

NOTE - 1: SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION

- 1.1 The financial statements are prepared under historical cost convention in accordance with the mandatory accounting standards notified by the Companies (Accounting Standards) Rules, 2006 and the provisions of the Companies Act, 1956.
- 1.2 The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities and disclosure of contingent liabilities as at the date of the financial statements. Management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from estimates.

2. FIXED ASSETS

2.1 Tangible Assets

- 2.1.1 Fixed Assets are stated at acquisition cost less accumulated depreciation / amortization and cumulative impairment.
- 2.1.2 Land acquired on perpetual lease as well as on lease for over 99 years is treated as free hold land.
- 2.1.3 Land acquired on lease for 99 years or less is treated as leasehold land.
- 2.1.4 Technical know-how / license fee relating to plants/facilities are capitalised as part of cost of the underlying asset.

2.2 Construction Period Expenses on Projects

- 2.2.1 Revenue expenses exclusively attributable to projects incurred during construction period are capitalised. However, such expenses in respect of capital facilities being executed along with the production/operations simultaneously are charged to revenue.
- 2.2.2 Financing 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 Financing 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.

2.3 Capital Stores

- 2.3.1 Capital stores are valued at cost. Specific provision is made for likely diminution in value, wherever required.

2.4 Depreciation/Amortisation

- 2.4.1 Cost of leasehold land for 99 years or less is amortised over the lease period.
- 2.4.2 Depreciation on fixed assets is provided in accordance with the rates as specified in Schedule XIV to The Companies Act, 1956, on straight line method, upto 95% of the cost of the asset other than Insurance spares which are depreciated upto 100%. Depreciation is charged pro-rata on quarterly basis on assets, from/upto the quarter of capitalisation/ sale, disposal/dismantle or earmarking for disposal/dismantling during the year.
- 2.4.3 Assets, other than LPG Cylinders and Pressure Regulators, costing upto ₹ 5,000/- per item are depreciated fully in the year of capitalisation.

- 2.4.4 Expenditure on the items, ownership of which is not with the Company are charged off to revenue in the year of incurrence of such expenditure.

2.5 Impairment of Assets

As at each balance sheet date, the carrying amount of cash generating units / assets is tested for impairment so as to determine:

- (a) the provision for impairment loss, if any, required; or
- (b) the reversal, if any, required of impairment loss recognized in previous periods.

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

3. INTANGIBLE ASSETS

- 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 a period of ten years or life of the underlying plant/ facility, whichever is earlier.
- 3.2 Expenditure incurred on Research & Development, other than on capital account, is charged to revenue.
- 3.3 Costs incurred on computer software purchased/developed resulting in future economic benefits, are capitalised as Intangible Asset and amortised over a period of three years beginning from the quarter in which such software is capitalised.

However, where such computer software is still in development stage, costs incurred during the development stage of such software are accounted as "Intangible Assets Under Development".
- 3.4 Cost of Right of Way for laying pipelines is capitalised. However, such Right of Way being perpetual in nature, is not amortised.

4. BORROWING COST

Borrowing costs that are attributable to the acquisition and construction of the qualifying asset are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

5. FOREIGN CURRENCY TRANSLATION

- 5.1 Transactions in foreign currency are initially recorded at exchange rates prevailing on the date of transactions.
- 5.2 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 as at the end of reporting period.
- 5.3 Non-monetary items denominated in foreign currency, (such as investments, fixed assets etc.) are valued at the exchange rate prevailing on the date of the transaction.
- 5.4.1 (a) 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 & Loss either under the head foreign exchange fluctuation or



interest cost, as the case may be, except those relating to long-term foreign currency monetary items.

- (b) Exchange differences on long-term foreign currency monetary items relating to acquisition of depreciable assets are adjusted to the carrying cost of the assets and depreciated over the balance life of the assets. In other cases, exchange differences are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortised over the balance period of such long-term foreign currency monetary item but not beyond 31st March, 2020, by recognition as income or expense in each of such periods.

5.4.2 Premium/discount arising at the inception of the forward contracts entered into to hedge foreign currency risks are amortised as expense/income over the life of the contract. Outstanding forward contracts as at the reporting date are restated at the exchange rate prevailing on that date.

6. INVESTMENTS

6.1 Long term investments are valued at cost and provision for diminution in value, thereof is made, wherever such diminution is other than temporary.

6.2 Current investments are valued at lower of cost or fair market value.

7. INVENTORIES

7.1 Raw Materials

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

7.1.2 Stock in Process is valued at raw material cost plus conversion costs as applicable or net realizable value, whichever is lower.

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

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 realizable value, whichever is lower. Cost of Finished Products produced is determined based on raw material cost and processing cost.

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

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

7.3 Stores and Spares

7.3.1 Stores and Spares (including Barrels & Tins) 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, an adhoc provision @ 5% is also made on the balance stores and spares (excluding barrels, tins, stores in transit, chemicals, crude oil and own products) towards likely diminution in the value.

7.3.2 Stores & Spares in transit are valued at cost.

8. TRADE RECEIVABLES

In addition to the specific provision made, an adhoc provision @ 1% is

also made in respect of Trade Receivables, other than those relating to Oil Marketing companies, Subsidiary & Joint Venture companies and Export customers, to recognize the element of uncertainty.

9. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

9.1 Contingent Liabilities

9.1.1 Show Cause Notices issued by various Government Authorities are not considered as Obligation.

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

9.1.3 The treatment in respect of disputed obligations, in each case above ₹ 5 lakh, are as under:

- a provision is recognized in respect of present obligations where the outflow of resources is probable;
- all other cases are disclosed as contingent liabilities unless the possibility of outflow of resources is remote.

9.2 Capital Commitments

Estimated amount of contracts remaining to be executed on capital account above ₹ 5 lakh, in each case, are considered for disclosure.

10. REVENUE RECOGNITION

10.1 Revenue from sale of goods is recognised when sufficient risks and rewards are transferred to customers, which is generally on dispatch of goods.

10.2 Dividend income is recognized when the company's right to receive dividend is established.

10.3 Claims (including interest on outstandings) are accounted:

- When there is certainty that the claims are realizable
- Generally at cost

10.4 Income and expenditure upto Rupees five lakh in each case pertaining to previous years are accounted for in the current year.

10.5 Pre-paid expenses upto Rupees five lakh in each case are charged to revenue.

11. EXCISE DUTY

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

12. TAXES ON INCOME

Provision for current tax is made as per the provisions of the Income Tax Act, 1961. Deferred Tax Liability / Asset resulting from 'timing difference' between book and taxable profit is accounted for considering the tax rate and laws that have been enacted or substantively enacted as on the Balance Sheet date.

Deferred Tax Asset is recognized and carried forward only to the extent that there is virtual certainty that the asset will be realized in future.

13. EMPLOYEES BENEFITS

13.1 Short Term Benefits:

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

13.2 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 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 and charged to Statement of Profit and Loss.
- b) The Company operates defined benefit plans for Gratuity and Post Retirement Medical Benefits. 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 and are administered through respective trusts. Actuarial gains/losses are charged to Statement of Profit and Loss.
- c) Obligations on Compensated Absences, Resettlement and Long Service Awards are provided using the projected unit credit method of actuarial valuation made at the end of the year.
- d) The Company operates a defined contribution scheme for Pension benefits for its employees and the contribution is remitted to a separate trust.

13.3 Termination Benefits:

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

14. GRANTS

14.1 Capital Grants

In case of depreciable assets, the cost of the asset is shown at gross value and grant thereon is treated as Capital Grants which are recognised as income in the Statement of Profit and Loss over the period and in the proportion in which depreciation is charged.

14.2 Revenue Grants

Revenue grants are reckoned as per the respective schemes notified by Government from time to time, subject to final adjustments as per separate audit wherever applicable.

15. OIL & GAS EXPLORATION ACTIVITIES

- 15.1 The Company is following the "Successful Efforts Method" of accounting for Oil & Gas exploration and production activities as explained below:
 - a) Survey costs are expensed in the year of incurrence.
 - b) Acquisition cost, cost of incomplete / undecided exploratory wells and development costs are carried as capital work in progress till the time these are either transferred to producing properties on completion or expensed in the year when determined to be dry, as the case may be.
 - c) Expenditure towards unfinished Minimum Work Programme with and without extension of time is expensed in the year of incurrence.
- 15.2 Company's share of proved reserves of oil and gas are disclosed when notified by the Operator of the relevant block.
- 15.3 The Company's proportionate share in the assets, liabilities, income and expenditure of joint venture operations are accounted as per the participating interest in such joint venture operations.

16. COMMODITY HEDGING

The realised gain or loss in respect of commodity hedging contracts, the pricing period of which has expired during the year, are recognised in the Statement of Profit & Loss. However, in respect of contracts, the pricing period of which extends beyond the balance sheet date, suitable provision for likely loss, if any, is made.

**NOTE - 2: SHARE CAPITAL**(₹ in Crore)
March-11

Particulars	March-12	March-11
Authorised:		
600,00,00,000 Equity Shares of ₹ 10 each	6,000.00	6,000.00
Issued, Subscribed and Paid Up:		
2,42,79,52,482 (2011 : 2,42,79,52,482) Equity Shares of ₹ 10 each	2,427.95	2,427.95
TOTAL	2,427.95	2,427.95

A. Above Includes Shares allotted as fully paid without payment being received in Cash:

- Pursuant to the Petroleum Companies Amalgamation Order, 1964 : 3,76,49,700 Shares of ₹ 10 each.
- Pursuant to Gujarat Refinery Project Undertaking (Transfer), (Amendment) Order, 1965 : 1,00,00,000 Shares of ₹ 10 each.
- 2,43,62,106 no. of equity shares of ₹ 10 each issued in June 2007 as fully paid up to be shareholders of erstwhile IBP Co. Ltd as per the Scheme of amalgamation.
- 2,16,01,935 no. of equity shares of ₹ 10 each issued in May 2009 as fully paid up to be shareholders of erstwhile BRPL as per the Scheme of amalgamation.
- Aggregate shares allotted as fully paid up Bonus Shares by Capitalisation of General Reserve / Securities Premium: 2,28,02,71,241 Shares of ₹ 10 each, out of these 1,21,39,76,241 no. of equity shares of ₹ 10 each were issued in November 2009.

B. Reconciliation of No. of Equity Shares

Opening Balance	2,42,79,52,482	2,42,79,52,482
Shares Issued	-	-
Shares bought back	-	-
Closing Balance	2,42,79,52,482	2,42,79,52,482

C. 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. The dividend proposed by Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

D. Details of shareholders holdings more than 5% shares

Name of Shareholder	March-12		March-11	
	Number of shares held	Percentage of Holding	Number of shares held	Percentage of Holding
PRESIDENT OF INDIA	1916155710	78.92	1916155710	78.92
OIL AND NATURAL GAS CORPORATION LIMITED	212906190	8.77	212906190	8.77

NOTE - 3: RESERVES AND SURPLUS

		(₹ in Crore)	
Particulars		March-12	March-11
Capital Reserve:			
As per last Account		183.08	183.08
General Reserve:			
As per last Account		51,222.92	46,544.22
Add : Transfer from Export Profit Reserve		-	5.69
Add: Transeferred from Profit and Loss Appropriation		1,899.69	4,673.01
		53,122.61	51,222.92
Insurance Reserve:	A		
As per last Account		84.40	78.20
Less : Recoupment of uninsured fire loss		-	13.80
Add: Transeferred from Profit and Loss Appropriation		20.00	20.00
		104.40	84.40
Export Profit Reserve:	B		
As per last Account		53.72	59.41
Less: Transfer To General Reserve		-	5.69
		53.72	53.72
Capital Grants:			
As per last Account		14.65	15.48
Add: Received/ (Written Back) during the year		0.03	0.33
Less: Amortised during the year		1.19	1.16
		13.49	14.65
Bond Redemption Reserve:			
As per last Account		1,344.93	1,243.91
Add: Provision during the year		741.92	166.90
Less: Write-back of provision on redemption of bonds		115.40	65.88
		1,971.45	1,344.93
Balance in Statement of Profit and Loss:			
Profit for the Year		3,954.62	7,445.48
Less: Appropriations:			
Final Dividend (Proposed)		1,213.98	2,306.55
Corporate Dividend Tax on:			
Final Dividend (Proposed)		194.43	358.70
Insurance Reserve (Net)		20.00	6.20
Bond Redemption Reserve (Net)		626.52	101.02
General Reserve		1,899.69	4,673.01
Balance carried forward to next year's account		0.00	0.00
Devaluation Exch. Difference Reserve:	C		
As per Last Account		0.67	0.68
Less: Exchange variation on revaluation		0.67	0.01
		-	0.67
Foreign Currency Monetary Item Translation Difference Account			
As per Last Account		-	(0.10)
Add: Foreign Currency Exchange Gain/ (Loss) on Long Term Monetary Items		-	0.10
		-	-
TOTAL		55,448.75	52,904.37

- A. Reserve is created to mitigate risk of loss of assets not insured with external insurance agencies.
 B. Amount set aside out of profits from exports for availing income tax benefits.
 C. Reserve created for devaluation of funds lying abroad.



