



ANNUAL REPORT 2008 - 09

2009

2007

2005

Golden steps towards energising India

2003

1981

1972

1964

1962

1959





Golden steps towards energising India

From an Indian oil marketing company to a transnational energy giant. The journey of IndianOil in the last 50 years has been dotted with milestone achievements, energising the country and doing it proud. The cover design creatively displays IndianOil's journey in the last 50 years and the next and beyond.



ANNUAL REPORT

contents



Indian Oil Corporation Limited

Registered Office: IndianOil Bhavan,
G-9, Ali Yavar Jung Marg,
Bandra (East), Mumbai - 400 051

In this Report, one lakh corresponds to 0.1 million
and one crore to ten million.

■ Notice	2
■ Attendance Card/Proxy Form	5
■ Vision and Values	9
■ Objectives and Obligations	11
■ Board of Directors	13
■ Core Team	14
■ Principal Executives	15
■ Main Offices & Major Units	17
■ Bankers, Auditors, Stock Exchanges and Registrar & Transfer Agents	17
■ Group Companies & Joint Ventures	19
■ Performance at a Glance	21
■ Chairman's Message	27
■ Directors' Reviews	
● Refineries	29
● Pipelines	31
● Marketing	33
● Research & Development	35
● Planning & Business Development	37
● Finance	39
● Human Resources	41
■ Directors' Report	45
■ Awards & Recognitions	55
■ Annexures to Directors' Report	56
■ Management Discussion & Analysis	67
■ Report on Corporate Governance	74
■ Annual Accounts	
● Auditors' Report	88
● Balance Sheet	92
● Profit & Loss Account	94
● Schedules	96
● Cash Flow Statement	138
■ Statement Pursuant to Section 212(1) e	140
■ Schedule of Fixed Assets (Township, etc.)	141
■ Income & Expenditure Account – Townships, etc.	142
■ Comments of the Comptroller and Auditor General of India	143
■ Particulars of Employees – Section 217(2A)	144
■ Consolidated Accounts	151
■ Summary of Financial Information of Subsidiary Companies	189

Notice

Indian Oil Corporation Limited

Regd.Office: IndianOil Bhavan,
G-9, Ali Yavar Jung Marg, Bandra (East), Mumbai-400 051

NOTICE

NOTICE is hereby given that the **50th Annual General Meeting** of the Members of **INDIAN OIL CORPORATION LIMITED** will be held at **Nehru Centre Auditorium, Dr. Annie Besant Road, Worli, Mumbai - 400 018** on **Monday, the 14th September, 2009** at **1030 hrs.** to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended March 31, 2009 and the Balance Sheet as on that date together with Reports of the Directors and the Auditors thereon.
2. To declare the dividend for the year 2008-09.
3. To appoint a Director in place of Shri B.N.Bankapur, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri S.Sundareshan, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint a Director in place of Shri Anand Kumar, who retires by rotation and being eligible, offers himself for reappointment.
6. To appoint a Director in place of Prof.(Dr.) Indira J.Parikh, who retires by rotation and being eligible, offers herself for reappointment.
7. To appoint a Director in place of Shri B.M.Bansal, who retires by rotation and being eligible, offers himself for reappointment.

Registered Office:

IndianOil Bhavan,
G-9, Ali Yavar Jung Marg,
Bandra (East),
Mumbai - 400 051.

20th July, 2009

By Order of the Board of Directors
For Indian Oil Corporation Limited



(RAJU RANGANATHAN)
Company Secretary

NOTES

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON A POLL INSTEAD OF HIMSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE VALID AND EFFECTIVE MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES ETC. MUST BE SUPPORTED BY APPROPRIATE RESOLUTIONS / LETTER OF AUTHORITY AS APPLICABLE.
- (b) Members / Proxies should bring the attendance slip duly filled and signed for attending the meeting.
- (c) The Register of Members and Share Transfer Books of the Company will remain closed from Friday, the 4th September, 2009 to Monday, the 14th September, 2009 (both days inclusive) for the purpose of ascertaining the eligibility for payment of dividend.
- (d) The dividend payable on Equity Shares, if approved by the members, will be paid to those members whose names appear on the Company's Register of members and as per beneficial owners position received from NSDL & CDSL as at the close of 3rd September, 2009.
- (e) Pursuant to the provisions of section 205(A) of the Companies Act, 1956, the Company has transferred all unpaid dividend declared upto the financial year 2000-2001 to Investor Education & Protection Fund (IEPF) set up by Central Government. The Company is in the process of transferring the unpaid dividend for the financial year 2001-02 in October, 2009. The dividend for the financial year 2002-03 and thereafter, which remains unpaid or unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund of the Central Government. The Shareholders who have not encashed their dividend warrants so far for the financial year 2002-03 to 2007-08 are requested to make their claims to the Registrar & Transfer Agent, M/s. Karvy Computershare Private Limited, Hyderabad or at the registered office of the Company. **It may also be noted that once the unclaimed dividend is transferred to the IEPF, Central Government, as above, no claim shall lie in respect thereof.**
Similarly, the dividend declared by erstwhile IBP Co.Ltd. and Bongaigaon Refinery & Petrochemicals Ltd. (since merged with IndianOil) for the financial years 2002-03 to 2007-08 remaining unpaid will be transferred to IEPF on expiry of 7 year period. The Shareholders of erstwhile IBP Co.Ltd and Bongaigaon Refinery & Petrochemicals Ltd. who have not encashed their dividend warrants so far are requested to make their claims to the Registrar & Transfer Agents, M/s.Karvy Computershare Private Limited, Hyderabad or at the registered office of the Company.
- (f) Members are requested to bring their copy of Annual Report to the Meeting.



- (g) Shareholders holding shares in electronic form may kindly note that their Address and Bank Account details as furnished by their Depositories to the Company will be printed on their Dividend Warrants as per the applicable regulations of the Depositories. The Company cannot entertain any direct request from such shareholders for change in Address/Bank Details. The shareholders who wish to change their Address/Bank Account details are therefore requested to advise their Depository Participants about such change.
- (h) Shareholders holding shares in physical form are requested to advise about any change of address/Bank Account Number to the Company or its Registrar.
- (i) As per the provisions of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them. In case of shares held in physical form, nomination form can be obtained from the registered office of the Company or from its Registrar & Transfer Agent, M/s.Karvy Computershare Private Limited. The shareholders holding shares in demat form may contact their Depository Participant for nomination.

Pursuant to the requirements of Corporate Governance, a brief resume of Directors, who are retiring and are eligible for reappointment, is given below:

Item Nos.

- (3) Shri B.N.Bankapur, aged 58 years and presently Director(Refineries) is a Chemical Engineer from the University of Mysore. Shri Bankapur has over three decades of rich and varied experience in the oil industry and has handled various portfolios in different refineries. He has been closely involved in the strategic planning and growth of IndianOil through capacity enhancement, value addition and diversification projects. Besides introduction of the new state-of-the-art technologies, he also led the commissioning of those technologies in IndianOil refineries.

Details of other Directorships:

Name of the Company	Position held
Engineers India Limited	Director
IOT Infrastructure & Energy Services Ltd.	Director

Membership/Chairmanship in the Committees of other companies:

Name of the Committee	Position held
Audit Committee of Engineers India Limited	Member
No. of Shares held in the Company:	900
Relationship between directors inter-se:	NIL

- (4) Shri S.Sundareshan, aged 57 years, is a Post Graduate in Business Administration and Political Science and an IAS Officer of Kerala cadre. Before joining Petroleum Ministry as Additional Secretary, he was Chairman of Forward Markets Commission under the Ministry of Consumer Affairs, Food and Public Distribution. He has handled various key assignments in the Ministry of Commerce & Industry, Finance and has also served in the Indian Embassy in Japan.

Details of other Directorships:

Name of the Company	Position held
ONGC Limited.	Director
GAIL (India) Ltd.	Director
Indian Strategic Petroleum Reserves Ltd.	Director

Membership/Chairmanship in the Committees of other companies:

No. of Shares held in the Company:	NIL
Relationship between directors inter-se:	NIL

- (5) Shri Anand Kumar, aged 59 years and presently Director(Research & Development) is a Chemical Engineer from B.I.T., Sindri. He joined IndianOil in 1974 and worked on the modernisation of refinery units at Guwahati, Mathura and Barauni. He has varied experience covering all aspects of oil refining business. He was a founding member of the Centre for High Technology and was also Advisor (Planning & Economics) to the Port Harcourt Refinery of Nigeria. He has also headed the IndianOil Institute of Petroleum Management.

Details of other Directorships:

Name of the Company	Position held
Lubrizol India Pvt. Ltd.	Director
IndianOil Technologies Ltd.	Part-time Chairman

Membership/Chairmanship in the Committees of other Companies:

No. of Shares held in the Company:	500
Relationship between directors inter-se:	NIL

- (6) Prof.(Dr.) Indira J. Parikh aged 66 years, is a Post Graduate from the University of Rochester, USA and a Ph.D. from Gujarat University. She has over 30 years of rich academic experience in Organisational Behaviour & Management in IIM Ahmedabad. She is also a visiting Professor in various Management Institutes in India and abroad. She has been consultant to various corporates on management programmes and has handled international assignments. She is also credited with publication of management books, papers, articles etc. She is also the President of the Foundation for Liberal & Management Education in Pune.

Details of other Directorships:

Name of the Company	Position held
Aster Tele Services Ltd.	Director
Anil Products Ltd.	Director
Sintex Industries Ltd.	Director
STI India Ltd.	Director
Mahindra Gujarat Tractor Ltd.	Director
Membership/Chairmanship in the Committees of other Companies:	NIL
No. of Shares held in the Company:	NIL
Relationship between directors inter-se:	NIL

- (7) Shri B.M.Bansal, aged 58 years, presently Director(Planning & Business Development) is a B-Tech in Chemical Engineering from IIT, Delhi with a Post Graduate Diploma in Process Plant Engineering. He has a rich and varied experience of over three decades in the oil industry and has handled various assignments covering important portfolios of Refinery Management, Planning & Co-ordination, Technical Services and Business Development. He has travelled widely and has presented several papers on Refining, LNG and Petrochemicals in international seminars, both in India and abroad.

Details of other Directorships:

Name of the Company	Position held
Green Gas Limited	Part-time Chairman
Membership/Chairmanship in the Committees of other Companies:	NIL
No. of Shares held in the Company:	550
Relationship between directors inter-se:	NIL

Registered Office:

IndianOil Bhavan,
G-9, Ali Yavar Jung Marg,
Bandra (East),
Mumbai - 400 051.

20th July, 2009

By Order of the Board of Directors
For Indian Oil Corporation Limited



(RAJU RANGANATHAN)
Company Secretary



Indian Oil Corporation Limited

IndianOil Bhavan, G-9, Ali Yavar Jung Marg, Bandra (East), Mumbai - 400 051

ATTENDANCE CARD

Client ID No./Folio No.	No. of Shares held

I/We hereby record my/our presence at the **50th Annual General Meeting** of the Company on **Monday, the 14th September, 2009** at **1030 hrs. at Nehru Centre Auditorium, Dr. Annie Besant Road, Worli, Mumbai-400 018.**

Name of the Shareholder _____

Signature of the Shareholder _____

Name of the Proxy _____

Signature of the Proxy _____

NOTES

1. You are requested to sign and hand this over at the entrance of the meeting hall.
2. If you are attending the meeting in person or by proxy, your copy of the Annual Report may please be brought by you/your proxy for reference at the meeting.

----- TEAR HERE -----



Indian Oil Corporation Limited

IndianOil Bhavan, G-9, Ali Yavar Jung Marg, Bandra (East), Mumbai - 400 051

FORM OF PROXY

Client ID No./Folio No.	No. of Shares held

I/We of in the district of being a member/members of the Company hereby appoint..... of in the district of or failing him/her, of in the district of as my/our proxy to attend & vote for me/us on my/our behalf at the **50th Annual General Meeting** of the Company to be held at **1030 hrs. on Monday the 14th September, 2009** at **Nehru Centre Auditorium, Dr. Annie Besant Road, Worli, Mumbai-400 018** and at any adjournment(s) thereof.

Please Affix Revenue Stamp

Signed this day of 2009.

Signature

NOTE: This Proxy Form duly filled in must be deposited at the Registered Office of the Company at IndianOil Bhavan, G-9, Ali Yavar Jung Marg, Bandra (East), Mumbai - 400 051 not less than 48 hours before the commencement of meeting.



Hon'ble President of India, Smt. Pratibha Devisingh Patil, releasing the commemorative postage stamp of IndianOil at the inaugural function of IndianOil's Golden Jubilee celebrations at Vigyan Bhavan. (Inset) the commemorative postage stamp.





Pt. Jawaharlal Nehru at the inauguration of Guwahati Refinery

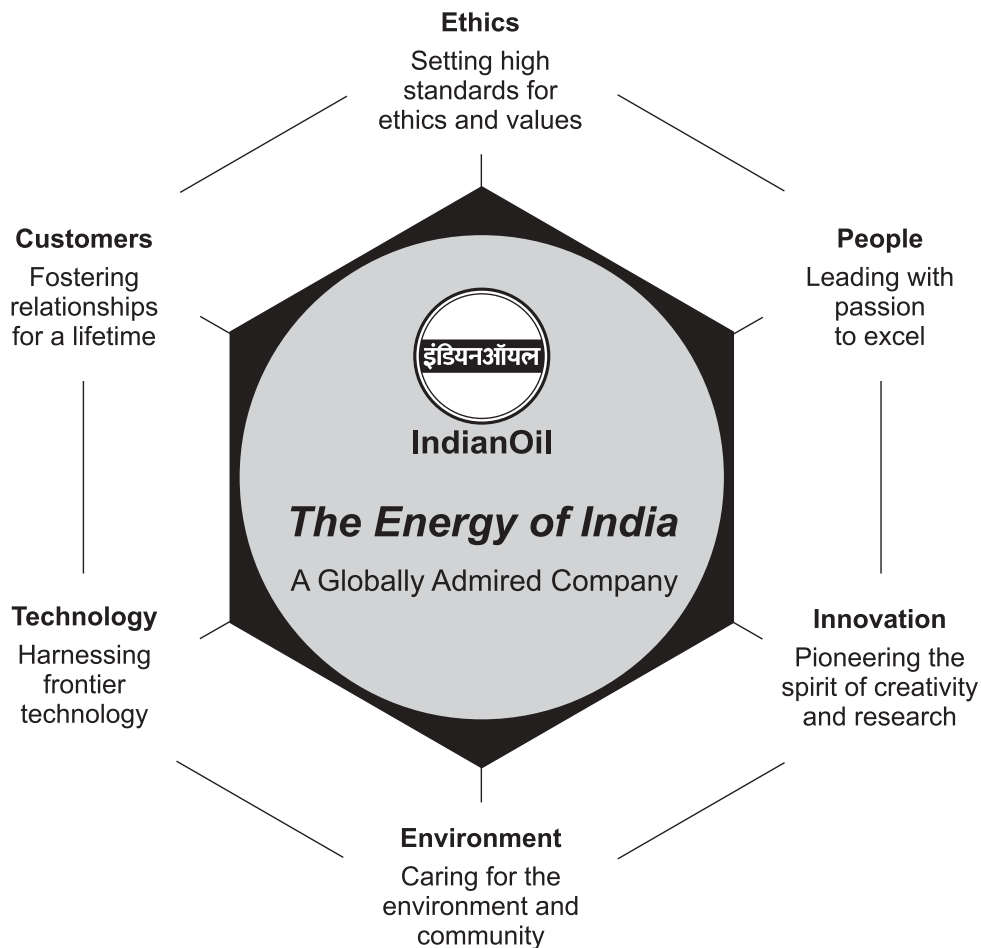
Pt. Nehru foresaw “...Oil is of vast importance in the world today and a country that does not have its own oil is in a weak position...”

vision re-visited

With a dream to explore new vistas and emerge as a global entity, riding on the wave of deregulation, IndianOil coined its first vision statement in the year 1999. Since then, the business landscape in the country has changed. During the year, a need was perceived to re-visit the vision statement and chart new targets to invigorate IndianOil. The process of re-visiting the vision captured the collective

aspirations of the IndianOilPeople as well as other stakeholders so as to create a 'Shared Vision' rather than 'Vision Shared'. The resultant new vision is a matrix of six cornerstone elements and is designed to serve as the bedrock of IndianOil's future growth and transformation into a globally admired company.

VISION



VALUES

Care • Innovation • Passion • Trust

50th

ANNUAL REPORT

2008-09



IndianOil's Ladakh Filling Station at Leh

The indomitable IndianOil spirit of service and legendary never-say-die attitude has always been in full and vibrant display.

objectives and obligations

Objectives

To serve the national interests in oil and related sectors in accordance and consistent with Government policies.

To ensure maintenance of continuous and smooth supplies of petroleum products by way of crude oil refining, transportation and marketing activities and to provide appropriate assistance to consumers to conserve and use petroleum products efficiently.

To enhance the country's self-sufficiency in crude oil refining and build expertise in laying of crude oil and petroleum product pipelines.

To further enhance marketing infrastructure and reseller network for providing assured service to customers throughout the country.

To create a strong research & development base in refinery processes, product formulations, pipeline transportation and alternative fuels with a view to minimising/eliminating imports and to have next generation products.

To optimise utilisation of refining capacity and maximise distillate yield and gross refining margin.

To maximise utilisation of the existing facilities for improving efficiency and increasing productivity.

To minimise fuel consumption and hydrocarbon loss in refineries and stock loss in marketing operations to effect energy conservation.

To earn a reasonable rate of return on investment.

To avail of all viable opportunities, both national and global, arising out of the Government of India's policy of liberalisation and reforms.

To achieve higher growth through mergers, acquisitions, integration and diversification by harnessing new business opportunities in oil exploration & production, petrochemicals, natural gas and downstream opportunities overseas.

To inculcate strong 'core values' among the employees and continuously update skill sets for full exploitation of the new business opportunities.

To develop operational synergies with subsidiaries and joint ventures and continuously engage across the hydrocarbon value chain for the benefit of society at large.

Obligations

Towards customers and dealers

To provide prompt, courteous and efficient service and quality products at competitive prices.

Towards suppliers

To ensure prompt dealings with integrity, impartiality and courtesy and help promote ancillary industries.

Towards employees

To develop their capabilities and facilitate their advancement through appropriate training and career planning.

To have fair dealings with recognised representatives of employees in pursuance of healthy industrial relations practices and sound personnel policies.

Towards community

To develop techno-economically viable and environment-friendly products.

To maintain the highest standards in respect of safety, environment protection and occupational health at all production units.

Towards Defence Services

To maintain adequate supplies to Defence and other para-military services during normal as well as emergency situations.

Financial Objectives

To ensure adequate return on the capital employed and maintain a reasonable annual dividend on equity capital.

To ensure maximum economy in expenditure.

To manage and operate all facilities in an efficient manner so as to generate adequate internal resources to meet revenue cost and requirements for project investment, without budgetary support.

To develop long-term corporate plans to provide for adequate growth of the Corporation's business.

To reduce the cost of production of petroleum products by means of systematic cost control measures and thereby sustain market leadership through cost-competitiveness.

To complete all planned projects within the scheduled time and approved cost.



Ladakh Filling Station at Leh, as it looks now - IndianOil serves the people even in the remotest corner of the country.



Front row left to right: Shri Michael Bastian, Shri S. Sundareshan, Dr. (Smt.) Indu Shahani, Shri S. Behuria, Shri P.K. Sinha, Prof. (Dr.) Indira J. Parikh, Shri N.K. Poddar and Shri Anees Noorani, Back row left to right: Shri S. V. Narasimhan, Shri V.C. Agrawal, Shri B.M. Bansal, Prof. Gautam Barua, Shri G. C. Daga, Shri P.K. Chakraborti, Shri B. N. Bankapur and Shri Anand Kumar

board of directors

Sarthak Behuria
Chairman

Brij Mohan Bansal
Director (Planning & Business Development)

Serangulam Varadarajan Narasimhan
Director (Finance)

Vishan Chandra Agrawal
Director (Human Resources)

Gyan Chand Daga
Director (Marketing)

Basavaraj Ningappa Bankapur
Director (Refineries)

Anand Kumar
Director (Research & Development)

Pranab Kumar Chakraborti
Director (Pipelines)

Sthanunathan Sundareshan
Director

Pradeep Kumar Sinha
Director

Indira J. Parikh, Prof. (Dr.)
Director

Anees Noorani
Director

Indu Shahani, Dr. (Smt.)
Director

Gautam Barua Prof.
Director

Michael Bastian
Director

Nirmal Kumar Poddar
Director

Raju Ranganathan
Company Secretary



The then Chairman Shri P.A. Gopalkrishnan signing the supplemental agreement with the Soviet Union for importing petroleum products.

the **core** team



*(Front row left to right) Shri G. C. Daga, Shri B.M. Bansal, Shri S. Behuria,
Shri S. V. Narasimhan, Shri V. C. Agrawal.
(Back row left to right) Shri B. N. Bankapur, Shri P. K. Chakraborti and Shri Anand Kumar.*

principal executives

D K Samantaray

Chief Vigilance Officer

Vipin Kumar

Advisor (Security)

C Dasgupta

Executive Director (Gas)

V P Sharma

Executive Director (Internal Audit)

S S Soni

Executive Director (Information Systems)

P K Goyal

Executive Director (Finance), Refineries

V K Sood

Executive Director (Corporate Finance)

S C Jain

Executive Director (Finance-Business Development)

J P Guharay

Executive Director, Mathura Refinery

R Narayanan

Executive Director (Corporate Affairs)

A K Guha

Executive Director (Business Development - R&PL)

K K Gupta

Executive Director, IndianOil Institute of Petroleum Management

T Vasudevan

Executive Director (Finance), Pipelines

Gautam Dutta

Executive Director (Finance), Marketing

S K Garg

Executive Director, Barauni Refinery

A K Roy

Executive Director, Haldia Refinery

Thomas Antony

Executive Director (Human Resources Development)

K K Jha

Executive Director (Projects), Pipelines

A M K Sinha

Executive Director (Corporate Planning & Economic Studies)

A K Rauniar

Executive Director (Human Resources), Pipelines

K G Gupta

Executive Director (Safety, Health & Environment)

Satish Kumar

Executive Director (Human Resources)

G Bhanumurthy

Executive Director, Guwahati Refinery

R K Puri

Executive Director (Coordination), Marketing

D Lilly (Ms.)

Executive Director (Pricing & Taxation)

H V Singh

Executive Director (Projects-PDRP), Refineries

V S Okhde

Executive Director (Exploration & Production)

R K Ghosh

Executive Director, Incharge-Panipat Refinery

N K Bansal

Executive Director (Shipping), Refineries

N K Khosla

Executive Director (Projects - PNCP), Refineries

Sudhir Bhalla

Executive Director (Human Resources), Refineries

Gautam Datta

Executive Director (Human Resources), Marketing

R K Malhotra (Dr)

Executive Director, R&D

Amitava Chatterjee

Executive Director (Lubes), Marketing

R Sareen

Executive Director (Aviation), Marketing

M Nene

Executive Director (Supplies), Marketing

Mrinal Roy

Executive Director (LPG), Marketing

A S Ujwal

Executive Director (International Trade)

S Ramasamy

Executive Director (Information Systems)

N Srikumar

Executive Director (Corporate Communications, Branding & Planning), Marketing

Anil Tandon

Executive Director (Operations), Pipelines

A S Basu

Executive Director, Gujarat Refinery

S K Gupta

Executive Director (Consumer Sales), Marketing

V K Jeychandran

Executive Director, Gujarat State Office

Satwant Singh

Executive Director (Engineering & Projects), Marketing

M Ramana

Executive Director, Andhra Pradesh State Office

D Sen

Executive Director, West Bengal State Office

S C Meshram

Executive Director (Petrochemicals)

S K Roy

Executive Director (Cryogenics), IBP Division

R S Solanki

Executive Director (CEO, IndianOil Foundation)

Jai Gopal

Executive Director, Anti Adulteration Cell

V Ramaswamy

Executive Director (Finance), IBP Division

A Panda

Executive Director (Safety & Environment), Refineries

C S Das

Executive Director (Maintenance & Inspection), Refineries

Prithviraj Sur

Executive Director (Operations), Refineries

Deepak Pandya

Executive Director, Maharashtra State Office

DSL Prasad

Executive Director, Tamil Nadu State Office

E Unnikrishnan

Executive Director (Pricing), Marketing

S K Sinha

Executive Director, Western Region Pipelines

U L Dohare

Executive Director (Projects), Refineries

S N Choudhary

Executive Director (Projects-PNCP), Panipat

Subrato Ghosh

Executive Director, Assam Oil Division

H S Bedi

Executive Director (Retail Sales), Marketing

A Saran

Executive Director, Bongaigaon Refinery



Major General Sarda Nand Singh (Retd.), Director-in-charge, Gujarat Refinery, approving a test-run report.

50th

ANNUAL REPORT

2008-09



IndianOil's first refinery at Guwahati

A journey towards excellence.

main offices & major units

Registered Office

IndianOil Bhavan,
G-9, Ali Yavar Jung Marg,
Bandra (East), Mumbai - 400 051

Corporate Office

3079/3, Sadiq Nagar,
J.B. Tito Marg,
New Delhi - 110 049

Refineries Division

Head Office

SCOPE Complex, Core-2,
7, Institutional Area, Lodhi Road,
New Delhi - 110 003

Barauni Refinery

P.O. Barauni Refinery,
Dist. Begusarai - 861 114 (Bihar)

Gujarat Refinery

P.O. Jawahar Nagar,
Dist. Vadodara - 391 320 (Gujarat)

Guwahati Refinery

P.O. Noonmati,
Guwahati - 781 020 (Assam)

Haldia Refinery

P.O. Haldia Refinery,
Dist. Midnapur - 721 606 (West Bengal)

Mathura Refinery

P.O. Mathura Refinery,
Mathura - 281 005 (Uttar Pradesh)

Panipat Refinery

P.O. Panipat Refinery,
Panipat - 132 140 (Haryana)

Bongaigaon Refinery

P.O. Dhaligaon 783 385
Dist. Chirang (Assam)

Pipelines Division

Head Office

A-1, Udyog Marg,
Sector-1, NOIDA - 201 301
(Uttar Pradesh)

Northern Region

P.O. Panipat Refinery,
Panipat - 132 140
(Haryana)

Eastern Region

14, Lee Road,
Kolkata - 700 020

Western Region

P.O. Box 1007, Bedipara,
Morvi Road, Gauridad,
Rajkot - 360 003 (Gujarat)

Southern Region

IndianOil Bhavan,
139, Nungambakkam High Road,
Chennai - 600 034

Marketing Division

Head Office

IndianOil Bhavan,
G-9, Ali Yavar Jung Marg,
Bandra (East), Mumbai - 400 051

Northern Region

IndianOil Bhavan,
1, Aurobindo Marg, Yusuf Sarai,
New Delhi - 110 016

Eastern Region

IndianOil Bhavan,
2, Gariahat Road (South), Dhakuria,
Kolkata - 700 068

Western Region

254-C, Dr. Annie Besant Road,
Worli Colony, Mumbai - 400 030

Southern Region

IndianOil Bhavan,
139, Nungambakkam High Road,
Chennai - 600 034

R&D Centre

Sector 13, Faridabad - 121 007 (Haryana)

Assam Oil Division

P.O. Digboi - 768 171 (Assam)

IBP Division

34 A, Nirmal Chandra Street
Kolkata - 700 013

bankers, auditors, stock exchanges and registrar & transfer agents

Bankers

State Bank of India
HDFC Bank Ltd.
United Bank of India

Statutory Auditors

M/s. K K S & Co., Kolkata.
M/s. M.M. Nissim and Co., Mumbai.
M/s. V.K. Dhingra & Co., New Delhi.

Branch Auditors

M/s. Shah Merchant & Associates, Ahmedabad
M/s. Price Patt & Co., Chennai
M/s. Saha Ganguli & Associates, Kolkata
M/s. Nandy Halder & Ganguli, Kolkata
M/s. M Choudhury & Co., Kolkata
M/s. Wahi & Gupta, New Delhi
M/s. S. Mohan & Co., New Delhi.

Cost Auditors

M/s. L.Narayan & Co., Delhi.
M/s. Bandyopadhyaya Bhaumik & Co., Kolkata.
M/s. V.J.Talati & Co., Kalyan (Dist. Thane).
Shri A.Madhavan, Chennai.
M/s. DGM & Associates, Kolkata.
M/s. Narasimha Murthy & Co., Hyderabad.
M/s. Shome & Banerjee, Kolkata.
M/s. K.G.Goyal & Associates, New Delhi.

Stock Exchanges

Bombay Stock Exchange Ltd. (BSE)

P.J. Towers, Dalal Street,
Mumbai - 400 001.

National Stock Exchange of India Ltd. (NSE)

Exchange Plaza,
Bandra-Kurla Complex, Bandra (E),
Mumbai - 400 051.

It is confirmed that the Annual Listing Fee has been paid to each of the above stock exchanges.

Registrar & Transfer Agents

M/s. Karvy Computershare Pvt. Ltd.
Plot No. 17 - 24, Vittal Rao Nagar,
Madhapur,
Hyderabad - 500 081
Tel.: 040-23420815 - 828
Fax: 040-23420814



Corporate Office at New Delhi - IndianOilPeople strive to grow and extend the organisational reach across the country and serve their countrymen.

50th

ANNUAL REPORT

2008-09



An installation of IndianOil (Mauritius) Ltd. at Mer Rouge

Evolving into a major diversified, transnational integrated energy company.

group companies

Name	Business
Chennai Petroleum Corporation Limited	Refining of petroleum products
IndianOil (Mauritius) Ltd.	Terminalling, Retailing & Aviation refueling
Lanka IOC PLC.	Retailing, Terminalling & Bunkering
IOC Middle East FZE	Lube blending & marketing of petroleum products
IndianOil Technologies Ltd.	Marketing of intellectual property
IndianOil - CREDA Biofuels Limited	Plantation of Jatropha and extraction of oil for Bio-diesels

joint ventures

Name	Business	Partners
Avi-Oil India Pvt. Ltd.	Speciality lubricants.	NYCO SA, France, and Balmer Lawrie & Co. Ltd.
Green Gas Ltd.	City gas distribution	GAIL (India) Ltd.
Indo Cat Pvt. Ltd.	FCC Catalyst/additive	Intercat, USA
IOT Infrastructure Energy Services Ltd.	Terminalling services	Oiltanking GmbH, Germany.
IndianOil Petronas Pvt. Ltd.	Terminalling services and parallel marketing of LPG	Petronas, Malaysia.
IndianOil Skytanking Ltd.	Aviation fuel facility projects.	IOT Infrastructure Energy Services Ltd ., Skytanking GmbH, Germany.
Lubrizol India Pvt. Ltd.	Lube Additives	Lubrizol Inc., USA
Petronet LNG Ltd.	LNG Imports/distribution	BPCL, ONGC, GAIL, Gaz de France, ADB.
Petronet India Ltd.	Petroleum product pipeline projects through special purpose vehicles.	BPCL, HPCL, RPL, IL&FS, ICICI, SBI, EOL.
Petronet VK Ltd.	Construct and operate a pipeline for transportation of petroleum products from Vadinar to Kandla.	PIL, RPL, EOL, SBI, KPT, GIC, IL&FS, CB.
Suntera Nigeria 205 Limited	Oil exploration activities.	Oil India Ltd., Suntera Resources Ltd.



Conquering one bastion after another...shaping history - a Lanka IOC retail outlet.

BPCL - Bharat Petroleum Corporation Ltd., HPCL - Hindustan Petroleum Corporation Ltd., ONGC - Oil and Natural Gas Corporation Ltd., GAIL - GAIL (India) Ltd., RPL - Reliance Petroleum Ltd., IL&FS - Infrastructure Leasing & Financial Services Ltd., ICICI - ICICI Bank, SBI - State Bank of India, EOL - Essar Oil Ltd., PIL - Petronet India Ltd., KPT - Kandla Port Trust, GIIC - Gujarat Industrial Investment Corporation Ltd., CB - Canara Bank.



History comes alive - the first oil well in the country

IndianOil has played a major role in driving the fundamentals of a resurgent India.

performance at a glance

	2008-09 (US \$ Million)	2007-08	2008-09	2007-08	2006-07	2005-06	2004-05
			(Rs. in Crore)				
I FINANCIAL							
Turnover (Inclusive of Excise Duty)	62,030	61,480	285,337	247,457	220,779	183,172	150,729
Gross Profit *	2,461	3,561	11,319	14,334	14,622	9,931	8,722
Profit Before Interest & Tax	1,800	2,888	8,281	11,626	11,990	7,728	6,538
Profit Before Tax	941	2,504	4,329	10,080	10,485	6,706	5,955
Profit After Tax	641	1,730	2,950	6,963	7,499	4,915	4,891
Dividend	198	163	910	656	2,251	1,460	1,694
Dividend Tax	34	19	155	76	362	205	237
Retained Earnings	409	1,548	1,885	6,231	4,886	3,250	2,960
Value Added	6,853	6,128	31,525	24,667	24,716	17,132	16,611
Contribution To Central Exchequer (incl. Dividend paid to Central Govt.)	5,628	8,509	25,891	34,249	28,431	24,449	22,148
Cumulative Dividend	3,352	3,605	15,419	14,509	13,853	11,602	10,142
* Profit Before Depreciation, Interest Expenditure and Tax.							
What Corporation Owns							
Gross Fixed Assets	12,292	14,169	62,345	56,832	54,837	43,695	39,869
Depreciation & Amortisation	5,435	5,999	27,567	24,060	21,467	18,672	16,488
Net Fixed Assets	6,857	8,171	34,778	32,772	33,370	25,023	23,381
Capital Work In Progress	3,586	2,286	18,186	9,170	4,395	9,646	8,734
Investments	6,358	5,372	32,250	21,546	19,998	14,526	5,705
Finance Lease Receivables	4	8	20	31	49	71	95
Working Capital	1,809	4,575	9,177	18,350	9,351	10,806	9,662
Misc. Expenditure	7	31	38	125	157	58	33
Total	18,621	20,443	94,449	81,994	67,320	60,130	47,610
What Corporation Owes							
- Share Capital	235	297	1,192	1,192	1,168	1,168	1,168
- Share Suspense Account	4	-	22	-	24	-	-
- Reserves	8,435	9,946	42,784	39,894	33,665	28,135	24,817
Total Net Worth	8,674	10,243	43,998	41,086	34,857	29,303	25,985
Borrowings	8,867	8,857	44,972	35,523	27,083	26,404	17,320
Deferred Tax Liability	1,079	1,343	5,474	5,385	5,380	4,423	4,305
Foreign Currency Monetary Item Translation Difference Account	1	-	5	-	-	-	-
Total	18,621	20,443	94,449	81,994	67,320	60,130	47,610



Committed to continue the march, whatever be the challenges.

Note: Figures for the previous year have been regrouped, wherever necessary.

50th

ANNUAL REPORT
2008-09



IndianOil Aviation Service

Soaring performance on operational indices.

performance at a glance (contd...)

