovery through subsidy). Against the above loan, a provision for doubtful loans amounting to **₹ 910.45 Crore** (2020: ₹ 553.19 Crore) has been created as at March 31, 2021 against the beneficiaries who have not taken any refill for more than 12 months based on expected credit loss(ECL) model and applying experience factor based on experience ratio of more than 12 months. (Also refer Credit Risk under Note 40)

On account of decline in subsidy amount of LPG cylinders in current year, the Company has remeasured the gross carrying amount of PMUY loan as at Balance Sheet date based on revised estimated future contractual cash flows resulting in reduction in PMUY loans by **₹ 847.08 Crore** which has been charged to Statement of Profit and Loss in Note 29.1 under the head "Amortisation and Remeasurement of PMUY Assets"

2 During the year old dispute with Delhi Development Authority (DDA) pertaining to demand of license fee towards Retail Outlets settled with DDA based on decision of the Committee of Secretaries under Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD). Consequently provision of **₹ 205.38 Crore** has been written back and included in Revenue from operations.

3 "The Government of India had announced a relief package under Pradhan Mantri Garib Kalyan Yojna (PMGKY) to the Poor families affected by the pandemic.This scheme entailed PMUY consumers to avail a sequential advance towards purchase of three refill cylinders. The scheme was initially for the period beginning from 01.04.2020 and ending on 30.06.2020 which was subsequently extended up to 31.12.2020 to allow PMUY Beneficiaries to uplift refill against the transferred advance, and thereby enabling OMC to claim from MoPNG for such refill against the advance transferred.

Accordingly, the Company during the year transferred advance of **₹ 4,541.05 Crore** (2020: Nil) to PMUY beneficiaries out of which **₹ 4,374.16 Crore** (2020: Nil) were utilised by the customers towards refills leaving an outstanding of ₹ 166.89 Crore as on 31.03.2021. Doubtful provision has been made for the said unutilised amount and included under the head "Impairment Loss on Financial Assets" on the face of Statement of Profit and Loss , representing the difference between advance amount as against RSP on the date of upliftment of refill and advance against which no upliftment of refill has taken place and thereby claim could not be submitted by IOC.

4 The land and other facilities held by the Company at Narimanam Marketing Terminal is intended to be transferred to new Joint venture proposed to be formed between IOCL and CPCL with equity holding of 50% and balance to be retained by strategic/public investors for construction of new refinery project at CBR Nagapattinam. Pending finalisation of modalities of transfer and management approvals, the facilities held at marketing terminal having WDV of **₹ 81.93 Crore** (Gross Block: ₹ 151.39 Crore) has been continued in the books as Property, Plant & Equipment under Note -2.

5 Pursuant to the Board approval for formation of a Joint Venture company between Indian Oil Corporation Ltd and Coal India Ltd for transfer of explosives business to the said venture Company on slump sale basis at a value of ₹ 311.00 Crore (Net Assets WDV of ₹ 82.69 Crore as at March 31, 2020), consent of Niti Ayog was initially received for formation of the JV vide letter dated April 27, 2018. However, the formation of the JV is not carried forward on account of subsequent communication dated July 11, 2018 from MoPNG. The matter is under deliberation and accordingly, the explosive business continues to be in operation as at March 31, 2021. The Net Asset WDV of the business as at March 31, 2021 is **₹ 77.49 Crore**.

6 In line with the conditions specified in Environment Clearance Certificates issued by Ministry of Environment, Forest and Climate Change (MoEFCC) at the time of commencement of the project, during the year, the Company has recognised a cumulative liability towards environmental responsibility as project cost for the ongoing projects of **₹ 174.9 Crore** and completed projects of **₹ 421.19 Crore**.

7 Pursuant to the order of Honorable High Court of Odisha in the Feb' 2012 for removal of shoals from the upstream of Mahanadi Barrage and Construction of Water Treatment plant in Cuttack, Company was treating the expenditure as enabling

NOTES TO FINANCIAL STATEMENTS

Note - 48 : OTHER DISCLOSURES (Contd..)

Asset for its Paradip Refinery which was commissioned in March 2016. In the financial year 2019-20, out of the total advance of ₹ 231.44 Crore, an amount of ₹ 147.10 Crore was shown as Construction-Work in Progress based on Utilisation Certificate received from the authorities and the balance amount of ₹ 84.34 Crore was shown as Advance for Capital Expenditure (Note-8). The balance unpaid amount of ₹ 146.96 Crore was shown under Capital Commitment (Note-36). During the year, Company has received an opinion from the Expert advisory Committee (EAC) of Institute of Chartered Accountant of India (ICAI) which opined that above expenses are directly attributable for bringing the refinery assets into operation and therefore should be capitalised along with Refinery. Accordingly, the Company has capitalised the entire cost of **₹ 382.37 Crore** by providing unpaid liability amounting to **₹ 33.19 Crore**.