NOTE - 4: LONG TERM BORROWINGS

(₹ in Crore)

Particulars	Long Term		Current Maturities	
	March-12	March-11	March-12	March-11
SECURED LOANS				
Bonds:				
Non-Convertible Redeemable Bonds-Series-VIII B A	1,070.00	1,070.00	-	-
Non-Convertible Redeemable Bonds-Series-XI B	1,415.00	-	-	-
Non-Convertible Redeemable Bonds-Series-IX C	1,600.00	1,600.00	-	-
Non-Convertible Redeemable Bonds-Series-VII B D	500.00	500.00	-	-
Non-Convertible Redeemable Bonds-Series-X E	-	2,000.00	2,000.00	-
Non-Convertible Redeemable Bonds-Series-VI F	-	768.10	768.10	-
Non-Convertible Redeemable Bonds-Series-VIII A G	-	-	-	430.00
Non-Convertible Redeemable Bonds-Series-V H	126.40	158.00	31.60	31.60
		4,711.40		2,799.70
		6,096.10		461.60
Term Loans:				
From banks				
From other parties				
Oil Industry Development Board (OIDB) I	1,107.50	2,955.00	1,847.50	1,047.50
		1,107.50		1,847.50
		2,955.00		1,047.50
Total Secured Loans		5,818.90		4,647.20
		9,051.10		1,509.10
UNSECURED LOANS				
Bonds				
Foreign Currency Bonds	5,088.00	2,230.00	-	-
US \$ 100.00 crores (2011: US \$ 50.00 crores)				
Term Loans:				
i) From Banks/Financial Institutions:				
In Foreign Currency Loans	3,888.21	2,318.62	28.88	582.82
US \$ 76.99 crores (2011: US \$ 65.10 crores)				
Senior Notes (Bank of America)	1,526.40	1,338.00	-	-
US \$ 30.00 crores (2011: US \$ 30.00 crores)				
In Rupees	-	500.00	-	-
ii) From Others				
In Rupees	505.25	805.48	400.23	316.87
		5,919.86		429.11
		4,962.10		899.69
Total Unsecured Loans		11,007.86		429.11
		7,192.10		899.69
TOTAL LONG-TERM BORROWINGS		16,826.76		5,076.31
		16,243.20		2,408.79

- A. 10,700 Bonds of face value of ₹ 10,00,000/- each, allotted on 10th September 2008, are redeemable at par on 10th September 2018. The bonds carry a coupon rate of 11.00 % p.a. payable annually on 15th September. These are secured by way of registered mortgage over the immovable properties of the Company i.e. Flat no. 3/62 Nanik Niwas of Shyam Co-op. Housing Society Ltd. situated at Bhulabhai Desai Road at Mumbai, together with 5 shares of the said society and immovable properties of the company at Panipat Refinery situated at Panipat in the state of Haryana ranking pari passu with Bond Series V, VI, & IX holders.
- B. 14,150 Bonds of face value of ₹ 10,00,000/- each, allotted on 21st December 2011, are redeemable at par on 21st December 2016 with put/call option after 18 months from the date of allotment. The bonds carry a coupon rate of 9.28 % p.a. annually on 21st June each year. These are secured by way of registered mortgage over the immovable properties of the Company at Gujarat Refinery in the state of Gujarat ranking pari passu with Bond Series VII B holders.
- C. 16,000 Bonds of face value of ₹ 10,00,000/- each, allotted on 11th December 2008, are redeemable at par on 11th December 2016. The bonds carry a coupon rate of 10.70 % p.a. payable annually on 30th June each year. These are secured by way of registered mortgage over the immovable properties of the Company i.e. Flat no. 3/62 Nanik Niwas of Shyam Co-op. Housing Society Ltd. situated at Bhulabhai Desai Road at Mumbai, together with 5 shares of the said society and immovable properties of the company at Panipat Refinery situated at Panipat in the state of Haryana ranking pari passu with Bonds Series V, VI & VIII B holders.
- D. 5,000 Bonds of face value of ₹ 10,00,000/- each, allotted on 15th September 2005, are redeemable at par on 15th September 2015. The Bonds carry a coupon rate of 7.40% p.a. payable annually on 15th September. These are secured by way of registered mortgage over the immovable properties of the Company at

Contd...

- Gujarat Refinery situated at Vadodara in the state of Gujarat ranking pari passu with Bond Series XI holders.
- E. 20,000 Bonds of face value of ₹ 10,00,000/- each, allotted on 24th July 2009, are redeemable at par on 24th July 2012. The bonds carry a coupon rate of 7.00 % p.a. payable annually on 30th June each year. These are secured by way of registered mortgage over the immovable properties of the Company i.e. Flat no. 34, Makani Manor Co-op. Housing Society Ltd. situated at Peddar Road, at Mumbai, together with 10 shares of the said society and immovable properties of the company at Mathura Refinery situated at Mathura in the state of Uttar Pradesh.
- F. 10,000 Bonds of face value of ₹ 10,00,000/- each allotted on 10th June, 2005, are redeemable at par on 10th June 2012. As per the terms of the issue, the bondholders holding 2319 bonds exercised put option available on 10th June 2010. The Principal amount alongwith interest due was paid to the Bondholders on due date. The remaining 7681 bonds are outstanding & will be redeemed on the maturity date i.e. on 10th June 2012. The Bonds carry a coupon rate of 7.15% p.a. payable annually on 30th June. These are secured by way of registered mortgage over Company's premises No. 1343 situated at MIG Adarsh Nagar Co-op. Housing Society Ltd. at Worli, Mumbai together with 5 shares issued by MIG Adarsh Nagar Co-op. Housing Society Ltd. These Bonds are also secured by way of charge on immovable properties of the company at Panipat Refinery in the state of Haryana ranking pari passu with Bond Series V, VI, VIII B & IX holders.
- G. 4,300 Bonds of face value of ₹ 10,00,000/- each, allotted on 10th September 2008, were redeemable at par on 10th September 2011. The bonds carry a coupon rate of 11.15 % p.a. payable annually on 15th September. These were secured by way of registered mortgage over the immovable properties of the Company i.e. Flat no. 3/62 Nanik Niwas of Shyam Co-op. Housing Society Ltd. situated at Bhulabhai Desai Road at Mumbai, together with 5 shares of the said society and immovable properties of the company at Panipat Refinery situated at Panipat in the state of Haryana, ranking pari passu with Bond Series V, VI, VIII B & IX holders. The principal amount alongwith interest due was paid to the bondholders on 10th September 2011.
- H. 158 Bonds of face value of ₹ 2,60,00,000/- each allotted on 18th July, 2001 are redeemable in 13 equal installments from the end of the 3rd year upto the end of 15th year from the date of allotment. Accordingly, 8th installment (STRPP H) was paid in July 2011. The Bonds carry a coupon rate of 10.25% p.a. payable annually on 30th September. These are secured by way of registered mortgage over the Company's premises no. 301 situated in Bandra Anita Premises Co-op. Housing Society Ltd. at Bandra, Mumbai together with 5 shares of Bandra Anita Premises Co-op. Housing Society Ltd. These bonds are also secured by way of charge on immovable properties at Panipat Refinery in the state of Haryana ranking pari passu with Bond Series VI, VIII B & IX holders.
- I. Security Details for OIBD Loans:
- First Charge on the facilities of Motor Spirit Quality Improvement Project at Barauni Refinery in Bihar.
 - First charge on facilities for improvement of Diesel quality and Distillate yield (Hydrocracker) and expanded capacity for Haldia Refinery (from 6 MMTPA to 7.5 MMTPA) which includes Once through Hydrocracking Unit (OHCU), Hydrogen Unit, Sulphur Recovery Unit, revamped Crude Distillation Unit and related utilities & off-site facilities pertaining to Haldia Refinery in the state of West Bengal.
 - Second pari-passu charge on facilities for Naphtha Cracker with associated units viz. hydrogenation, butadiene extraction, benzene extraction, etc & downstream polymer units like swing unit (LLDPE / HDPE), dedicated HDPE unit, Polypropylene unit and MEG unit and units like CDU/VDU, OHCU, DCU, DHDT relating to expansion of Panipat Refinery from 12MMTPA to 15 MMTPA in the state of Haryana.
 - Second pari-passu charge on facilities for Residue upgradation & MS-HSD Quality improvement including units like VGO-HDT, ATF-Merox FCC-Merox, LPG-Merox, ISOM, Coker, DHDT, HGU (PDS) and SRU in respect of Gujarat Refinery in the state of Gujarat.
 - First Charge on the facilities of Motor Spirit Quality Improvement Project which includes installation of light Naptha isomerisation along with Benzene Saturation Unit and other Units like Feed Preparation Unit, Reaction Section etc. and Diesel Hydro Treatment project at Bongaigaon Refinery, Dhalgaon, Assam.

NOTE - 5: DEFERRED TAX

In compliance of Accounting Standard – 22 on “Accounting for Taxes on Income”, Deferred Tax Income amounting to ₹ 1,094.71 crore (2011: ₹ (1,580.48) crore) has been recognized during the current year. The year end position of Deferred Tax Liability is given below:

Particulars	(₹ in Crore)		
	As on 01.04.2011	Provided during the year	Balance as on 31.03.2012
Deferred Tax Liability:			
Depreciation and other fixed Assets	7,891.24	775.94	8,667.18
Total Deferred Tax Liability (A)	<u>7,891.24</u>	<u>775.94</u>	<u>8,667.18</u>
Deferred Tax Assets:			
Provision on Inventories, Trade Receivables, Loans and advances, Investments	610.90	31.27	642.17
Compensation for Voluntary Retirement Scheme	6.70	(2.51)	4.19
43B Disallowances etc.	520.07	1,841.75	2,361.82
Capital Grants	4.76	(0.39)	4.37
Provision for leave encashment	412.22	0.53	412.75
Total Deferred Tax Assets (B)	<u>1,554.65</u>	<u>1,870.65</u>	<u>3,425.30</u>
Deferred Tax Liability (Net) (A – B)	<u>6,336.59</u>	<u>(1,094.71)</u>	<u>5,241.88</u>
Previous Year	4,756.11	1,580.48	6,336.59



NOTE - 6: OTHER LIABILITIES

(₹ in Crore)

Particulars	Non Current		Current	
	March-12	March-11	March-12	March-11
Current maturities of long-term debt (Refer Note - 4)	-	-	5,076.31	2,408.79
Interest accrued but not due on borrowings	-	-	626.67	472.94
Interest accrued and due on borrowings	-	-	47.05	16.12
Investor Education & Protection Fund to be credited on the due dates :				
- Unpaid Dividend	-	-	9.01	8.14
- Unpaid Matured Deposits	-	-	0.01	0.01
	-	-	9.02	8.15
Liability on Foreign Currency Contracts	-	-	101.86	3,028.58
Less: Foreign Currency Receivables	-	-	101.76	2,965.90
	-	-	0.10	62.68
Security Deposits	332.75	360.63	10,074.49	8,648.22
Discount on Forward Contract (Refer Note - 16)	-	-	0.38	-
Deposits for materials given on loan (Net)	-	-	0.01	-
Other Liabilities	0.06	4.17	11,866.41	13,294.89
TOTAL	332.81	364.80	27,700.44	24,911.79

NOTE - 7: PROVISIONS

(₹ in Crore)

Particulars	Long Term		Short Term	
	March-12	March-11	March-12	March-11
Provision for Employee Benefits	258.18	179.27	1,666.61	2,425.82
Provision for Taxation:				
For Current Tax	-	-	3,878.57	8,134.08
Less : Advance payments	-	-	4,319.87	8,207.12
	-	-	(441.30)	(73.04)
For Fringe Benefit Tax	-	-	44.52	44.52
Less : Advance payments	-	-	52.03	52.03
	-	-	(7.51)	(7.51)
Total Provisions for Taxation (Net of Adv tax)	-	-	-	-
Proposed Dividend	-	-	1,213.98	2,306.55
Corporate Dividend Tax	-	-	194.43	359.14
Contingencies for probable obligations	-	-	11,705.08	1,492.68
Provision for MTM Loss on Interest Rate Swap	-	-	110.26	-
TOTAL	258.18	179.27	14,890.36	6,584.19

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53rd Annual Report

A. In compliance of Accounting Standard – 29 on “Provisions, Contingent Liabilities and Contingent Assets”, the required information is as under:

(₹ in Crore)

Particulars	Opening Balance	Addition during the year*	Utilization during the year**	Reversals during the year**	Closing Balance***
Excise	0.88	0.26	0.06	0.69	0.39
Sales Tax	144.08	79.78	2.30	5.04	216.52
Entry Tax	1,279.46	10,174.66	-	0.13	11,453.99
Others	68.26	13.10	0.10	47.08	34.18
TOTAL	1,492.68	10,267.80	2.46	52.94	11,705.08
Previous Year	1,266.14	231.36	2.16	2.66	1,492.68
	March-12	March-11			

* Additions include:

- capitalized	0.09	0.28
- included in raw material in Note 22	685.60	188.86
- Shown as Exceptional Item	7,707.82	-
- Amount transferred from Liabilities to Provisions	1,781.24	-

** Includes utilization/reversal of provision of ₹ Nil crore (2011: ₹ 0.85 crore), out of provision capitalized and ₹ 0.13 crore (2011: ₹ Nil crore) out of provision included in Raw Material.

*** Expected timing of outflow is not ascertainable at this stage.



NOTE - 8: SHORT TERM BORROWINGS

(₹ in Crore)

Particulars	March-12	March-11
SECURED LOANS		
Loans Repayable on Demand		
From Banks:		
Working Capital Demand Loan A	5,400.00	7,175.00
Cash Credit	0.07	-
	5,400.07	7,175.00
From Others:		
Loans through Collaterised Borrowings and Lending Obligation (CBLO) of Clearing Corporation of India Ltd. (CCIL) B	1,827.00	2,630.00
	1,827.00	2,630.00
Total Secured Loans	7,227.07	9,805.00
UNSECURED LOANS		
Loans Repayable on Demand		
From Banks/Financial Institutions:		
In Foreign Currency	20,820.10	13,834.92
US \$ 409.20 crores (2011: US \$ 310.20 crores)		
In Rupee	19,040.00	9,425.84
From Others		
Commercial Papers	4,410.00	1,000.00
Inter-Corporate Deposits	2,000.00	-
Total Unsecured Loans	46,270.10	24,260.76
TOTAL SHORT-TERM BORROWINGS	53,497.17	34,065.76

- A. Against hypothecation by way of first pari passu charge on Raw Materials, Stock-in Trade, Sundry Debtors, Outstanding monies, Receivables, Claims, Contracts, Engagements, Etc.
- B. Against pledging of Oil Marketing Companies Government of India Special Bonds amounting to ₹ 4365 crore and Bank Guarantees of ₹ 1650 crore in favour of CCIL.

NOTE - 9: TRADE PAYABLES

(₹ in Crore)

Particulars	March-12	March-11
Dues of Micro, Small and Medium Enterprises	12.16	9.60
Dues to Related Parties	2,890.03	1,915.64
Due to others	30,333.26	27,736.52
TOTAL	33,235.45	29,661.76

NOTE - 10: TANGIBLE ASSETS

	AT COST					DEPRECIATION,		
	Gross Block as at 1.04.11	Additions during the year	Transfers from Construction Work-in-Progress	Disposals / Deductions / Transfers / Reclassifications	Gross Block as at 31.03.12	Depreciation & Amortisation as at 1.04.11	Depreciation and Amortisation during the year	
					(Refer B)		(Refer C)	
Land-Freehold	1000.59	115.04	11.02	(2.17)	1124.48	0.00	0.00	
-Leasehold A	465.49	7.08	7.28	(1.07)	478.78	81.04	7.60	
Buildings, Roads etc. A	8135.47	47.48	685.03	(142.27)	8725.71	1639.09	(162.10)	
Plant and Equipment D	79171.43	2382.91	3914.38	(1121.74)	84346.98	31114.47	4406.05	
Office Equipments	1703.24	108.05	190.82	(245.28)	1756.83	884.26	118.26	
Transport Equipments	371.69	22.30	0.89	(7.95)	386.93	293.71	14.71	
Furnitures and Fixtures	273.62	17.51	9.89	(5.73)	295.29	143.32	15.23	
Railway Sidings	201.39	0.02	0.00	(0.92)	200.49	116.70	5.17	
Drainage, Sewage and Water Supply System	375.39	0.49	8.15	(16.93)	367.10	202.38	9.86	
Total	91698.31	2700.88	4827.46	(1544.06)	97682.59	34474.97	4414.78	
Previous Year	71332.52	2066.65	18751.10	(451.96)	91698.31	30165.21	4458.22	

- A. i) Net Block of Land includes an amount of ₹ **13.32 crore** (2011: ₹ 13.04 crore) earmarked for disposal.
 ii) Buildings include ₹ **0.01 crore** (2011: ₹ 0.01 crore) towards value of **1610** (2011: 1995) Shares in Co-operative Housing Societies towards membership of such societies for purchase of flats.
 iii) Net Block for Buildings includes an amount of ₹ **5.92 crore** (2011: ₹ 7.15 crore) earmarked for disposal, on which no further depreciation is charged.
- B. The cost of assets are net of VAT CREDIT/CENVAT, wherever applicable.
- C. Depreciation and amortisation for the year includes ₹ **(326.05) crore** (2011 : ₹ 20.26 crore) pertaining to prior year and ₹ **17.24 crore** (2011 : ₹ 23.10 crore) relating to construction period expenses taken to Note 12.1.
- D. 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 fixed assets of the Company, WDV of such assets is ₹ **57.27 crore** (2011: ₹ 58.70 crore).
- E. Considering the Government policies and modalities of compensating the oil marketing companies towards under-recoveries, future cash flows are worked out based on desired margins for deciding on impairment of related Cash Generating Units. In view of the assumption being technical, peculiar to the industry and policy matter, the auditors have relied on the same.