	2008-09 (US \$ Million)	2007-08	2008-09 (Rupees)	2007-08	2006-07	2005-06	2004-05
Ratios							
Debt Equity Ratio							
- Total Debt To Equity	1.02:1	0.86:1	1.02:1	0.86:1	0.78:1	0.90:1	0.67:1
- Long Term Debt To Equity	0.36:1	0.28:1	0.36:1	0.28:1	0.31:1	0.39:1	0.27:1
Earnings Per Share	0.53	1.45	24.30	58.39	62.90	42.08	41.88
Cash Earnings Per Share	1.07	2.01	49.32	81.10	84.97	60.94	60.57
Profit After Tax To Average Networth (%)	6.93	18.34	6.93	18.34	23.38	17.78	19.95
Networth Per Equity Share	7.15	8.59	362.43	344.58	292.34	250.88	222.47

Note: Exchange rate used:-

For 2008-09 Average Rate 1 US \$ = Rs.46.00 and Closing Rate 1 US \$ = Rs.50.72 as on 31.03.2009

For 2007-08 Average Rate 1 US \$ = Rs.40.25 and Closing Rate 1 US \$ = Rs.40.11 as on 31.03.2008

II OPERATIONS

Million Metric Tonnes (MMT)

	2008-09	2007-08	2006-07	2005-06	2004-05
Operating Performance					
Product Sales					
Domestic					
- Petroleum Products	60.887	57.548	53.363	46.217	48.166
- Gas	1.666	1.737	1.482	1.297	0.694
Total Domestic	62.553	59.285	54.845	47.514	48.860
Export	3.613	3.331	3.131	2.089	1.956
Total	66.166	62.616	57.976	49.603	50.816
Refineries Throughput	51.367	47.401	44.002	38.519	36.630
Pipelines Throughput	59.627	57.121	51.693	45.348	43.030

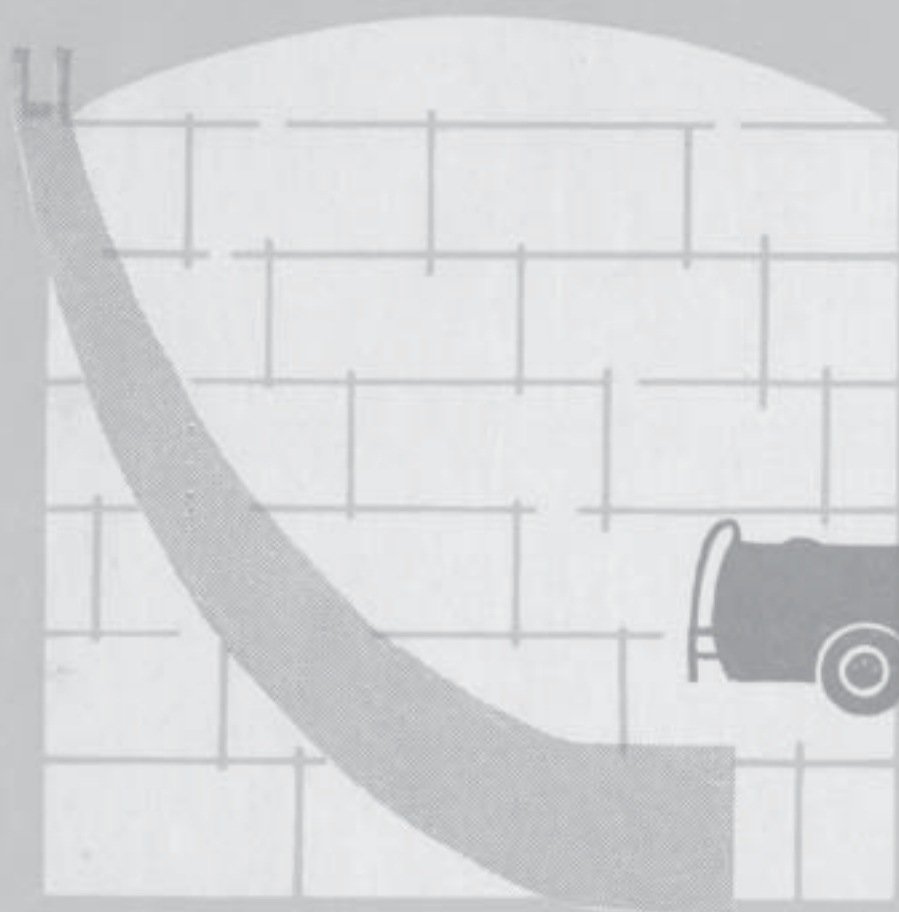
III MANPOWER

Nos. 33,998 ** 31,945 29,862 30,048 30,430

** Includes employees of erstwhile Bongaigaon Refinery & Petrochemicals Ltd. (BRPL) merged with IndianOil w.e.f. 25th March, 2009.



A unique concept 'SERVOXPRESS' for customer delight
- Service to customer is our major commitment.



1st Annual Report

1959-1960

2009

2007

(From April 1959 To March 1960)

2005

INDIAN OIL COMPANY LIMITED

2003

1995

1987

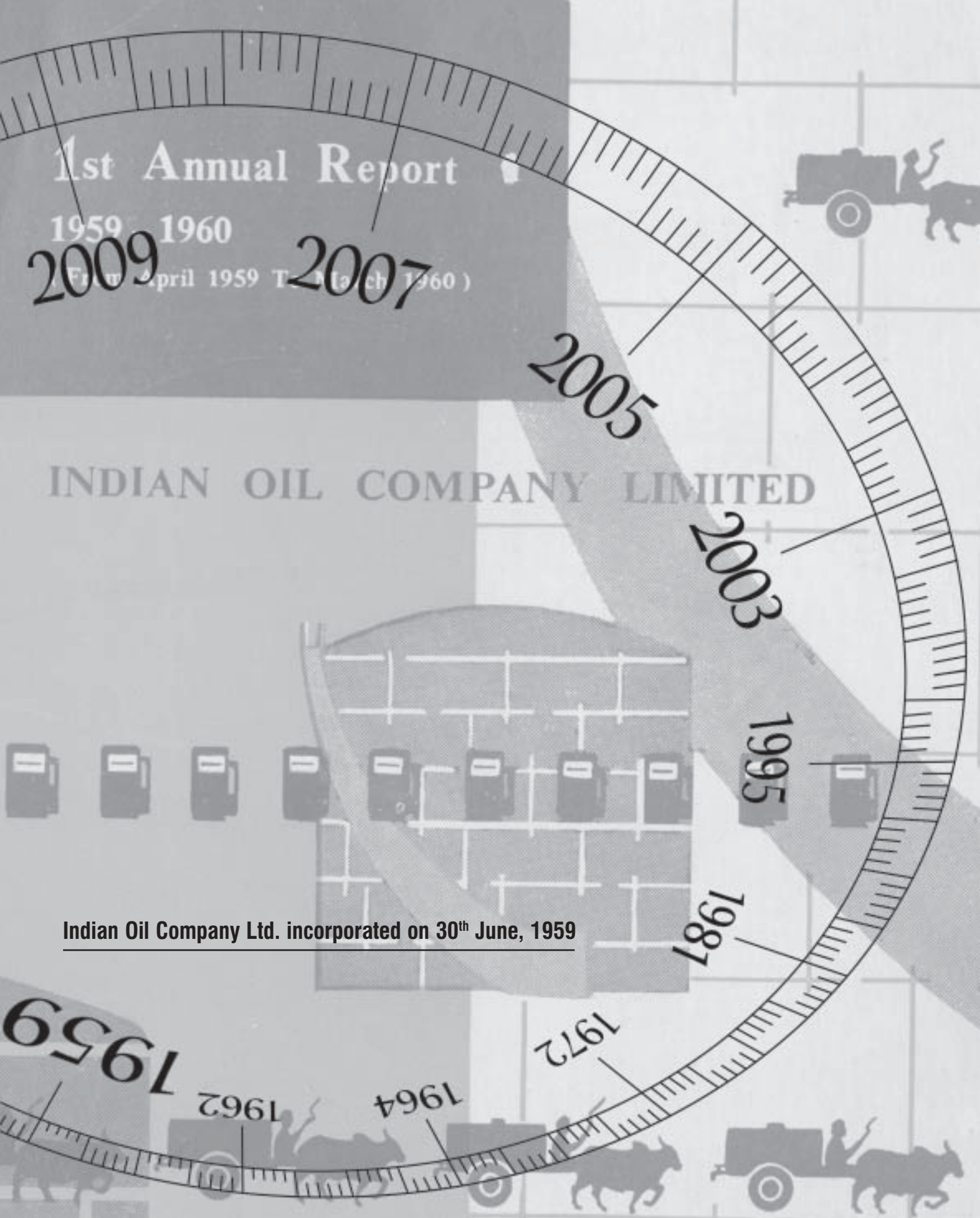
1972

1964

1962

1959

Indian Oil Company Ltd. incorporated on 30th June, 1959



50th

ANNUAL REPORT

2008-09



Reaching out to the people through varied modes of transport

Serving national interest in oil and related sectors.

chairman's message

It is indeed remarkable to see IndianOil transforming from a fledgling oil refining and marketing entity into India's leading *Fortune* 'Global 500' company in the last 50 years. We have come a long way - in terms of not only size & scale of operations but also the repository of learning and skills accumulated within the organisation.

Nothing can better encapsulate the expanse, reach and depth of IndianOil than the words - "IndianOil in every heart, in every part." In the 50 golden years of existence (1959-2009), IndianOil has grown manifold - from a paltry share capital to over Rs. 1200 crore now, a refining capacity of 0.7 million tonnes per annum to over 60 million tonnes, and a dominant presence in all parts of the country. Rapidly growing infrastructure changed skylines as time flew and IndianOil's business spread countrywide. Clocking profits, year after year, IndianOil also attained the status of a Navratna PSU.

The extent of India's expectations and IndianOil's commitment to fulfill them can be gauged from what Shri K D Malaviya, the then Minister for Mines and Fuel had to say while addressing the employees of Indian Oil Company in June 1963, "...to remind the employees of Indian Oil Company that the nation has a greater stake in their activities and that they are not just another set of employees in any other commercial venture..."

At the turn of the century, having consolidated its strengths in refining, marketing and transportation of petroleum products through pipelines, IndianOil envisioned to evolve into 'a major, diversified,

transnational, integrated energy company'. Aspirations met with success as IndianOil strengthened its presence in exploration & production of Oil, Petrochemicals and Natural Gas in addition to globalising the marketing operations. With commitment to sustainable development, IndianOil is now, also engaged in widening its portfolio of energy offerings by developing renewable sources such as wind, solar, hydrogen and bio-fuels.

In striving to serve the nation for the last 50 years, IndianOil has evolved into India's flagship Oil & Gas Company.

I can say with pride that the driving force behind this stupendous rise has been the passionate urge of IndianOilPeople to grow and extend the organisational reach across the country and serve their countrymen. The Corporation's business strategy found its most eloquent expression in the willingness and ability of IndianOilPeople to quickly learn the ropes and outmanoeuvre competition. In the process, the IndianOilPeople have been shaping history. They have conquered one bastion after another - from launching aviation fuelling service, selling LPG, building & operating refineries and petroleum pipelines, to commanding the molecules to do their bidding in R&D.

In building this Corporation brick-by-brick, the indomitable IndianOil spirit of service and the legendary never-say-die attitude has been in full and vibrant display.

As a leader in the business of bringing energy to life, IndianOil has played a major role in driving the



Sarthak Behuria
Chairman

fundamentals of a resurgent India.

During the year 2008-09 too, IndianOil continued with its success story. It was a landmark year in terms of an unprecedented turnover of Rs. 2,85,337 crore and a sterling physical performance. In addition to surpassing 100% refinery capacity utilisation & clocking the highest ever crude oil throughput, breaching the 10,000 kilometre mark in pipeline length, and selling over 66 million tonnes of petroleum products, the Corporation expanded its footprint in exploration & production, petrochemicals, natural gas and bio-fuels. The soaring performance on operational indices, however, was not quite reflected in the annual profits which, at Rs. 2950 crore, mirrored the broad contours of the phenomenal volatility in the petroleum markets worldwide.

When we introspect and look back at our journey of the last five decades, it is indeed a memorable experience to have received unrelenting support and patronage from all our stakeholders - customers, employees, suppliers & contractors as well as the Government authorities. For decades, the ubiquitous IndianOil logo has been a welcoming sign for motorists, homemakers, farmers, as well as industry. IndianOil has stood shoulder-to-shoulder with the soldiers in times of war & peace and brought succour to the civilians in times of natural calamities.

As we continue to march ahead, set higher goals and benchmarks, and extend this essay of excellence, I take this opportunity to assure our stakeholders that dauntless will be our determination and unflinching our faith in carrying forth the tradition of service, providing sustainable energy solutions and powering India's march towards progress and prosperity.



Shoulder to Shoulder with the sentinels of the nation - Maintaining adequate supplies to Defence during war & peace.



Dr. S. Radhakrishnan, the then President of India addressing the people after inaugurating Gujarat Refinery

Fuelling the nation's economic development and helping realise the dreams and aspirations of citizens.

directors' review (refineries)

Organisational prosperity is nurtured, not inherited. IndianOil has always worked to identify, cultivate and enhance the core competencies that make growth possible. Even in the year which experienced an unexpected economic meltdown, a volatile market and widely fluctuating crude oil prices, IndianOil refineries achieved the highest ever crude oil throughput registering a growth of 3.94% over last year. While the global capacity utilisation remained at 90-92%, IndianOil refineries clocked an overall capacity utilisation of 103%.

Innovative ideas of sharing intermediate streams between the Group refineries located far and wide, enabled optimisation and value addition in operations thereby enhancing capacity utilisation and margins. During the year, IndianOil refineries achieved the highest ever combined distillate yield of 75.2% wt. surpassing the previous best of 73.7% wt. in 2007-08. Our determination to improve energy efficiency resulted in reduction of overall specific energy consumption to 64 MBN¹ during 2008-09 from the earlier lowest of 67 in 2007-08. With emphasis on widening the crude basket for improved flexibility, security and lower input cost, our refineries processed 11 new grades of imported crude oil during the year.

The erstwhile BRPL is now a part of IndianOil's Refineries Division as the eighth refinery consequent upon its merger.

The year 2008-09 witnessed hectic project activity. Projects worth Rs. 30,000 crore - entailing diversification, quality improvement, value addition and capacity enhancement - are fast progressing. Construction of the Rs.14,439 crore Naphtha Cracker is in full swing at Panipat, and its completion in the current year would be a new dawn of opportunities for IndianOil in the field of Petrochemicals. Other ongoing projects include Residue Upgradation & MS/HSD Quality Improvement Project at Gujarat Refinery, Improvement in Diesel Quality & Distillates Yield (Hydrocracker) at Haldia Refinery, DHDT at Bongaigaon Refinery and MS Quality Upgradation projects at all our refineries.

The 15 MMTPA state-of-the-art grassroots refinery at Paradip has been approved at an estimated cost of Rs. 29,777 crore. This is the biggest-ever investment at a single location by IndianOil and perhaps by any corporate in the country. Conceived to process 100% heavy, high-sulphur cheaper crude for better profitability, the most modern Paradip Refinery would have a complex configuration and play a key role in meeting the growing energy needs of the country.

As per the Auto Fuel Policy of the Government of India, petrol and diesel quality for 13 major cities will upgrade from the present BS-III quality to BS-IV norms from 1st April 2010. The rest of the country will switch over to BS-III quality fuels from



B.N. Bankapur
Director (Refineries)

the present BS-II compliant fuels. In order to meet the requirement, fuel quality upgradation projects are in advanced stages of execution.

Global warming is increasingly becoming an important issue. IndianOil has adopted the most advanced clean technologies to minimise CO₂ emissions by reducing energy consumption, cutting down waste and increasing resource re-use in our refinery operations. We have been actively pursuing Clean Development Mechanism (CDM) projects. In 2008-09, two CDM projects, viz. AVU Energy Optimisation project at Digboi and Flare Gas Recovery Project at Haldia were registered with the United Nations Framework Convention on Climate Change (UNFCCC). These will yield 28,500 CERs.

As India's flagship energy corporate, IndianOil has always strived to accomplish the most fulfilling role of fuelling the nation's economic development and helping realise the dreams and aspirations of its citizens. We are committed to continuing our march, whatever be the challenges. And in a year when we commemorate the 50 glorious years of IndianOil, we re-dedicate ourselves to the service of the nation and envision a future full of hope and promise.



LAB plant at Gujarat Refinery - Enhancing the core competencies that make growth possible.

¹ btu/Bbl/NRGF or Thousand British Thermal Units per Barrel - Energy Factor

50th

ANNUAL REPORT

2008-09



Pipelines are the lifelines

A sustained focus on value maximisation, asset growth and capacity enhancement.

directors' review (pipelines)

During the year, IndianOil's underground highways continued to reinforce its competitive edge by ensuring transportation of crude oil & petroleum products in a safe, energy-efficient, and cost-effective manner. With a sustained focus on value maximisation, asset growth and capacity enhancement, the countrywide network of pipelines crossed the 10,000 km mark in length and 70 million metric tonnes per annum (MMTPA) in installed capacity during the year 2008-09.

Maximising capacity utilisation, the Pipelines Division registered the highest ever throughput of 59.63 million tonnes, which is 4.6% higher than that of the previous year.

Asset creation can add value only with sustained high quality maintenance. The Vadinar installation has successfully completed 30 years of operation and has handled 4,000 crude oil tankers safely. The highlights of the year include timely completion of major maintenance of the Single Point Mooring system commissioned in 1978.

Adoption of new technologies in pipeline inspection and integrity management helped maintain peak performance of pipelines during the year. Online inspection by intelligent pigging of 803 km long Viramgam-Mathura section of the Salaya-Mathura Pipeline system was completed during the year. Extensive repair and refurbishment of this inspected

pipeline section were also carried out based on this outcome.

Our initiatives for asset protection by re-organising & re-inventing patrolling of pipelines and maintaining sustained coordination with the law & order authorities resulted in substantial reduction in pilferage attempts on our pipeline network.

As a part of our continuous endeavour to serve the consumers better by optimising logistics, we have constructed a 36 km long ATF pipeline to connect IndianOil's Devanagonthi terminal with the new Bengaluru International Airport, and a 95 km long pipeline between the CPCL's Manali refinery and the Meenambakkam AFS.

In an attempt to diversify and tap the growth potential of gas pipelines, IndianOil has commissioned its first 274 km long cross-country LPG pipeline from Panipat to Jalandhar. The pipeline can transport 700,000 tonnes of LPG annually from Kohand to IndianOil's bottling plants at Nabha and Jalandhar. In addition, this pipeline provides improved logistics to meet the LPG requirements of the bottling plants at Una & Baddi in Himachal Pradesh and Jammu & Leh in Jammu & Kashmir.

Signalling our foray into building natural gas pipelines, we have commenced work on the 133 km long first natural gas pipeline of IndianOil, to supply regassified LNG for captive use from Dadri terminal of GAIL (India) Ltd. to our Panipat Refinery.



P. K. Chakraborti
Director (Pipelines)

During the year, IndianOil commissioned the 330 km long Paradip-Haldia Crude Oil Pipeline (PHCPL) system. Its Single Point Mooring facilities installed 20 km off Paradip coast provide substantial logistical support and cost benefit by offloading crude oil from very large crude carriers. A 265 km long product pipeline connecting our Gujarat Refinery to the marketing terminal at Ratlam was also completed.

Other major projects currently under implementation include the 290 km long Chennai-Bangalore Product Pipeline, augmentation of the Mundra-Panipat Pipeline from 6 to 9 MMTPA, a 94 km long branch line on the Koyali-Dahej Pipeline to Hazira, and a 118 km long pipeline from Bijwasan to Panipat to transport Naphtha from Mathura Refinery to Panipat. We have also embarked upon the construction of five additional tanks of 85,000 kl capacity each at Vadinar in addition to setting up blending facilities there. Facilities are also being created to introduce Rajasthan crude oil in our crude oil pipeline system at Radhanpur and Viramgam.

In the years to come, distribution infrastructure is poised for tremendous growth in India, providing enormous opportunities for the Pipelines Division. IndianOil will continue to benefit from the competitive advantage offered by its countrywide pipelines network as the safest, most eco-friendly and economical means of transportation of crude oil, petroleum products and natural gas.



The Paradip-Haldia crude oil pipeline.

50th

ANNUAL REPORT
2008-09



Kerosene vending pumps back then

Behind satiated Indian customers is the relentless efforts of IndianOilPeople.

directors' review (marketing)

Behind a billion satiated Indian customers is the relentless efforts of over 34,000 IndianOilPeople. Driving the nation's economic growth engine forward is the uninterrupted supply chain managed by IndianOil.

IndianOil, a fine-tuned marketing machine, working to precision round-the-clock, round-the-year, is powered by a passion to serve, even against odds. Whether it is the sub-zero temperatures of Leh-Ladakh region or the scorching deserts in Jaisalmer or the marooned areas of Andaman and Nicobar Islands, IndianOil continues to deliver, to make a difference to the community we serve.

The modern business landscape is far more multi-dimensional today, with customers coming of age. Emotional connect with brands no longer comes from 'firepower' traits like Leadership, Value or Quality or even Technology Superiority, but from its 'soft power' of being a social contributor making a lasting difference to the lives of the community they serve. IndianOil has played this role admirably combining its leadership role in the business with a social conscience by rising to the occasion in times of natural calamities like famine, floods, earthquakes and cyclones.

'How has this Brand made a difference to me and the Society?' is a question that is not too far away from customers' minds. It's here that IndianOil enjoys a decided advantage. IndianOil not only straddles the 'mind to heart' space but also reaches out to the collective consciousness of the country,

as an entity that has always had the interest of the nation at the very core of its visionary objective. Reaching products to once-inaccessible areas and improving the quality of life of a billion Indians through our products and services is a responsibility that IndianOil has fulfilled time and again.

What helps us to be leaders is not just our market share but also our ability to understand the complex psyche of the Indian market. The swathe of marketing initiatives launched by IndianOil over the years, truly showcases our ability to be nimble footed in customising solutions across different demand requirements.

A case in point, is our *Kisan Seva Kendra* model which has been universally acknowledged as one making a huge difference to the country's rural belt. It has been recognised by several forums and has gone on to win awards from the Rural Marketing Association of India and the Asia Retail Congress during the year.

Over the last decade, IndianOil has transformed the Indian petroleum retail market by enormously widening the retail basket of products and services. From a simple model retailing Petrol and Diesel, our outlets have metamorphosed into multi-brand, multi-product and multi-service entities. Today this model has evolved as the industry's benchmark in India.

IndianOil outlets have come to be recognised as one-stop stations offering a variety of services from branded fuels to loyalty cards, from AutoGas to CNG and from Auto Car washes to ATMs. A new



G.C. Daga

Director (Marketing)

high is India's first Hythane(Hydrogen CNG) Retail Outlet in Delhi marking a quantum jump in technology absorption in fuel retailing.

Indane LPG marketing too has undergone a major transformation with IndianOil's "Indsoft" software providing a state-of-the-art platform to plan, network and manage the vast LPG customer base.

Non-fuel revenues will continue to be an area of focus both today and tomorrow. A concrete roadmap is underway to consolidate this initiative even further.

SERVO still rules India as its No.1 lubricant brand. Our globalisation aspirations crossed yet another milestone with the launch of *SERVO* lubricants in Oman in 2008. *SERVO* will hit new markets across the globe with its growing popularity and wider acceptance.

Touching lives and reaching out to customers is a way of life at IndianOil. A new web-based customer grievance redressal system - eCFS together with an all-India toll free number introduced in 2008 has gone a long way in ensuring speedy solutions to customers' queries and complaints.

For us at IndianOil, we see this as an exciting time. Millions of Indians even today have not partaken in the fruits of development. Their aspirations have remained unfulfilled and unrequited. And it will be our endeavour to address every segment of the need and offer customised solutions to them. That's going to be the motivation that will drive us forward into the future. It will be a resolve well worth taking, as we complete '50 Golden Years' this year.



A unique offering from IndianOil, *Kisan Seva Kendra* - Powered by a passion to serve.

50th

ANNUAL REPORT
2008-09



Scientists at work at IndianOil's R&D Centre

Commanding the molecules.

directors' review (research & development)

Green is the new *mantra* for sustaining growth in this millennium. IndianOil, since its inception, has been a driver of adopting, developing and commercialising green technologies.

In the global recognition of our commitment and success of green technology initiatives, IndianOil was conferred with the prestigious World Petroleum Congress Award-2008 for its path-breaking R&D work in hydro-processing technologies. It made the year 2008-09, a great luminous landmark in the 50 year golden history of IndianOil.

Despite the upheavals in the global oil market this year, IndianOil's R&D Centre continued innovating with greater vigour and achieved significant advances in development, demonstration and licensing of novel refining and lubes technologies. For our scientists, each downturn is an opportunity and each upturn a challenge.

IndianOil INDMAX Technology chosen for setting up INDMAX RFCC unit of the 15 million tonne refinery at Paradip was reconfigured to make it more flexible. This novel technology has also evinced interest from oil companies abroad.

Continuing with our pursuit of developing Green technologies, we rolled out two new technologies, this year, **INDAdeptG & INDAdeptD** – Adsorbent based Processes, for deep desulphurisation of gasoline and diesel streams, respectively, meeting EURO-IV norms. Another breakthrough achievement of the year was successful development of 'IndVi' - a revolutionary high metal tolerant catalyst additive formulation, for FCC and RFCC.

This year, the prototype 'INDIPIG-12' was successfully field demonstrated for inspection of 500 km pipeline. Development of commercial 12" IPIG was also started. 'INDIPIG-14' - the prototype 14" IPIG tool was evaluated in the Delhi-Panipat section of Mathura-Jalandhar Pipeline.

To retain lubricant market leadership, IndianOil developed and released 186 product formulations for commercialisation, and received OEM/Customer approvals for 47 formulations. The significant ones among them were M&M, Suzuki, Tata Motors, Volvo, Eicher, Honda Motors, Cummins, SAIL, Indian Railways and Defence. As a step forward, field trial clearance from leading marine engine OEMs such as MAN B&W (Germany) and SEMT Pielstick (France) were obtained for improved grades of *SERVO* marine oils for DG set applications.

During the year, we intensified research to reduce the carbon footprint of our products and operations. The first ever life cycle analysis of bio-diesel from *Jatropha* was conducted in collaboration with NREL, USA, with encouraging results. We also developed eco-friendly low PAH jute-batching oil. Recognitions for green efforts followed as IndianOil won the Golden Peacock Innovation Award for its eco-friendly agrospray oils, as well as the Petrofed Group Innovation Award for its novel low emission fuel additive.

During the year, IndianOil launched several research programmes in frontier technology areas of second-generation bio-fuels, renewable and alternative sources of clean fuels from bio and fossil



Anand Kumar

Director (Research & Development)

sources. A MoU was signed with TERI University for advancing research in bio-fuels. Continuing with research in commercialising Hydrogen as fuel, IndianOil commissioned the first commercial H-CNG dispensing station at Delhi. Research was initiated on E-10 (10% blend of ethanol with gasoline) in association with the Society of Indian Automobile Manufacturers.

Seventeen (17) US/Indian patents were filed and ten (10) patents were granted during the year, taking our active portfolio of IP to 214 patents.

During 2008-09, there was 100% increase over the previous year, and we are poised to keep this pace in the years to come.

Collaborative R&D is our new fundamental for success. This year, we entered into research agreements with Criterion for novel catalyst development and evaluation; with BARC for tomography studies for Trickle Bed Reactor and acoustic emission testing; with Indian Institute of Science, Bangalore (Nano Tribology), for study of boundary lubrication in engine and metal working tribology; with Sud-Chemie for commercial production of metal passivation additive; with Delhi College of Engineering for development of parallel hybrid electric vehicle; and with EIL for licensing DHDS/DHDT technology, with TERI University, and IIT Madras for talent development.

With a sharp focus on emerging as a world-class technology company, IndianOil's R&D team has re-dedicated itself to greener innovations, and pledged to ensure continuous value addition to our products and processes, meeting and exceeding the aspirations of our customers.



Continuing innovation with greater vigour and better technology solutions.

50th

ANNUAL REPORT
2008-09



IndianOil (Mauritius) Ltd.

Charting new growth paths to emerge as a globally admired company.

directors' review (planning & business development)

In the past few years, IndianOil's business strategy has been to straddle the entire hydrocarbon value chain through integration and diversification initiatives. Despite the turmoil in the global economy in the past fiscal, IndianOil strode ahead as it consolidated its established businesses and entered into new ones.

In Exploration & Production (E&P), it was an activity-packed year. IndianOil crossed a major milestone when it was awarded for the first time, two on-land blocks in the Cambay Basin with 100% participating interest and operatorship in the face of stiff competition in the seventh round of the New Exploration Licensing Policy (NELP) of the Government of India. In addition, we also bagged a deepwater block in consortium with ONGC and GSPC under NELP-VII. IndianOil's upstream footprint expanded overseas when it farmed-in into a deepwater block in offshore Timor-Leste with a 12.5% participating interest. Gas discovered in the Assam-Arunachal Pradesh block during the year 2007-08 was successfully tested, and the commerciality of gas production from the Farsi offshore block (where IndianOil holds a participatory interest of 40%) in Iran was accepted.

The petrochemicals business grew from strength to strength. On the domestic front, IndianOil continued to cater to a major chunk of Linear Alkyl Benzene (LAB, used for manufacture of detergents) requirements of the country's biggest buyers (Unilever and Proctor & Gamble), while the export market widened to twelve countries from nine last year. The petrochemicals business received a boost when IOCLAB qualified Procter & Gamble's worldwide quality standards. Indeed, this speaks

of the world-class quality of our product. The sale of Purified Terephthalic Acid (PTA) grew significantly, exhibiting a year-on-year growth of 8.6%. With the Naphtha Cracker project at Panipat set to be commissioned by the end of the year 2009, preparations for putting in place the necessary structure for polymer marketing reached the final stage during the year.

IndianOil marketed 1.85 million tonnes of re-gassified LNG (R-LNG), including 0.18 million tonnes for internal consumption in refineries. Green Gas Ltd. – IndianOil's joint venture with GAIL (India) Ltd. for undertaking City Gas Distribution (CGD) in Lucknow and Agra – sold 13,208 tonnes and 8,919 tonnes of gas in Lucknow and Agra respectively. In order to rapidly expand the gas business, we have entered into agreements with different companies for gas sourcing, setting up CGD networks, as well as for selling gas through our retail outlets. Under the innovative pilot project 'LNG at the doorstep' to reach LNG directly to the consumers for industrial/captive power applications, two customers - H&R Johnson (at Pen, Maharashtra) and Schott Glass (at Jambusar, Gujarat) - were supplied over 15,000 tonnes LNG during the year. To service the requirements of the new customers, IndianOil has signed a contract with Petronet LNG Ltd. to increase the LNG loading capacity in road tankers at Dahej from the existing 15,000 metric tonnes per annum (MTPA) to 20,500 MTPA.

Our efforts to scale up the bio-fuel business touched a major landmark with the formation of a joint venture - IndianOil CREDA Bio-fuels Ltd. - in the state of Chhattisgarh. Mandated to organise



B. M. Bansal

Director (Planning & Business Development)

commercial captive plantation of energy crops for bio-diesel production, the venture is being keenly watched by national and international agencies due to its novelty and uniqueness of structure & approach. The project envisages production of 30,000 MTPA of bio-diesel by the year 2015 by undertaking plantation on 30,000 hectares of revenue wasteland. A pilot project for plantation of energy crops (Jatropha) in the State of Madhya Pradesh was also started during the year to explore the possibility of setting up a revenue land-based commercial bio-diesel unit and to develop benchmarks for plantation cost and output.

IndianOil is endeavouring to widen its portfolio of energy offerings to include alternative energy options. A Renewable Energy Group was formed to sharpen focus on the vertical.

As part of our commitment to develop sustainable energy systems, IndianOil forayed into wind energy generation by commissioning the first wind power project of 21 MW capacity near Ambliyara village in Kutch, Gujarat. In order to explore commerciality of solar energy, IndianOil also commissioned two pilot solar charging stations at its *Kisan Seva Kendra* stations in the state of Uttar Pradesh. Efforts are underway to expand the business portfolio in these areas.

During the year, IndianOil published the GRI-G3 (Global Reporting Initiative) guidelines compliant Corporate Sustainability Report. This report provided description, data and perspective on IndianOil's performance with respect to the triple bottomline of People-Planet-Profit.



Diversification into wind power.

50th

ANNUAL REPORT
2008-09

Indian Oil Corporation Limited

Annual Report
1964-65



The cover of first Annual Report of Indian Oil Corporation Ltd. after merger

Towards better financial growth in profitability and liquidity.

directors' review (finance)

When crude oil price touched an all-time high of \$ 147 per barrel in July '08, one prominent question in everyone's mind was when would it breach the \$ 150 per barrel level and whether the prediction of analysts of the price touching \$ 200 per barrel would come true. The Government of India, which regulates the prices of the four sensitive products constituting about 65% of the total petroleum products consumption, anticipated a whopping Rs. 2,45,000 crore under-recoveries likely to be faced by the Oil Marketing Companies (OMCs) during the year.

Measures taken by the Reserve Bank of India (RBI) to contain the high rate of inflation resulted in a steep increase in financing cost from 8% to almost 15%. In a short span of three months - July to Sept. '08 - the borrowings of the three Oil Marketing Companies soared from Rs. 71,000 crore to over Rs. 1,10,000 crore. Our borrowings increased from about Rs. 34,500 crore as on 30th June '08 to over Rs. 60,000 crore in Sept. '08. Despite the compensation mechanism put in place by the Government in June '08, IndianOil posted a loss of over Rs. 7,000 crore in the second quarter of 2008-09. During the year, the heat was on as borrowings rose unabated, IndianOil faced a liquidity crunch and profitability took a hit.

Meanwhile, the Ministry of Petroleum & Natural Gas, working closely with the Ministry of Finance and RBI, ensured that sufficient funds continued

to flow to the oil sector enabling IndianOil to meet its commitment to supply products to consumers.

One of the major reasons for the huge increase in our borrowings was the considerable lag in receipt of Special Oil Bonds. Oil bonds worth Rs. 35,895 crore as compensation for sales during Jan. '08 to Sept. '08 were issued in three tranches only in Nov. '08, Dec. '08, and Feb. '09. This coupled with the mechanism of special market operations introduced by the RBI to dispose off oil bonds relatively eased IndianOil's liquidity constraints and the borrowings came down to a level of Rs. 45,000 crore as on 31st March '09.

Despite severe liquidity constraints during the year, IndianOil balanced the financing requirements of its ongoing projects with the result that the capital expenditure touched a record high of about Rs. 11,000 crore.

The oil price crash from a high of \$ 147 per barrel to about \$ 35 per barrel in the latter part of the year brought great relief to IndianOil in terms of liquidity though not with reference to profitability. Inventory procured during different periods at high prices resulted in significant losses. This coupled with a Government-mandated reduction in product prices and other factors such as lower refining margins, high interest cost and loss on disposal of bonds affected profitability substantially. Without additional support from the Government by way of full compensation of under-recoveries, it would not



S. V. Narasimhan
Director (Finance)

have been possible for IndianOil to post any profit during the year. Therefore, it was only on account of full compensation of under-recoveries by the Government that IndianOil could record a modest annual profit of Rs. 2,950 crore. This is in contrast to a loss of Rs. 6,632 crore upto Sept. '08 and Rs. 3,673 crore upto Dec. '08.

The IndianOil Board has approved the Paradip Refinery project at an estimated cost of Rs. 29,777 crore. With a debt-equity ratio of 60:40, about Rs. 18,000 crore is to be funded by borrowings. Marking it as the single largest syndicated rupee term loan arranged so far for a single project, IndianOil has achieved financial closure for the rupee component of the loan to the extent of Rs. 14,900 crore through a consortium of 19 public sector banks and two financial institutions. The balance loan component is proposed to be met by foreign currency borrowings or by issue of bonds in the domestic market.

As for the outlook for the year 2009-10, the oil prices continue to be volatile and are trading in the region of \$ 60 per barrel in May '09 as compared to \$ 35 per barrel in Mar. '09. Although the refining margins are still thin, there is no cause for major concern. Till May '09, IndianOil's borrowings had come down to about Rs. 32,000 crore with unsold bonds worth Rs. 28,000 crore still on hand. With an appreciating rupee, lower interest rates and under-recoveries on the four sensitive products expected to be manageable, we can hope for a better financial situation in the year 2009-10 both in terms of profitability and liquidity.



50th

ANNUAL REPORT
2008-09



IndianOilPeople lending a helping hand during crisis

Driving the fundamentals of resurgent India.

directors' review (human resources)

The year 2008-09 witnessed significant human resource interventions, whether it was revisiting the corporate vision, integration of operations, recruitment of manpower at different levels or a revision in employee compensation structure.

A fifty-year young corporate, IndianOil has lived up to its entrusted mandate of providing energy security to the country. In the last five decades, while IndianOil evolved from a fledgling company to a confident conglomerate straddling the entire spectrum of the hydrocarbon value chain, the oil & gas industry in India and abroad matured and metamorphosed. We perceived a need to revisit and redefine our corporate vision to uphold and protect IndianOil's leadership position. The exercise of recreating the Vision was completed during the year with the new vision having been approved by the IndianOil Board.

With business interests traversing the core areas of refining & marketing and extending to newer verticals such as exploration & production, petrochemicals, natural gas, bio-fuels, etc., there is a mounting need for manpower in IndianOil, especially in the new and emerging areas. During 2008-09, we recruited over 900 engineering & management graduates and CAs, the highest ever in a year, through open and campus recruitment. To immediately bridge the gap between skill requirement and availability in areas such as petrochemicals and bio-fuels, 23 executives were also recruited at the mid-level during the year.