8 During the year, vessel MT New Diamond carrying crude cargo for Paradip Refinery met with fire incidence near Sri Lankan Coast and had to be towed to port of refuge, Kalba, UAE for Ship-to-Ship (STS) operations with the help of salvors. General Average claims arising out of such salvage, towing and STS operations in respect of vessel MT New Diamond is yet to be finalised by General Adjuster appointed for the purpose. The liability arising out of General Average claims is fully insured under Marine Insurance Policy except to the extent of excess clause, for which necessary provision amounting to **₹ 6.84 Crore** is made in the books of accounts.

9 The Company has net recoverable capital advances of **₹ 103.53 Crore** and trade receivable of **₹ 8.40 Crore** from parties which have been referred to National Company Law Tribunal (NCLT). In respect of capital advances provision of **₹ 9.36 Crore** (2020: Nil) is recognised after considering the available bank guarantees and no further provision is considered as the matter is subjudice. For trade receivable no provision have been created considering available bank gurantees.

10 Pursuant to the opinion of EAC of ICAI on treatment of Marine Cum Erection policy cost, Company has charged an amount of **₹ 40.51 Crore** as insurance cost under Note 29.1 in respect of ongoing projects and projects completed during the year.

11 During the year, Diamond Gas International (DGI) cancelled FOB LNG Cargoes scheduled to be loaded from Cameron LNG Project in USA, due to Force Majeure event - Hurricane Laura and Hurricane Delta. The Company has created a provision of ₹ 288.38 Crore against advance paid to DGI, recognised **₹ 23.53 Crore** payable to DGI under LNG Sale and Purchase Agreement as Miscellaneous Expenses and recognised **₹ 60.79 Crore** as shipping cost settled with shippers.

12 During the financial year 2019-20, the MAT Credit Entitlement as on April 1, 2019 amounting to ₹ 1,921.13 Crore was written off in the books of accounts upon exercising the option to pay tax at lower rates from Assessment Year 2020-21 as per provision of Section 115BAA of the Income Tax Act, 1961. However, the same is available for utilisation against any tax liabilities pertaining to past years i.e prior to Assessment Years 2020-21. During the current financial year, on account of increase in the tax liabilities pertaining to the past years, MAT Credit Entitlement previously written off, has been adjusted by **₹ 1,099.27 Crore**.

13 During the current financial year, the Company has opted for settlement of eligible Income Tax disputes for the Assessment Years 1987-88 to 2010-11 through Vivad se Vishwas Scheme introduced by the Government of India vide The Direct Tax Vivad Se Vishwas Act, 2020. As per the provisions of the scheme liability has been assessed at **₹ 2,420.82 Crore** in respect of said years. Accordingly, during the year, an additional amount of **₹ 1,582.44 Crore** has been accounted for as current tax expense in the Statement of Profit and Loss towards the aforesaid scheme over and above the existing provision of ₹ 838.49 Crore which was being carried in the Books of account and contingent liability amounting to ₹ 625.09 Crore in respect of the said years has been reduced to **Nil**.

14 The Company is consistently valuing its inventories at Cost or Net Realisable Value (NRV), whichever is lower and for this purpose NRV is derived is based on specified subsequent period as per regular practice. During previous financial year 2019-20, unprecedented situation caused by global outbreak of Covid-19 pandemic lead to demand reduction and significant fall in oil prices. Further, national lockdown from March 25, 2020 resulted in decline in demand necessitating the Company to consider a longer time period than that as per regular practice for deriving NRV and the NRV so derived was compared with cost. As a result of considering a longer time period and fall in prices, value of inventories as on March 31,2020 were written down by ₹ 11,304.64 Crore, which was treated as Exceptional Item considering its nature and size.

15 The impact of Covid-19 pandemic on lives of people from every walk of life continued during the year and effected all business and economic activities globally. The national lock down imposed in last week of Mar 2020 lasted till May'2020 and the restrictions were gradually relaxed over a period extending unto third quarter. This skewed demand for petroleum products by reducing need for transportation fuels and increasing demand domestic fuel.

NOTES TO FINANCIAL STATEMENTS

Note - 48 : OTHER DISCLOSURES (Contd..)

The Company continued to meet energy demand of the nation under Essential Services, by modifying the production plans at its refineries and balancing it with import of products. The Company reorganised itself in tune with the new normal without any disruption in the supply chain or compromising with the internal controls. The demand for all petroleum products resumed to normal levels from the second half of the financial year. However, as Tourism and Airline industries had been hit worst by the pandemic, the demand for aviation fuel had not normalised.

The Company has taken into account all the possible impacts of pandemic in preparation of these standalone financial statements, including but not limited to its assessment of liquidity, recoverable values of its financial and non-financial assets, performance of contractual liability and obligations etc. The Company has carried out this assessment based on available internal and external sources of information up to the date of approval of these standalone financial statement. The Company is positive on the long term business outlook as well as its financial position.