Additions to Gross Block Includes:

(₹ in Crore)

Asset Particulars	Exchange Fluctuation		Borrowing Cost	
	31.03.2012	31.03.11	31.03.2012	31.03.11
Land - Freehold	1.13	-	1.13	-
Land - Leasehold	-	-	-	-
Buildings	6.64	(0.58)	17.99	28.55
Plant and Equipment	401.45	16.81	184.32	1,011.83
Office Equipments	0.02	(0.10)	-	0.07
Transport Equipment	-	-	-	-
Furniture & Fixtures	-	0.05	-	0.87
Railway Sidings	0.01	0.07	0.57	1.53
Drainage, Sewage & Water Supply	-	-	-	-
Total	409.25	16.25	204.01	1,042.85



(₹ in Crore)

AMORTISATION AND IMPAIRMENT						NET BLOCK	
Disposals / Deductions / Transfers / Reclassifications	Total Depreciation and Amortisation upto 31.03.12	Total Impairment Loss as at 1.04.11	Impairment Loss during the year	Impairment loss reversed during the year	Total Impairment Loss upto 31.03.12	AS AT 31.03.12	AS AT 31.03.11
			(Refer E)				
0.00	0.00	0.00	0.00	0.00	0.00	1124.48	1000.59
0.30	88.94	0.00	0.00	0.00	0.00	389.84	384.45
(20.25)	1456.74	0.00	0.00	0.00	0.00	7268.97	6496.38
36.78	35557.30	34.32	0.00	0.00	34.32	48755.36	48022.64
(180.06)	822.46	0.00	0.00	0.00	0.00	934.37	818.98
(6.59)	301.83	0.00	0.00	0.00	0.00	85.10	77.98
(2.48)	156.07	0.00	0.00	0.00	0.00	139.22	130.30
(0.82)	121.05	0.00	0.00	0.00	0.00	79.44	84.69
(0.65)	211.59	0.00	0.00	0.00	0.00	155.51	173.01
(173.77)	38715.98	34.32	0.00	0.00	34.32	58932.29	57189.02
(148.46)	34474.97	34.32	0.00	0.00	34.32	57189.02	

Details of assets given on operating lease included above:

(₹ in Crore)

Asset Particulars	Original Cost	Accumulated Depreciation & Amortisation	Accumulated Impairment Loss	W.D.V. as at 31.03.12	W.D.V. as at 31.03.11
Plant and Equipment	24.54	19.40	-	5.14	4.97

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

(₹ in Crore)

Assets Particulars	Name of Joint Owner	Original Cost	Accumulated Depreciation & Amortisation	Accumulated Impairment Loss	W.D.V. as at 31.03.12	W.D.V. as at 31.03.11
Land - Freehold	HPC/BPC	3.10	0.00	0.00	3.10	3.05
Land - Leasehold	HPC/BPC/BALMER LAWRIE	0.18	0.06	0.00	0.12	0.13
Buildings	HPC/BPC/BALMER LAWRIE	17.97	6.05	0.00	11.92	11.33
Plant and Equipment	HPC/BPC/GSFC/IPCL/GNRE	127.31	59.99	0.00	67.32	73.47
Transport Equipment	RAILWAYS	183.58	174.40	0.00	9.18	9.18
Railway Sidings	HPC/BPC	55.92	36.72	0.00	19.20	19.62
Drainage, Sewage & Water Supply	GSFC	0.99	0.94	0.00	0.05	0.05
Total		389.05	278.16	0.00	110.89	116.83
Previous year		386.52	269.69	0.00	116.83	

NOTE - 11: INTANGIBLE ASSETS

		AT COST					Total Amortisation as at 1.04.11	Amortisation during the year
		Gross Block as at 1.04.11	Additions during the year	Transfers from Construction Work-in-Progress	Disposals / Deductions / Transfers / Reclassifications	Gross Block as at 31.03.12	1.04.11	(Refer B)
Right of Way	A	130.19	4.20	0.00	0.00	134.39	0.00	0.00
Licenses		1185.59	59.78	1.00	(25.66)	1220.71	342.87	124.22
Computer Software		123.51	19.39	2.32	0.02	145.24	96.39	20.70
Total		1439.29	83.37	3.32	(25.64)	1500.34	439.26	144.92
Previous Year		756.95	62.80	619.48	0.05	1439.29	307.22	132.04

- A. Right of way for laying pipelines is a perpetual right of use of land but does not bestow upon the company, the ownership of land and hence, treated as intangible asset. However, no amortisation is provided on the same, being perpetual in nature.
- B. (a) Amortisation for the year includes ₹ **0.66 crore** (2011 : ₹ Nil crore) pertaining to prior year.
 (b) Amortisation for the year includes ₹ **0.06 crore** (2011 : ₹ 0.23 crore) relating to construction period expenses taken to Note 12.1.

Additions to Gross Block Includes:

(₹ in Crore)

Asset Particulars	Exchange Fluctuation		Borrowing Cost	
	31.03.2012	31.03.11	31.03.2012	31.03.11
Licences	0.27	0.01	-	41.34

NOTE - 12: CAPITAL WORK IN PROGRESS

(₹ in Crore)

Particulars		March-12	March-11
Construction Work in Progress - Fixed Assets (Including unallocated capital expenditure, materials at site)	A	7,403.23	6,410.96
Less: Provision for Capital Losses		143.86	175.33
		7,259.37	6,235.63
Capital stores	B	2,310.53	1,219.69
Less: Provision for Capital Losses		0.20	1.16
		2,310.33	1,218.53
Capital Goods in Transit		1,887.63	565.83
Construction Period Expenses pending allocation:			
Balance as at beginning of the year		919.31	2,233.04
Add: Net expenditure during the year (Note -"12.1")		1,448.76	1,157.22
		2,368.07	3,390.26
Less: Allocated to Assets during the year		410.04	2,470.95
		1,958.03	919.31
TOTAL		13,415.36	8,939.30
A. Includes Capital Expenditure amounting to ₹ 176.83 crore (2011 : ₹ 195.41 crore) relating to ongoing Oil & Gas Exploration activities.			
B. Capital stores includes Stock lying with Contractors		114.87	382.27



IndianOil

(₹ in Crore)

AMORTISATION AND IMPAIRMENT					NET BLOCK	
Disposals / Deductions / Transfers / Reclassifications	Total Amortisation upto 31.03.12	Total Impairment Loss as at 1.04.11	Impairment Loss during the year	Total Impairment Loss upto 31.03.12	AS AT 31.03.12	AS AT 31.03.11
0.00	0.00	0.00	0.00	0.00	134.39	130.19
0.00	467.09	1.65	0.00	1.65	751.97	841.07
0.00	117.09	0.00	0.00	0.00	28.15	27.12
0.00	584.18	1.65	0.00	1.65	914.51	998.38
0.00	439.26	1.65	0.00	1.65	998.38	

Note - 12.1: CONSTRUCTION PERIOD EXPENSES(NET) DURING THE YEAR

(₹ in Crore)

Particulars	March-12	March-11
Payments to and Provision for Employees	176.82	206.85
Repairs and Maintenance	7.04	5.21
Consumption of Stores and Spares	0.05	1.12
Power & Fuel	40.07	365.43
Rent	3.80	4.45
Insurance	40.92	44.94
Rates and Taxes	0.20	0.22
Travelling Expenses	26.22	18.59
Communication Expenses	1.36	1.41
Printing and Stationery	0.93	0.62
Electricity and Water Charges	11.13	6.89
Bank Charges	0.64	0.66
Technical Assistance Fees	0.50	29.78
Exchange Fluctuation	544.43	(7.00)
Borrowing Cost	584.29	326.95
Depreciation and Amortisation on		
Tangible Assets	17.24	23.10
Intangible Assets	0.06	0.23
Start Up/ Trial Run Expenses	2.92	60.94
Others	45.75	102.26
Total Expenses	1,504.37	1,192.65
Less : Recoveries	55.61	35.43
Net Expenditure during the year	1,448.76	1,157.22

NOTE - 13: INTANGIBLE ASSETS UNDER DEVELOPMENT

(₹ in Crore)

Particulars	March-12	March-11
Work in Progress - Intangible Asset (Including Unallocated Capital Expenditure)	272.53	314.05
TOTAL	272.53	314.05

NOTE - 14: INVESTMENTS

(₹ in Crore)

Particulars	No. and Particulars of Shares	Face Value per Share (Rupees)	March-12	March-11
I NON-CURRENT INVESTMENTS (At Cost):				
1. QUOTED:				
Trade Investments:				
In Subsidiary Companies:				
Chennai Petroleum Corporation Limited	7,72,65,200 Equity Shares each fully paid	10/-	509.33	509.33
Lanka IOC PLC (Quoted in Colombo Stock Exchange, Sri Lanka)	40,00,00,005 Equity Shares each fully paid	10/- *	194.13	194.13
	Sub-total: (a)		703.46	703.46
In Joint Venture Companies				
Petronet LNG Limited	9,37,50,000 Equity Shares each fully paid	10/-	98.75	98.75
	Sub-total (b):		98.75	98.75
Others:				
Oil and Natural Gas Corporation Limited	65,79,23,428 Equity Shares each fully paid	5/-	1,780.12	1,780.12
GAIL (India) Limited	3,06,29,661 Equity Shares each fully paid	10/-	122.52	122.52
Oil India Limited	1,07,00,220 Equity Shares each fully paid	10/-	1,123.52	1,123.52
	Sub-total (c):		3,026.16	3,026.16
	TOTAL: 1		3,828.37	3,828.37
Aggregate Market Value of securities mentioned above is ₹ 23,238.21 crore (2011: ₹ 25,141.06 crore) as on 31st March 2012 which includes ₹ 308.13 crore (2011: ₹ 284.73 crore) in respect of Lanka IOC PLC, quoted on Colombo Stock Exchange, Sri Lanka, being equivalent in Indian currency.				
2. UNQUOTED:				
A) Non-Trade Investments:				
In Government - Securities	Deposited with various bodies		0.01	0.01
In Consumer Cooperative Societies:				
Barauni	250 Equity Shares each fully paid	10/- }		
Guwahati	750 Equity Shares each fully paid	10/- }		
Mathura	200 Equity Shares each fully paid	10/- }		
Haldia	1,663 Equity Shares each fully paid	10/- }		
In IndianOil Cooperative Consumer Stores Ltd., Delhi	375 Equity Shares each fully paid	10/- }		
Others:				
Assam Sillimanite Ltd. (In liquidation)	1,00,000 Equity Shares fully paid as revalued by Directors on 31.03.1980	10/- }		
Shama Forge Co. Ltd. (In liquidation)	1,00,000 Equity Shares fully paid as revalued by Directors on 31.03.1979	10/- }		
Shama Forge Co. Ltd. (In liquidation)	5,000 9.5% Cumulative Redeemable Preference Shares fully paid as revalued by Directors on 31.03.1979	100/- }		
	Sub-total: 2A		0.01	0.01

* In Sri Lankan Rupees

Contd...



NOTE - 14: INVESTMENTS (Contd.)

(₹ in Crore)

Particulars	No. and Particulars of Shares	Face Value per Share (Rupees)	March-12	March-11
B) Trade Investments:				
a) In Subsidiary Companies:				
IndianOil Mauritius Limited	48,82,043 Equity Shares each fully paid	100/- **	75.67	75.97
IOC Middle East FZE	2 Equity Shares each fully paid	1 Million/- ***	2.30	2.30
IndianOil Creda Bio Fuels Ltd.	1,18,39,997 (2011: 88,79,997) Equity Shares each fully paid	10/-	11.84	8.88
IOC Sweden AB	27,32,057 (2011: 13,76,225) Equity Shares each fully paid	100/-****	177.64	84.14
	Sub-total: (a)		267.45	170.99
b) In Joint Venture Companies:				
Avi-Oil India Private Limited	45,00,000 Equity Shares each fully paid	10/-	4.50	4.50
Petronet India Limited	1,80,00,000 Equity Shares each fully paid	10/-	18.00	18.00
Less: Provision for Diminution			18.00	18.00
			-	-
IOT Infrastructure & Energy Services Limited (formerly Indian Oiltanking Limited)	11,61,42,855 Equity Shares each fully paid	10/-	155.72	155.72
Petronet VK Limited	2,59,99,970 Equity Shares each fully paid	10/-	26.00	26.00
Less: Provision for Diminution			26.00	26.00
			-	-
IndianOil Panipat Power Consortium Limited	8,40,000 Equity Shares each fully paid	10/-	1.99	1.99
Less: Provision for Diminution			1.99	1.99
			-	-
Lubrizol India Private Limited	9,60,000 Equity Shares each fully paid	100/-	118.67	118.67
IndianOil Petronas Private Limited	13,40,00,000 Equity Shares each fully paid	10/-	134.00	134.00
Petronet CI Limited	37,44,000 Equity Shares each fully paid	10/-	3.83	3.83
Less: Provision for Diminution			3.83	3.83
			-	-
Green Gas Limited	12,500 Equity Shares each fully paid	10/-	0.01	0.01
Indo Cat Private Limited	62,76,100 (2011: 58,76,100) Equity Shares each fully paid	10/-	6.28	5.88
IndianOil SkyTanking Limited	1,73,00,000 Equity Shares each fully paid	10/-	17.30	17.30
Suntera Nigeria 205 Limited	62,502 Equity Shares each fully paid	1/*****	-	-
Delhi Aviation Fuel Facility Pvt. Ltd.	6,06,80,000 Equity Shares each fully paid	10/-	60.68	60.68
Indian Synthetic Rubbers Limited	14,06,25,000 (2011: 2,50,00,000) Equity Shares each fully paid	10/-	140.63	25.01
NPCIL-IndianOil Nucler Energy Corporation Limited	2,60,000 Equity Shares each fully paid	10/-	0.26	-
	Sub-total: (b)		638.05	521.77

** In Mauritian Rupees

*** In Arab Emirates Dirham

**** In SEK Currency

***** Invested ₹ 21,897 in Indian Currency in JV -Suntera Nigeria 205 Limited

Contd...

NOTE - 14: INVESTMENTS (Contd.)