This was a year of integration for IndianOil. The

marketing operations of Assam Oil Division (AOD) and IndianOil's Marketing Division were amalgamated. A series of confidence-building measures ensured that the sensitive people-related issues were ironed out to ensure a smooth, organisation-benefitting fusion. The process of integration of IBP, which started in the year 2007-08, was also completed during the year. Consequent upon the merger of BRPL with IndianOil effective 25th March 2009, activities are currently underway to ensure its seamless integration as our eighth refinery.

As part of IndianOil's petrochemicals master plan, a Naphtha Cracker complex equipped with downstream polymer units is coming up at Panipat Refinery. In a relatively short span of time since its entry into the new business segment, IndianOil has stabilised the petrochemical production facilities, added new product lines and continues to acquire new customers. Such a scale of investment warranted redefining business strategies and re-aligning the organisational structure of the petrochemicals group. A reputed management consultant was engaged for this purpose.

IndianOil's commitment to good corporate citizenship got a boost during the year with enhancement of the ceiling on annual expenditure for corporate social responsibility activities from 0.75% of the net profit of the previous year to 2% of the retained profit of the previous year. With more funds at its disposal now, IndianOil will identify and undertake more community welfare projects. In



V.C. Agrawal
Director (Human Resources)

pursuance of the best Corporate Governance practices and to ensure greater transparency in the Corporation's functioning, a 'Whistle Blower Policy' was framed and a procedure formulated to safeguard IndianOilPeople from the fear of victimisation in reporting incidents of malpractices.

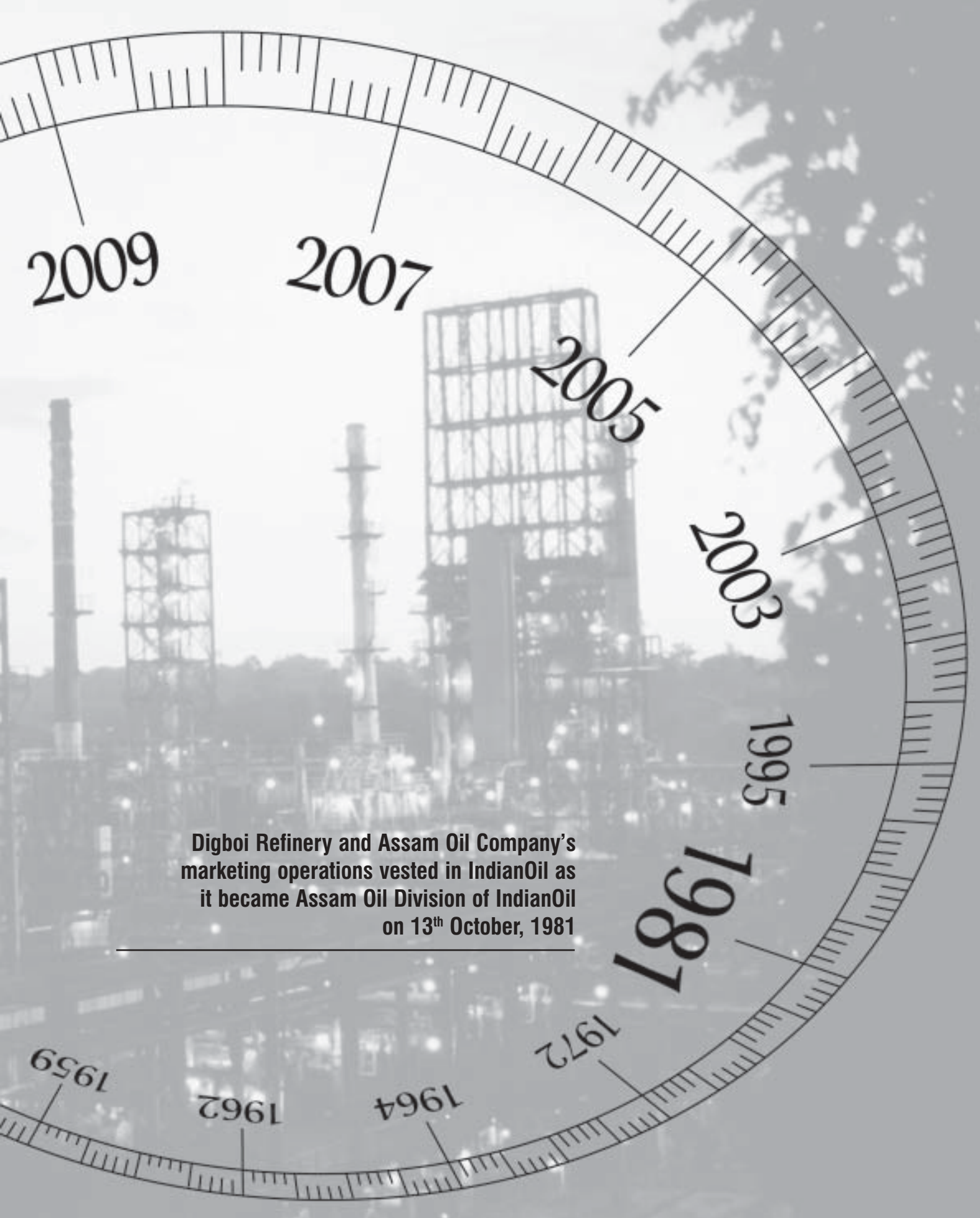
The Government of India had set up the second Pay Revision Committee for Public Sector Enterprises on 30th November 2006 under the chairmanship of Justice MJ Rao to give recommendations in respect of pay revision for Board & below Board level executives and non-unionised supervisors. Based on the recommendations of the Committee, the Department of Public Enterprises has advised the revision of pay scales w.e.f 1st January 2007 in Central Public Sector Enterprises. The revised scales are currently under implementation at IndianOil.

2008-09 marked a steady flow of accolades to IndianOil. The Corporation emerged as the only PSU in the list of the top '25 Best Employers' in a nationwide survey conducted by *Outlook* and *Hewitt Associates*. IndianOil won the Petroleum Federation of India (Petrofed) Oil & Gas Industry Award for the best Human Resources Management Company of the year 2008. The prestigious 'BML Munjal Award for Excellence in Learning and Development' for the year 2008-09 too came our way. This award validates the innovative learning & development measures undertaken by IndianOil and reinforces its reputation of being an 'academy company.'



From a fledgling company to a confident conglomerate straddling the entire spectrum of Hydrocarbon value chain.





2009

2007

2005

2003

1995

1987

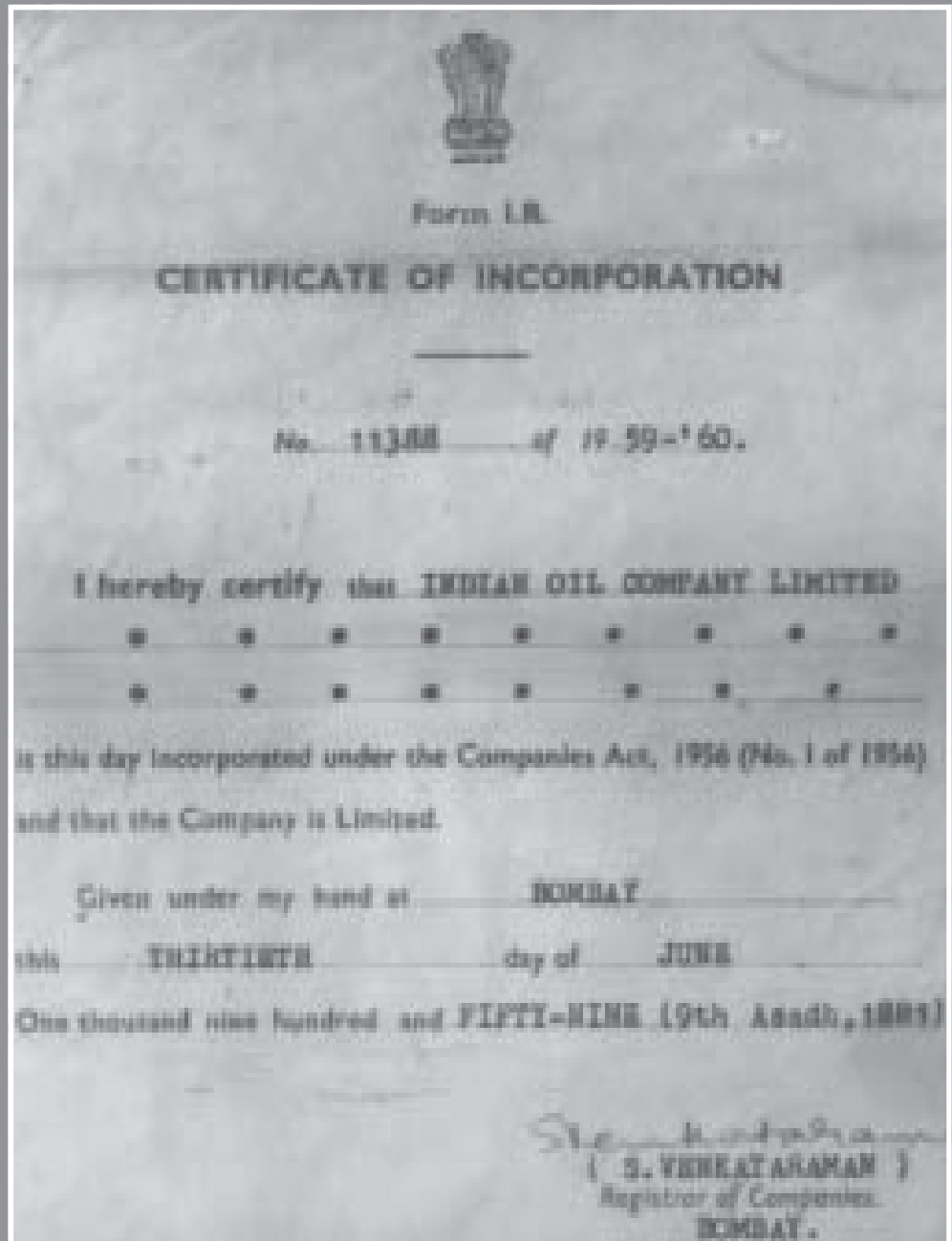
1972

1964

1962

1959

Digboi Refinery and Assam Oil Company's marketing operations vested in IndianOil as it became Assam Oil Division of IndianOil on 13th October, 1981



The historic incorporation certificate

In the 50 golden years of existence, IndianOil has grown manifold.

directors' report

To
The IndianOil Family of Shareowners

Dear Members

On behalf of the Board of Directors, it is my privilege to present the 50th Annual Report on the business and operations of the Corporation for the financial year ended 31st March, 2009 alongwith the Audited Statement of Accounts, Auditors' Report and the Review of Accounts by the Comptroller & Auditor General of India.

India's flagship national oil company and downstream petroleum major, Indian Oil Corporation Ltd. (IndianOil) is celebrating the Golden Jubilee of its incorporation this year. The Corporation was incorporated on 30th June, 1959 as Indian Oil Company Limited to market petroleum products. The name of the Company was changed to Indian Oil Corporation Limited on 1st September, 1964 upon merger of Indian Refineries Limited, which was earlier established in August, 1958 to set up refineries and pipelines. From a fledgling company, the Corporation has grown several folds to attain a sales turnover of Rs. 2,85,337 crore and a net profit of Rs. 2,950 crore during 2008-09.

Your Corporation has grown to emerge as the country's largest commercial enterprise and India's highest ranked company in the prestigious *Fortune* 'Global 500' listing ranked at 105th position.

PERFORMANCE OVERVIEW

FINANCIAL

	2008-09		2007-08	
	US\$ Million	Rs. in Crore	US\$ Million	Rs. in Crore
Turnover				
(inclusive of Excise Duty)	62,030	285,337	61,480	247,457
Gross Profit				
(before Interest, Depreciation and Tax)	2,461	11,319	3,561	14,334
Interest Payment	859	3,952	384	1,546
Depreciation	660	3,038	673	2,708
Profit Before Tax	942	4,329	2,504	10,080
Tax Provision	300	1,379	774	3,117
Profit After Tax	642	2,950	1,730	6,963
Balance brought forward from last year's account	1,153	5,305	–	–
Profit available for appropriation	1,795	8,255	1,730	6,963
Appropriations				
Proposed Dividend	198	910	163	656
Corporate Dividend Tax	34	155	19	76
Insurance Reserve	2	10	2	10
Bond Redemption Reserve	118	540	54	219
General Reserve	290	1,335	173	697
Balance carried to Balance Sheet	1,153	5,305	1,319	5,305

PHYSICAL

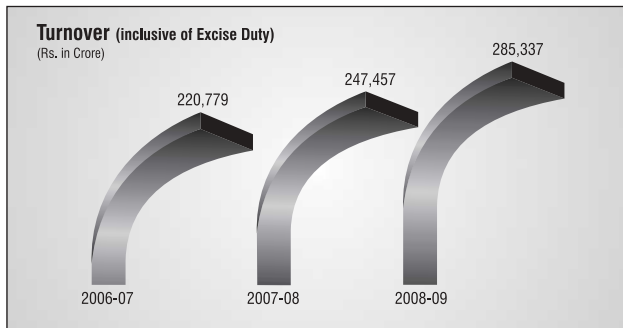
Million Metric Tonnes (MMT)

	2008-09	2007-08
Product Sales (incl. Exports)	66.166	62.616
Refineries Throughput	51.367*	47.401
Pipelines Throughput	59.627	57.121

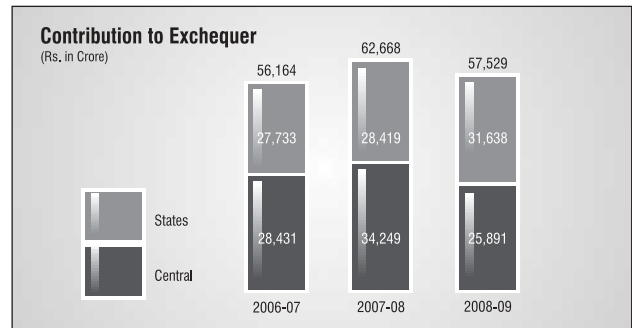
* includes 2.02 MMT of erstwhile Bongaigaon Refinery & Petrochemicals Ltd.

SHARE VALUE

	2008-09		2007-08	
	US\$	Rupees	US\$	Rupees
Cash Earning per share	1.07	49.32	2.01	81.10
Earning per share	0.53	24.30	1.45	58.39
Book value per share	7.88	362.43	8.56	344.58



(Year ending March)



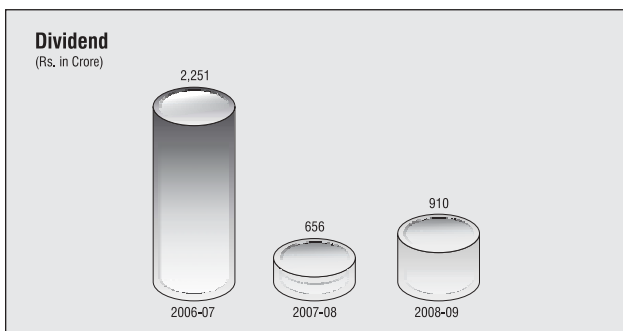
(Year ending March)

CHANGE IN PAID-UP SHARE CAPITAL

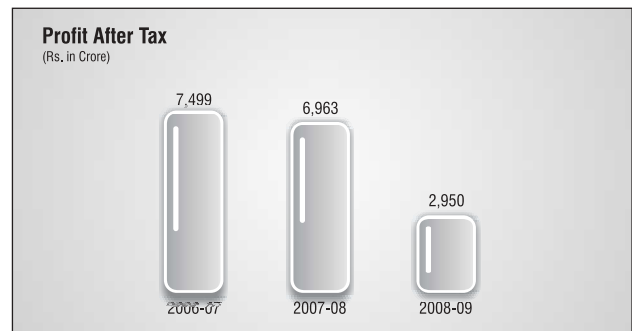
Pursuant to the Scheme of Amalgamation for merger of Bongaigaon Refinery & Petrochemicals Ltd. (BRPL) with IndianOil becoming effective on 25th March, 2009, the Corporation has issued 2,16,01,935 fully paid equity shares of Rs. 10/- each to the shareholders of erstwhile BRPL in May, 2009 in the approved swap ratio of 4:37 i.e. 4 equity shares of Rs.10/- each of IndianOil for every 37 equity shares of Rs.10/- each held in BRPL. Consequently, the Paid-up Share Capital of your Corporation has increased from Rs.1,192.37 crore to Rs. 1,213.97 crore effective 5th May, 2009. The said equity shares have since been listed and permitted for trading by the Stock Exchanges effective 18th May, 2009.

DIVIDEND

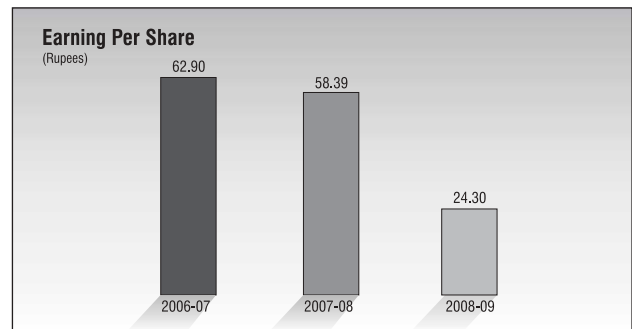
The Board of Directors of your Corporation is pleased to recommend a dividend of Rs. 7.50 per equity share of Rs. 10/- each on the paid-up share capital as against Rs. 5.50 per share in the previous year. This is the 43rd consecutive year of dividend declaration by your Corporation. So far, your Corporation has paid a cumulative dividend of Rs.14,509 crore, excluding a dividend of Rs. 910 crore payable for the current year after approval by shareholders.



(Year ending March)



(Year ending March)



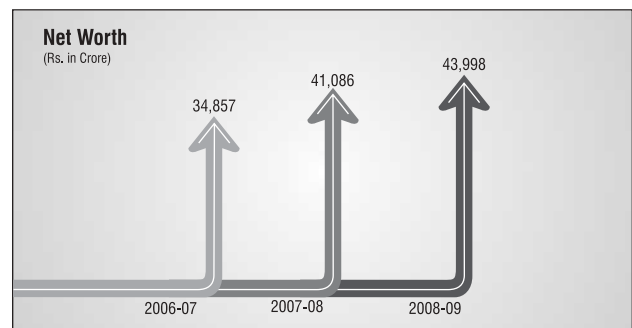
(Year ending March)

PUBLIC DEPOSIT SCHEMES

The Public Deposit Scheme, which is open only for employees and ex-employees of the Corporation, had outstanding deposits amounting to Rs.34.55 lakh as on 31st March, 2009. The rate of interest is 6% per annum.

CONTRIBUTION TO EXCHEQUER

During the year, IndianOil made a contribution of Rs.57,529 crore to the Exchequer as against Rs.62,668 crore in the previous year. Out of this, Rs.25,891 crore was paid to the Central Exchequer and Rs.31,638 crore to the State Exchequer.



(As on 31st March)

INDIANOIL GROUP REFINERIES AND PIPELINES NETWORK



Refineries

Installed Capacities

● IndianOil Refineries

Koyali	13.7
Panipat	12.0
Mathura	8.0
Barauni	6.0
Haldia	6.0
Bongaigaon	2.35
Guwahati	1.0
Digboi	0.65

◎ Subsidiaries' Refineries

CPCL, Chennai	9.5
CPCL, Narimanam	1.0

○ Group Total

Paradip (upcoming)	15.0
Group Total	60.20

(Figures in million metric tonnes per annum, equivalent to 20,000 barrels per day)

Pipelines

- Crude Oil Pipeline
- Product Pipeline
- - - - Product Pipeline (under construction/proposed)
- R-LNG Pipeline – Dadri-Panipat (under construction)
- LPG Pipeline – Panipat-Jalandhar

Operating Pipelines

	Length (km)	Capacity (MMTPA)
Product Pipelines	5,963	33.41
Crude Oil Pipelines	4,366	38.20
Total	10,329	71.61

(As on 31st March, 2009)

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India, your Corporation has prepared the Consolidated Financial Statements of its subsidiaries and joint venture entities. The highlights of the Consolidated Financial Results are as follows:

	(Rs. in Crore)	
	2008-09	2007-08
Turnover (inclusive of Excise Duty)	271,378	235,957
Profit Before Tax	3,649	12,489
Profit for the Group (after Tax)	2,599	7,913

CORPORATE GOVERNANCE

As stipulated under Clause-49 of the listing agreement with the stock exchanges, the Management Discussion & Analysis Report and the Corporate Governance Report have been incorporated as separate sections forming part of the Annual Report. The company also complies with the corporate governance guidelines enunciated by the Department of Public Enterprises, Government of India, for Government Companies, which has been duly certified.

The board has enunciated a code of conduct for the Directors and Senior Management Personnel of the Corporation, which has been circulated to all concerned and has also been hosted on the website of the Corporation. The Directors and Senior Management Personnel have affirmed compliance with the code of conduct.

OPERATIONS

Refineries

IndianOil's eight Refineries (including Bongaigaon Refinery) achieved highest ever refining throughput of 51.367 MMT during the year, surpassing the previous best of 49.421 MMT (including Bongaigaon Refinery) during 2007-08, registering a growth of 3.94%. The refineries together achieved a capacity utilisation of over 103% and highest ever combined distillate yield of 75.2 wt%.



PX-PTA plant of Panipat Refinery.

Pipelines

Your Corporation owns and operates the largest network of crude oil and petroleum product pipelines in India. During the year, the operational performance of Pipelines Division crossed yet another milestone of excellence with the highest ever operational throughput of 59.627 MMT of crude oil and finished petroleum products. The total network of pipelines crossed



An installation of Panipat-Bhatinda pipeline.

10,000 km mark during the year with the commissioning of Paradip-Haldia Crude Oil Pipeline System and IndianOil's first LPG Pipeline from Panipat to Jalandhar. The total network of pipelines as on 31st March, 2009 comprises a length of 10,329 km with a cumulative transportation capacity of 71.608 MMTPA.

Marketing

During the year, IndianOil maintained its dominance in the market place and clocked the highest ever sales of over 66.166 MMT of petroleum products as against 62.616 MMT in the previous year, registering a growth of 5.67%. Your Corporation commissioned 744 new retail outlets, including 496 *Kisan Seva Kendras* (KSKs) during the year, taking their total to 18,278. To facilitate interface with dealers & distributors, 64 dealer conventions, 16 KSK conventions besides Chairman's Panel Dealers Meet were held during the year.

With a focus on innovation, strong brand communication and sales promotion campaigns, IndianOil established firm leadership in the entire branded auto fuels segment with a market share of 48.6% in XtraPremium Petrol, 59.6% in XtraMile Diesel and 35% in AutoGas (LPG). The usage of XTRAPOWERTM Fleet Card by fleet owners grew by 24% in value terms with overall transactions at Rs.12,000 crore. Presently 5855 retail outlets transact the XTRAPOWERTM fleet card across the country.

In the highly competitive bulk consumer segment, IndianOil continued to be the market leader with overall volume growth of 2.1%. To further consolidate its



An Indane bottling plant

leadership, your Corporation commissioned 183 new consumer pumps during the year.

During the year, your Corporation enrolled about 26 lakh new *Indane* (LPG) customers and the cumulative Indane population reached 529 lakh. 18 new Indane distributorships were commissioned, raising their total number to 4,999. In an innovative measure, 47.5 kg LPG cylinders were launched during the year to facilitate bulk LPG supplies. To cater to the growing demand of AutoGas, 66 dispensing stations were commissioned during the year taking their tally to 223 stations in 118 cities across the country.

Your Corporation registered a 2.3% gain in market share in the finished lubes segment during the year. IndianOil's world-class *SERVO* Lubricants were formally launched in Oman through its wholly owned subsidiary, IOC Middle East FZE.

Despite drop in overall aviation fuel volumes owing to downturn in aviation business for the last part of the year, IndianOil continued to be the market leader with a market share of 63.3% meeting the aviation fuel requirements of the defence services, national carriers, scheduled private airlines and international airlines. IndianOil met the entire aviation fuel requirement of the Navy, Army and over 88% of Indian Airforce. A new-dedicated aviation fuel pipeline (95 km) was commissioned from Chennai Petroleum Corporation Ltd. (CPCL) to Chennai Aviation Fuel Station - the longest dedicated aviation pipeline in the country.

ASSAM OIL DIVISION

The Digboi Refinery of Assam Oil Division (AOD) processed 0.623 MMT of crude oil during the year. The Division sold about 1.067 MMT of products and retained its position as the market leader in the North-east. The marketing operations of AOD and Marketing Division of IndianOil in the North-east were rationalised and integrated from 1st April, 2008.

RESEARCH & DEVELOPMENT

IndianOil's Research & Development Centre developed 186 new lubricant formulations during the year, out of which 153 were commercialised. The Centre filed 17 patents during the year, of which 10 (ten) were approved, including 6(six) US patents. The year was marked with 47 approvals from Original Equipment Manufacturers (OEMs). As part of its efforts to promote hydrogen as an alternative fuel, IndianOil set up the nation's first commercial Hydrogen-CNG dispensing station at Delhi. The Corporation has tied up with National Renewable Energy Laboratory (NREL), U.S. for a pilot project to produce second generation bio-fuel from cellulosic biomass or degradable agricultural waste or wood.



A scientist at work at IndianOil's R&D Centre, Faridabad.

IBP DIVISION

IBP Division, which comprises the Explosives and Cryogenics Business Groups, sold 51,201 MTs of explosives. The Cryogenics Business Group achieved an all time high production of 19,251 Cryo containers during the year.

PROJECTS

Project implementation without time and cost over-runs have been accorded the highest priority by your Corporation. The status of the projects, as on date, is as under:

Completed Projects

- Paradip-Haldia Crude Oil Pipeline System
- Koyali-Ratlam Product Pipeline
- Augmentation of Mundra-Panipat Pipeline
- Panipat-Jalandhar LPG Pipeline
- New Aviation Turbine Fuel Pipeline between CPCL Refinery and Chennai Airport
- New terminal at Cherlapalli (A.P)
- Crumb Rubber Modified Bitumen Plant at Mathura
- Flare Gas Recovery facilities at Guwahati and Haldia Refineries
- 21 MW Wind Power Project at Gujarat
- Marketing Terminal at Ratlam

Major on-going Projects

- Capacity expansion of Panipat Refinery from 12 to 15 MMTPA
- Naphtha Cracker & Downstream Polymer Project at Panipat
- Installation of facilities for improvement in diesel quality and distillates yield at Haldia Refinery
- Residue Upgradation and MS/HSD Quality Improvement Project at Gujarat Refinery
- 15 MMTPA Grass Root Refinery at Paradip, Orissa
- MS Quality Upgradation Projects at Panipat, Mathura, Barauni, Guwahati, Digboi and Bongaigaon Refineries
- Diesel Hydro Treatment (DHDT) Project at Bongaigaon Refinery
- Dadri-Panipat R-LNG Spur Pipeline
- Chennai-Bangalore Product Pipeline
- Mathura-Bharatpur Spur Pipeline
- Branch Pipeline from Koyali-Dahej Pipeline to Hazira
- Bijwasan-Panipat Naphtha Pipeline
- Branch Pipeline from KSPL, Viramgam to Kandla

New Projects

- High Sulphur Crude Maximisation Project at Barauni Refinery
- Paraxylene Project at Gujarat Refinery
- Indmax Project at Bongaigaon Refinery
- Delayed Coking Unit at Haldia Refinery

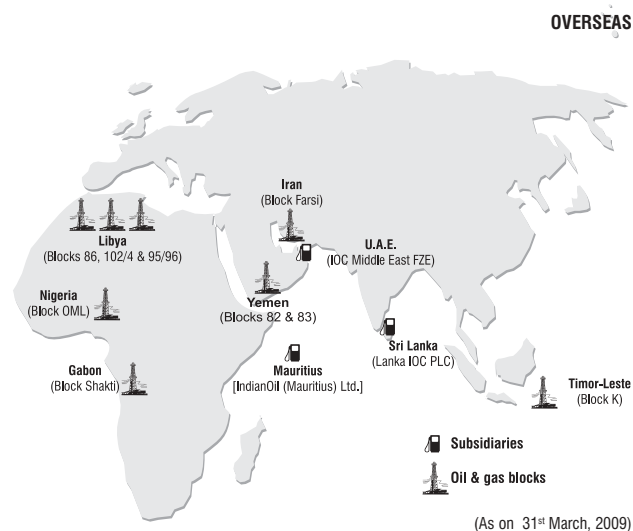
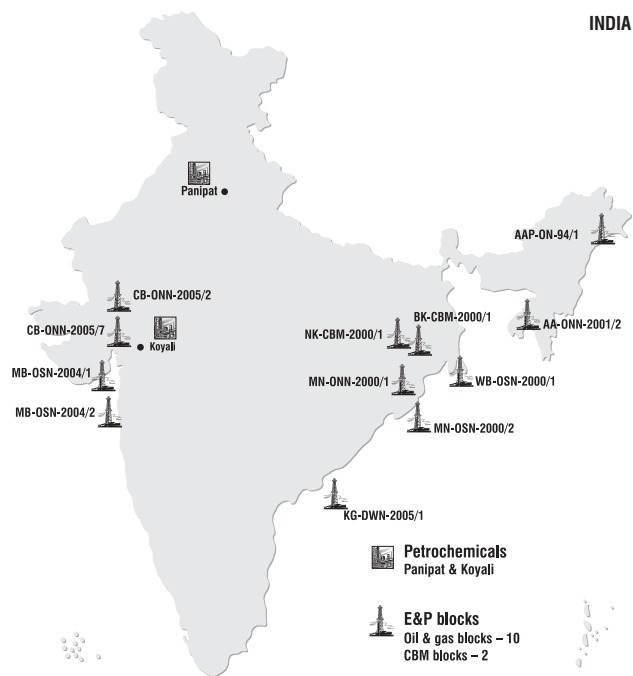
BUSINESS DEVELOPMENT

The strategic initiatives of your Corporation in the entire value chain of the hydrocarbon sector were guided by IndianOil's long-term vision. The year 2008-09 witnessed some major achievements.

Exploration and Production (E&P)

Your Corporation achieved a significant milestone in its E&P efforts, when it was awarded two on-land Type-S blocks, in the Cambay basin, with

NEW BUSINESSES FOR SUSTAINED GROWTH



100% participating interest and operatorship, in the 7th round of New Exploration Licensing Policy (NELP) of the Government of India. In addition, a Consortium of IndianOil (20% Participating Interest), ONGC and GSPC have been awarded one deepwater block in the KG basin under the 7th NELP round.

Overseas, the National Iranian Oil Company (NIOC) accepted the commerciality of the gas discovery made by your Corporation alongwith ONGC Videsh & Oil India in the Farsi offshore exploration block in Iran. IndianOil also signed production-sharing agreements for Block 82 and 83 in Yemen as well as Area 95-96 in Libya. IndianOil entered into farm-in agreement with Reliance E&P DMCC for 12.5% participating interest in the deepwater exploration Block-K in Timor Leste, as well.

In all, your Corporation presently has participating interest in 12 domestic blocks and 9 overseas blocks.

Consultancy Services

In a visible recognition of IndianOil's expertise, the Manpower Secondment Agreement and Technical Services Agreement with Emirates National Oil Company, Dubai, was extended for the 11th and 12th consecutive year respectively.

Gas Business

During the year, IndianOil recorded sales of 1.859 MMT of regasified LNG (which includes 0.18 MMT of internal refinery consumption).

IndianOil signed an MoU with Oil India Limited for pursuing various gas related activities including City Gas Distribution Projects in various parts of the country. IndianOil also entered into Franchise Agreements with City Gas Distribution players like Indraprastha Gas Limited, Mahanagar Gas Limited, Adani Energy Limited, Great Eastern Energy Corporation Limited, SITI Energy and Gujarat State Petroleum Corporation Limited for sale of CNG through IndianOil Retail Outlets.

IndianOil successfully commissioned the innovative project "LNG at Doorstep" for distributing LNG directly to the consumers.

Petrochemicals

During the year, your Corporation continued to strengthen its petrochemicals business. IndianOil consolidated its business of Linear Alkyl Benzene (LAB) as a major supplier to many national and international customers. The export market of IndianOil's LAB expanded to 12 countries and the LAB plant of the Corporation achieved more than 107% capacity utilisation. The domestic market for IndianOil's Purified Terephthalic Acid (PTA) expanded significantly exhibiting 9% year-on-year growth. A quantity of 5.0 TMT Paraxylene produced at Panipat Refinery was exported to Indonesia during the year. IndianOil's biggest petrochemical project of Naphtha Cracker & Downstream Polymer Unit in Panipat is expected to be commissioned during 2009-10.

Bio-Fuels

A major milestone was reached with the formation of a Joint Venture Company with Chattisgarh Renewable Development Authority (CREDA) for carrying out biodiesel activity in Chhattisgarh. The project envisages producing 30,000 MTPA of Bio-diesel by 2015 by undertaking plantation on 30,000 hectares of revenue wasteland. A pilot project for plantation of energy crops on revenue wasteland in Madhya Pradesh was also started during the year. The first phase Pilot plantation of Jatropa on 600 hectares is underway. IndianOil signed an MoU with M/s Ruchi Soya Industries Limited to jointly explore feasibility of forming a consortium for establishing a model Biodiesel value chain in Uttar Pradesh.



Renewable Energy

The thrust of the Corporation on green energy received a major boost during the year with the commissioning of its 21 MW wind power project at Surajbari near Kandla in Gujarat. IndianOil also ventured into solar energy business with the commissioning of two pilot projects of Solar Charging Stations for charging solar lanterns in two *Kisan Seva Kendras* in UP.

INTERNATIONAL TRADE

To meet the country's growing demand for petroleum products, IndianOil arranged to import crude oil, fuel products and lubricants through a judicious and diversified mix of supply sources. It also exported surplus petroleum products during 2008-09. The details of imports and exports are as under:

	Quantity (Million Tonnes)	Value (Rs. in Crore)
Imports		
Crude Oil	47.779	131150.55
Petroleum Products	3.594	12361.77

The Corporation also exported petroleum and petrochemical products amounting to Rs. 14,785.57 crore during 2008-09.

OPTIMISATION & INFORMATION SYSTEMS

During the year, the Transport Scheduling (Tx) Package developed by the Optimisation Group was successfully implemented in the Marketing Division. Optimisation model continued to be utilised during the year to facilitate decision making. IndianOil's ambitious SAP Enterprise Resource Planning (ERP) solution offers an integrated environment for transaction processing across all business verticals. The centralised computing and communication infrastructure at Gurgaon designed to provide high availability, non-interruptive access to business across India resulted in 100% uptime of business applications.

SAFETY, HEALTH & ENVIRONMENT

Your Corporation is committed to conducting business with a strong environment conscience for sustainable development, safe workplace and enrichment of quality of life of employees, customers and the community we serve. Best practices and procedures of the industry are in place at all operating units of the Corporation to take care of safety, occupational health and environmental hazards. These facilities are periodically reviewed, audited and upgraded for continued excellence. The environment management systems at the refineries, pipelines and major marketing installations are certified under ISO-14001 standards. In a major greening initiative, about 15, 500 tonnes of oily sludge was liquidated during the year from refineries. Over 40 marketing locations have set up the rain water harvesting system.

ENERGY CONSERVATION

Energy Conservation continues to receive the requisite thrust at all IndianOil refineries through continuous in-house process monitoring and keeping abreast with latest technological developments. As a result of various energy conservation measures undertaken, the energy index in terms of Thousand British Thermal Units / Barrel / Energy Factor of IndianOil refineries during the year is down to 64 as against the energy index of 67 in the previous year. Similarly, energy conservation schemes implemented during the year resulted in fuel savings to the tune of about 73, 000 MT/year valued at about Rs.168 crore.

HUMAN RESOURCES

Employee Profile

The Corporation's employee strength as on March 31, 2009 was 33,998 including 13,716 officers and 2,588 women employees.

Presidential Directives regarding representations of SCs / STs and OBCs

Your Corporation has been meticulously following the Presidential Directives and other guidelines issued from time to time regarding reservation in services for Scheduled Castes, Scheduled Tribes and Other Backward Classes. In accordance with para-29 of the Presidential Directive, a note about the Corporation's activities which have direct relevance to the advancement of SC/ST category of employees along with the statistics relating to representation of SCs/STs in the prescribed proforma – SC/ ST / OBC Report-I and SC/ST/OBC Report-II is enclosed as Annexure-II.

Status on Implementation of Disabilities Act, 1995

Your Corporation has been implementing the provision of 3% reservation for physically challenged and disabled persons diligently.