16 Purchase of crude oil from Oil India Limited and some other oilfields has been accounted for provisionally, pending finalisation of agreements with respective parties. Adjustments, if any, will be made on finalisation of agreements.

17 Transactions with other Oil Marketing Companies are jointly reconciled on an ongoing basis.

18 There are no other significant subsequent events that would require adjustments or disclosures in the Financial Statements as at Balance Sheet date, other than those disclosed above.

19 Previous year's comparative figures have been regrouped wherever necessary. Figures in brackets indicate deductions/losses.

Sd/-	Sd/-	Sd/-
(S. M. Vaidya)	**(S. K. Gupta)**	**(Kamal Kumar Gwalani)**
Chairman	Director (Finance)	Company Secretary
DIN- 06995642	DIN- 07570165	ACS-13737

As per our attached Report of even date

For G.S.MATHUR & CO.	**For K.C.MEHTA & CO.**	**For SINGHI & CO.**	**For V. SINGHI & ASSOCIATES**
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
(Firm Regn. No. 008744N)	(Firm Regn. No. 106237W)	(Firm Regn. No. 302049E)	(Firm Regn. No. 311017E)
Sd/-	Sd/-	Sd/-	Sd/-
(Rajiv Kumar Wadhawan)	**(Vishal P. Doshi)**	**(Pradeep Kumar Singhi)**	**(Sunil Singhi)**
Partner	Partner	Partner	Partner
M.No. 091007	M.No. 101533	M.No. 050773	M.No. 060854

Place: New Delhi
Dated: May 19, 2021

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2021

ON PROVISION OF TOWNSHIP, EDUCATION, MEDICAL AND OTHER FACILITIES

(₹ in Crore)

Particulars	2020-21	2019-20
INCOME:		
1. Recovery of House Rent	**15.53**	15.04
2. Recovery of Utilities-Power and Water	**4.18**	4.38
3. Recovery of Transport Charges	**0.09**	0.06
4. Other Recoveries	**8.02**	8.56
5. Excess of Expenditure over Income	**661.63**	718.63
TOTAL:	**689.46**	**746.66**
EXPENDITURE:		
1. Employee Benefit Expenses	**146.45**	163.44
2. Consumable Stores and Medicines	**76.89**	78.07
3. Repairs and Maintenance	**152.49**	169.15
4. Finance Cost	**29.63**	29.54
5. Depreciation & Amortisation	**41.42**	46.97
6. Miscellaneous Expenses		
Taxes, License Fees, Insurance etc.	**63.56**	69.58
7. Utilities-Power, Water and Gas	**128.99**	127.78
8. Rent	**1.57**	1.51
9. Subsidies for Social & Cultural Activities	**29.66**	34.91
10. Others	**18.81**	25.70
TOTAL:	**689.46**	**746.66**

SCHEDULE OF PROPERTY, PLANT AND EQUIPMENT (TOWNSHIP) FOR THE YEAR ENDED March 31, 2021

(₹ in Crore)

Particulars	Gross Block As at April 1, 2020	Additions during the year	Transfers from Capital work-in-progress	Disposals/ Deductions/ Transfers/ Reclassifications	Gross Block As at March 31, 2021	Depreciation & Amortisation During the Year	Depreciation & Amortisation As at March 31, 2021	NET DEPRECIATED BLOCK As at March 31, 2021	NET DEPRECIATED BLOCK As at March 31, 2020
LAND FREEHOLD	138.01	1.78	-	(0.32)	**139.47**	-	**-**	**139.47**	138.01
LAND-LEASEHOLD	11.96	0.71	-	3.84	**16.51**	0.66	**1.01**	**15.50**	11.20
BUILDINGS, ROADS etc.	994.16	23.23	6.04	(16.73)	**1,006.70**	29.11	**205.84**	**800.86**	816.27
PLANT AND EQUIPMENT	69.39	2.76	3.66	0.36	**76.17**	4.53	**22.55**	**53.62**	51.54
OFFICE EQUIPMENTS	22.56	3.17	3.17	(1.01)	**27.89**	4.65	**17.62**	**10.27**	10.40
FURNITURE & FIXTURES	16.62	1.69	0.03	0.29	**18.63**	1.89	**8.48**	**10.15**	10.04
DRAINAGE, SEWAGE & WATER SUPPLY SYSTEMS	0.92	-	-	-	**0.92**	0.02	**0.10**	**0.82**	0.83
TRANSPORT EQUIPMENT	1.35	0.51	-	-	**1.86**	0.56	**1.08**	**0.78**	0.83
TOTAL:	**1,254.97**	**33.85**	**12.90**	**(13.57)**	**1,288.15**	**41.42**	**256.68**	**1,031.47**	**1,039.12**
PREVIOUS YEAR:	**1,172.64**	**36.83**	**64.47**	**(18.97)**	**1,254.97**	**46.97**	**215.85**	**1,039.12**	