(₹ in Crore)

Particulars	No. and Particulars of Shares	Face Value per Share (Rupees)	March-12	March-11
c) In Others				
International Cooperative Petroleum Association, New York	350 Shares fully paid up and partly paid up common stock of \$72.31	\$100	0.02	0.02
Haldia Petrochemical Limited	15,00,00,000 Equity shares each fully paid	10/-	150.00	150.00
Effluent Channel Projects Limited	7,151 Equity Shares each fully paid	10/-	-	-
Petroleum India International (AOP by Oil Companies)	Capital Fund Share in accumulated surplus	15.00 18.16		15.00 17.13
			33.16	32.13
IndianOil Ruchi Biofuels LLP (Limited Liability Partnership)	Capital Fund		0.85	0.20
Woodlands Multispeciality Hospital Limited	1,01,095 (2011: NIL) Equity shares each fully paid	10/-	0.10	0.00
	Sub-total: (c)		184.13	182.35
	Sub-total: 2B		1,089.63	875.11
	Total: 2		1,089.64	875.12
	Total I: (1 + 2)		4,918.01	4,703.49
	Aggregate value of Unquoted Non Current Investments		1,139.46	898.94
	Aggregate value of provisions on Unquoted Non Current Investments		49.82	49.82
II CURRENT INVESTMENTS: (Valued at Lower of Cost or Fair Market Value)				
UNQUOTED:				
Oil Marketing Companies GOI Special Bonds	1,53,54,677 Number of Bonds	10,000/-	15,354.68	16,109.68
Less: Marked to Market Loss	(2011: 1,61,09,677)		1,594.23	1,268.41
	Total II:		13,760.45	14,841.27

Note: A

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

Name of the Company	No. of Shares	(₹ Crore)
Indian Synthetic Rubber Limited	11,56,25,000	115.62
IndianOil Ruchi Biofuels LLP	Partnership	0.65
IOC Sweden AB	13,55,832	93.50
Woodlands Multispeciality Hospital Limited	1,01,095	0.10
IndianOil Creda Biofuels Limited	29,60,000	2.96
Indo Cat Private Limited	4,00,000	0.40
NPCIL - IndianOil Nuclear Energy Corporation Limited	2,60,000	0.26

Note: B

Investment in IndianOil Ruchi Bio fuel (LLP)

Name of the Partners	Share	Capital (₹ Crore)
Indian Oil Corporation Limited	50.00%	0.85
Ruchi Biofuels Limited	50.00%	0.85



IndianOil

NOTE - 15: LOANS AND ADVANCES

(₹ in Crore)

Particulars	Long Term		Short Term	
	March-12	March-11	March-12	March-11
Advance for Capital Expenditure:				
Secured, Considered Good	159.68	134.08	-	-
Unsecured, Considered Good	7,922.07	3,233.01	-	-
Unsecured, Considered Doubtful	0.20	0.54	-	-
	<u>8,081.95</u>	<u>3,367.63</u>	-	-
Less: Provision for Doubtful Advance	0.20	0.54	-	-
	8,081.75	3,367.09	-	-
Advances for Investments:				
Joint Ventures	23.03	23.03	-	-
Advance recoverable in cash or in kind or for value to be received:				
From Related Parties				
Secured, Considered Good	0.05	0.04	0.01	0.01
Unsecured, Considered Good	68.17	0.01	18.80	8.20
Unsecured, Considered Doubtful	-	-	-	40.53
	<u>68.22</u>	<u>0.05</u>	<u>18.81</u>	<u>48.74</u>
Less : Provision for Doubtful Advances	-	-	-	40.53
	68.22	0.05	18.81	8.21
From Others				
Secured, Considered Good	781.97	683.94	83.79	95.45
Unsecured, Considered Good	568.58	777.28	3,712.38	4,454.40
Unsecured, Considered Doubtful	0.33	0.32	7.03	5.87
	<u>1,350.88</u>	<u>1,461.54</u>	<u>3,803.20</u>	<u>4,555.72</u>
Less : Provision for Doubtful Advances	0.33	0.32	7.03	5.87
	<u>1,350.55</u>	<u>1,461.22</u>	<u>3,796.17</u>	<u>4,549.85</u>
	1,418.77	1,461.27	3,814.98	4,558.06
Amount Recoverable from Central/State Govt.:				
Unsecured, Considered Good	-	-	20,926.89	11,002.11
Finance Lease Receivables	8.89	10.29	1.40	1.43
Claims Recoverable:				
From Related Parties				
Unsecured, Considered Good	-	-	1.86	1.37
Unsecured, Considered Doubtful	-	-	2.61	-
	-	-	<u>4.47</u>	<u>1.37</u>
From Others				
Unsecured, Considered Good	-	-	1,014.03	967.16
Unsecured, Considered Doubtful	-	-	48.36	51.56
	-	-	<u>1,062.39</u>	<u>1,018.72</u>
Less : Provision for Doubtful Claims	-	-	50.97	51.56
	-	-	<u>1,011.42</u>	<u>967.16</u>
	-	-	1,015.89	968.53

Contd...

NOTE - 15: LOANS AND ADVANCES (Contd.)

(₹ in Crore)

Particulars	Long Term		Short Term	
	March-12	March-11	March-12	March-11
Balance with Customs, Port Trust and Excise Authorities:				
Unsecured, Considered Good	-	-	15.84	39.82
Deposits for Leave Encashment Fund	-	-	1,728.13	1,483.72
Advance Tax (net)	-	-	448.81	80.55
Mat Credit Receivable	-	-	691.99	1,285.80
Materials given on loan:				
To Related Parties				
Secured, Considered Good	-	-	0.08	0.08
Less : Deposits received	-	-	0.09	0.09
	-	-	(0.01)	(0.01)
To Others				
Unsecured, Considered Good	-	-	-	0.81
	-	-	-	0.80
Sundry Deposits				
To Others				
Secured, Considered Good	9.04	9.04	0.10	0.10
Unsecured, Considered Good	102.32	65.63	4,625.92	1,639.88
Unsecured, Considered Doubtful	-	-	0.32	0.14
	111.36	74.67	4,626.34	1,640.12
Less : Provision for Doubtful Deposits	-	-	0.32	0.14
	111.36	74.67	4,626.02	1,639.98
TOTAL	9,643.80	4,936.35	33,269.95	21,060.80
A. Includes:				
1. Due from Directors	0.13	0.06	0.04	0.02
2. Due from Other Officers	1.15	1.55	0.47	1.02
B. Includes:				
1. Customs/ Excise Duty/DEPB/Duty Drawback Claims which are in the process of being claimed with the Department.	-	-	121.07	20.51
2. Claims recoverable from Customs Authorities pending for final assessment / settlement.	-	-	133.53	165.41



NOTE - 16: OTHER ASSETS

(₹ in Crore)

Particulars	Non Current		Current	
	March-12	March-11	March-12	March-11
Interest Accrued on Investments/ Bank Deposits	-	-	165.33	184.80
Gold Coins in Hand (at Cost)	-	-	4.22	3.44
Receivable from IBP Trust A	-	-	-	1,840.99
Less : Provision for Diminution	-	-	-	971.99
	-	-	-	869.00
Receivable from IOC Shares Trust A	-	-	1,989.78	148.79
Less : Provision for Diminution	-	-	458.78	-
	-	-	1,531.00	148.79
Premium on Forward Contract				
As per Last account	9.74	11.34		
Add:-Expenditure during the year	78.90	130.44		
	88.64	141.78		
Less:Amortised during the year (Refer Note - 26.1)	89.02	132.04		
	(0.38)	9.74		
Less:Current Portion	-	9.74		
Premium on Forward Contract	-	-	-	9.74
Discount on Issue of Bonds				
As per Last account	5.41	6.83		
Add:-Expenditure during the year	17.32	-		
	22.73	6.83		
Less:Amortised during the year	2.57	1.42		
	20.16	5.41		
Less:Current Portion	3.15	1.42		
Discount on Issue of Bonds	17.01	3.99	3.15	1.42
Others Assets	-	-	353.65	5.96
TOTAL	17.01	3.99	2,057.35	1,223.15

A. IOC Shares held by erstwhile IBP Trust transferred to the BRPL Trust in view of the expiry of term of IBP Trust and BRPL trust has been renamed as "IOC Shares Trust".

NOTE - 17: INVENTORIES

(₹ in Crore)

Particulars		March-12	March-11
In Hand:			
Stores, Spares etc.	A	2,492.36	1,975.94
Less : Provision for Losses		114.37	97.48
		2,377.99	1,878.46
Raw Materials	B	16,235.77	13,853.91
Finished Products	C	17,649.75	15,969.52
Stock in Trade	D	4,386.17	4,309.00
Stock in Process		5,302.52	4,012.42
Barrels and Tins	E	32.14	27.25
		45,984.34	40,050.56
In Transit:			
Stores & Spares		139.16	135.92
Raw Materials		10,300.15	8,497.12
Finished Products		1.44	0.26
Stock in Trade		404.11	600.66
		10,844.86	9,233.96
		56,829.20	49,284.52
TOTAL			
Includes-			
A) Stock Lying with Contractors		4.74	42.56
B) Stock Lying with Others		4.37	1.01
C) Stock Lying with Others		929.13	609.82
D) Stock Lying with Others		2.93	1.37
E) Stock Lying with Others		1.75	1.28

NOTE - 18: TRADE RECEIVABLES

(₹ in Crore)

Particulars		March-12	March-11
Over Six Months:			
From Related Parties			
Unsecured, Considered Good		0.24	1.22
From Others			
Unsecured, Considered Good		1,288.30	227.98
Unsecured, Considered Doubtful		139.78	372.35
		1,428.08	600.33
		1,428.32	601.55
Other Debts:			
From Related Parties			
Unsecured, Considered Good		5,837.92	2,101.72
From Others			
Secured Considered Good		49.84	50.00
Unsecured, Considered Good		8,326.57	6,482.77
Unsecured, Considered Doubtful		72.19	55.68
		8,448.60	6,588.45
		14,286.52	8,690.17
		15,714.84	9,291.72
Less : Provision for Doubtful Debts		211.97	428.03
		15,502.87	8,863.69
TOTAL			



NOTE - 19: CASH AND BANK BALANCES

(₹ in Crore)

		March-12	March-11
Cash and Cash Equivalents			
Bank Balances with Scheduled Banks:			
a) Current Account		140.46	472.12
b) Earmarked Balances	A	9.09	8.22
		149.55	480.34
Bank Balances with Non-Scheduled Banks:			
Bank of Commerce & Development, Libya [Maximum balance during the year ₹ 0.50 crore]		0.50	0.44
Myanmar Economic Bank Branch(5), Rangoon [Maximum balance during the year ₹ 0.79 crore]	B	0.01	0.79
		0.51	1.23
Cheques, Drafts in hand		152.87	159.92
Cash Balances, Including Imprest		3.39	2.26
Other Bank Balances			
a) Fixed Deposit Account	C	0.51	650.50
b) Blocked Account		0.18	0.17
		0.69	650.67
TOTAL		307.01	1,294.42

NOTES:

- A) Pertains to Unpaid Dividend/Fractional Share Warrants.
 B) There exists restrictions on repatriation of said amount from Myanmar.
 C) Earmarked in favour of Port Authorities.

NOTE - 20: REVENUE FROM OPERATIONS

(₹ in Crore)

Particulars		March-12	March-11
Sale of Products and Crude		4,14,278.08	3,32,804.45
Less: Discounts		4,321.11	4,152.85
Sales (Net of Discounts)		4,09,956.97	3,28,651.60
Sale of Services		16.48	18.06
Other Operating Revenues (Note - 20.1)		1,684.59	840.41
		4,11,658.04	3,29,510.07
Subsidy From Central/State Govt.	A	1,820.28	1,767.30
Grant from Government of India	B	45,485.84	22,604.84
TOTAL		4,58,964.16	3,53,882.21

- A. Subsidies on sales of SKO (PDS) and LPG (Domestic) in India amounting to ₹ 1,770.98 crore (2011: ₹ 1,731.56 crore) and subsidies on sales of SKO & LPG to customers in Bhutan amounting to ₹ 49.30 crore (2011: ₹ 35.74 crore) have been reckoned as per the schemes notified by Government of India.
- B1. The company has accounted for Budgetary Support of ₹ 45,485.84 crore towards under-recovery on sale of HSD, SKO (PDS) and LPG (Domestic) for 2011-12 [2010-11: ₹ 22,604.84 crore towards under-recovery on sale of MS (upto 25th June 2010), HSD, SKO (PDS) and LPG (Domestic)] in the Profit and Loss Account as Revenue Grants.
- B2. In line with the scheme formulated by Petroleum Planning and Analysis Cell (PPAC), the Company has received during the year, discounts of ₹ 26,239.43 crore (2011: ₹ 15,879.34 crore) on Crude Oil/Products purchased from ONGC/GAIL/OIL and ₹ 3,379.80 crore (2011: ₹ 824.39 crore) from CPCL, through sale of HSD to IOC, out of their purchase of crude oil from ONGC, towards part of the under recovery suffered on sale of HSD, SKO (PDS) and LPG (Domestic) [2011: under recovery suffered on sale of MS (upto 25th June 2010), HSD, SKO (PDS) and LPG (Domestic)] and the same has been adjusted against the purchase cost. In addition an amount of ₹ 341.50 crore (2011: NIL) received from OIL has been accounted as other Operating Revenue.
- Product wise sales has been shown as per Note - 40.

NOTE - 20.1: OTHER OPERATING REVENUES

Particulars	(₹ in Crore)	
	March-12	March-11
Sale of Power and Water	13.01	6.19
Unclaimed / Unspent liabilities written back	121.51	50.71
Provision for Doubtful Debts, Advances, Claims, and Stores written back	329.11	94.79
Provision for Contingencies written back	55.27	3.98
Recoveries from Employees	15.25	27.07
Retail Outlet Licence Fees	104.43	97.67
Collection Charges for Outstation Cheques	0.06	0.18
Sale of Scrap	110.21	87.61
Income from Finance Leases	1.19	1.50
Amortisation of Capital Grants	1.19	1.16
Revenue Grants	-	2.77
Terminalling Charges	36.34	35.66
Other Miscellaneous Income	897.02	431.12
TOTAL	1,684.59	840.41

NOTE - 21: OTHER INCOME

Particulars	(₹ in Crore)	
	March-12	March-11
Interest on :		
a) Loans and Advances	54.70	56.33
b) Fixed Deposits with Banks	0.12	0.01
c) Short Term Deposits with Banks	-	0.04
d) Customers Outstandings		
From Related Parties	-	-
From Others	412.80	34.84
e) Oil Companies GOI SPL Bonds	1,171.94	1,307.46
f) Others	149.68	152.77
	1,789.24	1,551.45
Dividend:		
a) From Related Parties	159.68	151.52
b) From Other Companies	698.95	910.85
	858.63	1,062.37
Provision for Diminution in Trust Written Back (Net)	513.21	96.86
Exchange Fluctuations (Net)	-	695.60
Other Non Operating Income	36.94	28.29
TOTAL	3,198.02	3,434.57
A. Includes Tax Deducted at Source	0.68	3.81

**NOTE - 22: COST OF MATERIAL CONSUMED**

(₹ in Crore)

Particulars	March-12	March-11
Opening Balance	22,351.03	14,867.23
Add: Purchases	2,06,467.99	1,50,400.14
	2,28,819.02	1,65,267.37
Less: Closing Stock	26,535.92	22,351.03
TOTAL	2,02,283.10	1,42,916.34

Particulars relating to purchase and consumption of raw material are shown as per Note - 42.