Welfare of weaker sections

The Presidential Directives and various instructions / guidelines issued by the Government of India regarding reservation in services for various categories of personnel were scrupulously followed. Your Corporation has endeavoured to utilise 25% of Community Development funds towards Special Component Plan (SCP) and Tribal Sub Plan (TSP) for meeting the needs of weaker sections.

Industrial Relations and Employees' Participation in Management

The Industrial Relations climate in the Corporation remained harmonious and peaceful except for a 3 day strike in January, 2009 by the IndianOil Officers' Association in support of the strike call given by Officers' Association of All Oil Sector PSUs on pay revision issues which were beyond the jurisdiction of the management of the Corporation and needed redressal at the Government level. The strike was, however, called off unconditionally.

Your Corporation continued its efforts to promote employees' participation in various activities like Suggestion Scheme, Quality Circles, Welfare, Safety, Total Productive Maintenance (TPM), etc. during the year. Quality Circles functioning in various units are actively engaged in problem solving activities to improve quality, productivity, cost effectiveness and system improvement.

Face2Face is a unique, first-of-its-kind interactive initiative in IndianOil, enabling IndianOil employees to interact with the Chairman through the video conference mode.

Human Resource Development

Your Corporation has made rapid strides since formulating its Vision in 1999 and has achieved significant milestones in the entire spectrum of hydrocarbon value chain. Therefore in order to uphold and protect its leadership position, IndianOil revisited the existing Vision Statement, to evolve a new and contemporary Vision, which was undertaken after a massive organization-wide exercise during the year.

In pursuance of the best practices of Corporate Governance and to ensure greater transparency in the Corporation's functioning, a 'Whistle Blower Policy' was framed.

IndianOil continues to provide scholarships for meritorious students from economically weaker sections of the society for pursuing various professional courses / disciplines. IndianOil emerged as the only PSU to figure in the list of top '25 Best Employers' announced by M/s Hewitt Associates. To meet the need of manpower in unanimous new and growing businesses, IndianOil recruited more than 900 Engineering & Management Graduates and Chartered Accountants.

Presidential Directives regarding Pay Revision

The Ministry of Petroleum & Natural Gas (MoP&NG) in exercise of the powers conferred by Article 144(b) of the Articles of Association of IndianOil, issued a Presidential Directive vide its letter dated 21st April, 2009 to implement the pay

revision of Board level and below Board level executives as per the guidelines issued by the Department of Public Enterprises vide Office Memorandums dated 26th November, '08, 9th February, '09 and 2nd April, '09 and the same have been implemented.

Sports

IndianOil's sportspersons continued to excel in national and international sporting events in various disciplines during the year. The Sports Scholarship Scheme for promising young sports persons was continued with a view to encourage talent and create a pool of sportspersons. Shri Aditya Mehta was runner-up in the Asian Snooker Championship held in Dubai and was also selected by the Asian Confederation of Billiards & Snookers to take part in the World Professional Snooker tour played in England. Shri Yogesh Paradeshi won the 12th SAARC Carrom Championship at Sri Lanka.

Shri Prabhjot Singh, hockey player was conferred the Arjuna Award and Shri Sharat Kamal represented India in Table Tennis events in the Beijing Olympics. Shri Rohit Sharma was selected to represent India, in cricket in One-day and Test teams.

Corporate Social Responsibility (CSR)

IndianOil's present business practices and vision for the future are synergised with sustainability. Our strong commitment and sense of corporate social responsibility is reiterated in our increased budget allocation for Corporate Social Responsibility activities from the year 2008-09. IndianOil continued its endeavour to make a positive contribution to the underprivileged communities in and around the major units by supporting a wide range of social-economic initiatives – our focus areas being Clean Drinking water, Health & Medical Care and Education with a special emphasis on the Scheduled Castes and Scheduled Tribes. The third edition of our Sustainability Report for 2007-08 was published in the current year conforming to the "Global Reporting Initiatives – G3" guidelines.

Hindi Implementation

In compliance of the Official Language Act, 1963, Official Language Rules, 1976 and orders issued by the Government of India from time to time, efforts were continued during the year for increasing the progressive use of Hindi in official work. Official Language Implementation Committees functioning at IndianOil units regularly review the progress of implementation of official language policies and the annual programme as circulated by the Department of Official Language, Ministry of Home Affairs. The Committee of Parliament on Official Language inspected fourteen locations during the year and also a team of officials from the Ministry of Petroleum and Natural Gas inspected three locations of IndianOil to review the progress in use of Hindi. IndianOil has published a Petroleum Glossary under the aegis of Ministry of Petroleum & Natural Gas. An IndianOil Website as well as individual WebPages by Refinery units have been created in Hindi during the year.

Foreign Tours

IndianOil officers undertook a total of 498 foreign tours during 2008-09 for various business purposes and for attending conferences, seminars and training programmes. The total expenditure on foreign tours was Rs.8.24 crore.

Vigilance

During the year, IndianOil's Vigilance Group conducted a number of vigilance training courses/workshops and awareness programmes for the benefit of the employees. A Vigilance Awareness Week was also held across various locations of the Corporation in November, 2008. As a part of preventive vigilance, special emphasis was laid on system studies aimed at making the system transparent and a large number of surprise inspections of Dealers/Distributors Network were carried out.

REMUNERATION TO THE AUDITORS

The Auditors' remuneration for the year 2008-09 has been fixed at Rs. 69 lakh plus applicable service tax. In addition to this, reasonable out-of-pocket expenses actually incurred are also reimbursable.

ENTERTAINMENT EXPENSES

The entertainment expenses for the year 2008-09 were Rs. 1.98 crore.

MERGERS

Bongaigaon Refinery & Petrochemicals Ltd. (BRPL)

The Ministry of Corporate Affairs (the competent authority to approve mergers of Government companies) accorded sanction to the Scheme of Amalgamation of BRPL with IndianOil vide its Order dated 9th March, 2009, which became effective on 25th March, 2009. Consequently, BRPL ceased to exist, effective 25th March, 2009. All the assets & liabilities of BRPL now vest with IndianOil and all the employees of BRPL have become employees of IndianOil. The shares of IndianOil in the prescribed swap ratio of 4: 37 were issued to the eligible shareholders of erstwhile BRPL.

SUBSIDIARIES

The Corporation has the following subsidiaries, whose financial performance for 2008-09 is as under:

Subsidiary	(Rs. in Crore)	
	Total Turnover	Net Profit
Chennai Petroleum Corporation Ltd.	36,490	(397)
IndianOil (Mauritius) Ltd.	818	30
Lanka IOC PLC.	1,922	(50)
IndianOil Technologies Ltd.	2	1
IOC Middle East FZE	50	2



Launch of SERVO lubricants in Oman.

REPORT ON ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS

In accordance with the Companies (Disclosure of Particulars in the report of Board of Directors) Rule, 1988, a report on Energy Conservation, Technology Absorption and Foreign Exchange earnings is annexed at Annexure-1.

PARTICULARS OF EMPLOYEES

The particulars of employees pursuant to Section 217(2A) of the Companies Act, 1956 and Rules framed there under are annexed.



Shri Pranab Mukherjee, Minister of Finance (the then Minister of External Affairs) inaugurating the PETROTECH-2009 Conference organised by IndianOil.

BOARD OF DIRECTORS

There were no changes in the Board of Directors subsequent to the appointment of five Independent Directors effective 1st June, 2008 which was disclosed in the Annual Report of 2007-08.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under the Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) that in the preparation of the annual accounts for the financial year ended 31st March, 2009, all applicable accounting standards had been followed, along with proper explanations relating to material departures;
- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- (iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors had prepared the accounts for the financial year ended 31st March, 2009 on a 'going concern' basis.

ACKNOWLEDGEMENTS


IndianOil has made rapid strides in the first 50 years of its existence and has crossed several milestones and emerged as India's flagship national oil company. The achievements of the Corporation would not have been possible without the unstinted and dedicated efforts of all its stakeholders including employees, both past and present. In its Golden Jubilee year, the Board of Directors hereby records its deep appreciation for the valuable services and untiring efforts of all its stakeholders, which enabled the Corporation to attain greater heights of glory.



Chairman, IndianOil welcoming the Minister of Petroleum & Natural Gas and the Minister of State for Petroleum & Natural Gas at CEO's Conclave for 'Oil Sector PSUs - Vision-2015'.

The Board also wishes to thank the Government of India, particularly the Ministry of Petroleum & Natural Gas, and the various State Governments, regulatory and statutory authorities for their valuable guidance and support from time to time. The Board is also grateful to the Corporation's bankers, investors, customers and vendors for their continued support and confidence reposed in the Corporation.

For and on behalf of the Board


(S. BEHURIA)
 Chairman

Place : New Delhi
 Dated : 15th July, 2009



SCOPE Gold Trophy for Environmental Excellence & Sustainable Development won by IndianOil.

awards & recognitions

- IndianOil yet again clinched the top slot among the seven Indian companies featured in the *Fortune* 'Global 500' listing of the world's largest companies for 2008, improving its ranking to 105.
- IndianOil was the only petroleum company among 100 other industrial giants to emerge as 'The Most Trusted Fuel Pump Brand' in ET's Brand Equity annual survey for the year 2008. Among the 'Top 50 Service Brands' of the country, it bagged the 7th position.
- IndianOil received the coveted World Petroleum Congress Excellence Award 2008 at Madrid, Spain, in the technical development category for its path-breaking R&D work in hydro-processing technology for Green Fuels.
- IndianOil won the SCOPE Gold Trophy for Environmental Excellence & Sustainable Development and Commendation Certificate for Good Corporate Governance for the year 2007-08.
- IndianOil continued to top the annual corporate listings of leading business publications such as the Economic Times, Business India and BusinessWorld in addition to topping the Oil & Gas category in the Financial Express-500 listing.
- IndianOil has been ranked as one of Best Employers in a survey conducted by Hewitt Associates in association with Outlook Business magazine.
- IndianOil bagged the prestigious BML Munjal Award for Excellence in Learning and Development for the year 2009 and was the only award winner in the public sector category.
- In recognition of its operational excellence and business solutions, IndianOil received a string of prestigious awards - SAP ACE AWARD (for Customer Excellence) for the year 2008 from SAP AG for B2B application for oil exchanges between IndianOil and BPCL SAP systems, Economics Times Smart Workplace Award for Corporate Business Technology Centre (that recognises companies using technology to enhance productivity at the work place) and CIO 100 Award for Innovations in Implementing Business Continuity for SAP R/3 Environment (for the third consecutive year).
- IndianOil received the 'Oil & Gas Supply Chain Excellence' award at the Second Express, Logistics & Supply Chain Conclave (Asia-Pacific) organised by India Times Mindscape with Business India group.
- Indian Express Uptime Champion Award 2008 was conferred on IndianOil's Corporate Business Technology Centre in recognition of its well designed IT infrastructure uptime strategy.
- In recognition of its Kisan Seva Kendra initiative in rural markets, IndianOil received the prestigious 'Most Admired Retailer of the Year - Rural Retailing' award at the India Retail Forum held in Mumbai.
- For the fourth consecutive year, IndianOil was conferred the Safety Innovation Award instituted by the Safety & Quality Forum of the Institution of Engineers (India).
- IndianOil has been conferred the 'Business Superbrand 2008' status by the Superbrands Council of India.
- IIPM won the ISTD Training Award 2007-08 for innovative training practices.



Chairman, IndianOil receiving the World Petroleum Congress Excellence Award for R&D at Madrid.

Annexure-I

Annexure to Directors' Report on Energy Conservation, Technology Absorption and Foreign Exchange Earnings as per Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988.

A. CONSERVATION OF ENERGY

a. Energy Conservation measures taken :

As a part of continued efforts towards energy conservation, a number of projects have been implemented during 2008-09 at Refineries.

Major energy conservation projects implemented are:

Sl. No.	Item	Cost (Rs. in Lakh)	Fuel Savings (Standard Fuel Equivalent) (MT/Year)
1.	Flare gas recovery system at Guwahati Refinery	776	1460
2.	Stepless control in Make-up gas compressor of HDT unit at Guwahati Refinery	85	515
3.	Yield and Energy Improvement in AVU 1 at Barauni Refinery	1733	3200
4.	Commissioning of GT-II alongwith HRSR at Haldia Refinery	10000	12000
5.	Flare gas recovery system at Haldia Refinery	824	3250
6.	Foggy cooler for Gas turbines at Mathura Refinery	141	1000
7.	Stepless control in Make-up gas compressor of DHDT unit at Mathura Refinery	262	1000
8.	Pre-heat improvement in AVU through heat exchanger train optimisation at Digboi Refinery.	192	1400
9.	Enhancing Waste Heat Boiler capacity in SSRU at Panipat Refinery	100	2860

b. Additional investment and proposals, if any, being implemented for energy conservation:

Major schemes under implementation:

- Stepless control in Recycle Gas Compressor of HDT at Guwahati Refinery and in CRU & DHDT make-up gas compressors at Barauni Refinery.
- Flare gas recovery at Barauni, Haldia and Guwahati Refineries
- Hydrogen Recovery from CLPS off gas of HCU at Gujarat Refinery
- Vent gas recovery in VDU-II and pre-heat improvement in CDU-II at Haldia Refinery.
- Pre-heat improvement in CDU at Mathura Refinery

c. Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods

The above schemes on completion, are expected to result in savings of about 159,000 MT per annum of standard fuel.

d. Total energy consumption and energy consumption per unit of production as per Form 'A' of the Annexure in respect of Industries specified in the schedule thereto

Necessary information is provided in Form 'A' annexed hereto.

B. TECHNOLOGY ABSORPTION

Details of Efforts made in technology absorption are provided in Form 'B' annexed hereto.

C. FOREIGN EXCHANGE EARNING AND OUTGO

(a) Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services; and export plans:

IndianOil has been consistently exporting Petroleum & Petrochemical Products and during the year has exported HSD, MS, Lubricants & Bitumen to various countries. The export market of Linear Alkyl Benzene expanded to 12 countries during the year. IndianOil also exported Paraxylene to Indonesia during the year.

(b) Total foreign exchange used and earned:

Foreign Exchange earnings	:	Rs. 14,963 crore
Foreign Exchange used	:	Rs.1,49,943 crore

FORM - 'A'

Form for Disclosure of particulars with respect to conservation of Energy

	2008-09	2007-08
A Power and Fuel Consumption		
1. Electricity:		
a) Purchased		
Qty ('000 KWH)	34511	35161
Rate/Unit	6.14	6.22
Amount (Rs./Lakhs)	2119	2186
b) Own Generation		
i) Through Dual Fuel (HSD/Natural Gas Generator)		
Unit ('000 KWH)	2355489	2272147
KWH per MT of Std. Fuel	6827	6867
Cost/Unit (Rs./KWH)	3.31	3.07
ii) Through Steam Turbine/Generator		
Unit ('000 KWH)	917849	860075
KWH per MT of Std. Fuel	3838	4075
Cost/Unit (Rs./KWH)	5.17	4.03
c) Electricity Consumed (a+b) ('000 KWH)	3307849	3167383
2. Coal	-	-
3. Liquid Fuel (FO/Naphtha/Diesel)		
Qty (MTs)	1831435	1635700
Amount (Rs./Lakhs)	376220	253058
Average Rate (Rs./MT)	20542	15471
4. Others / Internal Fuel		
a) Internal Fuel		
i) Fuel Gas		
Unit (MTs)	1429830	1392821
Amount (Rs./Lakhs)	274705	197387
Average Rate (Rs./MT)	19212	14172
ii) Coke		
Unit (MTs)	350245	338488
Amount (Rs./Lakhs)	48728	40879
Average Rate (Rs./MT)	13913	12077
b) Purchased Fuel		
Natural Gas		
Unit (MTs)	427908	357505
Amount (Rs./Lakhs)	53801	40540
Average Rate (Rs./MT)	12573	11340
B 1. Consumption Per MT of Production: Petroleum		
Actual Production ('000 MTs)	46811	43038
Consumption per MT of Product		
- Electricity (KWH/MT)	63.927	66.140
- Liquid Fuel (MT/MT)	0.035	0.033
- Fuel Gas/LDO/Coke (MT/MT)	0.036	0.038
- Natural Gas (MT/MT)	0.009	0.008
2. Consumption per MT of Production: LAB		
Actual Production ('000 MTs)	128.750	132.810
Consumption per MT of Product		
- Electricity (KWH/MT)	612.404	583.202
- Liquid Fuel (MT/MT)	0.405	0.403
- Fuel Gas/LDO/Coke(MT/MT)	0.145	0.164
- Natural Gas (MT/MT)	0.000	0.000
3. Consumption per MT of Production: PTA		
Actual Production ('000 MTs)	406.736	415.848
Consumption per MT of Product		
- Electricity (KWH/MT)	581.549	585.240
- Liquid Fuel (MT/MT)	0.381	0.370
- Fuel Gas/LDO/Coke (MT/MT)	0.139	0.165
- Natural Gas (MT/MT)	0.000	0.000

Note: Figures for 2008-09 are inclusive of Bongaigaon Refinery figures.

Form 'B'

Form for disclosure of particulars with respect to Technology Absorption, Research and Development (R&D)

1. Specific areas in which R&D carried out by the company

- Development of Refinery process technologies
- Catalysts development for FCC and hydro processing units
- Refinery process modelling
- Trouble shooting and optimisation in refineries
- Material failure analysis, corrosion and remaining life assessment
- Development of Intelligent & Caliper pigs for Pipelines
- Pipeline transportation of petroleum products
- Product development - Lubricant, Greases and Specialities
- Boundry Lubrication and Metal Working Tribology
- Bitumen
- Development of Fuel additives
- Fuels and emission studies
- Alternative Fuels - Hydrogen and Biofuels
- Biotechnology
- Nanotechnology

2. Benefits derived as a result of the above R&D

- Ten patents were granted, taking the effective portfolio of patents to 223, including 63 international patents.
- 186 new lubricant formulations developed, out of which 153 formulations have been commercialised.
- 47 Lubricant formulations received approvals from user industries and Original Equipment Manufacturers.
- Catalyst loss from Indmax Unit at Guwahati Refinery was brought down from 640 Kg to 225 Kg/day.
- 27 catalysts were evaluated for enabling Refineries to select the best catalyst.
- Prediction of yield pattern in Gujarat FCCU for processing 100% hydrotreated VGO.
- FCCMOD simulator was licensed to M/s. Intercat, USA.
- Minimization of LCN in RFCC at Haldia refinery by 4.7 wt% increase in diesel yield by 4-wt% was achieved.
- Developed DHDT catalyst for production of EU-IV quality Diesel.
- Significant advances were made in the iMAX series of Additives designated for enhancement of LPG yield.
- Servo Lubricity Improver (LI) developed for LS, HSD & Naphtha.
- Heterogeneous Catalyzed Process developed for continuous Production of Bio-diesel & commissioned successfully.

3. Future plan of action

- Development of Novel Catalytic Cracking technologies for resid upgradation
- Setting up state of the art laboratory infrastructure for Polymers and Petrochemical Research
- Development of high performance, value added, cost effective products especially for segments like railways, marine propulsion and other industrial & automotive sectors
- Development of bio-fuel compatible, bio-degradable and eco-friendly long drain lubricants
- Setting up of continuous pilot plants, life cycle analysis of Jatropa biodiesel and value added bio-chemicals from glycerine
- Production of 2nd generation Bio-Fuels (Bio-Ethanol, Bio-Butanol) from Technology for Lignocellulologic bio-mass
- Study on coal gasification and petcoke to liquid and also in the frontier area of nano-technology
- Development of low emission fuels & additives

4. Expenditure on R&D

		(Rs in Crore)
a) Capital	-	56.73
b) Revenue	-	117.50
c) Total	-	174.23

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts made towards technology absorption, adaptation and innovation:

With a view to further improve the product pattern and product quality as well as to meet the environmental emission norms, IndianOil has adopted most modern technologies in line with the latest developments worldwide. Major steps taken in this regard are given below:

A. IMPORTED TECHNOLOGY:

i) **Hydrocracker Technology:**

The first Hydrocracker unit of the country was commissioned at Gujarat Refinery in 1994, adopting technology from M/s Chevron, USA for conversion of Vacuum Gas Oil to Jet fuel, Kerosene and Diesel. Thereafter, a new Hydrocracking Unit with technologies from M/s UOP, USA has been commissioned at Panipat Refinery.

ii) **Once Through Hydrocracking Technology:**

Once Through Hydrocracker Units (OHCU) were commissioned at Panipat and Mathura refineries with technologies from M/s UOP, USA and M/s. Chevron, USA respectively and is under implementation at Haldia Refinery with technology from M/s Axens, France for improvement of distillate yield and diesel quality.

iii) **Diesel Hydro-Desulphurisation Technology:**

Diesel Hydro Desulphurisation Units have been commissioned in Mathura and Panipat Refineries with technology from M/s IFP, France and at Gujarat and Haldia refineries with technology from M/s UOP, USA to meet the Diesel quality requirement.

iv) **Diesel Hydrotreatment Technology:**

Diesel Hydrotreatment Units have been commissioned at Guwahati, Barauni and Digboi Refineries with technology from M/s. UOP, USA and at Mathura and Panipat Refineries with technology from M/s Axens, France to meet the diesel quality requirement. Technology from M/s Axens is under implementation at Gujarat Refinery under Resid Upgradation Project.

v) **Fluidised Catalytic Cracking Technology:**

Fluid catalytic cracking (FCC) technology from M/s UOP, USA has been implemented in Gujarat and Mathura Refineries for conversion of Vacuum Gas Oil to LPG, MS and Diesel.

vi) **Resid Fluidised Catalytic Cracking Technology:**

The Resid Fluidised catalytic cracking (RFCC) technology from M/s S&W, USA has been successfully implemented at Panipat, Haldia and Barauni Refineries.

vii) **Catalytic Iso-Dewaxing Unit at Haldia Refinery:**

For improving the lube oil quality in line with international standards and augmenting production capability, Iso-dewaxing technology from M/s MOBIL, USA has been implemented at Haldia Refinery.

viii) **Solvent Dewaxing/Deoiling Technology at Digboi:**

In order to upgrade the process for the production of Paraffin Wax at Digboi Refinery, Solvent dewaxing/deoiling technology from M/s U.O.P, USA has been implemented.

ix) **Hydrofinishing Technology:**

Process technology from M/s. IFP, France for hydro finishing of paraffin wax has been implemented at Digboi Refinery and for production of Microcrystalline wax has been implemented at Haldia Refinery.

x) **Biturox Technology:**

To produce various grades of Bitumen as well as to meet the quality requirements, Biturox technology from M/s Porner, Austria has been implemented at Gujarat Refinery and is under implementation at Mathura Refinery.

xi) **Hydrogen Generation Technology:**

Hydrogen generation technology from M/s Linde, Germany was adopted in 1993 for Hydrogen production and supply to Hydrocracker unit at Gujarat Refinery and has been selected for implementation at Barauni Refinery under MS Quality Improvement Project. Also Hydrogen generation technology obtained from M/s. Haldor Topsoe, Denmark is in operation at Gujarat, Mathura, Haldia, Panipat and Barauni Refineries and has been selected for implementation at Gujarat Refinery under Resid Upgradation Project as well as Paradip Refinery Project. Similar technology from M/s KTI, The Netherlands has been adopted for Hydrogen generation at Guwahati, Digboi and Mathura Refineries and selected for implementation at Haldia Refinery under Once Through Hydrocracker Project.

xii) **Sulphur Recovery Technologies for reduction of SO₂ emission:**

Refineries at Gujarat, Haldia, Mathura and Barauni are provided with Sulphur Recovery Technology from M/s. Stork Comprimo (now Jacob), the Netherlands. Sulphur Recovery Technology from M/s. Delta, Hudson, Canada has been implemented at Panipat Refinery.

Further, Sulphur recovery technologies from M/s B & V Pritchard, USA has been implemented at Panipat Refinery and is under implementation at Gujarat Refinery and Paradip Refinery Project. Technology from M/s Technip, KTI, Spain is under implementation at Haldia Refinery. Technology from M/s.Jacobs, Netherlands is under implementation at Mathura Refinery.

xiii) ISOSIV Technology at Guwahati Refinery:

For production of unleaded MS at Guwahati Refinery, ISOSIV technology from M/s UOP, USA has been implemented.

xiv) Delayed Coker Technology:

For bottom of the barrel upgradation, Coker technology from M/s ABB Lummus, USA has been implemented at Panipat Refinery. Coker technology from M/s Foster Wheeler, USA is under implementation at Gujarat Refinery and Paradip Refinery Project.

xv) VGO Hydrotreatment Technology:

Technology from M/s UOP has been selected for implementation at Gujarat Refinery and from M/s Axens, France for implementation at Paradip Refinery Project.

xvi) Continuous Catalytic Reforming Technology:

For improvement in Octane number of Motor Spirit, Continuous Catalytic reforming technology from M/s IFP, France has been implemented at Mathura and Panipat Refineries. Technology from M/s UOP, USA has been implemented at Gujarat Refinery under MS Quality Upgradation Project.

xvii) Technology for ParaXylene:

For production of ParaXylene at Panipat, technology from M/s UOP, USA has been implemented and the same have been selected for implementation at Paradip Refinery Project.

xviii) Technology for Purified Terephthalic Acid (PTA):

For production of PTA at Panipat Refinery, technology from M/s Du Pont, USA has been implemented.

xix) Technology for Linear Alkyl Benzene (LAB)

Technology from M/s.UOP, USA has been implemented for production of Linear Alkyl Benzene at Gujarat Refinery.

xx) MS Quality Upgradation Technology

For MS Quality Upgradation, Isomerisation Technology of M/s.UOP, USA and M/s Axens, France has been implemented at Mathura and Haldia Refineries respectively. Technology from M/s UOP is under implementation at Gujarat and Panipat Refineries. Technology from M/s Axens is under implementation at Guwahati, Digboi and Barauni refineries.

FCC Gasoline desulphurisation technology (Prime-G) from M/s Axens, France has been implemented at Haldia Refinery and has been selected for implementation at Mathura, Barauni and Panipat Refineries.

xxi) Naphtha Cracker Technology

Naphtha Cracker Technology from M/s ABB Lummus, USA has been selected for adoption at Panipat refinery. Technologies from M/s Basell, Italy, M/s Basell, Germany, M/s Nova Chemicals, Canada & Scientific Design, USA are under implementation for various downstream polymer plants viz. Poly-Propylene Unit, HDPE unit, Swing unit (HDPE/LLDPE) and MEG unit respectively.

Technology from M/s Basell, Italy has been selected at Paradip Refinery Project for production of Poly-Propylene.

xxii) Alkylation Technology:

For production of MS, Alkylation technology from M/s Exxon Mobil has been selected for implementation at Paradip Refinery Project.

xxiii) Ethyl Benzene/Styrene Technology:

For production of Ethyl Benzene/Styrene, technology from M/s ABB Lummus, USA has been selected for implementation at Paradip Refinery Project.

xxiv) Regenerative type Flue Gas De-Sulphurisation Technology:

In order to recover Sulphur Di-Oxide from Boiler flue gases a Regenerative type Flue gas De-sulphurisation technology from M/s Cansolv Technology Incorporate (CTI), Canada, has been selected for implementation at Paradip Refinery Project.

xxv) Spent Acid Regeneration Technology:

In order to regenerate fresh sulphuric acid from spent sulphuric acid recovered from Alkylation Unit a Spent Acid Regeneration technology from M/s MECS, USA has been selected for implementation at Paradip Refinery Project.

xxvi) ATF Treatment Technology:

ATF Treatment Technology from M/s UOP is under implementation at Gujarat Refinery. Technology from M/s Merichem, USA has been selected for Paradip Refinery Project.

B. INDIGENOUS TECHNOLOGY:

i) **INDMAX Technology:**

INDMAX technology developed in-house by IOC(R&D) for converting heavy distillate and residue into LPG/light distillate products has been implemented successfully at Guwahati Refinery. For production of petro-chemical feedstocks viz. Ethylene, Propylene from VGO, INDMAX technology has been selected for implementation at Paradip Refinery Project.

ii) **Hexane Hydrogenation Technology:**

Hexane Hydrogenation process for production of Food grade Hexane (WHO Grade quality), developed by IOC (R&D) with indigenous catalyst has been successfully implemented at Gujarat Refinery.

C. MODERNISATION OF INSTRUMENTATION & CONTROL

A) **Distributed Digital Control System (DDCS)**

DDCS has already been implemented and commissioned in all Process Units and Captive Power Plants of all Refineries. Also, all the new units already commissioned and planned in future have been / will be provided with DDCS.

B) **Advanced Process Control (APC)**

APC has been implemented in the various units of the Refineries as under:-

- Crude & Vacuum Distillation Unit, Delayed Coker Unit and INDMAX Unit of Guwahati Refinery.
- Atmospheric & Vacuum Distillation Units, Coker, LPG Recovery Unit and Resid Fluidized Catalytic Cracking Unit of Barauni Refinery.
- Crude & Vacuum Distillation Units, Hydro-Cracker, Fluidized Catalytic Cracking Unit & Catalytic Reforming Unit of Gujarat Refinery.
- Resid Fluidized Catalytic Cracking Unit and Atmospheric & Vacuum Distillation Unit of Haldia Refinery.
- Once Through Hydrocracker, Fluidized Catalytic Cracking Unit, Atmospheric & Vacuum Distillation Unit, Continuous Catalytic Reforming Unit, Visbreaker, Diesel Hydro-Desulphurization Technology Unit / Hydrogen Generation Unit-II and Motor Spirit Quality Upgradation Unit of Mathura Refinery.
- New Delayed Coker Unit and Atmospheric & Vacuum Distillation Units of Digboi Refinery.
- Solvent Dewaxing Unit of Digboi Refinery.
- Atmospheric & Vacuum Distillation Unit-I, Once Through Hydrocracker, Resid Fluidized Catalytic Cracking, Visbreaker & Continuous Catalytic Reforming Unit of Panipat Refinery.
- Atmospheric & Vacuum Distillation Unit -1-II, Hydrocracker Unit, Delayed Coker Unit and DHDT Diesel Hydro-Desulphurization Technology Unit of Panipat Refinery (completed and is in operation since Nov'08).

C) **Offsite Modernisation**

As a part of modernisation of Oil Movement & Storage (OM&S) facilities, the following have already been implemented

- Automation of Tank Wagon loading at Barauni, Gujarat, Mathura & Haldia Refineries.
- Automation of Tank Truck loading at Gujarat & Haldia Refineries.
- Blending Automation at Haldia, Mathura & Barauni Refineries.
- Auto tank gauging has been completed at all Refineries.
- Advanced Blend Control (ABC) system for online blending of MS & HSD is being implemented at Panipat Refinery.

D) **Automation of Laboratories**

Automation of Laboratories has been completed at all Refineries.

E) **Networking & Real Time Data Base Management System (RTDBMS)**

- Networking of units and offsite facilities has been completed at all Refineries.
- Real Time Data Base Management System (RTDBMS) has been implemented at all Refineries and are in operation.

Annexure-II

SC/ST/OBC REPORT-I

Annual statement showing the representation of SCs, STs and OBCs as on 1st January, 2009 and number of appointments made during the preceding calendar year

Groups	Representation of SCs/STs/OBCs (As on 01.01.2009)				Number of appointments made during the calendar year 2008									
	Total number of employees	SCs	STs	OBCs	By Direct Recruitment				By Promotion			By Deputation/ Absorption		
Total					SCs	STs	OBCs	Total	SCs	STs	Total	SCs	STs	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
A	13196	2215	867	1124	996	160	61	216	245	48	26	5	0	0
B	5261	885	375	111	No recruitment is made in this group				551	106	36	2	0	1
C	13782	2885	1064	1296	215	54	8	67	43	7	3	0	0	0
D (Excluding Sweeper)	229	48	10	45	53	10	0	16	0	0	0	3	1	0
D (Sweeper)	4	2	0	1	0	0	0	0	0	0	0	0	0	0
Total	32472	6035	2316	2577	1264	224	69	299	839	161	65	10	1	1

SC/ST/OBC REPORT-II

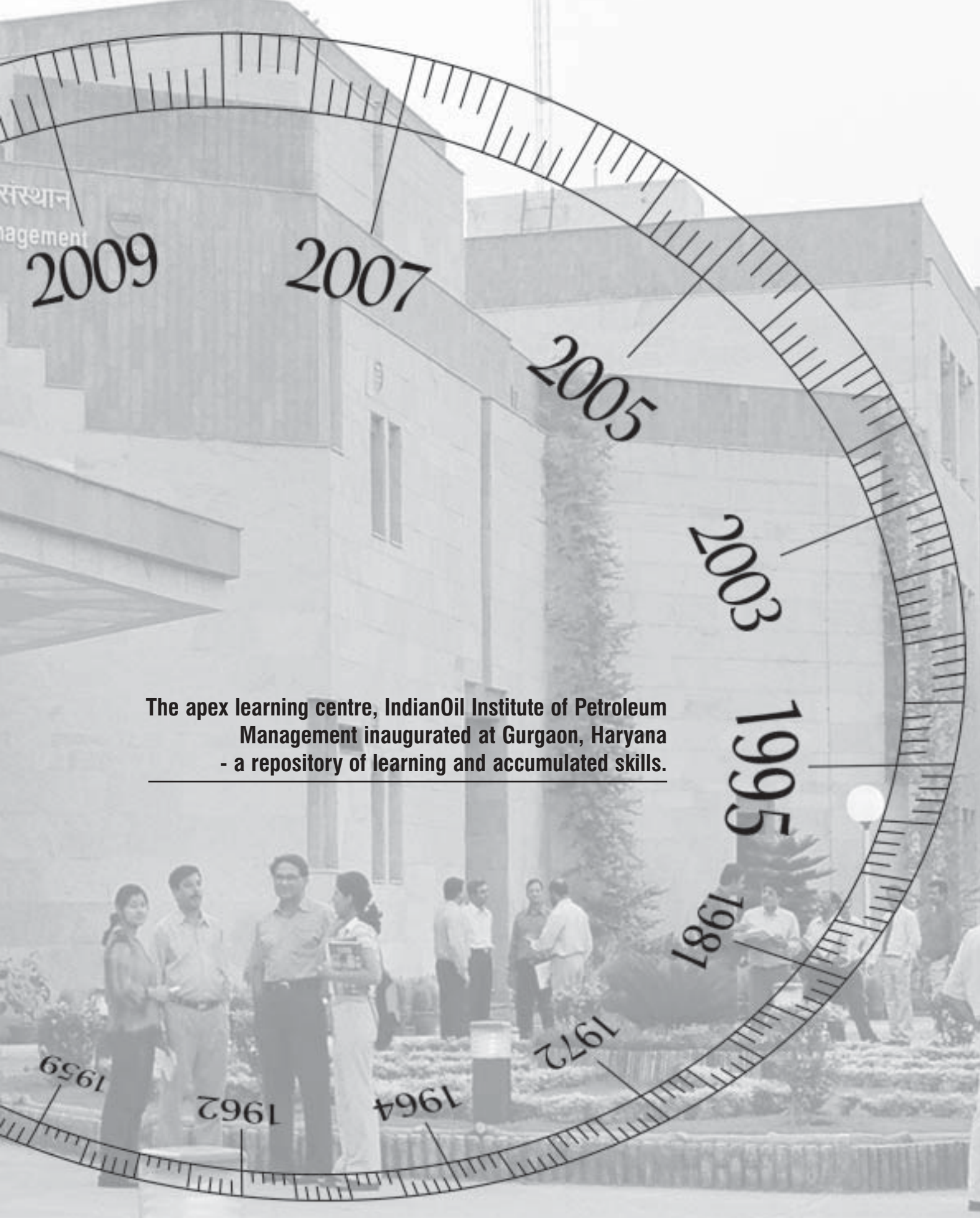
Annual statement showing the representation of SCs, STs and OBCs in various group "A" services as on 1st January, 2009 and number of appointments made in the service in various grades in the preceding calendar year

Pay Scale (In Rupees)	Representation of SCs/STs/OBCs (As on 01.01.2009)				Number of appointments made during the calendar year 2008									
					By Direct Recruitment				By Promotion			By Deputation/ Absorption		
	Total number of employees	SCs	STs	OBCs	Total	SCs	STs	OBCs	Total	SCs	STs	Total	SCs	STs
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
12,000-17,500	3804	619	283	681	996	160	61	216	245	48	26	1	0	0
13,750-18,700	2632	401	170	213	No recruitment is made in this group				374	61	28	1	0	0
16,000-20,800	2637	552	186	212	No recruitment is made in this group				472	95	29	4	0	0
17,500-22,300	1453	289	112	9	No recruitment is made in this group				347	74	35	2	1	0
18,500-23,900	1228	222	90	6	No recruitment is made in this group				216	29	9	0	0	0
19,000-24,750	925	107	20	3	No recruitment is made in this group				196	27	7	0	0	0
19,500-25,600	350	18	6	0	No recruitment is made in this group				102	4	4	0	0	0
20,500-26,500	113	6	0	0	No recruitment is made in this group				37	3	0	0	0	0
23,750-28,550	54	1	0	0	No recruitment is made in this group				14	1	0	0	0	0
Total	13196	2215	867	1124	996	160	61	216	2003	342	138	8	1	0

इंडियन ऑयल पेट्रोलियम प्रबन्ध
Indianoil Institute of Petroleum Management

Indianoil Institute
of
Management





संस्थान
Management

2009

2007

2005

2003

1995

1987

1972

1964

1962

1959

**The apex learning centre, IndianOil Institute of Petroleum
Management inaugurated at Gurgaon, Haryana
- a repository of learning and accumulated skills.**

50th

ANNUAL REPORT
2008-09



India's oldest refinery at Digboi

The Corporation's business strategy found its most eloquent expression in the willingness and ability of IndianOilPeople to quickly learn and grow.

management discussion & analysis

(Forming part of the Directors' Report for the year ended 31st March 2009)

INDUSTRY STRUCTURE & DEVELOPMENTS

Global Economy

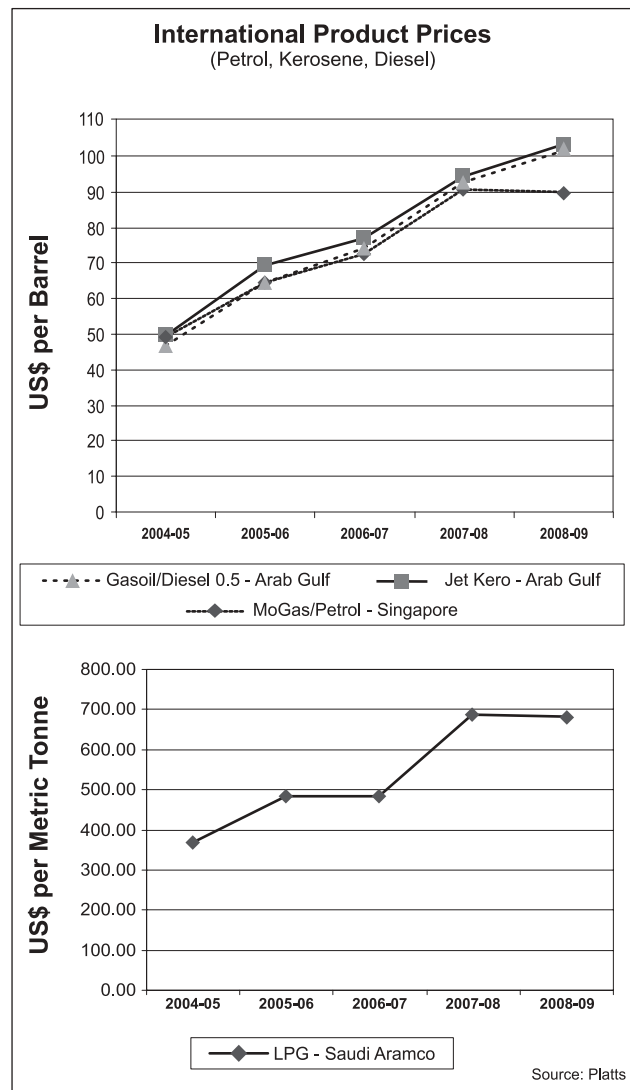
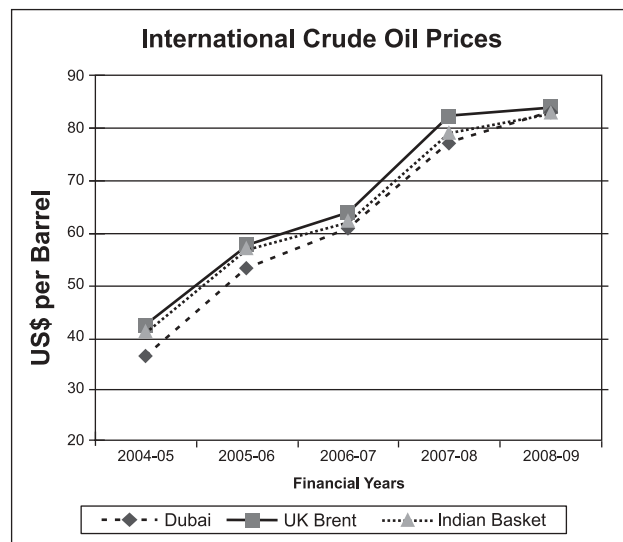
The slowdown of the advanced economies last year, was just the tip of the iceberg. Post second quarter of 2008-09, the world economy plunged further down, for the first time since the Great Depression of 1930s. The advanced economies across the globe slipped into recession, the emerging economies, which until last year were soaring, slowed down abruptly and the under-developed economies of Asia & Africa too were not spared.