NOTE - 23: CHANGE IN INVENTORY

(₹ in Crore)

Particulars	March-12	March-11
Closing Stock		
Finished Products	17,651.19	15,969.78
Stock in Process	5,302.52	4,012.42
Stock- in - trade	4,790.28	4,909.66
	27,743.99	24,891.86
Less:		
Opening Stock		
Finished Products	15,969.78	13,020.41
Stock in Process	4,012.42	2,802.71
Stock - in - Trade	4,909.66	4,095.81
	24,891.86	19,918.93
NET (INCREASE)/DECREASE	(2,852.13)	(4,972.93)

Product wise Purchases, Sales, Opening and Closing Stock are shown as per Note - 40 and Note - 41.

NOTE - 24: EMPLOYEE BENEFIT EXPENSES

(₹ in Crore)

Particulars	March-12	March-11
Salaries, Wages, Bonus etc.	3,564.37	3,916.26
Contribution to Provident & Other Funds	715.26	1,625.57
Voluntary Retirement Compensation	2.03	5.97
Staff Welfare Expenses	698.40	887.75
TOTAL	4,980.06	6,435.55

A. Contribution to Provident & Other Funds for 2010-11 includes an amount of ₹ 687 crore as one time net contribution towards defined contributory scheme (employee pension scheme) based on actuarial valuation.

B. Disclosure in compliance with Accounting Standard-15 (Revised 2005) on "Employee Benefits" is given in Note - 29.

NOTE - 25: FINANCE COST

Particulars	(₹ in Crore)	
	March-12	March-11
Interest Payments on:		
Fixed period loans from Banks/Financial Institutions/Others	528.61	462.87
Bonds	482.99	477.62
Short Term loans from Banks	1,928.52	1,014.11
Others	1,775.54	555.25
	4,715.66	2,509.85
Other Borrowing Cost	29.92	2.69
Applicable Net Gain / (Loss) on Foreign Currency Transactions and Translation	844.96	159.98
TOTAL	5,590.54	2,672.52

NOTE - 26: OTHER EXPENSES

Particulars	(₹ in Crore)	
	March-12	March-11
Consumption:		
a) Stores, Spares and Consumables	897.31	833.64
b) Packages & Drum Sheets	380.70	324.91
	1,278.01	1,158.55
Power & Fuel	18,843.53	12,327.00
Less : Fuel from own production	15,041.79	10,446.76
	3,801.74	1,880.24
Throughput, Processing & Blending Fees, Royalty and Other Charges	490.19	377.56
Octroi, Other Levies and Irrecoverable taxes	796.12	682.78
Repairs and Maintenance		
i) Plant & Machinery	1,465.94	1,244.65
ii) Buildings	148.01	138.00
iii) Others	101.20	85.98
	1,715.15	1,468.63
Freight, Transportation Charges and Demurrage	7,437.16	6,801.04
Office Administration, Selling and Other Expenses (Note - 26.1)	6,808.64	3,273.60
TOTAL	22,327.01	15,642.40
Less: Company's use of own Products and Crude	872.61	945.24
	21,454.40	14,697.16
Duties (Net)	(624.92)	351.14
TOTAL (Net)	20,829.48	15,048.30

A. Includes an amount of ₹ (625.66) crore (2011 : ₹ 349.94 Crore) on account of difference of Excise Duty between opening and closing stock of finished goods.



NOTE - 26.1: OFFICE, ADMINISTRATION, SELLING AND OTHER EXPENSES

(₹ in Crore)

Particulars	March-12	March-11
Rent	348.28	271.80
Insurance	93.31	71.07
Rates & Taxes	70.60	61.93
Payment to auditors		
a) Audit Fees	1.14	0.78
b) Tax Audit Fees	0.11	0.11
c) Other Services(for issuing certificates etc.)	0.27	0.33
d) Out of Pocket Expenses	0.39	0.28
	1.91	1.50
Travelling & Conveyance	350.31	304.38
Communication Expenses	48.02	42.60
Printing & Stationery	30.57	26.41
Electricity & Water	199.24	178.37
Bank Charges	52.26	29.62
Bad Debts, Advances & Claims written off	48.40	6.57
Provision/ Loss on Assets sold or written off	1.80	21.07
Technical Assistance Fees	21.76	37.38
Exchange Fluctuation (net)	2,768.92	-
Provision for Doubtful Debts, Advances, Claims, CWIP, Stores etc.	57.40	209.81
Provision for Diminution/Loss on Revaluation in Investments	418.15	78.74
Security Force Expenses	251.78	223.43
Sales Promotion Expenses (Incl. Commission)	489.31	448.63
Handling Expenses	214.38	165.38
Expenses on Enabling Facilities	24.00	41.68
Commodity Hedging Losses (Net)	328.13	48.40
Provision for Probable Contingencies	93.05	42.22
Exploration & Production Cost	A	180.23
Amortisation of Premium on Forward Contracts	89.02	132.04
MTM Loss on Interest Rate Swap	110.26	-
Loss on Sale of Investments (Net)	19.24	26.56
Expenses on CSR Activities	75.24	85.59
Miscellaneous Expenses	B	423.07
		384.98
TOTAL	6,808.64	3,273.60

A. In respect of Oil and Gas Exploration activities, Revenue Expenditure amounting to ₹ 180.23 crore (2011 : ₹ 333.44 crore) and Capital Expenditure amounting to ₹ (51.41) crore (2011 : ₹ 19.80 crore) of Oil and Gas Exploration Projects have been incorporated in these accounts on the basis of unaudited statements provided by respective operators of Production Sharing Contracts to the Company.

B. Expenses Includes:

- Expenditure on Public Relations and Publicity amounting to ₹ 34.81 crore (2011: ₹ 39.40 crore) which is inclusive of ₹ 11.94 crore (2011: ₹ 12.34 crore) on account of Staff and Establishment and ₹ 22.87 crore (2011: ₹ 27.06 crore) for payment to others. The ratio of annual expenditure on Public Relations and Publicity to the annual turnover (inclusive of excise duty) is 0.00008:1 (2011: 0.00012:1).
- Entertainment Expenses ₹ 2.39 crore (2011: ₹ 2.34 crore).

NOTE - 27: INCOME / EXPENSES RELATING TO PREVIOUS YEARS

(₹ in Crore)

Particulars	March-12	March-11
Income:		
Miscellaneous Income	40.91	5.84
Sale of Products	-	(2.62)
Total Income	40.91	3.22
Expenditure:		
Purchase of Products and Crude	0.16	(0.09)
Depreciation and Amortisation on:		
Tangible Assets	(326.05)	20.26
Intangible Assets	0.66	-
Consumption of Stores, Spares and Consumables	(1.27)	(9.25)
Technical fees	1.30	(3.18)
Power and Fuel	(1.22)	(3.25)
Repairs and Maintenance	7.93	2.64
Interest	5.57	2.95
Rent	0.08	5.33
Rates & Taxes	1.45	0.27
Payment to and Provision for Employees	7.17	(5.68)
Other Expenses	66.34	66.93
Total Expenditure	(237.88)	76.93
NET INCOME /(EXPENDITURE)	278.79	(73.71)



NOTE - 28

1. Contingent Liabilities & Commitments

A. Contingent Liabilities

- A.1 Contingent Liabilities amounting to ₹ **8568.91 crore** (2011: ₹ 7820.86 crore) are as under :
- A.1.1 ₹ **219.95 crore** (2011: ₹ 238.02 crore) being the demands raised by the Central Excise/Customs authorities.
- A.1.2 ₹ **4,656.00 crore** (2011: ₹ 5,045.52 crore) in respect of Sales Tax demands.
- A.1.3 ₹ **884.28 crore** (2011: ₹ 736.79 crore) including ₹ **584.92 crore** (2011: ₹ 503.98 crore) on account of Projects for which suits have been filed in the Courts or cases are lying with Arbitrator.
- A.1.4 ₹ **2,058.02 crore** (2011: ₹ 1,167.75 crore) in respect of Income Tax demands.
- A.1.5 ₹ **750.66 crore** (2011: ₹ 632.78 crore) in respect of other claims.
- A.1.6 The Company has not considered those disputed demands/claims as contingent liabilities, for which, the outflow of resources has been considered as remote.
- A.2 Interest/Penalty, if any, on some of the above claims is unascertainable.
- A.3 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.
- A.4 The Company has issued Corporate Guarantee in favor of three beneficiaries i.e. Bolivarian Republic of Venezuela (Republic), The Corporacion Venezolana del Petroleo S.A. and the Mixed Company Venezuela (PeTroCarabobo S.A.), on behalf of Indoil Netherlands B.V. Netherlands (an associate company) to fulfill the associate company's future obligations for payment of signature bonus/equity contribution/ loan to the beneficiaries. The estimated amount of such obligation is ₹ **1,969.71 crore** – **USD 38.71 crore** (2011 : ₹ 1,812.95 crore – USD 40.65 crore)
- A.5 The Company has issued corporate guarantee in favor of Standard Chartered Bank, on behalf of Lanka IOC PLC, a subsidiary of the company, for raising a loan of ₹ **NIL crore** (2011 : ₹ 133.80 crore – USD 3.00 crore).

B. Commitments

B.1 Capital Commitments

Estimated amount of contracts remaining to be executed on Capital

Account not provided for ₹ **17,546.97 crore** (2011: ₹ 21,737.72 crore).

B.2 Other Commitments

The Company has an export obligation to the extent of ₹ **3,187.06 crore** (2011: ₹ 3,677.09 crore) on account of concessional rate of customs duty availed under EPCG license scheme on import of capital goods.

- Purchase of crude oil from ONGC, Oil India Limited and Panna Mukta Tapti JV and some other oilfields has been accounted for provisionally, pending finalization of agreements with respective parties. Adjustments, if any, will be made on finalization of agreements.
- Title Deeds for Land and residential apartments as also lease and other agreements in respect of certain lands/buildings, the book value of which is ₹ **95.12 crore** (2011: ₹ 89.56 crore), are pending for execution or renewal.
- Transactions with other Oil Marketing Companies are jointly reconciled on an ongoing basis.
- A Pursuant to orders pronounced by the Honorable Supreme Court / various High Courts in the matter of Entry Tax on Crude Oil, HSD & Lubricants and as advised, the Company has not provided for Entry Tax amounting to ₹ **894.89 crore** in respect of Panipat Refinery, Mundra-Panipat & Salaya Mathura Pipelines and Asaouti Lube Blending Plant (2011: ₹ 5,106.43 crore in respect of Mathura & Panipat Refineries, Mundra-Panipat & Salaya Mathura Pipelines and Asaouti Lube Blending Plant) including ₹ **207.17 crore** for the year in respect of Panipat Refinery, Mundra-Panipat & Salaya Mathura Pipelines and Asaouti Lube Blending Plant (2011: ₹ 1,363.24 crore in respect of Mathura & Panipat Refineries, Mundra-Panipat & Salaya Mathura Pipelines and Asaouti Lube Blending Plant).

B Consequent to the recent order pronounced by Hon'ble High Court of Allahabad in December, 2011, upholding the Constitutional Validity of retrospective application of Entry Tax Law in the State of UP, the Company had filed a Special Leave Petition before Hon'ble Supreme Court of India. Although the Apex Court has granted the stay order, the Company has been directed by the Court to deposit 50% of arrears towards the Entry Tax and full tax prospectively vide its order of January, 2012 in respect of crude imported in the State of UP. Accordingly, pending final disposal of the matter, an amount of ₹ **8,156.56 crore** (including interest of ₹ **2,165.02 crore**) has been provided in the books during 2011-12. Out of this, an amount of ₹ **7,707.82 crore** comprising of entry Tax and interest thereon upto December, 2011 has been shown as Exceptional Item.
- In the absence of relevant notification by the Government of India specifying the period and applicable rate at which cess on turnover is payable under section 441A of the Companies Act, 1956, the same is not determinable and hence, not provided for.

NOTE – 29: EMPLOYEE BENEFITS

Disclosures in compliance with Accounting Standard-15 (Revised 2005) on "Employee Benefits" is as under:

(A) PROVIDENT FUND

- (i) The Company had five Provident Funds maintained by respective PF Trusts as on 31.03.2011. During the year 2011-12 two PF Trusts have been merged with existing trusts and as on 31.03.2012, the Company has three Provident Funds maintained by respective PF Trusts. All these three PF Trusts do not have any shortfall as on 31.03.2012.
- (ii) During the year, Company has conducted Actuarial Valuation of all three PF Trusts. As per Actuarial Valuation, all three PF Trusts do not have

any deficit as on 31st March 2012. Accordingly, other related disclosures in respect of Provident Fund have not been made.

- (iii) During the year, the company has recognised ₹ **261.08 crore** (2010-11 : ₹ 337.12 crore) as Employer's contribution to Provident Fund in the Profit and Loss Account (included in Contribution to Provident and Other Funds in Note - 24).

(B) PENSION SCHEME

During the year, the company has recognised ₹ **342.01 crore** (2010-11 : ₹ 349.86 crore) towards Defined Contributory Employees Pension Scheme in the Profit and Loss Account (included in Contribution to Provident and Other Funds in Note - 24).

(C) RECONCILIATION OF BALANCE OF DEFINED BENEFIT OBLIGATION

	(₹ in Crore)					
	Gratuity	Leave encashment	PRMS*	Resettlement Allowance	Long Service Award	Staff Pension Fund at AOD
	Funded	Non-Funded	Funded	Non-Funded	Non-Funded	Funded
Defined Obligation at the beginning	1,388.21 1,346.76	1,579.50 1,356.65	829.99 825.72	83.00 82.50	109.33 92.30	9.28 9.98
Current Service Cost	16.56 19.79	52.22 53.48	52.90 46.44	3.45 3.72	19.73 4.75	0.24 0.28
Interest Cost	112.32 108.79	126.80 110.16	70.00 70.00	7.06 7.07	10.01 7.65	0.68 0.74
Past Service Cost	-	-	-	-	-	-
Benefits paid	(103.09) (108.61)	(208.11) (162.67)	(70.39) (60.08)	(2.66) (1.95)	(17.00) (9.55)	(2.07) (2.02)
Actuarial (gain)/ loss on obligations	(29.68) 21.48	80.74 221.88	0.44 (52.09)	(11.49) (8.34)	92.21 14.18	(0.16) 0.30
Defined Benefit Obligation at the end of the year	1,384.32 1,388.21	1,631.15 1,579.50	882.94 829.99	79.36 83.00	214.28 109.33	7.97 9.28

Contd...



(D) RECONCILIATION OF BALANCE OF FAIR VALUE OF PLAN ASSETS

(₹ in Crore)

	Gratuity Funded	Leave encashment Non-Funded	PRMS* Funded	Resettlement Allowance Non-Funded	Long Service Award Non-Funded	Staff Pension Fund at AOD Funded
Fair Value of Plan Assets at the beginning of the year	1,489.80 1,358.67	- -	- -	- -	- -	8.17 9.35
Expected return on plan assets	123.31 113.04	- -	- -	- -	- -	0.68 0.75
Contribution by employer	103.09 108.61	- -	901.37 -	- -	- -	0.76 -
Benefit paid	(103.09) (108.61)	- -	(70.39) -	- -	- -	(2.07) (2.02)
Actuarial gain / (losses)	17.91 18.09	- -	51.96 -	- -	- -	0.20 0.09
Fair value of plan assets at the end of the year	1,631.02 1,489.80	- -	882.94 -	- -	- -	7.74 8.17

(E) RECONCILIATION OF FAIR VALUE OF PLAN ASSETS AND DEFINED BENEFIT OBLIGATION

(₹ in Crore)

	Gratuity Funded	Leave encashment Non-Funded	PRMS* Funded	Resettlement Allowance Non-Funded	Long Service Award Non-Funded	Staff Pension Fund at AOD Funded
Fair Value of Plan Assets at the end of the year	1,631.02 1,489.80	- -	882.94 -	- -	- -	7.74 8.17
Defined Benefit Obligation at the end of the year	1,384.32 1,388.21	1,631.15 1,579.50	882.94 829.99	79.36 83.00	214.28 109.33	7.97 9.28
Amount recognised in the Balance Sheet	(246.70) (101.59)	1,631.15 1,579.50	- 829.99	79.36 83.00	214.28 109.33	0.23 1.11

(F) AMOUNT RECOGNISED IN CWIP / PROFIT AND LOSS ACCOUNT

(₹ in Crore)

	Gratuity Funded	Leave encashment Non-Funded	PRMS* Funded	Resettlement Allowance Non-Funded	Long Service Award Non-Funded	Staff Pension Fund at AOD Funded
Current Service Cost	16.56 19.79	52.22 53.48	52.90 46.44	3.45 3.72	19.73 4.75	0.24 0.28
Interest Cost	112.32 108.79	126.80 110.16	70.00 70.00	7.06 7.07	10.01 7.65	0.68 0.74
Expected (return) / loss on plan asset	(123.31) (113.04)	- -	- -	- -	- -	(0.68) (0.75)
Past Service Cost	- -	- -	- -	- -	- -	- -
Actuarial (gain)/ loss	(47.59) 3.39	80.74 221.88	(51.52) (52.09)	(11.49) (8.34)	92.21 14.18	(0.36) 0.21
Expenses for the year	(42.02) 18.93	259.76 385.52	71.38 64.35	(0.98) 2.45	121.95 26.58	(0.12) 0.48

(G) MAJOR ACTUARIAL ASSUMPTIONS

	Gratuity Funded	Leave encashment Non-Funded	PRMS* Funded	Resettlement Allowance Non-Funded	Long Service Award Non-Funded	Staff Pension Fund at AOD Funded
Discount rate	8.63% 8.30%	8.63% 8.30%	8.63% 8.30%	8.63% 8.30%	8.63% 8.30%	8.63% 8.30%
Expected return on plan assets	8.60% 8.00%	- -	8.60% -	- -	- -	9.00% 9.00%
Salary escalation	8.00% 8.00%	8.00% 8.00%	- -	- -	- -	8.00% 8.00%
Inflation	- -	- -	7.00% 7.00%	6.00% 6.00%	- -	- -

(H) ACTUAL RETURN ON PLAN ASSETS

	Gratuity Funded	PRMS* Funded	Staff Pension Fund at AOD Funded
Actual Return on Plan Assets	9.48% 9.66%	- -	10.77% 8.03%

Contd...



(I) INVESTMENT DETAILS

	Gratuity	PRMS*	Staff Pension Fund at AOD
	Funded	Funded	Funded
Life Insurance Corporation of India	95.47%	-	57.29%
Self managed investments	4.53%	100.00%	42.71%
Total	100.00%	100.00%	100%

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

	Gratuity	PRMS*	Staff Pension Fund at AOD
	Funded	Funded	Funded
Government of India securities	51.72%	-	31.00%
Investment in Equity Shares	3.48%	-	-
Investment in Debentures	39.77%	-	-
Other approved investments (incl. Cash)	5.03%	100.00%	69.00%
Total	100.00%	100.00%	100.00%

(J) EFFECT OF INCREASE/DECREASE IN HEALTHCARE COST (PRMS)

(₹ in Crore)

	2011-12	2010-11
Change in Liability for 1% increase in inflation rate	92.27	86.73
Change in Liability for 1% decrease in inflation rate	(75.49)	(70.96)

(K) AMOUNT FOR THE CURRENT AND PREVIOUS PERIODS ARE AS FOLLOWS:

(₹ in Crore)

	2011-12	2010-11	2009-10
Defined benefit obligation	1,384.32	1,388.21	1,346.76
Plan Assets	1,631.02	1,489.80	1,358.67
Surplus / (Deficit)	246.70	101.59	11.91
Expected contribution for next financial year	23.75	22.52	19.60
Experience adjustment on plan liabilities - (Gain)/Loss	(2.25)	23.22	(16.69)
Experience adjustment on plan Assets - Gain/(Loss)	17.91	18.09	(6.68)

The management has relied on the overall actuarial valuation conducted by the actuary.

* PRMS was Non-Funded in previous year.

NOTE - 30: SEGMENT INFORMATION

Information regarding Primary Segment Reporting as per AS-17 for the year ended March 31, 2012 is as under:

(₹ in Crore)

	March-12				Total	March-11				Total
	Petroleum Products	Petro-chemicals	Other Businesses	Eliminations		Petroleum Products	Petro-chemicals	Other Businesses	Eliminations	
Revenue										
External Revenue	382,966.05	11,174.09	40,368.43	-	434,508.57	294,346.07	5,768.13	27,978.10	-	328,092.30
Inter-segment Revenue	7,506.24	48.72	3,617.94	(11,172.90)	0.00	4,632.42	67.35	1,185.47	(5,885.24)	(0.00)
Total Revenue	390,472.29	11,222.81	43,986.37	(11,172.90)	434,508.57	298,978.49	5,835.48	29,163.57	(5,885.24)	328,092.30
Result										
Segment Results	16,918.05	(209.94)	75.86	-	16,783.97	10,527.77	(1,608.85)	(385.03)	-	8,533.89
Less:										
- Interest Expenditure					5,590.54					2,672.52
- Loss on Sale of Investments (Net)					19.24					26.56
- Provision for diminution in Investments (Net)					418.15					78.74
- Loss on sale and disposal of Assets					1.80					21.07
- Exchange Loss (Net)					2,768.92					-
Add:										
- Interest/Dividend Income					2,647.87					2,613.82
- Provision for diminution in Trust written back (Net)					513.21					96.86
- Exchange Gain (Net)					-					695.60
- Other non operating income					36.94					28.29
- Prior year income/(expenses) -net					278.79					(73.71)
Profit before Exceptional items and Tax					11,462.13					9,095.86
Exceptional Items					(7,707.82)					-
Profit Before Tax					3,754.31					9,095.86
Less: Income Tax (including deferred tax)					(200.31)					1,650.38
Profit After Tax					3,954.62					7,445.48
Other Information										
Segment Assets	165,191.93	18,068.88	6,736.49		189,997.30	130,998.72	18,994.93	2,736.74		152,730.39
Corporate Assets					19,862.45					20,949.29
Total Assets					209,859.75					173,679.68
Segment Liabilities	65,021.09	795.35	4,069.03		69,885.47	51,902.41	2,056.96	2,651.84		56,611.21
Corporate Liabilities					82,097.58					61,736.15
Total Liabilities					151,983.05					118,347.36
Capital Employed										
Segment Wise	100,170.84	17,273.53	2,667.46		120,111.83	79,096.31	16,937.97	84.90		96,119.18
Corporate					(62,235.13)					(40,786.86)
					57,876.70					55,332.32
Capital Expenditure	11,616.11	185.20	248.26		12,049.57	10,373.12	7,936.24	141.37		18,450.73
Depreciation and Amortisation	3,840.68	952.54	74.57		4,867.79	3,447.10	1,040.04	59.53		4,546.67

- The Company is engaged in the following business segments:
 - Sale of Petroleum Products
 - Sale of Petrochemicals
 - Other Businesses, comprises Sale of Imported Crude Oil, Sale of Gas, Explosives & Cryogenics, Wind Mill & Solar Power Generation and Oil & Gas Exploration Activities jointly undertaken in the form of unincorporated Joint Ventures.
Segments have been identified and reported taking into account, the nature of products and services and differing risks and returns.
- Segment Revenue comprises of the following:
 - Turnover (Net of Excise Duties)
 - Subsidy / Grants received from Government of India
 - Other Operating Income
- There are no reportable geographical segments.

**NOTE - 31: RELATED PARTY DISCLOSURES**

As required by AS -18 "Related Party Disclosures", are given below :

1. RELATIONSHIP**A) Details of Joint Venture Companies/ Entities**

- 1) IOT Infrastructure Energy Services Ltd.
- 2) Lubrizol India Pvt. Ltd.
- 3) Petronet VK Ltd.
- 4) IndianOil Petronas Pvt. Ltd.
- 5) Avi-Oil India Pvt. Ltd.
- 6) Petronet India Ltd.
- 7) Petronet LNG Ltd.
- 8) Green Gas Ltd.
- 9) IndianOil Panipat Power Consortium Ltd.
- 10) Petronet CI Ltd.
- 11) Indo Cat Pvt. Ltd.
- 12) IndianOil SkyTanking Ltd.
- 13) Suntera Nigeria 205 Ltd.
- 14) Delhi Aviation Fuel Facility Pvt. Limited
- 15) Indian Synthetic Rubber Limited
- 16) IndianOil Ruchi Biofuels LLP
- 17) NPCIL- IndianOil Nuclear Energy Corporation Limited

B) Whole-time Directors

- 1) Shri R.S.Butola
- 2) Shri B.M.Bansal (upto 31.01.2011)
- 3) Shri S.V.Narasimhan (upto 30.04.2011)
- 4) Shri V.C.Agrawal (upto 31.07.2010)
- 5) Shri G.C.Daga (upto 30.09.2011)
- 6) Shri B.N.Bankapur (upto 31.08.2011)
- 7) Shri Anand Kumar (upto 30.06.2010)
- 8) Shri K.K. Jha (upto 31.01.2012)
- 9) Shri R.K.Malhotra
- 10) Shri Sudhir Bhalla
- 11) Shri A.M.K.Sinha
- 12) Shri P.K.Goyal
- 13) Shri R.K.Ghosh
- 14) Shri Makarand Nene
- 15) Shri V.S. Okhade

2. The following transactions were carried out with the related parties in the ordinary course of business:**A) Details relating to parties referred to in item number 1(A) above:**

(₹ in Crore)

	2011-12	2010-11
i) Sales	256.06	191.59
(Includes sales to Lubrizol India Pvt. Ltd. ₹ 169.57 crore (2010-11 : ₹ 159.78 crore) and Indian Oil Petronas Pvt. Ltd. ₹ 85.70 crore (2010-11 : ₹ 11.78 crore)).		
ii) Interest received	0.05	1.10
(Includes interest received from IOT Infrastructure Energy Services Ltd. ₹ 0.02 crore (2010-11 : ₹ 1.08 crore) and Petronet VK Ltd. ₹ 0.03 crore (2010-11 : ₹ 0.02 crore)).		
iii) Consultancy Services/Other Income	74.76	62.76
(Includes Consultancy Service/Other Income from Lubrizol India Pvt. Ltd. ₹ 34.56 crore (2010-11 : ₹ 30.72 crore), Petronet LNG Ltd. ₹ 23.21 crore (2010-11 : ₹ 19.71 crore) and IndianOil Petronas Pvt. Ltd. ₹ 8.35 crore (2010-11 ₹ 8.00 crore)).		
iv) Purchase of Products	7,364.67	3,823.62
(Includes Purchase of Products from Petronet LNG Ltd. ₹ 7,318.35 crore (2010-11 : ₹ 3,753.78 crores)).		
v) Purchase of Chemicals/materials	280.73	228.15
(Includes Purchase of chemicals /materials from Lubrizol India Pvt. Ltd. ₹ 280.60 crore (2010-11 : ₹ 228.15 crore)).		

Contd...

(₹ in Crore)

	2011-12	2010-11
vi) Handling Expenses	316.10	228.04
(Includes Handling Expenses to IndianOil Sky Tanking Ltd. ₹ 208.79 crore (2010-11 : ₹ 130.91) and Indian Oil Petronas Pvt Ltd. ₹ 94.02 crore (2010-11 : ₹ 79.22 crore)).		
vii) Freight Expenses	0.33	0.25
(Includes Freight Expenses to Lubrizol India Pvt Ltd. ₹ 0.31 crore (2010-11 : ₹ 0.24 crore)).		
viii) Exploration & Production Expenses	10.09	-
(Exploration & Production Expenses to IOT Infrastructure Energy Services Ltd ₹ 10.09 crore (2010-11 : NIL)).		
ix) Reimbursement of Expenses	5.25	5.08
(Includes Reimbursement of Expenses Indian Oil Petronas Pvt. Ltd. ₹ 2.27 crore (2010-11 : ₹ 2.49 crore), IndianOil Sky Tanking Ltd. ₹ 1.80 crore (2010-11 : ₹ 1.57 crore) and IOT Infrastructure Energy Services Ltd. ₹ 0.54 crore (2010-11: NIL)).		
x) Investments made during the year	116.93	126.18
(Includes Investment made in Indian Synthetic Rubber Ltd. ₹ 115.62 crore (2010-11 ₹ 25.00 crore)).		
xi) Purchase/Acquisition of Fixed Assets	256.77	437.04
(Includes Purchase/Acquisition of Fixed Assets from IOT Infrastructure Energy Services Ltd. ₹ 256.77 crore (2010-11 : ₹ 434.37 crore)).		
xii) Provisions made/(written off) during the year	(40.38)	0.19
(Includes write back of provision made against advance given to Suntera Nigeria 205 Ltd. ₹ 40.53 crore (2010-11: NIL)).		
xiii) Outstanding Receivables/ Loans Recoverable	278.05	108.26
(Includes Outstanding Receivables from IOT Infrastructure Energy Services Ltd. ₹ 169.12 crore (2010-11 : ₹ 41.62 crore) and Suntera Nigeria 205 Ltd. ₹ 68.11 crore (2010-11 : ₹ 40.53 crore)).		
xiv) Outstanding Payables	637.17	557.95
(Includes Outstanding payable to Petronet LNG. Ltd. ₹ 429.99 crore (2010-11 : ₹ 219.45 crore) and IOT Infrastructure Energy Services Ltd. ₹ 132.25 crore (2010-11 : ₹ 237.48 crore)).		
xv) Investments in Joint Venture Entities as on 31.03.2012	737.65	620.72



B) Details relating to the parties referred to in Item No.1 (B) above :

(₹ in Crore)