The second quarter of 2008-09 saw a significantly slow pace of world trade and financial flows. The credit markets remained cold in the wake of the deleveraging process. International commodity prices, which had peaked owing to the strong economic growth and increased investor interest in them, have fallen low post July 2008. This has sparked worries of price deflation, which could exacerbate the downturn in activity. Major fluctuations in exchange rates were also witnessed; almost every currency in the world has depreciated against the dollar, reflecting a "flight to quality" into U.S. Treasury securities.

Governments across the globe have been at the helm with large scale policy interventions via monetary policy, bailout packages for the financial institutions and fiscal stimulus. These interventions have been implemented with great vigour. The fact that policy action was coordinated across developed & emerging economies through several rounds of discussions has made it more significant in speeding up the recovery process. Although the effect of some of these policy interventions is expected to be felt with elapse of time, the absence of these would have made the crisis more long-drawn and painful.

India

Indian economy too was affected by the global slowdown, despite strong dominance of domestic sources of growth. The Balance of Payments (BoP)



through contraction in exports, reversal of portfolio flows and decline in long-term and short-term debt flows was the main channel of transmission. There was deceleration in growth by the third quarter of 2008-09, mainly due to varied domestic factors and an adverse external environment. In fact, the slowdown in industry was the severest, with Index of Industrial Production recording negative growth in the latter part of the year. While a sharp drop in external demand was the direct fallout of the global trade contraction, domestic demand in the form of private consumption and investment also received a jolt.

In such a crisis, monetary policy was used as the first line of defence, with cuts in major policy rates. Fiscal stimulus in the form of increased expenditure and tax cuts have provided the much needed support to aggregate demand. Even before these formally announced fiscal stimulus measures, the Sixth Pay Commission recommendations and the Agriculture Loan Waiver have provided cushion to the aggregate demand. The resultant increase in fiscal deficit raises concern about its sustainability.

On the flip side, despite a severe impact of the global turmoil, the Indian economy still fared quite well. Indian banking system & credit markets although not unscathed were not deluged. In fact, Indian banks had only limited or no exposure to malignant sub prime assets and all banks were adequately capitalized. The tight liquidity conditions that ensued were promptly managed by the Reserve Bank of India (RBI). India's strong foreign exchange reserve position, acted as a buffer and helped contain the adverse effects of the external shocks to the BoP. Confidence in India as a long-term investment destination remains unshaken with FDI reaching record levels during the year. Inflation after touching record highs in the earlier part of the year due to flared international commodity prices, in the latter part, fell and reached a record low.

The fact that the Indian economy grew at 6.7% amidst this crisis reflects the resilience of the Indian economy. In fact, most macro economists believe that while the impact of economic crisis on world economic growth will be more prolonged than earlier expected, emerging economies like India & China will lead the recovery and will return to considerable growth in the long term. The Indian economy is expected to recover early, with strong domestic fundamentals.

OUTLOOK

Global Oil & Gas Industry

It was a year of extremes for the global oil industry. The benchmark West Texas Intermediate crude price, averaged at a record \$110 per barrel for 2008 (yearly base). At the back of this record average was unprecedented volatility. Crude price peaked at \$ 147/bbl in July 2008 & plunged to \$40/bbl at the end of the year. In the initial part of the year, tight supply-demand balance, geopolitical tensions, a weakened US dollar & overflowing money into crude futures made the crude oil price reach its historical peak. Subsequently, in the wake of the economic turmoil, the oil market found itself at cross roads, as flow of funds to crude futures dried up, demand from advanced countries as well as emerging markets (especially China, post Beijing Olympics) plummeted and dollar started strengthening. In fact, in 2008, global oil demand declined from the previous year for the first time since 1983.

The Organisation of Petroleum Exporting Countries (OPEC) & US Energy Information Administration (EIA) both project a decline in world demand of oil by 1-1.35 million barrel per day, respectively during 2009. According to the EIA, if global economic recovery begins earlier and is stronger, there is an upside risk of even higher oil prices from the current level. The Institute of Energy Economics, Japan (IEEJ)'s take on oil prices is that high level inventories at present and growing surplus OPEC production capacity can also work to weaken oil prices and pressure will grow on OPEC to reduce oil production further. Overall, the outlook for the oil market remains highly uncertain.

The present scenario of volatility in the crude oil prices coupled with falling oil revenues has ramifications for the future of oil markets. Conservative investment policy could be a major fallout of this due to the uncertainty involved in assessing the future market scenarios and future revenues. The natural gas market, which, like the crude oil experienced a run up of prices followed by a precipitous decline on the back of similar factors is vulnerable to capacity additions.

Indian Oil & Gas Industry

More than 80% of India's crude oil requirements are met through imports. Liquefied Natural Gas and other imported natural gas are also catering to the demand. Moreover, India in recent years had also emerged as a major exporter of petroleum products. Sooner or later, the turbulences of the international oil & gas market were bound to hit the Indian hydrocarbon sector. In fact, the industry in many respects, found itself operating in an uncharted territory.

The Indian basket of crude oil touched \$ 142.04 per barrel on 3rd July 2008 before plunging to \$ 35.83 per barrel on 24th December, 2008. Although there was a steady fall in international oil prices since August 2008, the average price of the Indian basket during 2008-09 was still high at \$ 83.57 per barrel, against the average price of \$ 79.25 per barrel in 2007-08.

The domestic consumers were shielded from the spiralling crude oil prices in the initial half of the year. However, when the crude prices fell, the government reduced the prices of petrol and diesel twice, by Rs.5 per litre and Rs. 2 per litre respectively on 6th December, 2008 and 29th January, 2009. Further, domestic LPG prices were also reduced by Rs.25 per cylinder effective 29th January, 2009.

All segments of the industry, upstream companies, refiners and Oil Marketing Companies (OMCs) were affected by the high volatility in the international crude oil prices. The margins of upstream companies and refiners, having gained from rising crude prices, were hit by falling crude prices. The result, overall marketing margins turned positive, and average crude oil price was high. Additionally a depreciating rupee that accompanied falling crude oil prices neutralized to some extent, the reduction in input costs.

The economic slowdown in the country affected petroleum product demand. Moderation was witnessed in the consumption growth of petroleum products. Growth rate of petroleum products in the domestic market decelerated to 3.5% from 6.8% in the previous year. Total domestic sales excluding gas stood at 133.4 MMT and the crude throughput of the Indian refineries was at 160.8 MMT. On the external front, exports of petroleum products turned out to be lower in both quantity and value, compared to that in 2007-08.

During the year, Indian refining capacity rose to 177.9 MMTPA with the commissioning of 29 MMTPA refinery at Jamnagar in December, 2008. Of the country's total refining capacity, 105.5 MMTPA is in the control of the Public Sector and the balance 72.5 MMTPA rests with the Private Sector. Production of crude petroleum was at a level of 33.5 MMT, showing a decline of 1.8% in 2008-09. Gas production, which had declined during 2007-08, picked up during 2008-09 by 1.4% with a production of 32.8 billion cubic metre.

The gas supply scenario in the country has improved with the flow from Krishna Godavari (KG) Basin in April 2009. The New Exploration Licensing Policy (NELP) of the government has been the main catalyst in improving the domestic supply. After seven rounds of NELP, the area under exploration has progressively increased more than four times to 48% of Indian Sedimentary Basin area from the 11% before implementation of NELP. The Hydrocarbon reserves accretion has been more than 600 Million Metric Tonne of oil equivalent (MMTOE). In the latest NELP-VIII, 70 exploration blocks comprising 24 deepwater blocks, 28 shallow water blocks and 18 onland blocks are on offer.

On the policy front, the intended medium term reform measures of the government particularly, for energy sector, indicate a thrust on some areas viz. gradual removal of subsidies and market distortion, increase competition, encourage private sector entry and promote renewable resources especially solar energy as a means of removing energy poverty.

Some of the major industry specific announcements of Budget 2009-10 are:

- Reduction in customs duty on bio-diesel from 7.5% to 2.5%
- Full exemption of excise duty of petro-diesel blended with bio-diesel
- Extension of tax holiday to commercial production of natural gas
- Expansion of LNG infrastructure and proposal to develop a blueprint for National Gas Grid
- Introduction of investment linked tax incentives for laying and operating cross country natural gas, crude and product pipelines on common carrier principle

RISKS AND CONCERNS

Uncertain oil and gas markets and venture risks have compounded in the backdrop of the financial crisis and the global economic slowdown.

The sudden switch from a high price to a low price regime and uncertainty in price have dramatically affected the economics of the industry through out the value chain. Management of short and long term risks and thinking ahead of the curve with an eye on the future is pertinent. As a result of falling crude oil prices, inventory valuation losses were also significant for the company during the year.

In the wake of the financial crisis, the trend of strengthening of rupee was reversed. Given the large scale foreign exchange transactions of the Corporation, the instability of foreign exchange markets constantly poses risk to the Corporation.

Sharp interest rate fluctuations are an area of concern for the Corporation in the context of raising debts for projects as well as for raising money through sale of oil bonds. In the first half of 2008-09, flaring inflation hardened the interest rates. The deepening financial crisis, further created a severe liquidity crunch. To cope with this, expansionary monetary policy was adopted by RBI and there were widespread interest rate cuts.

The extant pricing policy of the Government, especially with reference to the retail selling prices of Diesel, Petrol, LPG and Kerosene acts as a major constraint on the Corporation. The tradition of using retail oil pricing policy as a subsidy tool to subsidise has many a time endangered the financial health of the OMCs. Such a policy environment, only accentuates the risks associated with uncertainties of international oil market. The oil bonds issued by the Government to compensate for the under recoveries have their own limitations. The delay in issuance of oil bonds leads to interest loss for the Corporation. To meet its cash requirements, often the Corporation has to sell these bonds. Their relatively lower demand (one of the reasons being their non-SLR status) gets them sold at a discount. This practice which is beyond the control of the management has a significant impact on the financials of the Corporation despite a sound physical performance. To address this, the Government constituted a committee under the chairmanship of Sri B.K.Chaturvedi, Member, Planning Commission during the year. The terms of reference for the committee, amongst others, were to examine the impact of increases in oil prices on the financial position of the oil companies, revisit the concept of 'under recoveries', estimate the financial needs of the refiners and OMCs, besides examining the available options for burden sharing.

The global economic slump has affected the demand for petroleum products in the country. In the short term, until the economy improves, petroleum products are expected to register a slower rate of growth in sales. Slow growth in sales is further exacerbated by the private players planning to enter the market and raising the competition levels.

Strong product demand and high crude oil prices had kept Gross Refinery Margin (GRM) at a higher level for the last few years. However, with fluctuating prices of crude oil and dwindling demand of petroleum products in the foreseeable future, refinery margins will be uncertain.

The Corporation's Exploration & Production(E&P) business portfolio has increased steadily over the years. A few discoveries have already been made and the risks normally associated with such investments will continue to linger till they are commercially viable. Until now the Corporation was making investments in E&P as a non-operator, through the consortium mode. However, during the year the Corporation was awarded 2 (two) 'S' type blocks as an operator with 100% participatory stake. With this the Corporation has entered an altogether new field, where the returns are high but the risks are high as well.

CHALLENGES AND OPPORTUNITIES

The critical, complex and high level of global integration of energy sector make it full of challenges and opportunities.

While material costs (especially crude) are beyond the control of the Corporation, and price realisation for the high volume products is administered; minimising operational costs is a key challenge for the Corporation for maximisation of margins. In this context, the Corporation constantly strives to optimise its refining process, logistics and supply chain management, timely execution and safe commissioning of projects & retention of skilled manpower.

IndianOil believes in running its operations responsibly today to build a dependable and sustainable energy system for tomorrow. Development of techno-economically viable and environment-friendly products and services for the benefit of its consumers is another challenge for the Corporation. To this end, energy conservation, hydrocarbon loss reduction, water & waste management and auto fuel quality improvement projects are underway at our various locations. Significant investments have been made in various quality upgradation projects at all our refineries. Presently, quality improvement projects are underway at the Corporation's refineries to meet Euro-III/IV fuel quality norms, which will become effective from April 2010.

In the long term, climate change concerns and a shift favouring renewable energy in the policies of major consuming countries will act as a major challenge to the traditional oil and gas industry. The Corporation with the vision of diversification across the energy sector and commitment to sustainable practices, views renewables as an area of immense opportunity. Already, it has made headway into some of these. IndianOil has a well laid out plan for its bio-fuels business. During the year, it formed a joint venture company for its bio-fuels activity in Chhattisgarh. Also the Corporation commissioned a 21 MW wind power project and ventured into solar energy business.

Servicing the rural sector has been a priority for the Corporation. The network touches the remotest corners of the country and specially designed Kisan Seva Kendras cater to the rural fuel demand. It also provides non-fuel conveniences to the rural population. The Corporation views the rural market as an area of enormous opportunity and innovation. The structure of the rural economy is changing, the share of industry and services in the rural income has been rising and huge sums are being spent by the Government for development of rural infrastructure. Today, many private sector manufacturers are entering the rural market. The resilience exhibited by rural India in face of the global economic crisis raises our confidence further in its potential.

The Corporation in the recent years has been making efforts to tap opportunities across the entire value chain of oil & gas business. It has forged strategic alliances in the E&P and gas sector. Having successfully entered the petrochemicals sector, it has ambitious plans for the future. Challenges and

opportunities both abound in these new fields. The availability of skilled E&P professionals in the market is low, as we expand our E&P portfolio, meeting our manpower requirements will be a big challenge. In the present international scenario of gas business both high prices and low availability pose a major challenge. Moreover, getting into long-term gas sourcing agreements has become increasingly difficult in recent times.

The global petrochemicals industry is going through a down-cycle and this has coincided with the global economic meltdown. However, the Indian market has remained somewhat insulated, though the situation has warranted a revision in growth projections. The Indian market is expected to grow faster and further.

FINANCIAL REVIEW

Turnover

The turnover (inclusive of excise duty) of IndianOil for the year ended 31st March, 2009 was Rs.2,85,337 crore as compared to Rs.2,47,457 crore in the previous year. The total sales of petroleum products (including natural gas) for 2008-09 were 66.17 MMT as against 62.62 MMT during 2007-08.

Profit Before Tax

The Corporation's Profit Before Tax was Rs.4,329 crore during 2008-09 as compared to Rs.10,080 crore in 2007-08.

Provision for Taxation

a) Current Tax

An amount of Rs.1,285 crore has been provided towards current tax for 2008-09, considering the applicable income tax rates, as against Rs.3,084 crore provided during 2007-08.

b) Fringe Benefit Tax

An amount of Rs.44 crore has been provided towards fringe benefit tax for 2008-09, as against Rs.28 crore provided during 2007-08.

c) Deferred Tax

An amount of Rs.50 crore has been provided towards deferred tax in the current financial year, as against Rs.5 crore provided during 2007-08.

Profit After Tax

The Corporation has earned a Profit After Tax of Rs.2,950 crore during the current financial year, compared to Rs.6,963 crore in 2007-08.

Depreciation & Amortisation

Depreciation for the year 2008-09 was Rs.3,038 crore as against Rs.2,708 crore for the year 2007-08.

Interest(net)

Interest Expenditure (net) of the Corporation for the current year was Rs.2,560 crore, as against Rs.404 crore during 2007-08.

Borrowings

The borrowings of the Corporation as on 31st March, 2009 were Rs.44,972 crore as compared to Rs.35,523 crore as on 31st March, 2008. The Total Debt to Equity ratio on 31st March, 2009 works out to 1.02:1 as against 0.86:1 as on 31st March, 2008 and the Long Term Debt to Equity ratio stands at 0.36:1 as on 31st March, 2009 as against 0.28:1 as on 31st March, 2008.

Capital Assets

Gross Fixed Assets (including Capital Work in Progress) increased from Rs.66,002 crore as on 31st March, 2008 to Rs.80,531 crore as on 31st March, 2009.

Investments

Investments, including advances for investment, as on 31st March, 2009 were Rs.32,250 crore as compared to Rs.21,546 crore as on 31st March, 2008. The changes in investments during the year are mainly on net increase in Government of India Special Oil Bonds. The aggregate market value of the Quoted Investments as on 31st March, 2009, i.e., investments made in ONGC, GAIL, Chennai Petroleum Corporation Ltd., Petronet LNG Ltd. and Lanka IOC Plc., is Rs. 15,319 crore (as against the cost price of Rs. 2,705 crore).

Net Current Assets

Net Current Assets as on 31st March, 2009 were Rs. 9,177 crore, as against Rs.18,350 crore as on 31st March, 2008.

Earnings Per Share

Earnings Per Share for the year 2008-09 work out to Rs. 24.30 as compared to Rs.58.39 in the previous year. Cash Earnings Per Share for the current year work out to Rs.49.32, compared to Rs.81.10 in the previous year.

Earnings in Foreign Currency

During the year, IndianOil earned Rs.14,963 crore in foreign currency mainly due to export of petroleum products, against Rs.11,454 crore in 2007-08. This includes Rs.6,014 crore received in Indian currency out of repatriable funds, as against Rs.3,522 crore in the previous year.

SEGMENTWISE PERFORMANCE

The segmentwise performance for the current year is given below:

	(Rs. in Crore)			
	Sale of Petroleum Products	Other Businesses	Eliminations	Total
External Revenue	2,76,564	28,884	-	3,05,448
Inter Segment Revenue	1,424	459	-	1,883
Total Revenue	2,77,988	29,343	-	3,07,331
Operating Profit	7,012	(49)	13	6,950

Notes:

- Segment Revenue comprises Turnover (net of excise duty), Subsidy & Grants from the Government of India and other income (excluding interest income, dividend income and investment income).
- Other business segment comprises sale of imported Crude oil, sale of Gas, Petrochemicals, Wind Mill Power generation, Oil & Gas Exploration activities, and explosives & Cryogenic businesses.

INTERNAL CONTROL SYSTEMS

The Corporation has adequate internal control systems, commensurate with the size and nature of its business. In addition, there are detailed manuals on various aspects of the business activity, accounting policies and guidelines. Further, your Corporation has a full-fledged independent Internal Audit Department, which carries out extensive audits round the year covering each



and every aspect of business activity so as to ensure accuracy, reliability and consistency of records, systems and procedures. An Audit Committee comprising independent Directors constituted by the Board of Directors reviews the recommendations and observations of the Internal Audit Department regularly.

HUMAN RESOURCES / INDUSTRIAL RELATIONS

The industrial relations climate in the Corporation generally remained harmonious and peaceful during the year, although the Officers had struck work for 3 days . This was in response to a call given by the Officers' Association on issues related to pay revision, which were beyond the jurisdiction of the Corporation and needed redressal by Government of India.

IndianOil continued its efforts to promote employees' participation in various activities by way of information sharing, suggestion scheme, rewards, recognitions, etc. HR Index, which was designed with an objective to facilitate

effective implementation of HR policies and practices and to create an environment of belonging and team work at the operating units, has contributed in ensuring corrective action / improving HR climate in the locations / units. The employee strength of IndianOil as on 31st March, 2009 was 33,998 including 13,716 officers.

CAUTIONARY STATEMENT

Statements in the Management Discussion & Analysis describing the Company's focal objectives, expectations or anticipations may be forward looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from the expectations. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of products, input availability and prices, changes in Government regulations/tax laws, economic developments within the country and factors such as litigation and industrial relations.

G.M.

MGM
Club

IOC

Lanka IOC

SERVO

24 hrs

ATM

Credit Card

ConveniD

365

Lanka IOC

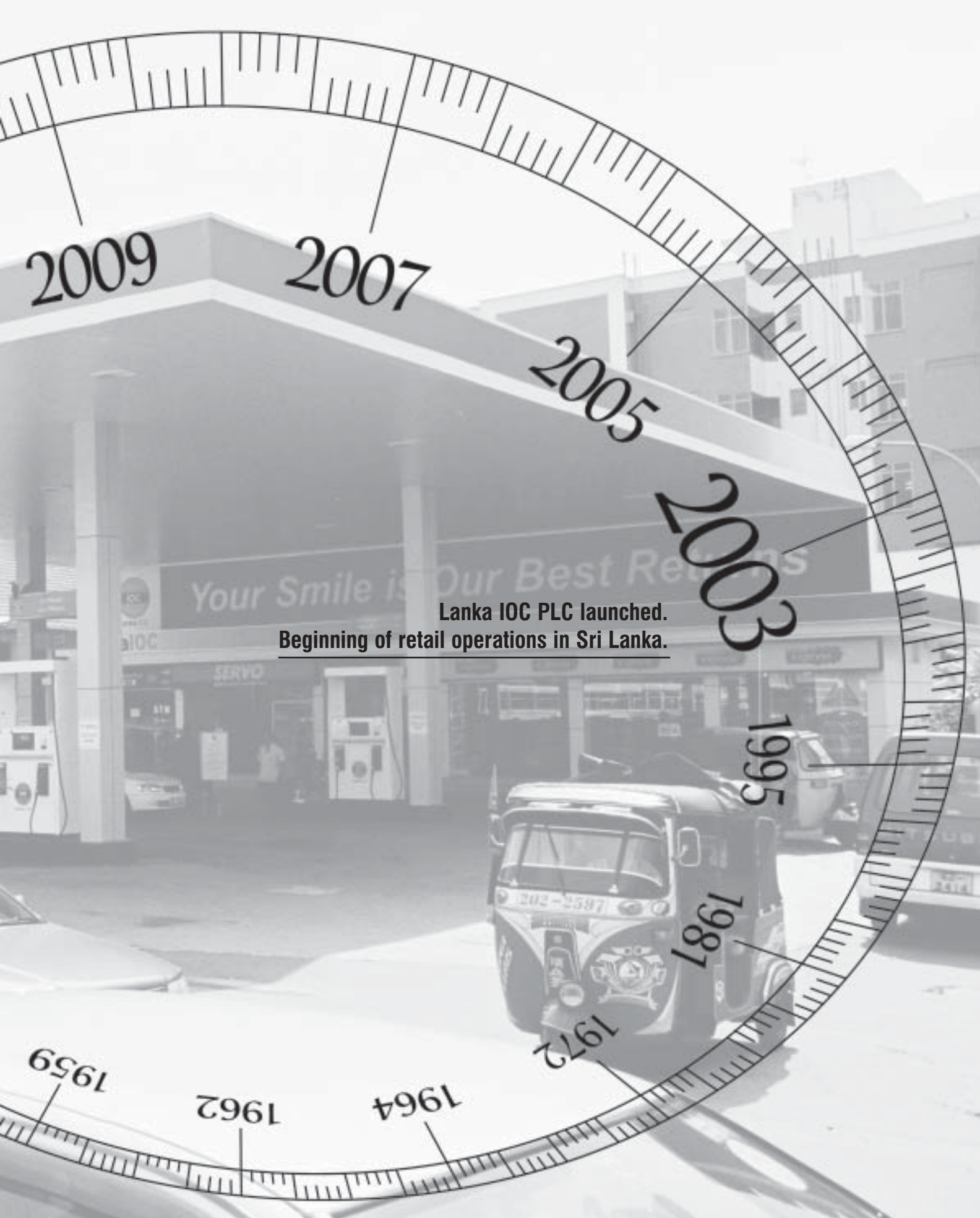
FEEL THE POWER
SERVO 2T SUPREME.

SERVO

WORLD CLASS

IOC





2009

2007

2005

2003

1995

1987

1972

1964

1962

1959

Lanka IOC PLC launched.
Beginning of retail operations in Sri Lanka.

Your Smile is Our Best Return

SERVO

report on corporate governance

(Forming part of the Directors' Report for the year ended 31st March, 2009)

The basic objective of Corporate Governance is to enhance and maximize shareholder value and protect the interest of other stakeholders like customers, employees and society at large in order to build an environment of trust and confidence among all the components, which may have competing as well as conflicting interest.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

IndianOil believes that good Corporate Governance practices would ensure ethical and efficient conduct of the affairs of the Company and also help in maximizing value for all its stakeholders. The Company endeavours to uphold the principles and practices of Corporate Governance to ensure transparency, integrity and accountability in its functioning which are vital to achieve its Vision of being the Energy of India and a Globally Admired Company.

IndianOil recognises that good Corporate Governance is a continuous exercise and reiterates its commitment to pursue highest standards of Corporate Governance in the overall interest of all its stakeholders. For effective implementation of the Corporate Governance practices, IndianOil has a well-defined policy framework inter alia consisting of the following:

- Code of Conduct for Directors and Senior Management Personnel
- Code of Conduct for prevention of Insider Trading
- Enterprise Risk Management Policy
- Integrity Pact to enhance transparency in business
- Whistle Blower Policy
- Conduct, Discipline and Appeal Rules for employees

BOARD OF DIRECTORS

(a) Composition of Board of Directors

The Board of IndianOil consists of optimum combination of Executive (Whole-time) and Non-Executive (Part-time) Directors. Non-Executive (Part-time) Independent Directors are persons with proven record in diverse areas like energy, law, academics, finance, marketing, Government / public sector etc.

The strength of the Board of IndianOil was 16 directors as on 31.03.09 comprising of 8 Executive (Whole-time Functional) Directors (including Chairman) and 8 Part-time Non-Executive Directors, out of which 6 are Independent Directors and 2 are Govt. Nominee Directors. The Company has not been able to comply with the requirement of 50% Independent Directors on its Board. IndianOil being a Government Company under the administrative control of the Ministry of Petroleum & Natural Gas (MoP&NG), the Directors are nominated by the Government of India. The Company has requested the Govt. of India to induct requisite number of Independent Directors as required under clause 49 of the Listing Agreement.

The composition of the Board of Directors as on 31.03.09 is given below:

Name	Category
Shri S. Behuria	Chairman
Shri B. M. Bansal	Director (Planning & Business Development)
Shri S. V. Narasimhan	Director (Finance)
Shri V. C. Agrawal	Director (Human Resources)
Shri G. C. Daga	Director (Marketing)
Shri B. N. Bankapur	Director (Refineries)
Shri Anand Kumar	Director (Research & Development)
Shri P. K. Chakraborti	Director (Pipelines)
Shri S. Sundareshan	Government Nominee Director
Shri P. K. Sinha	Government Nominee Director
Prof. (Dr.) Indira Parikh	Independent Director
Shri Anees Noorani	Independent Director (w.e.f. 01.06.08)
Dr. (Smt.) Indu Shahani	Independent Director (w.e.f. 01.06.08)
Prof. Gautam Barua	Independent Director (w.e.f. 01.06.08)
Shri Michael Bastian	Independent Director (w.e.f. 01.06.08)
Shri Nirmal Kumar Poddar	Independent Director (w.e.f. 01.06.08)

(b) Board Meetings

The Board of Directors is the apex body which oversees the overall functioning of the Company. The Board of IndianOil has set strategic goals in order to achieve its Vision and Mission Statement. The Board defines the Company's policy and oversees its implementation in attaining its goal. The Board has constituted various committees to facilitate the smooth and efficient flow of decision making process.

The dates of the Board Meetings are fixed well in advance and intimated to the Board members so as to enable the Directors to plan their schedule accordingly. The meetings of the Board of Directors are generally held once in a month. During the financial year 2008-09, 12 such Board Meetings were held. The agenda

papers are circulated to the Directors well in advance before the meeting. However, certain exigent matters are tabled at the Board Meeting with the approval of the Chairman. The agenda items are comprehensive and informative in nature to facilitate deliberations and appropriate decision at the Board Meeting.

Presentations are made to the Board on various functional and operational areas of the Company like Refinery, Pipelines and Marketing operations, major projects, financial highlights etc. The agenda placed before the Board inter alia includes the following:

- Annual operating plans and Capital and Revenue budgets.
- Quarterly and Annual Financial results of the Company.
- Dividend declaration.
- Quarterly report on borrowings and treasury operations.
- Terms of reference of Board Committees.
- Minutes of meetings of Audit Committee and other Committees of the Board, as also resolutions passed by circulation.
- Proposals for amalgamation, mergers and acquisitions.
- Details of investment in any joint venture / subsidiary.
- New projects and expansion plans.
- Status of various projects.
- Risk management and minimization process.
- HR related issues.
- General notices / matters of interest of Directors.

Details of the Board Meetings held during the year 2008-09 are as under:

Sl. No.	Date	Board Strength	No. of Directors Present
1.	29.04.2008	16	15
2.	28.05.2008	15	13
3.	19.06.2008	16	16
4.	30.07.2008	16	13
5.	27.08.2008	16	13
6.	19.09.2008	16	15
7.	31.10.2008	16	13
8.	27.11.2008	16	14
9.	29.12.2008	16	13
10.	30.01.2009	16	15
11.	28.02.2009	16	15
12.	27.03.2009	16	13

(c) Attendance of each Director at Board Meetings held during 2008-09, last Annual General Meeting and Number of other Directorships and Chairmanship / Membership of Committees of each Director in various companies is as under:

Name of the Director	No. of Board Meetings attended out of 12 meetings held	Attendance at the AGM on 19.09.08 (Yes/No)	No. of Directorships in other companies as on 31.03.09	Membership of committees in other companies as on 31.03.09	Chairmanship of committees in other companies as on 31.03.09
----------------------	--	--	--	--	--

Whole-time Functional Directors

Shri S. Behuria, Chairman	12	Yes	2	-	-
Shri B. M. Bansal, Director (Plng. & Business Development)	11	Yes	1	-	-
Shri S. V. Narasimhan, Director (Finance)	12	Yes	2	1	-
Shri V. C. Agrawal, Director (Human Resources)	11	Yes	1	-	-
Shri G C Daga, Director (Marketing)	11	Yes	4	-	-
Shri B. N. Bankapur, Director (Refineries)	11	Yes	2	1	-
Shri Anand Kumar, Director (Research & Development)	10	Yes	2	-	-
Shri P. K. Chakraborti, Director (Pipelines)	11	Yes	1	-	-

Part-time Non-Executive Directors (Govt. nominees)

Shri S. Sundareshan	8	Yes	3	-	-
Shri P. K. Sinha	9	Yes	2	-	-

Part-time Non-Executive Independent Directors

Shri Vineet Nayyar ¹	1	N/A	14*	1*	-
Prof. S. K. Barua ²	2	N/A	4*	4*	-
Shri V. Ranganathan ²	2	N/A	1*	-	-
Shri V. K. Agarwal ²	2	N/A	-	-	-
Shri P. M. Sinha ²	2	N/A	4*	4*	1*
Prof. (Dr.) Indira Parikh	10	Yes	5	-	-
Shri Anees Noorani ³	8	No	14	1	-
Dr (Smt.) Indu Shahani ³	7	Yes	2	1	-
Prof. Gautam Barua ³	9	Yes	2	-	-
Shri Michael Bastian ³	9	Yes	5	3	1
Shri N. K. Poddar ³	10	Yes	-	-	-

* The details of directorship on Board of other companies and committee position is as on the date of cessation from the Board of IndianOil.

Remarks:

1. Shri Vineet Nayyar ceased to be a Director on 30.04.2008.
2. Prof. S. K. Barua, Shri V. Ranganathan, Shri V. K. Agarwal and Shri P. M. Sinha ceased to be Directors on 31.05.2008.
3. Shri Anees Noorani, Dr. (Smt.) Indu Shahani, Prof. Gautam Barua, Shri Michael Bastian and Shri N. K. Poddar were inducted on the Board w.e.f. 01.06.2008 and 10 board meetings were held since then.

None of the Directors on the Board is a member on more than 10 Committees or Chairman of more than 5 Committees across all the companies in which he / she is a Director. All the Directors have made requisite disclosures regarding Directorship / Committee position occupied by them in other companies.

A brief resume of the Directors, who are being re-appointed at the forthcoming AGM, is given in the notice of the AGM.