FY 2011-12				
Details of Whole-time Directors		Remuneration	Recovery of Interest & Furniture Hire Charges	Outstanding loans/advances receivables
1)	Shri R.S. Butola	0.37	-	-
2)	Shri B.M. Bansal	-	-	-
3)	Shri S.V. Narasimhan	0.57	-	-
4)	Shri V.C. Agrawal	-	-	-
5)	Shri G.C. Daga	0.63	-	-
6)	Shri B.N. Bankapur	0.54	-	-
7)	Shri Anand Kumar	-	-	-
8)	Shri K.K. Jha	0.41	0.01	-
9)	Shri R.K. Malhotra	0.37	-	-
10)	Shri Sudhir Bhalla	0.40	-	0.05
11)	Shri A.M.K. Sinha	0.31	0.01	-
12)	Shri P. K. Goyal	0.42	0.01	0.03
13)	Shri R. K. Ghosh	0.29	-	0.08
14)	Shri Makarand Nene	0.20	-	-
15)	Shri V.S. Okhde	0.06	-	0.01
TOTAL		4.57	0.03	0.17

FY 2010-11				
Details of Whole-time Directors		Remuneration	Recovery of Interest & Furniture Hire Charges	Outstanding loans/advances receivables
1)	Shri R.S. Butola	0.03	-	-
2)	Shri B.M. Bansal	0.63	-	-
3)	Shri S.V. Narasimhan	0.45	-	-
4)	Shri V.C. Agrawal	0.50	-	-
5)	Shri G.C. Daga	0.42	-	-
6)	Shri B.N. Bankapur	0.45	-	-
7)	Shri Anand Kumar	0.55	-	-
8)	Shri K.K. Jha	0.42	-	0.02
9)	Shri R.K. Malhotra	0.25	-	-
10)	Shri Sudhir Bhalla	0.13	-	0.06
11)	Shri A.M.K. Sinha	0.01	0.01	-
12)	Shri P. K. Goyal	-	-	-
13)	Shri R. K. Ghosh	-	-	-
14)	Shri Makarand Nene	-	-	-
15)	Shri V.S. Okhde	-	-	-
TOTAL		3.84	0.01	0.08

Notes:

- This does not include the impact of provision made on actuarial valuation of retirement benefit Schemes and provision made during the period towards Post Retirement Benefits as the same are not separately ascertainable for individual directors.
- In addition, whole - time Directors are also allowed the use of Corporation's car for private purposes upto 12,000 kms per annum on a payment of ₹ 520/- per mensem for car less than 16 hp or ₹ 780/- per mensem for car of above 16 hp as specified in the terms of appointment.
- No disclosure is required for Subsidiary Companies which can be treated as state controlled enterprises '(i.e. ownership by Central/State Govt, directly or indirectly, of more than 50% of voting rights shall be treated as state controlled enterprise)
- In case of Joint Venture Companies constituted/acquired during the period, transactions w.e.f. date of constitution/acquisition is disclosed.
- In case of Joint Venture Companies which have been closed/divested during the period, transactions upto the date of closure/disinvestment only are disclosed.

NOTE - 32: LEASES

Disclosure as required under Accounting Standard – 19 on “Leases”:

FINANCE LEASES:

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.

Particulars	(₹ in Crore)	
	March-12	March-11
A. Gross Investments in Finance Lease	415.64	415.64
Less: Unearned Finance Income	4.05	5.24
Less: Finance Income Received	167.10	165.91
Less: Minimum Lease payment received	234.20	232.77
Net Investment in Finance Lease as on Date	10.29	11.72
B. Unearned finance Income	4.05	5.24
C. Present Value of Minimum Lease Payments Receivable		
Not Later than one year	1.40	1.43
Later than one year and not later than five years	7.14	6.77
Later than Five years	1.75	3.52
Total :	10.29	11.72
D. Break-up of un-earned income		
Not Later than one year	1.04	1.19
Later than one year and not later than five years	2.75	3.44
Later than Five years	0.26	0.61
Total	4.05	5.24

OPERATING LEASES:

a) As Lessee

Lease Rentals charged to the profit and loss account and maximum obligations on long term non-cancellable operating leases payable as per the rentals stated in the respective lease agreements:

Particulars	(₹ in Crore)	
	March-12	March-11
A. Lease rentals recognized during the period	49.93	51.26
B. Lease Obligations		
- Not later than One Year	47.00	48.64
- Later than one year and not later than five years	158.05	161.36
- Later than five years	545.88	574.53

These relate to leases in respect of Port facilities at Gujarat and storage tankage facilities for petroleum products.

b) As Lessor

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

Particulars	(₹ in Crore)	
	March-12	March-11
A. Lease rentals recognized as income during the period	9.25	8.21
B. Lease Rentals (Category of assets – Plant & Equipment)		
- Gross Carrying Amount	24.54	20.39
- Accumulated Depreciation	19.40	15.42
- Depreciation recognized in Profit and Loss Account	0.98	0.73

These relate to storage tankage facilities for petroleum products given on lease at mutually agreed lease rent.



NOTE - 33: EARNINGS PER SHARE (EPS)

In compliance of Accounting Standard – 20 on "Earning Per Share", the calculation of Earning Per Share (Basic and Diluted) is as under:

Particulars	March-12	March-11
Profit (₹ in Crore)	3,954.62	7,445.48
Weighted Average number of equity shares used for computing Earning Per Share (Basic & Diluted)	2427952482	2427952482
Earning Per Share (Basic and Diluted) (₹)	16.29	30.67
Face value per share (₹)	10/-	10/-

NOTE - 34: INTEREST IN JOINT VENTURES

In compliance of AS-27, " Financial Reporting of Interest in Joint Ventures", the required information is as under:

1) Disclosure of Interest in the following categories of Joint Ventures:

(a) Jointly Controlled Operations:-

The Corporation has entered into production sharing agreements for oil and gas exploration blocks with the Govt. of India and other body corporates. These joint ventures are:

Name	Participating Interest of IOC (%)	
	31.03.2012	31.03.2011
IN INDIA		
Under NELP Block		
MN-OSN-2000/2	20.00	20.00
AA-ONN-2001/2	20.00	20.00
MB-OSN-2004/1	20.00	20.00
MB-OSN-2004/2	20.00	20.00
KG-DWN-2005/1	20.00	20.00
GK-OSN-2009/1	20.00	20.00
GK-OSN-2009/2	30.00	30.00
CB-ONN-2010/6 *	20.00	-
Others		
AAP-ON-94/1	43.55	43.55
BK-CBM-2001/1	20.00	20.00
NK-CBM-2001/1	20.00	20.00
OUTSIDE INDIA		
FARSI BLOCK IRAN	40.00	40.00
LIBYA BLOCK 86	50.00	50.00
LIBYA BLOCK 102/4	50.00	50.00
SHAKTHI GABON**	50.00	50.00
YEMEN 82	15.00	15.00
YEMEN 83	15.00	15.00
AREA 95-96	25.00	25.00
Block K ***	-	12.50

* Block awarded under NELP-IX

** Participating Interest will come down to 45% after Exploration phase.

***Block relinquished during the year 2011-12.

(b) Jointly Controlled Assets:-

IOC's share in jointly controlled/ owned assets have been shown in Note 10 "Tangible Assets"

(c) Jointly Controlled Entities:-

Name	Country of Incorporation	Ownership Interest of IOC(%)	
		31.03.2012	31.03.2011
(i) IOT Infrastructure Energy Services Ltd. (name changed from Indian Oil Tanking Ltd.)	India	47.92	49.89
(ii) Lubrizol India Pvt. Ltd.	India	50.00	50.00
(iii) Petronet VK Ltd.	India	26.00	26.00
(iv) Petronet CI Ltd.	India	26.00	26.00
(v) IndianOil SkyTanking Ltd.	India	33.33	33.33
(vi) Indo Cat Pvt. Ltd.	India	50.00	50.00
(vii) Delhi Aviation Fuel Facility Pvt. Ltd.	India	37.00	37.00
(viii) IndianOil Petronas Pvt.Ltd.	India	50.00	50.00
(ix) Suntera Nigeria 205 Ltd	Nigeria	25.00	25.00
(x) IndianOil Panipat Power Consortium Ltd.	India	50.00	50.00
(xi) Avi-Oil India Pvt. Ltd.	India	25.00	25.00
(xii) Petronet India Ltd.	India	18.00	18.00
(xiii) Petronet LNG Ltd.	India	12.50	12.50
(xiv) Indian Synthetic Rubber Limited	India	50.00	50.00
(xv) IndianOil Ruchi Biofuels LLP	India	50.00	50.00
(xvi) Green Gas Ltd.	India	22.50	22.50
(xvii) NPCIL IndianOil Nuclear Energy Corporation Limited (NINECL)	India	26.00	-

2) IOC's Share in aggregate of Contingent Liabilities and Capital Commitments of Jointly Controlled Operations and Assets:

	₹ in Crore	
	31.03.2012	31.03.2011
(a) Jointly Controlled Operations		
(i) Contingent Liabilities	0.20	14.09
(ii) Capital Commitments	1,214.86	999.94
(b) Jointly Controlled Assets		
(i) Contingent Liabilities	-	-
(ii) Capital Commitments	-	-

3) IOC's Share in assets,liabilities,income,expenses,contingent liabilities and capital commitments of Jointly Controlled Entities:

	₹ in Crore	
	31.03.2012	31.03.2011
(i) Assets		
- Long Term Assets	1938.55	1495.58
- Short Term Assets	1306.98	1104.72
(ii) Liabilities		
- Current Liabilities and Provisions	938.95	790.61
- Other Liabilities	802.74	666.85
(iii) Income	4602.13	3233.34
(iv) Expenses	4152.87	2867.91
(v) Contingent Liabilities	89.47	38.08
(vi) Capital Commitments	497.75	382.97



NOTE - 35: EXPOSURE TO FINANCIAL AND COMMODITY TRADING DERIVATIVES

Financial and Derivative Instruments:

- All derivative contracts entered into by the Company are for hedging its foreign currency exposures and commodity trading exposures relating to underlying transactions and firm commitments and not for any speculative or trading purposes.
- The Derivative contracts entered into by the Company and outstanding as on 31st March 2012 are as below:

(a) For Hedging Currency Risks

Nominal amounts of derivative contracts entered into by the Company and outstanding as on 31st March 2012 is given below:

(₹ in Crore)

S. No.	Particulars	Unit of Currency	As on 31.03.2012		As on 31.03.2011	
			No of contracts	Aggregate amount	No of contracts	Aggregate amount
1.	Forward Contracts	USD	1	101.86	20	3,028.58

(b) For Hedging Commodity Related Risks:

Category-wise quantitative data about commodity derivative transactions that are outstanding as on 31st March 2012 is given below:

Quantity (in '000 bbls)

S. No.	Particulars	As at 31 st March 2012*	As at 31 st March 2011
1.	Swaps on Crude oil	500	9450
2.	Margin Hedging	250	2400

* Positions settled on 16.04.2012

(c) For Hedging Interest Rate Related Risks:

Interest rate swap for ₹ 2,544 crore (2010-11: ₹ 2,230 crore) - (USD 50 crore) syndicated loan (swap from 1/3/6 month USD LIBOR till maturity to 2.222% Fixed)

S. No.	Particulars	Number of Contracts	
		As at 31 st March 2012	As at 31 st March 2011
1	Swaps of Interest Rates	1	1

Mark to market losses as at the Balance Sheet date, if material, are recognised in the Statement of Profit and Loss

- Foreign currency exposure that are not hedged by a derivative instrument as on 31st March 2012 is given below:

(₹ in Crore)

S. No.	Particulars	As on 31.03.2012 Aggregate amount	As on 31.03.2011 Aggregate amount
1	Unhedged	51,847.92	42,353.92

NOTE – 36: DISCLOSURES AS REQUIRED BY CLAUSE 32 OF THE LISTING AGREEMENT

In compliance of amended clause 32 of the Listing Agreement with the Stock Exchanges, the required information is given as under:

(₹ in Crore)

	Amount as on		Maximum Amount outstanding during the year ended	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011
I. Loans and Advances in the nature of loans:				
A) To Subsidiary Companies				
B) To Associates /Joint Venture Petronet V. K. Ltd. (No repayment schedule available) Suntera Nigeria 205 Ltd.	0.50 68.11	0.38 40.53	0.50 68.11	0.38 40.80
C) To Firms/Companies in which directors are interested	-	-	-	-
D) Where there is no repayment schedule or repayment beyond seven year or no interest or interest below section 372A of Companies Act	-	-	-	-
II. Investment by the loanee (as detailed above) in the shares of IOC and its subsidiaries	-	-	-	-

NOTE - 37: DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES

The dues to Micro, Small and Medium 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)

Particulars	March-12	March-11
Amount due and Payable at the year end		
- Principal	42.84	25.57
- Interest on above Principal	0.07	0.06
Payments made during the year after the due date		
- Principal	1.33	7.32
- Interest	-	-
Interest due and payable for principals already paid	0.02	0.03
Total Interest accrued and remained unpaid at year end	0.09	0.09



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NOTE - 38: RESEARCH AND DEVELOPMENT EXPENDITURE

Research and Development Expenses of ₹ 56.11 crore (2011: ₹ 77.06 crore) have been capitalized and ₹ 125.51 crore (2011 : ₹ 131.54 crore) have been accounted for in Profit and Loss Account during the year. Detailed break up of total expenditure is as under:

A. CAPITAL EXPENSES (FIXED ASSETS)

(₹ in Crore)											
Asset Block	Gross Block as at 01.04.2011	Additions during the year	Transferred from CWIP	Transfer/Deduction/Disposal during the year	Gross Block as at 31.03.2012	Work-in-Progress as on 01.04.2011	Additions during the year	Transferred to Fixed Assets (Capitalized)	Work-in-Progress as on 31.03.2012	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) FIXED ASSETS											
1	Land - Free Hold	0.81	-	-	-	0.81	-	-	-	-	-
2	Building, Roads etc.	70.21	0.51	10.32	0.05	80.99	8.40	13.92	10.32	12.00	14.43
3	Plant & Machinery	525.70	38.34	3.85	2.57	565.32	24.29	0.05	3.85	20.49	38.39
4	Office Equipment	29.20	0.92	-	1.57	28.55	-	-	-	-	0.92
5	Transport Equipments	0.50	0.18	-	0.02	0.66	-	-	-	-	0.18
6	Furniture & Fixtures	6.45	0.22	-	0.15	6.52	-	-	-	-	0.22
7	Drainage & Sewage	0.44	-	-	-	0.44	-	-	-	-	-
	Sub Total :	633.31	40.17	14.17	4.36	683.29	32.69	13.97	14.17	32.49	54.14
(b) INTANGIBLE ASSETS											
1	Right of way	-	-	-	-	-	-	-	-	-	-
2	Licenses/Technical Know-how	-	-	-	-	-	-	-	-	-	-
3	Computer Software	5.82	1.97	-	-	7.79	-	-	-	-	1.97
	Sub Total :	5.82	1.97	-	-	7.79	-	-	-	-	1.97
	TOTAL :	639.13	42.14	14.17	4.36	691.08	32.69	13.97	14.17	32.49	56.11
	Previous year :	559.98	42.31	53.82	16.98	639.13	51.76	34.75	53.82	32.69	77.06