(d) Code of Conduct:

The Code of Conduct for the Directors and Senior Management Personnel of the Company has been laid down by the Board, which has been circulated to all concerned and the same is also hosted on the website of the Company "www.iocl.com". As required under Clause 49 of the Listing agreement, the Directors and Senior Management personnel of the Company have affirmed compliance with the provisions of the IndianOil's Code of Conduct for the Financial year ended 31.03.09.

AUDIT COMMITTEE:

The Audit Committee has been constituted in line with the provisions of Clause 49 of the Listing Agreement and also meets the requirements of Section 292A of the Companies Act, 1956. The members of the Audit Committee have requisite financial and management expertise. The Audit Committee comprises of three Part-time Non-Executive Independent Directors as members. The Audit Committee was reconstituted on 01.06.08 upon cessation of Prof. S.K.Barua, Shri V.K.Agarwal and Shri V.Ranganathan as Part-time Non Executive Independent Directors. The Committee comprises of following Directors:-

- (1) Shri Michael Bastian - Chairman
- (2) Shri N.K.Poddar - Member
- (3) Dr. (Smt.) Indu Shahani - Member

The Terms of Reference of Audit Committee covers all matters specified under Clause 49 of the Listing Agreement of the Stock Exchanges which inter alia includes the following:

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible.
- Reviewing with management the quarterly and annual financial statements alongwith related party transactions, if any, before submission to the Board.
- Reviewing with the management and statutory and internal auditors, the adequacy of internal control systems.
- Discussion with internal auditors on Annual Internal Audit Program, Significant Audit Findings and follow up on such issues.
- Discussion with statutory auditors before the audit commences on the nature and scope of audit, as well as having post-audit discussion to ascertain any area of concern.
- Reviewing the Company's financial and risk management policies.
- Reviewing with the management, the observations / comments / assurances of the Comptroller & Auditor General of India (CAG).
- Review with the management, the follow-up action taken on the recommendations of the Committee on Public Undertaking (CoPU).

The attendance at the eight meetings of the Audit Committee held during the year 2008-09 is given below:

Dates of the Meetings	Prof. S. K. Barua (Chairman)	Shri V. K. Agarwal (Member)	Shri V. Ranganathan (Member)
08-04-2008	Yes	Yes	Yes
27-05-2008	Yes	Yes	Yes

Dates of the Meetings	Shri Michael Bastian (Chairman)	Shri N. K. Poddar (Member)	Dr. (Smt.) Indu Shahani (Member)
16-07-2008	Yes	Yes	Yes
29-07-2008	Yes	Yes	Yes
06-09-2008	Yes	Yes	Yes
31-10-2008	Yes	Yes	No
29-01-2009	Yes	Yes	Yes
27-02-2009	Yes	Yes	Yes

The Audit Committee meetings are also attended by the Director (Finance) and the Head of Internal Audit as invitees. The representatives of the Statutory Auditors and the Cost Auditors are invited to the meetings as and when required. The Chairman of the Audit Committee was present at the last Annual General Meeting.

The Company Secretary acts as the Secretary of the Audit Committee.

The Minutes of the meetings of the Audit Committee are circulated to the members of the Audit Committee and to all concerned for necessary action and are also submitted to the board.

REMUNERATION COMMITTEE:

IndianOil being a Government Company, the remuneration of the whole-time Functional Directors is decided by the Government of India. The Part-time Non-Executive Independent Directors are not paid any remuneration except sitting fees for attending the meetings of the Board or Committees thereof. However, the Board has constituted a Remuneration Committee to approve certain perquisites for whole-time Functional Directors and below Board level Executives, which are within the powers of the Board.

Consequent upon cessation of Shri Vineet Nayyar and Shri V.K.Agrawal as Directors, the Remuneration Committee was reconstituted on 30.07.08 with the induction of Prof (Dr) Indira Parikh & Shri Anees Noorani and subsequently on 29.05.09 with the induction of Shri Michael Bastian. The Committee comprises of following Directors:

1. Prof (Dr) Indira Parikh - Chairperson
2. Shri Anees Noorani - Member
3. Shri Michael Bastian - Member
4. Shri P. K. Sinha - Member
5. Shri V. C. Agrawal - Member
6. Shri S.V. Narasimhan - Member

No meeting of Remuneration Committee was held during the year.

Remuneration paid to whole-time Functional Directors during the financial year 2008-09 is as under:

Name of the Director	Designation	Salaries & Allowances	Contribution to PF & other Funds	Other Benefits & Perquisites	Total remuneration
Shri S. Behuria	Chairman	11.92	0.97	6.01	18.90
Shri B. M. Bansal	Director (Plng. & Business Development)	14.35	1.08	4.08	19.51
Shri S. V. Narasimhan	Director (Finance)	12.83	1.02	3.46	17.31
Shri V. C. Agrawal	Director (Human Resources)	17.04	1.06	3.66	21.76
Shri G. C. Daga	Director (Marketing)	15.99	0.98	2.57	19.54
Shri B. N. Bankapur	Director (Refineries)	14.16	1.04	5.15	20.35
Shri Anand Kumar	Director (Research & Development)	16.63	1.00	4.88	22.51
Shri P. K. Chakraborti	Director (Pipelines)	14.65	0.95	0.96	16.56
	TOTAL	117.57	8.10	30.77	156.44

Note:

1. Performance Linked Incentives are payable to the Whole-time Functional Directors as employees of the Company as per the policy applicable to all employees of the Company.
2. During the year, no Stock Options have been issued to Whole-time Functional Directors.
3. The terms of appointment of the Whole-time Functional Directors, as issued by the Government of India, provides for a 3 months notice period or salary in lieu thereof for severance of service.

The sitting Fees paid to Part-time Non-Executive Independent Directors during the financial year 2008-09 is as under:

Name of the Director	(Rs. in Lakh)
Shri Vineet Nayyar	0.60
Prof. S. K. Barua	1.00
Shri V. K. Agarwal	1.80
Shri V. Ranganathan	1.80
Shri P. M. Sinha	0.60
Prof. (Dr.) Indira Parikh	2.40
Shri Anees Noorani	2.20
Dr (Smt.) Indu Shahani	2.40
Prof. Gautam Barua	1.80
Shri Michael Bastian	3.60
Shri N. K. Poddar	3.20
TOTAL	21.40

Note:

- None of the Part-time Non-Executive Independent Directors was holding any shares of Company as on 31st March 2009.
- There were no other materially significant pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company.

SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

The Shareholders'/Investors' Grievance Committee (SIGC) examines the grievances of shareholders / investors and the system of redressal of the same. The Company accords top priority to resolve complaints/grievances/queries of shareholders within a reasonable period of time. The SIGC comprises of three members with a Part-time Non-executive Independent Director as Chairman and Director (Finance) and Director (Human Resources) as members. The SIGC was reconstituted on 30.07.08 upon cessation of Shri V. K Agarwal as Director and induction of Shri Anees Noorani. The Committee comprises of following Directors:

- Shri Anees Noorani - Chairperson
- Shri S. V.Narasimhan - Member
- Shri V. C.Agrawal - Member

The attendance at two meetings of SIGC held during the year is given below:

Name of the Director	Attendance at Meeting held on	
	27.05.2008	29.12.2008
Shri V. K. Agarwal, Chairman of the Committee	Yes	N/A
Shri Anees Noorani, Chairman of the Committee	N/A	Yes
Shri. S. V. Narasimhan, Director (Finance)	Yes	Yes
Shri V. C. Agrawal, Director (Human Resources)	Yes	Yes

Shri Raju Ranganathan, Company Secretary is the Compliance Officer.

Details of complaints received and redressed during the year ended 31st March, 2009:

During the year 649 complaints were received and all have been settled. As on 31st March 2009, no complaints are pending. Further during the year 1036 requests for change of address, recording of nomination, issue of duplicate share certificates / dividend warrant, etc. were received, out of which 13 requests were pending as on 31.03.2009, which were subsequently dealt with in April 2009.

OTHER COMMITTEES OF THE BOARD

In addition to the above Committees, the Board has delegated certain powers to various committees with distinct roles and responsibilities, the details of which are as under:

Sl. No.	Name of Committee	Role and Responsibilities	Members
1.	Planning & Projects Committee	For approval of capital investments upto Rs. 100 Crores.	Chairman and all Whole-time Functional Directors.
2.	Contracts Committee	For award of contracts.	Chairman and all Whole-time Functional Directors.
3.	Projects Evaluation Committee	For evaluating and recommending for Board approval, projects costing over Rs. 250 Crores.	Three Part-time Non-Executive Independent Directors, one Part-time Non-Executive Government Director and Director(Finance).
4.	Establishment Committee	To take decisions in respect of creation, selection, appointment and promotion to the posts of General Managers and above and Conduct, Discipline and Appeal Rules.	Chairman and all Whole-time Functional Directors, one part time non-executive government director and one part-time non-executive independent director.



5. Committee for Deleasing of Immoveable Properties To consider request for Deleasing of Company leased immoveable properties. Chairman, Director (Human Resources), Director (Finance) and a Part-time Non-Executive Government Director.

GENERAL MEETINGS

The Annual General Meetings of the Company are held at Mumbai where the Registered Office of the Company is situated. The details of the AGM held for the past three years are as under:

	2005-06	2006-07	2007-08
Date & Time	22.09.2006 10:30 A.M.	24.09.2007 10:30 A.M.	19.09.2008 10:30 A.M.
Venue	Nehru Centre Auditorium Discovery of India Building, Worli, Mumbai - 400 018.	Ravindra Natya Mandir, Prabhadevi, Mumbai - 400 025	Ravindra Natya Mandir, Prabhadevi, Mumbai - 400 025
No. of Special Resolutions Passed	Nil	1	Nil

No Extraordinary General Meeting of the Members was held during the year.

POSTAL BALLOT:

Approval of the shareholders by means of ordinary resolutions was sought through Postal Ballot for increase in the borrowings limit u/s 293 (1) (d) and for charging / mortgaging the moveable properties of the Company u/s 293 (1) (a) of the Companies Act, 1956. The postal ballot was circulated to all the members on 17th May '08 and the last date of receipt of the duly signed Postal Ballot Form was 17th June 2008. The resolutions were approved by the shareholders with requisite majority and the result was announced on 30th June 2008. The postal ballot exercise was conducted by Shri B.V.Dholakia, a practicing Company Secretary of M/s.Shah Dholakia & Associates, Mumbai.

DISCLOSURES:

a. Materially significant related party transactions

The Company has not entered into any materially significant related party transactions with the Directors or the Functional Management personnel or their relatives as well as its subsidiaries / Joint Ventures etc. except for those disclosed in the financial statements for the year ended 31st March, '09.

b. Details of non-compliance during the last three years

There were no cases of non-compliance by the Company and no penalties / strictures were enforced on the Company by Stock Exchanges / SEBI or any other statutory authority on any matter related to capital markets during the last three years.

c. Whistle Blower Policy

The Company has framed a whistle blower policy wherein the employees are free to report any improper activity resulting in violations of laws, rules, regulations or code of conduct by any of the employees, to the Competent Authority or Audit Committee, as the case may be. Such complaints will be reviewed by the Competent Authority or Audit Committee. The confidentiality of those reporting violations shall be maintained and they shall not be subjected to any discriminatory practice. No employee has been denied access to the Audit Committee.

d. Compliance with mandatory and adoption of non-mandatory requirement of Clause 49

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement as applicable except composition of the Board of Directors for which the Company has requested the Government of India to induct requisite number of Independent Directors, as the Company is a Government Company.

The Company has also adopted the following non-mandatory requirements of Clause 49 of the Listing Agreement:-

- Remuneration Committee
- Unqualified financial statements
- Whistle Blower Policy
- Training of Board Members

The newly appointed Part-time Non-Executive Directors of the Company are familiarized with the various aspects of the Company like Constitution, Vision & Mission Statement, core activities, board procedures, strategic directions, etc. by way of a detailed presentation. Information material like Code of Conduct, Insider Trading Code, performance highlights, etc. are provided to supplement the above presentation. Periodic presentations are made at the Board and Committee Meetings to update them on all business-related issues and new initiatives undertaken. Strategy meet of the Board is held generally once in a year to deliberate in detail the strategic issues, policy decisions and prospective plans for the future.

e. Risk Management Policy

The Company has also laid down the Enterprise Risk Management Policy and Procedures thereof for periodically informing Board Members about the risk assessment and minimising procedures.

f. CEO / CFO Certification

Chairman and Director (Finance) of the Company have given the "CEO / CFO Certification" to the Board in accordance with Clause 49 (v) of the Listing Agreement.

g. Integrity Pact

IndianOil has a Memorandum of Understanding (MoU) with Transparency International India (TII) for implementing an Integrity Pact Programme focussed on enhancing transparency in its business transactions, contracts and procurement processes.

Under the MoU, IndianOil is committed to implementing the Integrity Pact in all its major procurement and work contract activities. Four Independent External Monitors nominated by TII in consultation with the Central Vigilance Commission (CVC) monitor the activities. The Integrity Pact has strengthened the established systems and procedures by creating trust and has the full support of the Central Vigilance Commission.

h. Relationship between Directors.

None of the Directors are inter-se related to other Directors of the Company.

i. Amalgamation of Bongaigaon Refinery & Petrochemicals Limited

Pursuant to the Scheme of Amalgamation of erstwhile Bongaigaon Refinery & Petrochemicals Limited (BRPL) with IndianOil, as approved in the members' meeting held on 22nd February 2008 and subsequently by the Ministry of Corporate Affairs, Government of India vide its order dated 09.03.2009, BRPL was merged with IndianOil and ceased to exist effective 25.03.2009.

MEANS OF COMMUNICATION

a. Financial Results

The quarterly unaudited financial results of the Company are announced within a month of the end of the respective quarter and the Audited financial results are announced within three months of the end of the financial year. The results are published in leading national dailies like The Times of India, Maharashtra Times (Marathi Newspaper), etc. and are also hosted on our website www.iocl.com. The Company also issues news releases on significant corporate decisions / activities and posts them on its website.

b. News Releases

Official press releases, detailed presentations made to media, analysts, institutional investors, etc. are displayed on the Company's website www.iocl.com.

c. Website

The Company's website www.iocl.com provides a separate section for investors where relevant shareholders information is available. The Annual Report of the Company is available on the website in a user-friendly and downloadable form.

d. Annual Report

Annual Report is circulated to members and others entitled thereto. The Management Discussion and Analysis (MD&A) Report and Corporate Governance Report form part of the Annual Report.

e. Chairman's Speech at AGM

Chairman's speech is distributed to the shareholders at the Annual General Meeting. The same is also placed on the website of the Company for information of the shareholders residing in various parts of the country.

f. Investor Service Cell

Investor Service Cell exists at the registered office in Mumbai and the Corporate Office, New Delhi to address the grievances / queries of shareholders. In order to enable Investors to raise queries and grievances, the Company has created a separate e-mail ID investors@indianoil.co.in.

GENERAL SHAREHOLDER INFORMATION

(a) Annual General Meeting:

Date, Time & Venue of the Annual General Meeting	14th September 2009 at 1030 hrs at Nehru Centre Auditorium, Discovery of India Building, Worli, Mumbai - 400 018.
--	---

(b) Financial Calendar for 2009-10 to approve quarterly / annual financial results:

Quarter ending 30 th Jun '09	On or before 31.07.2009
Quarter ending 30 th Sep '09	On or before 31.10.2009
Quarter ending 31 st Dec '09	On or before 31.01.2010
Quarter and Audited Annual Financial Results ending 31 st March '10	On or before 30.06.2010

(c) Book Closure Dates for Dividend:

Book Closure for Dividend	04.09.09 to 14.09.2009, inclusive of both days.
---------------------------	---

(d) Dividend Payment Date:

A dividend of 75%, as recommended by the Board of Directors, if approved at the AGM, shall be paid to the eligible shareholders well before the stipulated 30 days period provided under the Companies Act.

(e) Listing on Stock Exchanges:

The shares of the Company are listed on the Bombay Stock Exchange Ltd. and the National Stock Exchange of India Limited. The Company has paid Listing fees to both the exchanges.

(f) Corporate Identity Number (CIN):

The Company is registered with the Registrar of Companies (RoC) in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L23201MH1959GOI011388.

(g) Stock Code at Bombay Stock Exchange Ltd.: 530965

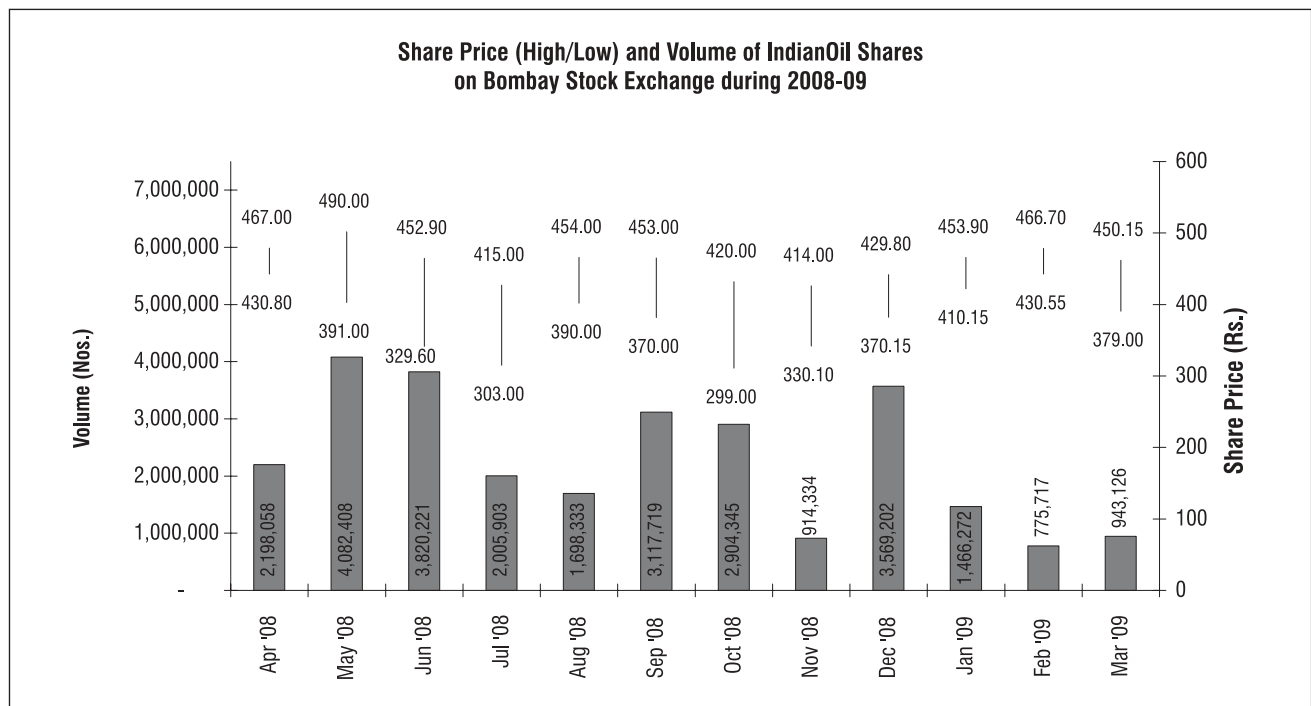
(h) Stock Code at National Stock Exchange: IOC

(i) Demat ISIN Number at NSDL / CDSL: INE 242A01010

(j) Stock Market Data:

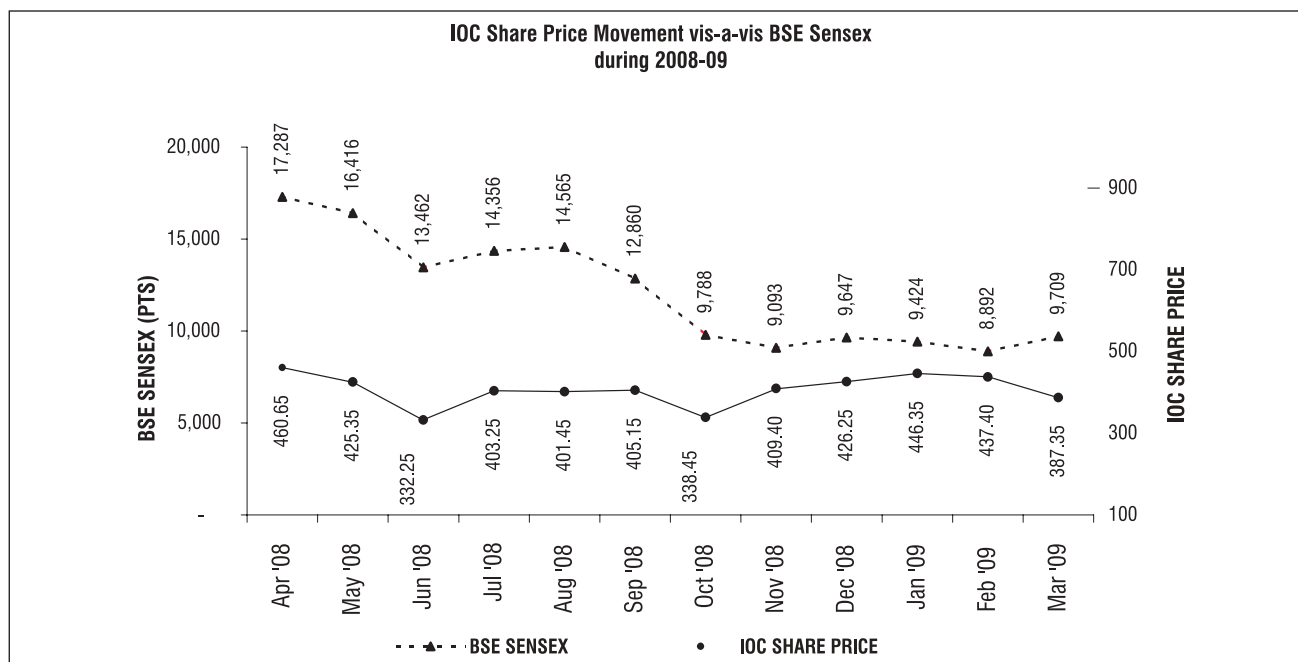
Month	Bombay Stock Exchange			National Stock Exchange		
	High (Rs.)	Low (Rs.)	Volume	High (Rs.)	Low (Rs.)	Volume
April '08	467.00	430.80	2,198,058	494.00	430.90	7,556,899
May '08	490.00	391.00	4,082,408	489.75	393.95	11,941,486
June '08	452.90	329.60	3,820,221	451.80	329.00	11,078,302
July '08	415.00	303.00	2,005,903	420.00	300.00	6,189,242
August '08	454.00	390.00	1,698,333	458.00	390.00	5,101,932
September '08	453.00	370.00	3,117,719	454.95	358.00	8,881,146
October '08	420.00	299.00	2,904,345	460.00	300.00	6,583,895
November '08	414.00	330.10	914,334	418.00	331.50	3,395,778
December '08	429.80	370.15	3,569,202	430.00	371.00	9,988,955
January '09	453.90	410.15	1,466,272	453.80	354.00	7,469,010
February '09	466.70	430.55	775,717	466.90	420.05	4,696,691
March '09	450.15	379.00	943,126	450.70	378.05	6,200,724
52 Week	490.00	299.00		494.00	300.00	

The share price movement (high and low) of IOC shares and the volume of shares traded on BSE during 2008-09 is shown in the following chart:



(k) Stock Price performance in comparison to broad-based BSE Sensex:

The comparison of monthly closing share price of IndianOil with monthly closing BSE Sensex during the period April 2008 - March 2009 is given below:



(l) Registrar & Transfer Agents (R&T)

Karvy Computershare Private Limited
 Plot No. 17-24, Vittal Rao Nagar,
 Madhapur
 Hyderabad - 500 081
 Tel. Nos.: (040) 23420815 / 828
 Fax No.: (040) 23420814
 E-mail Address: mailmanager@karvy.com
 Website: www.karvycomputershare.com

(m) Share Transfer System

The shares of the Company are compulsorily traded in dematerialised form. Shares received in physical form are transferred within a period of 30 days from the date of lodgement subject to documents being valid and complete in all respects. In order to expedite the process of share transfer and in line with Clause 49 of the Listing Agreement, the Company has delegated the power of share transfer to R&T Agent "M/s Karvy Computershare Pvt. Ltd.". There are no overdue share transfers pending as on date.

(n) Distribution of Shareholding as on 31st March, 2009

Sl. No.	Nominal Value of Equity Shares held	No. of Shareholders	% of Shareholders	Amount	% of Amount
1.	1 - 5000	90216	82.24	63138920	0.53
2.	5001 - 10000	6645	6.06	51095310	0.43
3.	10001 - 20000	12052	10.99	195156550	1.64
4.	20001 - 30000	301	0.27	7319220	0.06
5.	30001 - 40000	73	0.07	2582320	0.02
6.	40001 - 50000	66	0.06	3055540	0.03
7.	50001 - 100000	90	0.08	6490270	0.05
8.	Above 100001	251	0.23	11594904930	97.24
	Total	109694	100.00	11923743060	100.00

(o) **Categories of Shareowners as on 31st March, 2009:**

Sl. No.	Category	Shareholders		Shares	
		No.	%	No.	%
1.	President of India	1	0.00	958077855	80.35
2.	Governor of Gujarat	1	0.00	1350000	0.11
3.	Government Company (ONGC Ltd.)	1	0.00	106453095	8.93
4.	Corporate Bodies	1295	1.18	7035907	0.59
5.	FII's/NRI	1227	1.12	12003887	1.01
6.	Banks	38	0.03	141823	0.01
7.	Mutual Funds	114	0.10	22314545	1.87
8.	Insurance Companies	9	0.01	39664717	3.33
9.	Public	106859	97.42	31999271	2.68
10.	Trusts	26	0.02	13083628	1.10
11.	Others	123	0.11	249578	0.02
	Total	109694	100.00	1192374306	100.00

(p) **Top 10 shareholders as on 31st March 2009:**

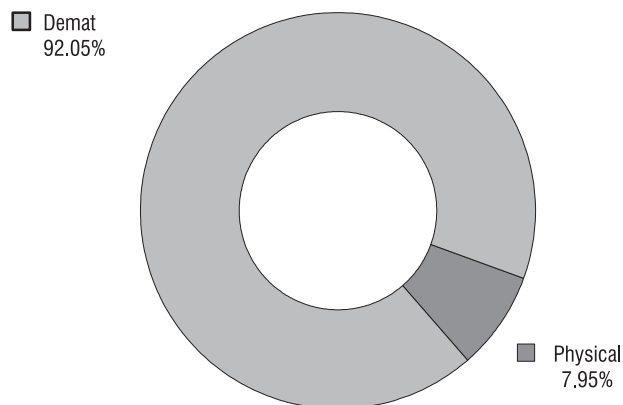
Sl. No.	Name	No. of Shares	% to Equity
1.	President of India	958077855	80.35%
2.	Oil and Natural Gas Corporation Ltd.	106453095	8.93%
3.	Life Insurance Corporation of India	32511442	2.73%
4.	IOC-IBP Merger Scheme Trust	13053988	1.09%
5.	General Insurance Corporation of India	3515433	0.29%
6.	Reliance Capital Trustee Co. Ltd. - Reliance Natural Resource Fund	1440445	0.12%
7.	LIC of India Money Plus	1428247	0.12%
8.	Bajaj Allianz Life Insurance Company Ltd.	1422946	0.12%
9.	Merrill Lynch India Equities Fund (Mauritius) Limited	1352948	0.11%
10.	Governor of Gujarat	1350000	0.11%

(q) **Dematerialisation of Shares and Liquidity**

The shares of the Company are compulsorily traded in dematerialised form. In order to facilitate the shareholders to dematerialise the shares, the Company has entered into an agreement with NSDL and CDSL. The summarised position of shareholders in Physical and Demat segment as on 31.03.09 is as under:

Type of Shareholding	Shareholders	
	No.	%
Physical	8,719	7.95
Demat - NSDL	82,293	75.02
Demat - CDSL	18,682	17.03
TOTAL	1,09,694	100.00

Physical vis-a-vis Demat Shareholders as on 31.03.2009



(r) Corporate Action:

i) Dividend payment history since 2000-01:

Financial Year	Rate (%)	Remarks
2000-01	95%	-
2001-02	110%	-
2002-03	210%	Includes interim of 50%
2003-04	210%	Includes interim of 50%
2004-05	145%	Includes interim of 45%
2005-06	125%	-
2006-07	190%	Includes interim of 60%
2007-08	55%	-

ii) Bonus issue since listing of the shares

Financial Year	Ratio
1999-00	1:1
2003-04	1:2

(s) Unpaid Dividend

Section 205 of the Companies Act, 1956 provides that any dividend that has remained unpaid / unclaimed for a period of seven years be transferred to the Investor Education and Protection Fund (IEPF) setup by Central Government. The Company annually sends a communication to the concerned shareholders, advising them to lodge their claim with respect to unclaimed dividend. Shareholders are also advised that once unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof.

The summarized details of dividend declared by IndianOil and its erstwhile subsidiaries i.e. IBP Co. Ltd. and Bongaigaon Refinery & Petrochemicals Ltd. (since merged with IndianOil) which remains unpaid are given below:

	Year	Unpaid Dividend Amount
Indian Oil Corporation Ltd.	2002-03 to 2007-08	Rs. 4,05,91,189/-
IBP Co. Ltd.	2002-03 to 2005-06	Rs. 1,09,56,362/-
Bongaigaon Refinery & Petrochemicals Ltd.	2002-03 to 2007-08	Rs. 1,13,22,484/-

The shareholders, who have not yet encashed their dividend for the aforesaid years, may write to the Company or its R&T Agent in this regard.

(t) Plant locations

The addresses of the plant locations are given in the Annual Report.

(u) Address for Correspondence

Company Secretary
Indian Oil Corporation Limited
IndianOil Bhavan
G-9, Ali Yavar Jung Marg
Bandra (East)
Mumbai - 400051
Tel. No. : (022) 26447616 / 26447528
Fax: (022) 26447961
E-mail ID: investors@indianoil.co.in

Compliance Certificate



To the Members of Indian Oil Corporation Ltd.

We have examined the compliance of conditions of Corporate Governance by Indian Oil Corporation Ltd. for the year ended 31st March, 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement except for the number of Independent Directors on the Board which was less than half of the total strength of Board as required under Clause 49 of the Listing Agreement. The Company has informed that the matter of increase in the number of Independent Directors on the Board has been taken up with the Government of India, as it is a Government Company.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the Certificate of the Registrar and Transfer Agents of the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

for **V.K. DHINGRA & CO.**
Chartered Accountants

Sd/-
(CA. Vipul Girotra)
Partner
M.No. 084312

for **M.M. NISSIM AND CO.**
Chartered Accountants

Sd/-
(CA. Samir Mehta)
Partner
M.No. 043086

for **K K S & CO.**
Chartered Accountants

Sd/-
(CA. S.L.Kochar)
Partner
M.No. 016573

Place : Mumbai
Date : 11th July, 2009

To the Members of Indian Oil Corporation Ltd.

We have examined the compliance of conditions of Corporate Governance by Indian Oil Corporation Ltd. for the year ended 31st March, 2009, as stipulated in the Guidelines on Corporate Governance for Central Public Sector Enterprises, 2007 as enunciated by the Department of Public Enterprise (DPE).

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the DPE Guidelines except for the number of Independent Directors on the Board which was less than half of the total strength of Board as required under the said guidelines. The Company has informed that the matter of increase in the number of Independent Directors on the Board has been taken up with the Government of India, as it is a Government Company. In respect of stipulation pertaining to pre-approval of related party transactions by the Audit Committee, the Company has made a representation to the DPE for re-consideration.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the Certificate of the Registrar and Transfer Agents of the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

for **V.K. DHINGRA & CO.**
Chartered Accountants

Sd/-
(CA. Vipul Girotra)
Partner
M.No. 084312

for **M.M. NISSIM AND CO.**
Chartered Accountants

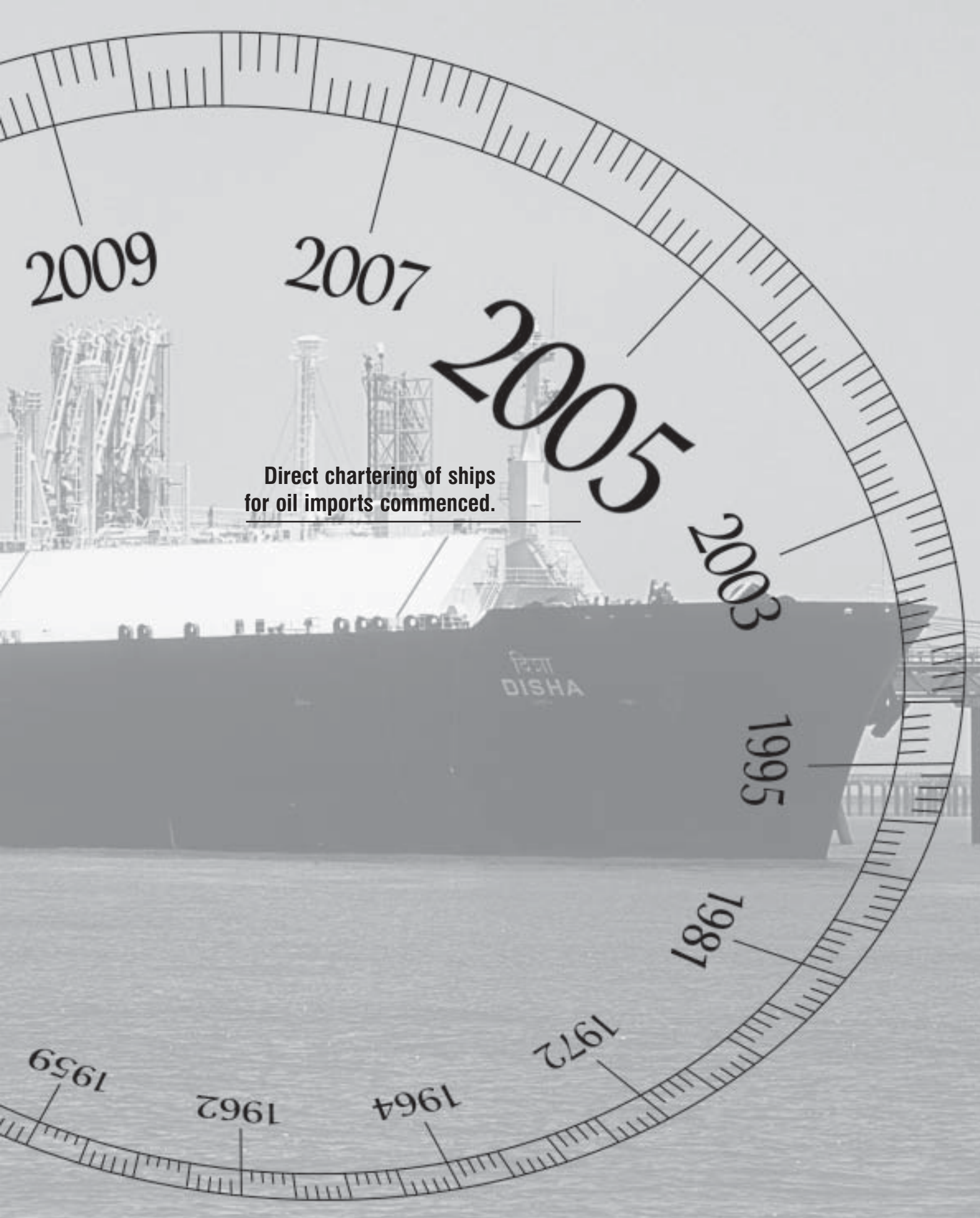
Sd/-
(CA. Samir Mehta)
Partner
M.No. 043086

for **K K S & CO.**
Chartered Accountants

Sd/-
(CA. S.L.Kochar)
Partner
M.No. 016573

Place : Mumbai
Date : 11th July, 2009





**Direct chartering of ships
for oil imports commenced.**

Auditors' Report

Auditors' Report to the Shareholders

We have audited the attached Balance Sheet of Indian Oil Corporation Limited as at 31st March, 2009 and the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto, in which are incorporated accounts of the branches audited by the Branch Auditors. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;
 - c) The Branch Auditors' Reports have been forwarded to us and have been appropriately dealt with while preparing our report;
 - d) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account and with the audited returns from the branches;
 - e) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - f) Disclosure in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956 is not required for Government Companies as per Notification No. GSR 829(E) dated October 21, 2003 issued by the Department of Company Affairs;
 - g) We invite attention to Note No. 25 regarding impairment loss wherein, we have relied on the estimates and assumptions made by the Company in arriving at recoverable value of assets, which does not qualify our opinion.
 - h) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read in conjunction with the Significant Accounting Policies (Schedule 'Q'), Notes on Accounts (Schedule 'R') and other schedules ('S' to 'X'), give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India:
 - i. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009;
 - ii. In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - iii. In the case of the Cash Flow Statement, of the cash flow for the year ended on that date.

for **V.K. DHINGRA & CO.**
Chartered Accountants

Sd/-
(CA. V.K. DHINGRA)
Partner
M. No. 014467

for **M.M. NISSIM AND CO.**
Chartered Accountants

Sd/-
(CA. SAMIR MEHTA)
Partner
M. No. 043086

for **K K S & CO.**
Chartered Accountants

Sd/-
(CA. S.K. KULTHIA)
Partner
M. No. 017092

Place : New Delhi
Date : May 29, 2009

Annexure to the Auditors' Report

(Referred to in paragraph 1 of our Report of even Date)



Based upon the information and explanations furnished to us and the books and records examined by us in the normal course of our audit, we report that to the best of our knowledge and belief :

- i) The Company has generally maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.