B. RECURRING EXPENSES

(₹ in Crore)			
Particulars	2011-12	2010-11	
1	Consumption of Stores, Spares & Consumables	5.76	7.81
2	Repairs & Maintenance		
	(a) Plant & Machinery	3.55	2.52
	(b) Building	5.37	4.01
	(c) Others	0.69	0.55
3	Freight, Transportation Charges & demurrage	0.09	0.08
4	Payment to and Provisions for employees	73.17	82.76
5	Office Administration, Selling and Other Expenses	36.84	33.81
6	Interest	0.04	-
	TOTAL	125.51	131.54

C. TOTAL RESEARCH EXPENSES

(₹ in Crore)			
Particulars	2011-12	2010-11	
1	Capital Expenditure	56.11	77.06
2	Recurring Expenditure	125.51	131.54
	TOTAL	181.62	208.60

NOTE - 39: LICENSED CAPACITY, INSTALLED CAPACITY AND ACTUAL PRODUCTION

(Figures in Lakh)

	UNIT	Licensed Capacity (Refer A)		Installed Capacity (Refer B)		Actual Production		
		March'12	March'11	March'12	March'11	March'12	March'11	
						(Refer D)		
i) Crude Processing	MTs	518.50	518.50	542.00	542.00	497.73	472.38	
ii) Lubricating Oil	MTs	C	4.69	4.69	3.94	3.83	3.81	3.78
		E	1.46	1.46	1.47	1.46	1.03	1.09
iii) Wax/Bitumen/Asphalt Lube Oil Drums	Nos.		15.00	15.00	15.00	15.00	3.96	4.63
iv) Oxygen Plant	CU.M.		Not specified	Not specified	0.84	0.84	0.00	0.00
v) Propylene Recovery Unit	MTs		0.24	0.24	0.24	0.24	0.16	0.15
vi) MTBE Unit	MTs		0.37	0.37	0.37	0.37	0.25	0.34
vii) Naptha Cracker plant	MTs		14.60	14.60	14.60	14.60	9.84	4.97
viii) LAB Plant	MTs		1.20	1.20	1.20	1.20	1.02	1.26
ix) PX/PTA Plant	MTs		5.53	5.53	5.53	5.53	5.55	4.31
x) Cryocontainer & Accessories	Nos.		0.13	0.13	0.17	0.17	0.13	0.15
xi) Site Mixed Slurry Explosives	MTs		0.94	0.89	0.66	0.63	0.71	0.71

- A. i) Licensed Capacity of Refinery is not specified for Assam Oil Division.
 ii) Capacity for projects under construction not considered.
- B. As certified by the Management.
- C. Per year operating in single shift.
- D. i) Represents finished petroleum products.
 ii) Excludes crude processed in secondary units for other companies/refiners
- E. i) Per year operating in two shifts.
 ii) Installed Capacity at Taloja, LBP has been augmented by 9695 MT during the year 2011-12.



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NOTE - 40: FINISHED PRODUCTS - QUANTITY AND VALUE PARTICULARS

		Opening Stock		Purchases		Sales		Closing Stock	
		Quantity (MTs/ MMBTUs/Nos) in lakh	Value (₹ in crore)	Quantity (MTs/ MMBTUs/Nos) in lakh	Value (₹ in crore)	Quantity (MTs/ MMBTUs/Nos) in lakh	Value (₹ in crore)	Quantity (MTs/ MMBTUs/Nos) in lakh	Value (₹ in crore)
A.									
1 Petroleum Products :	MTs								
Year ended 31.03.12		56.35	19960.66	306.59	150557.70	807.49	353319.47	49.02	21198.25
Year ended 31.03.11		52.95	16686.86	323.20	127726.35	788.11	291597.75	56.35	19960.66
2 Lubricants & Greases :	MTs								
Year ended 31.03.12		0.37	310.12	0.02	6.41	4.71	7439.85	0.48	461.74
Year ended 31.03.11		0.42	299.03	0.02	25.02	4.82	6138.68	0.37	310.12
3 Crude Oil :	MTs								
Year ended 31.03.12		0.00	0.00	90.97	36030.91	90.97	36030.91	0.00	0.00
Year ended 31.03.11		0.00	0.00	88.52	24956.57	88.52	24956.57	0.00	0.00
4 Base Oil & Additives :	MTs								
Year ended 31.03.12		0.00	0.00	0.46	327.39	0.94	699.57	0.00	0.00
Year ended 31.03.11		0.00	0.00	0.50	265.64	0.99	654.07	0.00	0.00
5 LAB :	MTs								
Year ended 31.03.12		0.09	50.05	0.00	0.00	1.00	1233.29	0.11	92.06
Year ended 31.03.11		0.07	31.94	0.00	0.00	1.24	1181.37	0.09	50.05
6 PX/PTA	MTs								
Year ended 31.03.12		0.05	25.71	0.00	0.00	5.42	3624.91	0.18	99.40
Year ended 31.03.11		0.21	89.74	0.00	0.00	4.47	2530.11	0.05	25.71
7 Polymer	MTs								
Year ended 31.03.12		0.51	397.94	0.00	0.00	6.58	5506.58	0.43	385.95
Year ended 31.03.11		0.00	0.00	0.00	0.00	2.16	1653.85	0.51	397.94
8 MEG/DEG/TEG	MTs								
Year ended 31.03.12		0.07	44.98	0.00	0.00	2.39	1474.28	0.16	89.45
Year ended 31.03.11		0.00	0.00	0.00	0.00	1.51	721.77	0.07	44.98
9 Other Petrochemicals Product	MTs								
Year ended 31.03.12		0.21	84.47	0.00	0.00	1.19	674.26	0.20	106.71
Year ended 31.03.11		0.00	0.00	0.00	0.00	0.73	337.31	0.21	84.47
SUB TOTAL(A) :	MTs								
Year ended 31.03.12		57.65	20873.93	398.04	186922.41	920.69	410003.12	50.58	22433.56
Year ended 31.03.11		53.65	17107.57	412.24	152973.58	892.55	329771.48	57.65	20873.93
B.									
1 Gas :	MMBTUs								
Year ended 31.03.12		0.40	1.37	896.09	3902.00	895.90	4058.66	0.59	2.93
Year ended 31.03.11		0.60	1.59	851.53	2737.27	851.73	2830.11	0.40	1.37
2 Explosives :	MTs								
Year ended 31.03.12		0.00	0.00	0.00	0.00	0.71	193.16	0.00	0.00
Year ended 31.03.11		0.00	0.00	0.00	0.00	0.71	168.64	0.00	0.00
3 Cryocontainers/Cryovessels:	Nos								
Year ended 31.03.12		0.02	4.14	0.00	0.00	0.12	23.14	0.03	4.98
Year ended 31.03.11		0.05	7.06	0.00	0.00	0.18	34.22	0.02	4.14
SUB TOTAL(B) :									
Year ended 31.03.12			5.51		3902.00		4274.96		7.91
Year ended 31.03.11			8.65		2737.27		3032.97		5.51
GRAND TOTAL(A+B) :									
Year ended 31.03.12			20879.44		190824.41		414278.08		22441.47
Year ended 31.03.11			17116.22		155710.85		332804.45		20879.44

NOTE - 41: WIP - QUANTITY AND VALUE PARTICULARS

		Opening Stock		Closing Stock	
		Quantity (MTs/Nos.) in lakh	Value (₹ in crore)	Quantity (MTs/Nos.) in lakh	Value (₹ in crore)
A.					
1 Petroleum Products :	MTs				
Year ended 31.03.12		12.88	3579.92	11.99	4494.70
Year ended 31.03.11		10.24	2515.21	12.88	3579.92
2 Lubricants & Greases :	MTs				
Year ended 31.03.12		0.00	0.00	0.00	1.20
Year ended 31.03.11		0.00	0.00	0.00	0.00
3 LAB :	MTs				
Year ended 31.03.12		0.02	14.22	0.02	13.58
Year ended 31.03.11		0.02	6.37	0.02	14.22
4 PX/PTA	MTs				
Year ended 31.03.12		0.38	187.95	0.55	328.09
Year ended 31.03.11		0.31	127.98	0.38	187.95
5 MEG/DEG/TEG	MTs				
Year ended 31.03.12		0.00	0.19	0.01	3.27
Year ended 31.03.11		0.00	0.00	0.00	0.19
6 Other Petrochemicals Product	MTs				
Year ended 31.03.12		0.48	209.07	0.77	455.98
Year ended 31.03.11		0.12	141.00	0.48	209.07
SUB TOTAL(A) :	MTs				
Year ended 31.03.12		13.76	3991.35	13.34	5296.82
Year ended 31.03.11		10.69	2790.56	13.76	3991.35
B.					
1 Explosives :	MTs				
Year ended 31.03.12		0.01	1.41	0.01	2.21
Year ended 31.03.11		0.01	1.48	0.01	1.41
2 Cryocontainers/Cryovessels:	Nos				
Year ended 31.03.12		0.01	19.66	0.01	3.49
Year ended 31.03.11		0.02	10.67	0.01	19.66
SUB TOTAL(B) :					
Year ended 31.03.12			21.07		5.70
Year ended 31.03.11			12.15		21.07
GRAND TOTAL(A + B) :					
Year ended 31.03.12			4012.42		5302.52
Year ended 31.03.11			2802.71		4012.42



NOTE - 42: CONSUMPTION PARTICULARS OF RAW MATERIALS, STEEL COILS/SHEETS/ STORES/SPARE PARTS AND COMPONENTS

	Imported		Indigenous		Quantity	Total
	Value (₹ in Crore)	% to total consumption	Value (₹ in Crore)	% to total consumption	MTs (in Lakh)	(₹ in Crore)
March-12						
Crude Oil	1,75,865.49	88	22,987.80	12	544.29	198853.29
Base Oil	1.23	0	2,580.58	100	4.31	2581.81
Ethanol	0.00	0	487.39	100	1.10	487.39
BENZENE	0.00	0	15.75	100	0.08	15.75
Natural Gas/RLNG	0.00	0	1,259.06	100	3.85	1259.06
Additives	102.97	17	508.95	83	0.52	611.92
Packing Materials Consumed	0.00	0	380.70	100	-	380.70
Steel Coils / Sheets / Stores / Component and Spare Parts	390.80	28	986.16	72	0.07	1376.96
Raw Material for Explosives	21.92	19	91.58	81	0.57	113.50
Others	0.68	3	24.11	97	-	24.79
March-11						
Crude Oil	1,20,343.37	85	20,414.07	15	529.61	140757.44
Base Oil	4.35	0	1,946.59	100	4.32	1950.94
Ethanol	0.00	0	212.48	100	0.68	212.48
BENZENE	0.00	0	2.48	100	0.11	2.48
Natural Gas/RLNG	0.00	0	522.37	100	2.83	522.37
Additives	101.66	20	398.81	80	0.49	500.47
Packing Materials Consumed	0.00	0	324.91	100	-	324.91
Steel Coils / Sheets / Stores / Component and Spare Parts	178.65	15	1,012.53	85	0.08	1191.18
Raw Material for Explosives	35.56	35	65.62	65	0.58	101.18
Others	0.75	3	27.47	97	-	28.22

1. Consumption excludes value adjustments if any, shown under items pertaining to the prior period.
2. Indigenous Base Oil includes ₹ 1664.40 crore (2011: ₹ 1165.51 crore) which is internally produced.
3. Consumption excludes loss of base oil & additives due to fire at Taloja plant ₹ Nil crore (2011: ₹ 6.28 crore)

NOTE - 43: EXPENDITURE IN FOREIGN CURRENCY FOR ROYALTY, KNOW-HOW, PROFESSIONAL & CONSULTATION FEES, GOODS FOR RESALE, INTEREST, DIVIDEND & OTHER MATTERS

(₹ in Crore)

		March-12	March-11
1. Royalty		12.17	3.00
2. Professional, Consultation Fees and Technical Service Fees		313.31	884.25
3. Interest		362.44	270.48
4. Purchase of Products		20,885.46	19,564.62
5. Commodity Hedging		613.66	227.10
6. Others	A	6,616.34	3,711.52
TOTAL		28,803.38	24,660.97

- A. (i) Includes ₹ **6,100.65 crore** (2011 : ₹ 2,660.41 Crore) on account of crude purchases from Indian Companies, payments of which were made in foreign currency.
(ii) Includes dividend payment of ₹ **11,058** (2011 : ₹ 15,132) in foreign currency to **3** (2011 : 3) shareholders in respect of **1164** (2011 : 1164) shares for **2010-11** (2011: 2009-10)
- B. Expenditure in Foreign Currency has been considered on accrual basis.

NOTE - 44: EARNINGS IN FOREIGN EXCHANGE

(₹ in Crore)

		March-12	March-11
1. Exports	A	19,635.84	16,781.47
2. Income from Royalty		0.32	0.22
3. Income from Consultancy Services		4.52	2.96
4. Interest		-	-
5. Commodity Hedging		182.70	178.70
6. Others		5.36	4.20
TOTAL		19,828.74	16,967.55

- A. Includes ₹ **4,549.06 crore** (2011 : ₹ 2,677.44 crore) received in Indian Currency out of the repatriable funds of Foreign Customers and other Export Sales through canalising agencies.
- B. Earnings in Foreign Currency has been considered on accrual basis.

NOTE - 45: CIF VALUE OF IMPORTS

(₹ in Crore)

		March-12	March-11
1. Crude Oil	A	2,09,715.11	1,45,982.64
2. Base Oil		7.26	-
3. Additives		112.65	79.92
4. Capital Goods		1,274.52	231.05
5. Other Raw Materials		17.28	21.96
6. Revenue Stores, Component, Spare and Chemicals		551.75	448.25
TOTAL		2,11,678.57	1,46,763.82

- A. Includes CIF value of Imports made by the Corporation on behalf of Subsidiary Companies ₹ **36,391.84 crore** (2011 : ₹ 25,347.34 crore)
- B. Expenditure in Foreign Currency has been considered on accrual basis.



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NOTE - 46: PREVIOUS YEAR FIGURES

- A. The Financial Statements for the year ended 31st March, 2011 were prepared as per the then applicable Schedule VI to the Companies Act, 1956. Consequent to the Notification of Revised Schedule VI under the Companies Act, 1956, the Financial Statements for the year ended 31st March, 2012 have been prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified by the Company to conform to current year's classification.
- B. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of Financial Statements.
- C. Previous year's comparative figures have been regrouped wherever necessary. Figures in brackets indicate deductions.

Sd/-
(R. S. Butola)
Chairman

Sd/-
(P. K. Goyal)
Director (Finance)

Sd/-
(Raju Ranganathan)
Company Secretary

As per our attached Report of even date

For B.M. CHATRATH & CO.
Chartered Accountants
(Firm Regn. No. 301011E)

For DASS GUPTA & ASSOCIATES
Chartered Accountants
(Firm Regn. No. 000112N)

For PARAKH & CO.
Chartered Accountants
(Firm Regn. No.001475C)

Sd/-
(CA. P.R.Paul)
Partner
M. No. 051675

Sd/-
(CA. Naresh Kumar)
Partner
M. No. 082069

Sd/-
(CA. Aditya Kumar Rawat)
Partner
M. No. 071767

Place : New Delhi

Date : May 28, 2012