The Fixed Assets of the Company are physically verified by the Management in a phased program of three years cycle which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As per the information given by the Management, no material discrepancies were noticed during such verification.

Fixed assets disposed off during the year were not substantial and therefore do not affect the going concern assumption.
- ii) In our opinion, Physical verification of inventory has been conducted at reasonable intervals by the management.

In our opinion, the procedures of physical verification of inventory followed by the management are adequate in relation to the size of the Company and the nature of its business.

The Company has maintained proper records of inventory. No material discrepancies have been noticed on verification between physical stock and book records.
- iii) The Company has not taken / granted any loans secured /unsecured from/to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- iv) In our opinion and according to the information and explanations given to us there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for purchase of inventory and fixed assets and sale of goods and services. We have not observed any major weakness in the internal controls during the course of audit.
- v) In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 exceeding the value of Rupees five lakhs in respect of any party during the year.
- vi) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rule, 1975 with regard to the deposits accepted from the public.
- vii) In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- viii) We have broadly reviewed the books of account maintained by the Company pursuant to the order made by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not however, made a detailed examination of these records.
- ix) A) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it.

According to the records examined by us and information and explanations given to us, no undisputed dues payable in respect of income tax, wealth tax, sales tax, service tax, customs duty, excise duty, investor education and protection fund and cess were in arrears, as at 31st March, 2009 for more than six months from the date they became payable.

B) The details of disputed dues of Sales Tax, Service Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty and Cess, which have not been deposited, are given in the Annexure to this report.
- x) The Company neither has any accumulated losses as on 31st March, 2009, nor has it incurred any cash loss during the financial year ended on that date or in the immediately preceding financial year.
- xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The Company is not a chit fund or a Nidhi/Mutual benefit fund/society.

- xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments.
- xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xvi) On the basis of review of utilization of funds pertaining to term loans on overall basis and related information as made available to us, the term loans taken by the Company have been utilized for the purposes for which they are obtained.
- xvii) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that short term funds aggregating to Rs. 10,018.22 crore have been used for long term applications.
- xviii) The Company has not made any preferential allotment of shares during the year.
- xix) The Company has created necessary securities or charge as per the debenture trust deed in respect of debentures issued and outstanding at the year end.
- xx) The Company has not raised any money by way of public issue during the financial year.
- xxi) As represented to us by the management and based on our examination in the normal course of audit, no material frauds on or by the Company have been noticed or reported during the year.

for **V.K. DHINGRA & CO.**
Chartered Accountants

Sd/-
(CA. V.K. DHINGRA)
Partner
M. No. 014467

for **M.M. NISSIM AND CO.**
Chartered Accountants

Sd/-
(CA. SAMIR MEHTA)
Partner
M. No. 043086

for **K K S & CO.**
Chartered Accountants

Sd/-
(CA. S.K. KULTHIA)
Partner
M. No. 017092

Place : New Delhi
Date : May 29, 2009

Reporting as per Companies (Auditors' Report) Order 2003 (Disputed Cases)



(Rs. in Crore)

Name of the Statute	Forum where dispute is pending	31.03.09	31.03.08
1 Central Excise	Supreme Court	16.64	16.64
	High Court	17.33	5.35
	Tribunal	1,998.22	1,503.68
	Revisionary Authorities	232.82	1.56
	Appellate Authorities(Below Tribunal)	63.36	324.91
	Sub-Total	2,328.37	1,852.14
2 Customs	Tribunal	837.08	1,175.90
	Appellate Authorities(Below Tribunal)	9.34	3.49
	Sub-Total	846.42	1,179.39
3 Sales Tax	Supreme Court	262.60	-
	High Court	1,526.40	1,999.08
	Tribunal	1,011.02	778.81
	Revisionary Authorities	-	923.47
	Appellate Authorities(Below Tribunal)	5,407.44	3,288.16
	Sub-Total	8,207.46	6989.52
4 Income Tax	High Court	-	419.57
	Tribunal	-	690.08
	Appellate Authorities(Below Tribunal)	228.33	794.78
	Sub-Total	228.33	1,904.43
5 Entry Tax	Supreme Court	940.69	506.15
	High Court	2,261.47	1,099.95
	Tribunal	59.01	56.08
	Appellate Authorities(Below Tribunal)	86.48	87.35
	Sub-Total	3,347.65	1,749.53
6 Local Area Dev. Tax Act 2000	Sales Tax Tribunal	41.86	41.86
	Sub-Total	41.86	41.86
7 Land Revenue	High Court	12.78	9.72
	Appellate Authorities(Below Tribunal)	2.17	-
	Sub-Total	14.95	9.72
8 Service Tax	Tribunal	12.68	28.26
	Appellate Authorities(Below Tribunal)	1.71	1.96
	Sub-Total	14.39	30.22
9 Local Municipal Tax	High Court	0.61	0.90
	Sub-Total	0.61	0.90
10 PF/ESI Act	Employee Insurance Court	1.67	2.46
	Appellate Authorities(Below Tribunal)	0.17	-
	Sub-Total	1.85	2.46
11 Local Octroi Act	High Court	2.80	2.50
	Sub-Total	2.80	2.50
12 Stamp Duty	High Court	177.31	105.16
	Sub-total	177.31	105.16
13 Electricity Duty	High Court	33.31	-
	Sub-total	33.31	-
	TOTAL	15,245.31	13,868.46

Balance Sheet

as at 31st March, 2009

(Rs. in Crore)

	Schedule	March-09	March-08
SOURCES OF FUNDS:			
Shareholders' Funds:			
Share Capital	"A"	1,192.37	1,192.37
Share Capital Suspense Account	"A-1"	21.60	0.00
Reserves and Surplus	"B"	42,784.21	39,893.88
		43,998.18	41,086.25
Loan Funds:			
Secured Loans	"C"	17,565.13	6,415.78
Unsecured Loans	"D"	27,406.93	29,107.39
		44,972.06	35,523.17
Deferred Tax Liability (Net)		5,473.63	5,384.82
Foreign Currency Monetary Item Translation Difference Account	"D-1"	5.08	0.00
	TOTAL	94,448.95	81,994.24
APPLICATION OF FUNDS:			
Fixed Assets & Intangible Assets:			
Fixed Assets:			
	"E"		
Gross Block		61,718.64	56,518.24
Less: Depreciation		27,256.31	23,924.12
Less: Impairment Loss		69.88	35.56
Net Block		34,392.45	32,558.56
Intangible Assets:			
	"E-1"		
Gross Block		626.66	314.02
Less: Amortisation		239.01	100.76
Less: Impairment Loss		1.65	0.00
Net Block		386.00	213.26
Dismantled Capital Assets		25.91	17.57
Capital Work-in-Progress	"F"	18,160.14	9,152.65
		52,964.50	41,942.04
Investments	"G"	32,232.13	21,535.78
Advances for Investments	"G-1"	17.59	10.50
Finance Lease Receivables		19.62	31.01
Current Assets, Loans and Advances:			
Inventories	"H"	25,149.60	30,941.48
Sundry Debtors	"I"	5,937.86	6,820.54
Cash and Bank Balances	"J"	798.02	824.43
Other Current Assets	"J-1"	1,051.58	790.14
Loans and Advances	"K"	11,598.13	13,554.71
		44,535.19	52,931.30

(Rs. in Crore)

	Schedule	March-09	March-08
APPLICATION OF FUNDS (Contd.):			
Less: Current Liabilities and Provisions	"L"		
Current Liabilities		32,754.58	32,896.39
Provisions		2,603.46	1,684.59
		35,358.04	34,580.98
Net Current Assets		9,177.15	18,350.32
Miscellaneous Expenditure (to the extent not written off or adjusted)	"L-1"	37.96	124.59
TOTAL		94,448.95	81,994.24
Statement of Significant Accounting Policies	"Q"		
Notes on Accounts	"R"		
Other Schedules forming part of Accounts	"S" to "X"		

Sd/-
(S. Behuria)
Chairman

Sd/-
(S. V. Narasimhan)
Director (Finance)

Sd/-
(Raju Ranganathan)
Company Secretary

As per our attached Report of even date

For **V.K. DHINGRA & CO.**
Chartered Accountants

For **M.M. NISSIM AND CO.**
Chartered Accountants

For **K K S & CO.**
Chartered Accountants

Sd/-
(CA. V.K. DHINGRA)
Partner
M. No. 014467

Sd/-
(CA. SAMIR MEHTA)
Partner
M. No. 043086

Sd/-
(CA. S.K. KULTHIA)
Partner
M. No. 017092

Place : New Delhi
Date : May 29, 2009

Profit and Loss Account

for the year ended 31st March, 2009

(Rs. in Crore)

Schedule	March-09	March-08
INCOME:		
Sale of Products and Crude	287,759.72	249,782.34
Less: Commission and Discounts	2,422.41	2,325.71
Sale (Net of Commission & Discounts)	285,337.31	247,456.63
Less: Excise Duty	22,682.89	23,051.25
Sale (Net of Commission, Discount & Excise Duty)	262,654.42	224,405.38
Subsidy From Government of India (As per scheme)*	1,588.69	1,543.91
Grant from Government of India (Special Oil Bonds)	40,383.01	18,997.00
Increase/(Decrease) in Stocks	(1,674.56)	1,958.09
Interest and other Income	4,461.47	4,222.87
TOTAL INCOME	307,413.03	251,127.25
* Includes Rs.11.44 crore (2008: Rs.3.30 crore) pertaining to previous years		
EXPENDITURE:		
Purchase of Products and Crude for resale [net of Duty Drawback Rs.64.16 crore (2008 : Rs.92.62 crore)]	135,779.75	121,056.61
Manufacturing, Admn., Selling & Other Expenses	160,352.58	115,163.07
Duties (Net)	499.65	531.24
Depreciation and Amortisation on:		
Fixed Assets	2,821.98	2,675.63
Intangible Assets	59.73	34.07
	2,881.71	2,709.70
Interest Payments on:		
Fixed period loans from Banks/Financial Institutions/Others [Includes exchange loss of Rs.13.56 crore (2008 : Nil) considered as borrowing cost]	345.57	284.70
Bonds / Debentures	458.50	108.59
Short term loans from Banks [Includes exchange loss of Rs.323.41 crore (2008 : Rs.89.98 crore) considered as borrowing cost]	2,880.26	1,076.11
Public Deposits	0.05	0.10
Others	267.76	77.81
	3,952.14	1,547.31
TOTAL EXPENDITURE	303,465.83	241,007.93
PROFIT BEFORE PRIOR YEAR ITEMS & TAX	3,947.20	10,119.32
Income/(Expenses) pertaining to prior years (Net)	381.39	(38.92)
PROFIT BEFORE TAX	4,328.59	10,080.40
Less: Provision for Tax		
Current Tax [includes Rs. 14.33 crore {2008 : Rs. (13.28) crore} relating to prior years]	1,285.05	3,084.13
Fringe Benefit Tax	44.10	28.57
Deferred Tax	49.89	5.12
PROFIT AFTER TAX	2,949.55	6,962.58
Balance brought forward from last year's account	5,305.08	0.00
PROFIT AVAILABLE FOR APPROPRIATION	8,254.63	6,962.58

(Rs. in Crore)

Schedule	March-09	March-08
APPROPRIATIONS:		
Final Dividend (Proposed)	910.48	655.81
Corporate Dividend Tax on:		
Final Dividend (Proposed)	154.74	76.48
Insurance Reserve Account	10.00	10.00
Bond Redemption Reserve(Net)	539.53	218.95
General Reserve	1,334.80	696.26
Balance carried to Balance Sheet	5,305.08	5,305.08
TOTAL	8,254.63	6,962.58
Earning Per Share (Rupees) (Basic & Diluted)	24.30	58.39
	"R" (Note no.22)	
Face Value Per Share (Rupees)	10/-	10/-
Statement of Significant Accounting Policies	"Q"	
Notes on Accounts	"R"	
Other Schedules forming part of Accounts	"S" to "X"	

Sd/-
(S. Behuria)
Chairman

Sd/-
(S. V. Narasimhan)
Director (Finance)

Sd/-
(Raju Ranganathan)
Company Secretary

As per our attached Report of even date

For **V.K. DHINGRA & CO.**
Chartered Accountants

For **M.M. NISSIM AND CO.**
Chartered Accountants

For **K K S & CO.**
Chartered Accountants

Sd/-
(CA. V.K. DHINGRA)
Partner
M. No. 014467

Sd/-
(CA. SAMIR MEHTA)
Partner
M. No. 043086

Sd/-
(CA. S.K. KULTHIA)
Partner
M. No. 017092

Place : New Delhi
Date : May 29, 2009

Schedules

SCHEDULE "A" - SHARE CAPITAL

	(Rs. in Crore)	
	March-09	March-08
Authorised:		
2,50,00,00,000 Equity Shares of Rs.10 each	<u>2,500.00</u>	<u>2,500.00</u>
Issued, Subscribed and Paid up:		
1,19,23,74,306 (2008: 1,19,23,74,306) Equity Shares of Rs.10 each	<u>1,192.37</u>	<u>1,192.37</u>
TOTAL	<u><u>1,192.37</u></u>	<u><u>1,192.37</u></u>
Above includes, shares allotted as fully paid without payment being received in cash:		
a) Pursuant to the Petroleum Companies Amalgamation Order, 1964 : 3,76,49,700 Shares of Rs. 10 each		
b) Pursuant to Gujarat Refinery Project Undertaking (Transfer) (Amendment) Order 1965 : 1,00,00,000 Shares of Rs. 10 each		
c) Shares allotted as fully paid up Bonus Shares by Capitalisation of General Reserve: 1,06,62,95,000 shares of Rs.10 each		
d) 2,43,62,106 no. of Equity Shares of Rs. 10 each issued as fully paid up to the shareholders of erstwhile IBP Co. Ltd. as per the Scheme of amalgamation.		

SCHEDULE "A-1" - SHARE CAPITAL SUSPENSE ACCOUNT

	(Rs. in Crore)	
	March-09	March-08
Share Capital Suspense Account-BRPL	21.60	0.00
2,16,01,935 Equity shares of Rs. 10 each to be issued as fully paid up to the shareholders of erstwhile BRPL as per the scheme of amalgamation (Refer note 13(d) of Sch-R 'Notes on Accounts')		
TOTAL	<u><u>21.60</u></u>	<u><u>0.00</u></u>

SCHEDULE "B" - RESERVES AND SURPLUS

	(Rs. in Crore)	
	March-09	March-08
Capital Reserve:		
As per last Account	4.86	4.86
Add: Transferred on amalgamation of BRPL	<u>178.22</u>	<u>0.00</u>
	183.08	4.86
Securities Premium Account:		
As per last Account	264.51	264.51
General Reserve:		
As per last Account	33,202.87	32,506.61
Add: Transferred on amalgamation of BRPL	952.38	0.00
Less: Adj in Opening Balance due to AS-11 (net of tax) (Refer note no. 16 of Sch-R 'Notes on Accounts')	<u>127.72</u>	<u>0.00</u>
Add: Transferred from Profit and Loss Account	<u>1,334.80</u>	<u>696.26</u>
	35,362.33	33,202.87
Insurance Reserve:		
As per last Account	70.00	60.00
Add : Transferred from Profit and Loss Account	<u>10.00</u>	<u>10.00</u>
	80.00	70.00
Export Profit Reserve:		
As per last Account	59.41	59.41

	(Rs. in Crore)	
	March-09	March-08
Capital Grants:		
As per last Account	12.91	14.24
Add: Received/(written Back) during the year	4.07	(0.41)
Less: Amortised during the year	<u>0.95</u>	<u>0.92</u>
	16.03	12.91
Bond Redemption Reserve Account:		
As per last Account	973.48	754.53
Add : Transferred from Profit and Loss Account	571.13	250.55
Less: Write-back on redemption of bonds	<u>31.60</u>	<u>31.60</u>
	1,513.01	973.48
Profit and Loss Account:		
As per Annexed Account	5,305.08	5,305.08
Devaluation Exchange Difference Reserve:		
As per last Account	<u>0.76</u>	<u>0.76</u>
TOTAL	<u>42,784.21</u>	<u>39,893.88</u>

SCHEDULE "C" - SECURED LOANS

		(Rs. in Crore)	
	Note	March-09	March-08
Bonds:			
Non-Convertible Redeemable Bonds - Series - V	A	252.80	284.40
Non-Convertible Redeemable Bonds - Series - VI	B	1,000.00	1,000.00
Non-Convertible Redeemable Bonds - Series - VII B	C	500.00	500.00
Non-Convertible Redeemable Bonds - Series - VIII A	D	430.00	0.00
Non-Convertible Redeemable Bonds - Series - VIII B	E	1,070.00	0.00
Non-Convertible Redeemable Bonds - Series - IX	F	<u>1,600.00</u>	<u>0.00</u>
		4,852.80	1,784.40
Loans and Advances from Banks:	G		
Working Capital Demand Loan		6,750.00	0.00
Interest accrued and due on above		<u>28.39</u>	<u>0.00</u>
		6,778.39	0.00
Cash Credit		0.00	2,006.38
Interest accrued and due on above		<u>0.00</u>	<u>0.00</u>
		0.00	2,006.38
Foreign Currency Loans		<u>83.94</u>	<u>0.00</u>
US \$ 16.55 Million (2008 : NIL)			
Total (Loans and Advances from Banks)		6,862.33	2,006.38
Loans and Advances from Others:			
Loan through Collateralized Borrowings and Lending Obligation (CBLO) of Clearing Corporation of India Ltd (CCIL)	H	2,200.00	2,625.00
OIDB	I	3,650.00	0.00
(Repayable in 2009-10 Rs 275 crore, 2010-11 Rs 712.5 crore, 2011-12 Rs 712.50 crore 2012-13 Rs 1512.5 crore and 2013-14 Rs 437.50 crore)			
TOTAL		<u>17,565.13</u>	<u>6,415.78</u>

Notes:

- 158 Bonds of face value of Rs.2,60,00,000 each allotted on 18th July 2001, are redeemable in 13 equal instalments from the end of 3rd year upto the end of 15th year from the date of allotment. Accordingly, 5th instalment was paid in July 2008. The Bonds carry a coupon rate of 10.25% per annum payable annually on 30th September. These are secured by way of legal 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 Bonds series VI holders.
- 10,000 Bonds of face value of Rs.10,00,000 each, allotted on 10th June 2005, are redeemable at par on 10th June 2012. The Bonds also carry a put/call option at the end of 5 years from the date of allotment i.e. 10th June 2010, on exercise of which the Bonds are redeemable at par. The Bonds carry an annual coupon rate of 7.15% payable annually on 30th June. These are secured by way of registered mortgage over company's premises no. 1343 situated at MIG Adarsh

Schedules

Nagar Co-op Housing Society Ltd at Worli, Mumbai-400 025 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 Bonds series V holders.

- C. 5,000 Bonds of face value of Rs.10,00,000 each, allotted on 15th September 2005, are redeemable at par on 15th September 2015. The Bonds carry an annual coupon rate of 7.40% payable annually on 15th September. These are secured by way of registered mortgage on the immovable properties of the Company at Gujarat Refinery situated at Vadodara in the state of Gujarat.
- D. 4,300 Bonds of face value of Rs. 10,00,000/- each, allotted on 10th September 2008, are redeemable at par on 10th September 2011. The Bonds carry a coupon rate of 11.15 % 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 Operative Hsg Soc.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 holders.
- E. 10,700 Bonds of face value of Rs. 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 Operative Hsg Soc.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 holders.
- F. 16,000 Bonds of face value of Rs. 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. First interest payment due on 30th June 2009 from the date of allotment and thereafter the same will be 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 Operative Hsg Soc.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 holders.
- G. Against hypothecation by way of first pari-passu charge on raw materials, stock-in-trade, sundry debtors, outstanding monies, receivables, claims, contracts, engagements etc..
- H. Bonds amounting to Rs. 3,450 crore have been pledged as security.
- I. Security details for OADB loans:
- Haldia Refinery – Rs.527 crore
First charge on facilities for improvement of Diesel quality and Distillate yield (Hydrocracker) and expanded capacity of 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.
 - Panipat Refinery for PREP & Naphtha Cracker – Rs.1700 crore
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.
 - Gujarat Refinery- Residue upgradation & MS-HSD Quality improvement – Rs.1423 crore
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.

SCHEDULE “D” - UNSECURED LOANS

(Rs. in Crore)

	March-09	March-08
Public Deposits	0.35	1.54
(including Rs. 0.35 crore [2008 : Rs.1.18 crore] due for payment within one year)		
Short Term Loans and Advances:		
From Banks & Financial Institutions:		
In Foreign Currency	5,406.79	8,734.69
US \$ 1066 Million (2008 : US \$ 2177.41 Million)		
In Rupee	12,048.00	10,765.00
	17,454.79	19,499.69
Export Packing Credit:		
In Foreign Currency	355.69	0.00
US \$ 70 Million (2008 : US \$ Nil)		
Non Convertible Debentures	950.00	0.00
Inter Corporate Deposits	1,390.50	0.00
Add: Interest accrued and due	6.34	0.00
	1,396.84	0.00
	20,157.32	19,499.69

(Rs. in Crore)

	March-09	March-08
Other Loans and Advances:		
From Banks/Financial Institutions:		
In Foreign Currency		
- BNP Paribas Syndication: US \$ 300 Million (2008 : US \$ 300 Million) (US \$ 50 Million repayable in Jan' 2011, US \$ 25 Million in Feb' 2011, US \$ 100 Million in Mar' 2011, US \$ 50 million in Apr' 2011, US \$ 25 Million in each of the months of May 2011, June 2011 and July 2011)	1,521.60	1,203.45
- 6.12% Senior Notes (Bank of America) : US \$ 300 Million (2008 : US \$ 300 Million) (US \$ 100 Million repayable in Aug 2016, US \$ 100 Million in Aug 2017 & US \$ 100 in Aug 2018)	1,521.60	1,203.45
- BNP Paribas Syndication:US \$ 200 Million (2008 : US \$ 200 Million) (Repayable in equivalent JPY US \$ 70 Million in January 2010, US \$ 60 Million in February 2010 and US \$ 70 Million in March 2010)	1,014.40	802.30
- Leaseplan North America Inc: US \$ 36.90 million (2008: US \$ 42.57 million) (fully guaranteed by Export Import Bank of US and repayable in 20 half yearly installments w.e.f. March 2006) (amount repayable within one year Rs.28.79 crore)	187.16	170.80
	4,244.76	3,380.00
In Rupee		
- Citibank Bank (repaid in May 2008)	0.00	50.00
- Corporation Bank (repaid in June 2008)	0.00	300.00
- Union Bank of India (repaid in August 2008)	0.00	500.00
- IDBI (repayable in October 2014.)	500.00	500.00
- IDBI (repaid in May 2008)	0.00	100.00
- State Bank of India (repaid in March 2009)	0.00	500.00
Add: Interest accrued and due	0.00	2.29
	0.00	502.29
	500.00	1,952.29
From Others:		
- OIDB (Repayable in 8 equal annual installments w.e.f. May'05) (amt payable within one year Rs.108.88 crore (2008: Rs.108.88 crore))	435.50	544.37
- OIDB (Repayable in 8 equal annual installments w.e.f. Sept'07) (amount payable within one year Rs. 118.50 crore (2008: Rs. 118.50 crore)	711.00	829.50
- OIDB (Repayable in 2010-11 Rs. 89.50 crore, 2011-12 Rs. 89.50 crore, 2012-13 Rs. 89.50 crore, 2013-14 Rs. 89.50 crore)	358.00	0.00
- OIDB (Rs. 295 crore repayable in June' 2009, July' 2009 Rs. 77 crore, March' 2010 Rs. 570.90 crore, April' 2010 Rs. 57.10 crore Amount Payable within One Year Rs. 942.90 crore)	1,000.00	2,900.00
	2,504.50	4,273.87
Total (Other Loans and Advances)	7,249.26	9,606.16
TOTAL	27,406.93	29,107.39

SCHEDULE "D-1" - FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE ACCOUNT

(Rs. in Crore)

	March-09	March-08
Foreign Currency Monetary Item Translation Difference Account		
As per last Account	0.00	0.00
Transferred from General Reserve (for AS 11 impact)	0.45	0.00
Add: Foreign Currency Exchange gain / (loss) on Longterm monetary items	(177.62)	0.00
Less: Amortised during the year	(182.25)	0.00
	5.08	0.00

(Refer note 16(b) of Sch-R 'Notes on Accounts'.)

Schedules

SCHEDULE "E" - FIXED ASSETS

Note	AT COST							Gross Block as at 31.03.09
	Gross Block as at 1.04.08	Adjustment pursuant to amalgamation of BRPL with IOC (Refer Note F)	Additions during the year (Refer Note B)	Transfers from Construction Work-in-Progress	Disposals During the year	Transfers/Deductions/Reclassifications	Gross Block as at 31.03.09	
Land-Freehold	909.75	4.92	32.61	0.00	(1.67)	1.35	946.96	
-Leasehold A	412.93	0.00	2.53	0.00	0.00	0.98	416.44	
Buildings, Roads etc. A	5,928.28	95.09	167.33	328.25	(8.49)	(4.31)	6,506.15	
Plant and Machinery E	48,164.37	883.76	1,489.66	2,609.58	(241.28)	(200.94)	52,705.15	
Transport Equipments	351.80	1.55	13.22	0.72	(3.98)	(2.96)	360.35	
Furnitures and Fixtures	244.54	6.19	24.68	0.35	(2.49)	(0.80)	272.47	
Railway Sidings	207.74	0.65	1.67	20.97	(0.02)	(45.55)	185.46	
Drainage, Sewage and Water Supply System	298.83	26.61	0.33	2.60	0.00	(2.71)	325.66	
Total	56,518.24	1,018.77	1,732.03	2,962.47	(257.93)	(254.94)	61,718.64	
Previous Year	54,541.46	0.00	1,044.38	1,256.39	(109.08)	(214.91)	56,518.24	

Note:

- A. i) Net Block of Land includes an amount of Rs.14.90 crore (2008 : Rs.11.41 crore) earmarked for disposal.
 ii) Buildings include Rs.0.01 crore (2008: Rs.0.01 crore) towards value of 1,655 (2008 : 1,650) Shares in Co-operative Housing Societies towards membership of such societies for purchase of flats.
 iii) Net Block for Buildings includes an amount of Rs.6.24 crore (2008: Rs.5.31 crore) earmarked for disposal, on which no further depreciation is charged.
- B. Net Additions to Fixed Assets include Rs.589.07 crore (2008: Rs.0 crore) on account of exchange fluctuations.
- C. The cost of assets are net of MODVAT/CENVAT, wherever applicable.
- D. Depreciation and amortisation for the year includes Rs.87.34 crore (2008 : Rs.-1.77 crore) pertaining to prior year and Rs.7.05 crore (2008 : Rs. 5.83 crore) relating to construction period expenses taken to Schedule F-1.
- E. Railways have claimed transfer of ownership in respect of certain assets provided by the Company at railway premises which has not been accepted by the Company and continues to be part of fixed assets of the Company, WDV of such assets is Rs. 38.38 crores (2008: Rs. 39.87 crores).
- F. Additions of Rs. 1018.77 crore to Gross Block (Depreciation Block: Rs. 637.03 crore) during the year 2008-09 is on account of amalgamation of BRPL with IOCL.
- G. Impairment loss reversed during the year represents reversal of Impairment due to dismantling of the DMT Plant at Bongaigaon Refinery.
- H. Deduction on account of Transfer / Reclassifications includes Rs. 9.55 crore being depreciation for the year 2007-08 due to decapitalisation on account of AS 11 (option) transferred directly to general reserve.

(Rs. in Crore)

DEPRECIATION, AMORTISATION AND IMPAIRMENT										
Adjustment pursuant to amalgamation of BRPL with IOC	Depreciation and Amortisation during the year (Refer Note D)	Deduction on account of sales / disposals	Deduction on account of transfer / reclassifications (Refer Note H)	Total Depreciation and Amortisation upto 31.03.09	Adjustment pursuant to amalgamation of BRPL with IOC	Impairment Loss during the year	Impairment Loss reversed during the year (Refer Note G)	Total Impairment Loss upto 31.03.09	NET DEPRECIATED BLOCK AS AT 31.03.09	NET DEPRECIATED BLOCK AS AT 31.03.08
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	946.96	909.75
0.00	8.78	0.00	(0.01)	69.97	0.00	0.00	0.00	0.00	346.47	351.72
26.78	169.35	(2.34)	(2.51)	1,264.32	0.00	0.00	0.00	0.00	5,241.83	4,855.25
582.97	2,686.66	(164.94)	(19.52)	25,232.44	53.03	0.00	(18.71)	69.88	27,402.83	25,981.54
0.55	15.65	(3.62)	(2.95)	276.25	0.00	0.00	0.00	0.00	84.10	85.18
3.98	14.03	(1.42)	(0.36)	139.90	0.00	0.00	0.00	0.00	132.57	120.87
0.56	10.59	(0.02)	(22.46)	101.21	0.00	0.00	0.00	0.00	84.25	95.20
22.19	11.31	0.00	(1.06)	172.22	0.00	0.00	0.00	0.00	153.44	159.05
637.03	2,916.37	(172.34)	(48.87)	27,256.31	53.03	0.00	(18.71)	69.88	34,392.45	32,558.56
0.00	2,679.69	(68.53)	(51.55)	23,924.12	0.00	0.00	0.00	35.56	32,558.56	

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

(Rs. in Crore)

Assets Particulars	Name of Joint Owner	Original Cost	Accumulated Depreciation & Amortisation	Accumulated Impairment Loss	W.D.V. as at 31.03.09	W.D.V. as at 31.03.08
Land - Freehold	HPC/BPC	1.55	0.00	0.00	1.55	1.55
Land - Leasehold	HPC/BPC	0.78	0.16	0.00	0.62	0.63
Buildings	HPC/BPC/HERDILIA-UNIMERS LTD.	5.64	1.06	0.00	4.58	3.03
Plant and Machinery	HPC/BPC/GSFC/IPCL/ACC/CSIR/GNRE	116.51	40.55	0.00	75.96	109.38
Transport Equipment	RAILWAYS	183.58	173.56	0.00	10.02	12.52
Railway Sidings	HPC/BPC	52.45	28.55	0.00	23.90	25.7
Drainage, Sewage & Water Supply	GSFC	0.99	0.94	0.00	0.05	0.05
Total		361.50	244.82	0.00	116.68	152.86
Previous year		395.35	242.49	0.00	152.86	

Schedules

SCHEDULE "E-1" - INTANGIBLE ASSETS

	Note	AT COST						Gross Block as at 31.03.09
		Gross Block as at 1.04.08	Adjustment pursuant to amalgamation of BRPL with IOC	Additions during the year	Transfers from Construction Work-in-Progress	Disposals During the year	Transfers/ Deductions/ Reclassifications	
Right of Way	A	35.58	0.00	18.39	0.00	0.00	(4.89)	49.08
Licenses / Technical Know-How		215.89	5.05	251.29	10.59	0.00	0.00	482.82
Computer Software		62.55	9.60	21.08	1.57	0.00	(0.04)	94.76
Total		314.02	14.65	290.76	12.16	0.00	(4.93)	626.66
Previous Year		295.48	0.00	18.03	2.58	0.00	(2.07)	314.02

Note:

- 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 Rs.68.66 crore (2008 : Rs. Nil) pertaining to prior year.
 (b) Amortisation for the year includes Rs.0.11 crore (2008 : Rs. 0.02 crore) relating to construction period expenses taken to Schedule F-1.

SCHEDULE "F" - CAPITAL WORK-IN-PROGRESS

(Rs. in Crore)

Note	March-09	March-08
Construction Work-in-Progress - Fixed Assets (including unallocated capital expenditure, materials at site) Less: Provision for Capital Losses	3,528.41 44.20	3,618.35 44.76
	3,484.21	3,573.59
Advance for Capital Expenditure Less : Provision for Doubtful Advance	10,448.77 0.29	4,029.50 0.03
	10,448.48	4,029.47
Capital Stores Less : Provision for Capital Losses	1,173.66 0.69	685.59 0.97
	1,172.97	684.62
Capital Goods-in-Transit	898.86	89.24
Construction period expenses pending allocation: Balance as at beginning of the year Less: Opening Balance Adjustment Add: Transferred on BRPL Amalgamation Add: Net Expenditure during the year (Sch. "F-1")	477.99 (0.04) 0.30 1,100.94	224.58 (0.75) 0.00 264.12
	1,579.19	487.95
Less: Allocated to Assets during the year	193.66	9.96
	1,385.53	477.99
Work-in-Progress - Intangible Assets (including unallocated capital expenditure) Less: Provision for loss	804.04 33.95	331.68 33.94
	770.09	297.74
TOTAL	18,160.14	9,152.65
Note:		
A. Includes Stock lying with contractors	22.97	102.54

(Rs. in Crore)

Adjustment pursuant to amalgamation of BRPL with IOC	Amortisation during the year (Refer Note B)	Deduction on account of sales / disposals	DEPRECIATION, AMORTISATION AND IMPAIRMENT				Adjustment pursuant to amalgamation of BRPL with IOC	Impairment Loss during the year	Total Impairment Loss upto 31.03.09	NET BLOCK	
			Deduction on account of retirement / reclassifications	Total Amortisation upto 31.03.09	AS AT 31.03.09	AS AT 31.03.08					
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	49.08	35.58	
1.71	115.63	0.00	0.00	170.45	1.65	0.00	1.65	310.72	162.78		
8.03	12.87	0.00	0.00	68.56	0.00	0.00	0.00	26.20	14.90		
9.74	128.50	0.00	0.00	239.01	1.65	0.00	1.65	386.00	213.26		
0.00	34.09	0.00	0.00	100.76	0.00	0.00	0.00	213.26			

SCHEDULE "F-1" - CONSTRUCTION PERIOD EXPENSES (NET) DURING THE YEAR

(Rs. in Crore)

	March-09	March-08
Payments to and Provision for Employees	177.79	66.96
Repairs & Maintenance	1.74	2.56
Consumption of Stores & Spares	0.01	0.07
Power & Fuel	4.77	3.63
Rent	3.25	1.67
Insurance	20.31	17.28
Rates & Taxes	2.57	0.11
Travelling Expenses	12.38	13.81
Communication Expenses	1.19	1.17
Printing & Stationery	0.21	0.38
Electricity & Water Charges	1.39	2.64
Bank Charges	0.66	2.47
Technical Assistance Fees	17.33	0.03
Exchange Fluctuation	299.65	0.00
Interest	566.03	168.80
Depreciation and Amortisation on:		
- Fixed Assets	7.05	5.83
- Intangible Assets	0.11	0.02
Others	30.22	22.62
Total Expenses	1,146.66	310.05
Less: Recoveries	45.72	45.93
Net Expenditure during the year	1,100.94	264.12

Schedules

SCHEDULE "G" - INVESTMENTS

(Rs. in Crore)

	No. and Particulars of Shares	Face Value per Share (Rupees)	March-09	March-08
I) LONG TERM INVESTMENTS (At Cost):				
1. QUOTED:				
Trade Investments:				
In Subsidiary Companies:				
Chennai Petroleum Corporation Limited	7,72,65,200 Equity Shares each fully paid in cash	10/-	509.33	509.33
Bongaigaon Refineries & Petrochemicals Limited (erstwhile) (Refer note no. 13(f) of Schedule - R 'Notes on Accounts')	14,87,93,826 Equity Shares each fully paid in cash	10/-	0.00	148.79
Lanka IOC Limited (Quoted in Colombo Stock Exchange, Sri Lanka w.e.f. 22.12.2004)	40,00,00,000 Equity Shares fully paid in cash	10/- *	194.14	194.14
	Sub-total: (a)		703.47	852.26
In Joint Venture Companies				
Petronet L N G Limited	9,37,50,000 Equity Shares fully paid in cash	10/-	98.75	98.75
	Sub-total: (b)		98.75	98.75
Others:				
Oil and Natural Gas Corporation Limited	16,44,80,857 Equity Shares each fully paid in cash	10/-	1,780.12	1,780.12
GAIL (India) Limited	3,06,29,661 (2008: 2,04,19,774) Equity Shares each fully paid in cash	10/-	122.52	122.52
	Sub-total: (c)		1,902.64	1,902.64
	TOTAL: 1		2,704.86	2,853.65
Aggregate Market Value of securities mentioned above is Rs.15,318.66 crore (2008: Rs. 21,437.75 crore) which includes Rs. 640.00 crore (2008: Rs.880.00 crore) in respect of Lanka IOC Limited, 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 in cash	10/-		
Guwahati :	750 Equity Shares each fully paid in cash (including 500 fully paid Bonus Shares)	10/-		
Mathura :	200 Equity Shares each fully paid in cash	10/-		
Haldia :	1,663 Equity Shares each fully paid in cash	10/-		
In Indian Oil Cooperative Consumer Stores Ltd., Delhi :	375 Equity Shares each fully paid in cash	10/-		
Others:				
Assam Sillimanite Ltd. (In liquidation)	1,00,000 Equity Shares fully paid in cash as revalued by Directors on 31.03.1980	10/-		
Sharma Forge Co. Ltd. (In liquidation)	1,00,000 Equity Shares fully paid in cash as revalued by Directors on 31.03.1979	10/-		
Sharma Forge Co. Ltd. (In liquidation)	5,000 9.5% Cumulative Redeemable Preference Shares fully paid in cash as revalued by Directors on 31.03.1979	100/-	0.00	0.00
	Sub-total: 2A		0.01	0.01

* In Sri Lankan Rupees

(Rs. in Crore)

	No. and Particulars of Shares	Face Value per Share (Rupees)	March-09	March-08
B) Trade Investments:				
a) In Subsidiary Companies				
IndianOil (Mauritius) Limited	48,82,043 Equity Shares each fully paid in cash	100/- **	75.67	75.67
IndianOil Technologies Limited	5,50,000 Equity Shares fully paid in cash	10/-	0.55	0.55
IOC Middle East FZE	2 Equity Shares fully paid in cash	1 Million/- ***	2.30	2.30
	Sub-total: (a)		78.52	78.52
b) In Joint Venture Companies				
Avi-Oil India Private Limited	45,00,000 Equity Shares fully paid in cash	10/-	4.50	4.50
Petronet India Limited	1,80,00,000 Equity Shares fully paid up in cash	10/-	18.00	18.00
Less: Provision for Diminution			18.00	18.00
			0.00	0.00
IOT Infrastructure & Energy Services Limited (formerly Indian Oiltanking Limited)	11,61,42,855 Equity Shares fully paid in cash	10/-	155.72	155.72
Petronet VK Limited	2,59,99,970 Equity Shares fully paid in cash	10/-	26.00	26.00
Less: Provision for Diminution			26.00	26.00
			0.00	0.00
Indian Oil Panipat Power Consortium Limited	8,40,000 Equity Shares fully paid in cash	10/-	1.99	1.99
Less: Provision for Diminution			1.99	1.99
			0.00	0.00
Lubrizol India Private Limited	9,60,000 Equity Shares fully paid in cash	100/-	118.67	118.67
Indian Oil Petronas Private Limited	6,00,00,000 Equity Shares fully paid in cash	10/-	60.00	60.00
Petronet CI Limited	37,44,000 Equity Shares fully paid in cash	10/-	3.83	3.83
Less: Provision for Diminution			3.83	3.83
			0.00	0.00
Green Gas Limited	12,500 Equity Shares fully paid in cash	10/-	0.01	0.01
Indo Cat Private Limited	45,76,100 (2008: 19,00,000) Equity Shares fully paid in cash	10/-	4.58	1.90
IndianOil SkyTanking Limited	1,17,00,000 Equity Shares fully paid in cash	10/-	11.70	11.70
Suntera Nigeria 205 Limited	62,502 Equity Shares fully paid in cash	1/-****	0.00	0.00
	Sub-total: (b)		355.18	352.50
c) In Others				
International Cooperative Petroleum Association	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 fully paid in cash	10/-	150.00	150.00
7% Oil Companies GOI Special Bonds 2012			0.00	2,320.81
6.90% Oil Companies GOI Special Bonds 2026			11,943.93	0.00
Petroleum India International (AOP by Oil Companies)	Capital Fund		15.00	10.00
	Share in accumulated surplus		17.89	10.92
			32.89	20.92
	Sub-total: (c)		12126.82	2491.75
	Sub-total: 2B		12,560.54	2,922.77
	Total: 2		12,560.55	2,922.78
	Total I: (1 + 2)		15,265.41	5,776.43

** In Mauritian Rupees

*** In Arab Emirates Dirham

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

Schedules

SCHEDULE "G" - INVESTMENTS (Contd.)

(Rs. in Crore)

	March-09	March-08
II) CURRENT INVESTMENTS		
(Refer note A)		
UNQUOTED:		
Trade Investments:		
7% Oil Companies GOI Special Bonds 2012	8.71	0.00
Add: Transfer from BRPL	<u>10.64</u>	<u>0.00</u>
	19.35	0.00
7% Oil Companies GOI Special Bonds 2012	0.00	2.90
Less: Provision for Diminution	<u>0.00</u>	<u>0.17</u>
	0.00	2.73
7.33% Oil Marketing Companies GOI Special Bonds 2009	<u>0.00</u>	<u>400.00</u>
	0.00	400.00
7.47% Oil Marketing Companies GOI Special Bonds 2012	0.00	234.00
Less: Provision for Diminution	<u>0.00</u>	<u>0.72</u>
	0.0	233.28
7.59% Oil Marketing Companies GOI Special Bonds 2015	2.95	2.95
Less: Provision for Diminution	<u>0.00</u>	<u>0.04</u>
	2.95	2.91
7.61% Oil Marketing Companies GOI Special Bonds 2015	4.07	4.07
Less: Provision for Diminution	<u>0.00</u>	<u>0.05</u>
	4.07	4.02
7.75% Oil Marketing Companies GOI Special Bonds 2021	4.00	1,884.00
Less: Provision for Diminution	<u>0.00</u>	<u>65.96</u>
	4.00	1,818.04
8.13% Oil Marketing Companies GOI Special Bonds 2021	78.00	1,183.00
Less: Provision for Diminution	<u>0.00</u>	<u>48.58</u>
	78.00	1,134.42
8.01% Oil Marketing Companies GOI Special Bonds 2023	21.00	611.00
Less: Provision for Diminution	<u>0.00</u>	<u>33.61</u>
	21.00	577.39
8.20% Oil Marketing Companies GOI Special Bonds 2024	0.02	428.02
Less: Provision for Diminution	<u>0.00</u>	<u>16.07</u>
	0.02	411.95
8.40% Oil Marketing Companies GOI Special Bonds 2026	<u>44.19</u>	<u>1,513.19</u>
	44.19	1,513.19
7.95% Oil Marketing Companies GOI Special Bonds 2025	3,975.25	4,837.25
Less: Provision for Diminution	<u>68.77</u>	<u>297.45</u>
	3,906.48	4,539.80
8.40% Oil Marketing Companies GOI Special Bonds 2025	<u>31.62</u>	<u>5,121.62</u>
	31.62	5,121.62
8.20% Oil Marketing Companies GOI Special Bonds 2023	<u>3,452.51</u>	<u>0.00</u>
	3,452.51	0.00
6.35% Oil Marketing Companies GOI Special Bonds 2024	4,255.51	0.00
Less: Provision for Diminution	<u>670.25</u>	<u>0.00</u>
	3,585.26	0.00
8.00% Oil Marketing Companies GOI Special Bonds 2026	<u>5,817.27</u>	<u>0.00</u>
	5,817.27	0.00
Total II:	<u>16,966.72</u>	<u>15,759.35</u>
Total: (I + II)	<u>32,232.13</u>	<u>21,535.78</u>

Note:

A. Details of sale of Government of India special bonds during the year is as under:

Particulars	Nos.	Face Value (Rs. in Crore)
6.35% Oil Marketing Companies GOI Special Bonds 2024	77,20,000	7,720.00
7.33% Oil Marketing Companies GOI Special Bonds 2009	4,00,000	400.00
7.00% Oil Marketing Companies GOI Special Bonds 2012	23,15,000	2,315.00
7.47% Oil Marketing Companies GOI Special Bonds 2012	2,34,000	234.00
7.75% Oil Marketing Companies GOI Special Bonds 2021	18,80,000	1,880.00
7.95% Oil Marketing Companies GOI Special Bonds 2025	8,62,000	862.00
8.01% Oil Marketing Companies GOI Special Bonds 2021	5,90,000	590.00
8.13% Oil Marketing Companies GOI Special Bonds 2021	11,05,000	1,105.00
8.20% Oil Marketing Companies GOI Special Bonds 2023	85,23,000	8,523.00
8.20% Oil Marketing Companies GOI Special Bonds 2024	4,28,000	428.00
8.40% Oil Marketing Companies GOI Special Bonds 2025	50,90,000	5,090.00
8.40% Oil Marketing Companies GOI Special Bonds 2026	14,69,000	1,469.00
6.96% Oil Marketing Companies GOI Special Bonds 2009 (BRPL)	56,000	56.00
		30,672.00

SCHEDULE "G-I" - ADVANCES FOR INVESTMENTS

(Rs. in Crore)

	March-09	March-08
Joint Venture Companies		
Green Gas Limited	15.48	7.00
Indocat Pvt. Ltd.	-	3.50
	15.48	10.50
Subsidiary Company		
IndianOil CREDA Ltd. (For Incorporation / Share Application)	2.11	-
Total	17.59	10.50

SCHEDULE "H" - INVENTORIES

(Rs. in Crore)

	Note	March-09	March-08
In Hand:			
Stores, Spares etc.	A	1,516.69	1,177.07
Less: Provision for Losses		78.40	66.76
Raw Materials	B	1,438.29	1,110.31
Finished Products	C	5,109.04	8,001.02
Stock in Process		13,159.63	13,455.81
Barrels and Tins	D	1,586.38	2,179.46
		17.53	15.98
		21,310.87	24,762.58
In Transit:			
Stores & Spares		110.81	77.89
Raw Materials		3,599.25	5,695.95
Finished Products		128.67	405.06
		3,838.73	6,178.90
TOTAL		25,149.60	30,941.48
Note: Includes:			
A. Stock lying with contractors		21.53	4.98
B. Stock lying with others		11.63	1.38
C. Stock lying with others		322.49	296.15
D. Stock lying with others		0.50	0.75

Schedules

SCHEDULE "I" - SUNDRY DEBTORS

(Rs. in Crore)

	March-09	March-08
Over Six Months:		
From Subsidiary Companies		
Unsecured, Considered Good	28.69	162.19
From Others		
Secured, Considered Good	8.18	0.00
Unsecured, Considered Good	53.77	43.70
Unsecured, Considered Doubtful	537.98	540.30
	628.62	746.19
Other Debts:		
From Subsidiary Companies		
Unsecured, Considered Good	1,553.15	1,950.22
From Others		
Secured, Considered Good	139.93	138.31
Unsecured, Considered Good	4,154.14	4,526.12
Unsecured, Considered Doubtful	3.44	3.07
	5,850.66	6,617.72
Total	6,479.28	7,363.91
Less: Provision for Doubtful Debts	541.42	543.37
TOTAL	5,937.86	6,820.54

SCHEDULE "J" - CASH AND BANK BALANCES

(Rs. in Crore)

	Note	March-09	March-08
Cash Balances:			
Cash Balances including imprest		2.07	2.48
Cheques in hand		498.73	746.96
		500.80	749.44
Bank Balances with Scheduled Banks:			
Current Account		294.23	64.57
Fixed Deposit Account		1.46	9.38
Blocked Account		0.16	0.16
		295.85	74.11
Bank Balances with Non-Scheduled Banks:			
Bank of Commerce & Development, Libya		0.49	0.00
Myanmar Economic Bank Branch (5), Rangoon	A	0.88	0.88
[Maximum balance during the year - Rs.0.88 crore]			
TOTAL		798.02	824.43

Note:

A. There exists restrictions on repatriation of said amount from Myanmar.

SCHEDULE "J-I" - OTHER CURRENT ASSETS

(Rs. in Crore)

	March-09	March-08
Interest accrued on Investments / Bank Deposits	393.04	208.52
Gold Coins in Hand (at Cost)	3.52	0.00
Receivable from IBP Trust	1,840.99	1,840.99
Less: Provision for Diminution	1,334.76	1259.37
	506.23	581.62
Receivable from BRPL Trust	148.79	0.00
(Refer note 13(f) of Sch - R 'Notes on Accounts')		
TOTAL	1051.58	790.14

SCHEDULE "K" - LOANS AND ADVANCES

(Rs. in Crore)

	Note	March-09	March-08
Advance recoverable in cash or in kind or for value to be received:			
From Subsidiary Companies			
Unsecured, Considered Good		0.45	1.74
		<u>0.45</u>	<u>1.74</u>
From Others			
	A		
Secured, Considered Good		949.32	866.13
Unsecured, Considered Good		1,428.24	2,037.92
Unsecured, Considered Doubtful		5.48	3.86
		<u>2,383.04</u>	<u>2,907.91</u>
		<u>2,383.49</u>	<u>2,909.65</u>
Less: Provision for Doubtful Advances		5.48	3.86
			<u>2,905.79</u>
		2,378.01	2,905.79
Amount recoverable from Government of India:			
Unsecured, Considered Good		6,320.61	7,733.02
Claims Recoverable:			
From Others			
	B		
Secured, Considered Good		0.10	0.10
Unsecured, Considered Good		1,172.22	900.51
Unsecured, Considered Doubtful		40.58	41.16
		<u>1,212.90</u>	<u>941.77</u>
Less: Provision for Doubtful Claims		40.58	41.16
			<u>900.61</u>
		1,172.32	900.61
Balance with Customs, Port Trust and Excise Authorities:			
Unsecured, Considered Good		36.65	39.07
Advance Tax (net)			
		0.00	298.09
Materials given on loan:			
To Subsidiary Companies			
Secured, Considered Good		0.00	0.38
Less: Deposits received		0.00	0.38
		<u>0.00</u>	<u>0.00</u>
To Others			
Secured, Considered Good		0.20	0.00
		<u>0.20</u>	<u>0.00</u>
			<u>0.00</u>
		0.20	0.00
Sundry Deposits (including amount adjustable on receipt of Final bills):			
From Others			
Secured, Considered Good		9.02	9.00
Unsecured, Considered Good		1,681.32	1,669.13
Unsecured, Considered Doubtful		0.08	0.03
		<u>1,690.42</u>	<u>1,678.16</u>
Less: Provision for Doubtful Deposits		0.08	0.03
			<u>0.03</u>
		1,690.34	1,678.13
		<u>11,598.13</u>	<u>13,554.71</u>
TOTAL			

Notes:

A. Includes:

1. Due from Directors		0.32	0.41
Maximum amount during the year		0.40	0.53
2. Due from other Officers		3.89	4.53
Maximum amount during the year		5.52	5.53

B. Includes Customs/Excise Duty Claims which are in the process of being lodged with the Department

	8.84	37.64
--	------	-------

Schedules

SCHEDULE "L" - CURRENT LIABILITIES AND PROVISIONS

(Rs. in Crore)

	March-09	March-08
Current Liabilities		
Sundry Creditors:		
Total outstanding dues of micro enterprises and small enterprises	22.03	16.54
Total outstanding dues of creditors other than micro enterprises and small enterprises	<u>19,552.76</u>	<u>19,348.83</u>
	19,574.79	19,365.37
Other Liabilities	4,929.00	5,103.07
Dues to Subsidiary Companies	864.43	1,582.29
Investor Education and Protection Fund to be credited on the due dates:		
Unpaid Dividend	6.66	5.89
Unpaid Matured Deposits	<u>0.05</u>	<u>0.08</u>
	6.71	
Security Deposits	6,938.21	6,468.92
Less: Investments and Deposits with Banks lodged by outside parties	<u>0.04</u>	<u>0.04</u>
	6,938.17	6,468.88
Material taken on loan:		
From Subsidiary Companies	0.00	0.06
Liability on Foreign Currency Contract	795.29	341.00
Less: Foreign Currency Receivables	<u>732.65</u>	<u>172.84</u>
	62.64	168.16
Interest accrued but not due on loans	<u>378.84</u>	<u>202.59</u>
Total Current Liabilities	32,754.58	32,896.39
Provisions		
Provision for Taxation:		
Provision for Current Tax	7,330.72	7,369.47
Less: Advance payments	<u>7,059.43</u>	<u>7,369.47</u>
	271.29	0.00
Provision for Fringe Benefit Tax	111.53	126.12
Less: Advance payments	<u>111.93</u>	<u>126.12</u>
	(0.40)	0.00
Total Provision for Taxation	270.89	0.00
Proposed Dividend	910.48	655.81
Corporate Dividend Tax	154.74	76.48
Provision for Employee Benefits	363.28	310.96
Contingencies for probable obligations	<u>904.07</u>	<u>641.34</u>
Total Provisions	2,603.46	1,684.59
TOTAL	35,358.04	34,580.98

SCHEDULE "L-1"- MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)

(Rs. in Crore)

	March-09	March-08
Premium on Forward Contract:		
As per last account	124.59	157.27
Add: Expenditure during the year	<u>48.76</u>	<u>203.85</u>
	173.35	361.12
Less: Amortised during the year	<u>135.39</u>	<u>236.53</u>
	37.96	124.59
TOTAL	37.96	124.59

SCHEDULE "M" - DETAILS OF INCREASE/(DECREASE) IN STOCK

(Rs. in Crore)

	March-09	March-08
Closing Stock		
Finished Products	13,288.30	13,860.87
Stock in Process	1,586.38	2,179.46
	14,874.68	16,040.33
Less:		
Opening Stock		
Finished Products	13,860.87	12,505.67
Add: Transferred on amalgamation of BRPL	408.08	0.00
	14,268.95	12,505.67
Stock in Process	2,179.46	1,576.57
Add: Transferred on amalgamation of BRPL	100.83	0.00
	2,280.29	1,576.57
	16,549.24	14,082.24
NET INCREASE/(DECREASE)	(1,674.56)	1,958.09

SCHEDULE "N" - INTEREST AND OTHER INCOME

(Rs. in Crore)

	Note	March-09	March-08
Interest on:	A		
Loans and Advances		53.74	52.21
Fixed Deposits with Banks		0.07	0.02
Short Term Deposits with Banks		0.27	1.66
Customers Outstandings			
From Subsidiary Companies		9.33	9.93
From Others		70.22	37.59
		79.55	47.52
Oil Companies GOI SPL Bonds		1,022.25	1,041.78
Others	B	236.04	(0.19)
		1,391.92	1,143.00
Dividend:			
From Subsidiary Companies		205.75	144.80
From Other Companies		595.62	557.39
		801.37	702.19
Profit on sale of Investments		1,052.92	0.21
Sale of Power and Water		6.08	8.19
Profit on sale and disposal of Assets		21.16	44.30
Unclaimed/Unspent Liabilities written back		149.85	230.38
Provision for Doubtful Debts, Advances, Claims and Stores written back		41.63	46.72
Provision for Contingencies written back		4.47	0.47
Recoveries from Employees		12.51	11.02
Retail Outlet Licence Fees		70.60	67.40
Collection Charges for Outstation Cheques		1.48	9.57
Sale of Scrap		65.29	50.43
Income from Finance Leases		3.14	4.94

Schedules

SCHEDULE "N" - INTEREST AND OTHER INCOME (Contd.)

	Note	March-09	March-08
Amortisation of Capital Grants		0.95	0.92
Exchange Fluctuations (Net)		0.00	1,379.81
Terminalling Charges		16.39	21.00
Recovery towards Inventory Carrying Cost		60.89	68.35
Provision for Investment written back		393.88	4.85
Provision for diminution in Trust written back		0.00	59.92
Other Miscellaneous Income	C	366.94	369.20
TOTAL		4,461.47	4,222.87

Note:

- A. Includes Tax Deducted at Source of Rs. 0.73 crore (2008: Rs. 0.01 crore)
 B. Includes Rs. 318.51 crore {2008: Rs.(0.33) crore} as interest(net) received/(surrendered) under section 244 A and interest payable under section 234 B & 234 C Rs. 82.74 crore (2008: 37.53 crore) of the Income Tax Act, 1961.
 C. Includes Rs. 2.52 crore (2008: Rs. 4.33 crore) accumulated Reserve & Suplus of Petroleum India International, an AOP.

SCHEDULE "O" - MANUFACTURING, ADMINISTRATION, SELLING AND OTHER EXPENSES

	Note	March-09	March-08
Raw Materials Consumed:			
Opening Balance		13,696.97	9,520.32
Add: Transferred from BRPL		575.90	0.00
		14,272.87	9,520.32
Add: Purchases		131,482.60	105,525.48
		145,755.47	115,045.80
Less: Closing Stock		8,708.29	13,696.97
		137,047.18	101,348.83
Consumption:			
Stores, Spares and Consumables		566.11	548.97
Packages & Drum Sheets		315.94	259.88
		882.05	808.85
Power & Fuel		8,424.72	6,261.30
Less: Fuel for own production		7,977.53	5,903.46
		447.19	357.84
Processing Fees, Blending Fees, Royalty & Other Charges		38.36	24.15
Octroi, Other Levies and Irrecoverable Taxes		602.96	564.39
Repairs and Maintenance:			
Plant and Machinery		835.52	838.81
Buildings		109.88	123.41
Others		88.87	63.48
		1,034.27	1,025.70
Freight, Transportation Charges and Demurrage		5,746.06	4,881.23
Payments to and Provisions for Employees:			
Salaries, Wages, Bonus etc.		3,839.37	1,846.00
Contribution to Provident & Other Funds	A	1,174.90	585.14
Voluntary Retirement Compensation		1.73	19.35
Staff Welfare Expenses		672.69	463.41
		5,688.69	2,913.90
Office Administration, Selling and Other Expenses (Schedule "O-1")		9,409.83	3,641.76
TOTAL		160,896.59	115,566.65
Less: Company's use of own products		544.01	403.58
TOTAL (Net)		160,352.58	115,163.07

Note:

- A. Includes Rs. 1380.30 crore on account of Provision for LTS (net of Adhoc payment), Gratuity, Pay Anomaly Arrears for Employees (2007-08 Rs.38.50 crore on account of Adhoc payment) pertaining to previous year on estimated basis.

SCHEDULE “0-1” - OFFICE ADMINISTRATION, SELLING AND OTHER EXPENSES

(Rs. in Crore)

	March-09	March-08
Rent	377.72	368.18
Insurance	54.92	67.90
Rates & Taxes	54.35	49.46
Donations	0.67	0.15
Payment to Auditors:		
Audit Fees	0.69	0.67
Tax Audit Fees	0.12	0.10
Other Services (for issuing certificates etc.)	0.28	0.31
Out of Pocket Expenses	0.27	0.42
	1.36	1.50
Travelling & Conveyance	254.90	216.00
Communication Expenses	43.94	39.06
Printing & Stationery	23.51	22.89
Electricity & Water	150.83	140.91
Bank Charges	68.84	42.41
Bad Debts, Advances & Claims written off	11.46	15.77
Provision/Loss on Assets sold or written off	58.47	30.54
Technical Assistance Fees	7.05	128.90
Exchange Fluctuation (Net)	4,013.87	0.00
Provision for Doubtful Debts, Advances, Claims and Obsolescence of Stores	43.09	329.93
Provision for Diminution in Investments	670.24	291.07
Amortisation of FC Monetary Item Translation	182.25	0.00
Loss on Sale of Investments	1,945.28	377.55
Security Force Expenses	182.43	114.53
Sales Promotion Expenses	287.98	306.35
Handling Expenses	124.98	124.41
Inventory Carrying Cost	56.91	50.25
Expenses on Enabling Facilities	15.79	3.75
Commodity Hedging Loss (Net)	6.75	84.30
Provision for Probable Contingencies	26.06	30.53
Exploration & Production Cost	172.39	207.41
Amortisation of Premium on Forward Contracts	135.39	236.53
Provision for Diminution on Receivable from Trust	75.39	0.00
Other Expenses	363.01	361.48
TOTAL	9,409.83	3,641.76

Schedules

SCHEDULE "P" - INCOME/EXPENSES RELATING TO PREVIOUS YEARS

(Rs. in Crore)

	March-09	March-08
Income:		
Miscellaneous Income	0.56	1.30
Sales of Products	4.70	3.45
Total Income	5.26	4.75
Expenditure:		
Purchase of Products and Crude	0.12	0.00
Raw Material Consumption	(0.34)	0.00
Depreciation and Amortisation on:		
Fixed Assets	87.34	(1.77)
Intangible Assets	68.66	0.00
Consumption of Stores, Spares and Consumables	(1.03)	(1.10)
Technical Fees	(515.92)	0.00
Power & Fuel	(0.59)	0.00
Repairs and Maintenance	0.81	3.50
Interest	0.00	(0.72)
Rent	0.14	1.50
Provision on Stores	0.00	0.70
Payment to and provision for employees	(14.73)	41.53
Other Expenses	(0.59)	0.03
Total Expenses	(376.13)	43.67
NET INCOME/(EXPENDITURE)	381.39	(38.92)

SCHEDULE "Q" - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31.03.2009

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 Fixed 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 during 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 and dismantled during the year.
- 2.4.3 Assets, other than LPG Cylinders and Pressure Regulators, costing upto Rs. 5,000/- per item are depreciated fully in the year of capitalisation.
- 2.4.4 Capital expenditure on items like electricity transmission lines, railway siding, roads, culverts etc. the ownership of which is not with the Company are charged off to revenue. Such expenditure incurred during construction period of projects is accounted as unallocated capital expenditure and is charged to revenue in the year of capitalisation of such projects.

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 "Work-in Progress - Intangible Assets".
- 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 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 year end, are translated at exchange rates prevailing as at the year end.
- 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 Profit & Loss Account 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, 2011, 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 is 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.

7.2 Stock-in-Trade

- 7.2.1 Finished products, 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 internally produced is determined based on raw material cost and processing cost.

Schedules

SCHEDULE "Q" - STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31.03.2009 (Contd.)

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 and chemicals) towards likely diminution in the value.

7.3.2 Stores & Spares in transit are valued at cost.

8. DEBTORS

In addition to the specific provision made, an adhoc provision @ 1% is also made in respect of debtors other than those relating to Oil Marketing Companies and Subsidiary companies 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 Rs.5 lakh, are as under:

- a) a provision is recognized in respect of present obligations where the outflow of resources is probable;
- b) 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 Rs. 5 lakhs, in each case, are considered for disclosure.

10. REVENUE RECOGNITION

10.1 Claims (including interest on outstandings) are accounted:

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

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

10.3 Pre-paid expenses upto Rupees five lakhs in each case are charged to revenue.

11. 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.

12. EMPLOYEES BENEFITS

12.1 Short Term Benefits:

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

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

- a) The Company's contribution to the Provident Fund is remitted to separate trusts established for this purpose based on a fixed percentage of the eligible employee's salary and charged to Profit and Loss Account. 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 Profit and Loss Account.
- b) The Company operates defined benefit plans for gratuity and compensated absences. 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 is administered through a fund maintained by Insurance Company. Actuarial gains/losses are charged to Profit and Loss Account.
- c) Obligations on Post Retirement Medical Benefits, Resettlement and Long Service Awards are provided using the projected unit credit method of actuarial valuation made at the end of the year.

12.3 Termination Benefits:

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



13. GRANTS

13.1 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 Profit and Loss Account over the period and in proportion in which depreciation is charged.

13.2 Revenue Grants

Revenue grants are reckoned as per the respective schemes notified by Govt. of India from time to time, subject to final adjustment as per separate audit.

14. OIL & GAS EXPLORATION ACTIVITIES

14.1 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.

14.2 Company's share of proved reserves of oil and gas are disclosed when notified by the Operator of the relevant block.

14.3 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.

15. 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 Profit & Loss Account. However, in respect of contracts, the pricing period of which extends beyond the balance sheet date, suitable provision for likely loss, if any, is provided.

Sd/-
(S. Behuria)
Chairman

Sd/-
(S. V. Narasimhan)
Director (Finance)

Sd/-
(Raju Ranganathan)
Company Secretary

Place : New Delhi
Date : May 29, 2009

Schedules

SCHEDULE "R" - NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009

1) Contingent Liabilities:

- a) Contingent Liabilities amounting to **Rs. 8882.39 crore** (2008 : Rs. 8209.40 crore) are as under:
 - i) **Rs. 1198.86 crore** (2008 : Rs. 1207.05 crore) being the demands raised by the Central Excise /Customs authorities.
 - ii) **Rs. 5555.39 crore** (2008 : Rs. 4687.65 crore) in respect of Sales Tax demands.
 - iii) **Rs. 636.54 crore** (2008 : Rs. 578.83 crore) including **Rs. 466.60 crore** (2008: Rs. 333.49 crore) on account of Projects for which suits have been filed in the Courts or cases are lying with Arbitrators.
 - iv) **Rs. 954.03 crore** (2008 : Rs. 1319.14 crore) in respect of Income Tax demands.
 - v) **Rs. 537.57 crore** (2008 : Rs. 416.73 crore) in respect of other claims.

The Company has not considered those disputed demands/claims as contingent liabilities, the outflow of resources for which would be remote.

- b) Interest/Penalty, if any, on some of the above claims is unascertainable.
 - c) Income tax, if any, reimbursable to foreign contractors is unascertainable.
 - d) 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.
 - e) The Company has issued corporate guarantee in favour of HSBC Bank, Mauritius, on behalf of Indian Oil (Mauritius) Limited (IOML), a subsidiary of the Company, for raising a loan of **Rs. Nil** (2008:Rs.23.47 crore) by IOML.
2. Estimated amount of contracts remaining to be executed on Capital Account not provided for **Rs. 17434.92 crore** (2008: Rs. 17342.09 crore).
 3. Purchase of crude oil from ONGC, Oil India Limited and Panna Mukta Tapti JV and some other oilfields has been accounted for provisionally pending finalisation of agreements with respective parties. Adjustments, if any, will be made on finalisation of agreements.
 4. 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 **Rs. 173.49 crore** (2008 : Rs. 144.75 crore) are pending for execution or renewal.
 5. Transactions with other Oil Marketing Companies are jointly reconciled on an ongoing basis.
 6. Bond redemption Reserve:
 - (a) Bond Redemption Reserve of **Rs. 31.60 crore** (2008 : Rs. 31.60 crore) created in respect of Non-Convertible Redeemable Bonds – Series V has been written back during the year as the 5th installment of Rs. 31.60 crore was paid on 18.07.2008.
 - (b) Bond Redemption Reserve of **Rs. 333.63 crore** (2008 : Rs.250. 55 crore) has been created in respect of Non-Convertible Redeemable Bonds VI, VII-B, VIIIA, VIIIB and IX during the year.
 - (c) Bond Redemption Reserve of **Rs. 237.50 crore** (2008 : Rs. Nil crore) has been created in respect of short-term unsecured Non-convertible Debentures outstanding as at the year end.
 7. Pursuant to orders pronounced by the Honourable Supreme Court/various High Courts in the matter of Entry Tax on Crude Oil & Lubricants, and as advised, the Company has not provided for Entry Tax amounting to **Rs. 2658.48 crore** (2008 : Rs. 1349.33 crore) including **Rs. 1332.66 crore** for the year (2008 : Rs. 1176.75 crore) in respect of Mathura & Panipat Refineries and Asaouti Lube Blending plant. Pending final disposal of the matter by the Honourable Supreme Court / various High Courts, Entry Tax already paid / deposited / provided for at various units has not been considered for write back.
 8. The customs duty on crude oil is accounted for as per the prevailing Customs Valuation Rules and net claims recoverable amounting to **Rs. 174.28 crore** (2008 : Rs. 148.57 crore) are pending for final assessment/settlement by the authorities. The claims are considered good for recovery.
 9. Subsidies on sales of SKO (PDS) and LPG (Domestic) in India amounting to **Rs. 1555.28 crore** (2008 : Rs. 1510.63 crore) and subsidies on sales of SKO & LPG to customers in Bhutan amounting to **Rs. 33.41 crore** (2008 : Rs. 33.28 crore) have been reckoned as per the schemes notified by Government of India.
 10. The Company has accounted for Government of India Special Bonds of **Rs. 40383.01 crore** (2008 : Rs. 18997.00 crore) in lieu of under-recoveries on petroleum products for the year. Out of this, Special Bonds of **Rs. 34175.95 crore** for the period from 1st April, 2008 to 31st December, 2008 (2008 : Rs. 11460.73 crore) have been received by the Company and the balance amount of **Rs. 6207.06 crore** receivable for the period from 1st January, 2009 to 31st March, 2009 (2008 : Rs. 7536.27 crore) has been accounted for on the basis of advice received from Government of India. These Bonds have been accounted in the Profit and Loss Account as Revenue Grants.
 11.
 - (a) In line with the scheme formulated by Petroleum Planning and Analysis Cell (PPAC), the Company has received during the year, discounts of **Rs.16756.55 crore** (2008 : Rs.14322.91 crore) on Crude Oil/Products purchased from ONGC/GAIL/OIL and **Rs. 1306.56 crore** (2008 : Nil) 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 MS, HSD, LPG (Domestic) & SKO (PDS) and the same has been adjusted against the purchase cost.
 - (b) Based on the advice received from Government of India, the Company has accounted **Rs. 146.42 crore** (2008: Nil) towards the discounts receivable from ONGC / OIL for compensating under recoveries on import losses in respect of MS & HSD, and same has been adjusted against the purchase cost.

12. The Company has an export obligation to the extent of **Rs. 2882.87 crore** (2008 : Rs. 1908.07 crore) on account of concessional rate of customs duty availed under EPCG license scheme on import of capital goods.
13. **Amalgamation of erstwhile Bongaigaon Refinery & Petrochemicals Limited (BRPL) with the Company:**
- BRPL, a subsidiary of the Company, was engaged primarily in the business of Refining of petroleum products.
 - Pursuant to the Scheme of Amalgamation (the scheme) of the erstwhile BRPL with the Company as approved by the members, secured creditors and unsecured creditors in their meetings held on 22nd February 2008 and subsequently sanctioned by the Ministry of Corporate Affairs, Govt. of India vide its order dated 9th March, 2009, which became effective on 25th March, 2009, the assets, liabilities and reserves of erstwhile BRPL stand transferred to and vested in the Company with effect from the appointed date i.e. 1st April, 2006. Accordingly the scheme has been given effect to in these accounts.
 - The Amalgamation has been accounted for under the “pooling of interest” method as prescribed by Accounting Standard -14 on “Accounting for Amalgamations”. Accordingly, the assets, liabilities and reserves of the erstwhile BRPL as at 1st April, 2006 along with subsequent addition/deletion up to 31st March, 2008 have been transferred in accordance with the said scheme. The profits of the amalgamating company during the period 1st April, 2006 to 31st March, 2008 have been transferred to the General Reserve of the Company without opening the accounts of the Company for the previous years. Current year transactions are duly incorporated in the books of the Company.
 - Based on the approved swap ratio as provided in the scheme, 2,16,01,935 number of equity shares will be issued to the equity share holders of erstwhile BRPL in the ratio of 4 equity shares of the face value of Rs. 10 each in the Company for every 37 equity shares held in erstwhile BRPL. In terms of the scheme, the said equity shares, when issued and allotted by the Company, shall rank, in all respects pari-passu with the existing equity shares of the Company. Pending allotment of the said equity shares, the amount has been disclosed under “Share Capital Suspense Account” in schedule A-1 as of 31st March, 2009.
 - The difference between the amount of share capital of the erstwhile BRPL and the amount of fresh share capital issued by the company on amalgamation amounting **Rs. 178.22 crore** is treated as capital reserve and has been added to the capital reserve of the Company.
 - As provided in the scheme, 1,60,85,819 number of equity shares to be issued by the Company in lieu of 14,87,93,826 number of equity shares held by the Company in the erstwhile BRPL will be transferred to a Trust for the sole benefit of the Company. Accordingly, the cost of the aforesaid investment of the Company is reflected as “Receivable from Trusts”, under ‘Other Current Assets’ in Schedule ‘J-1’..
 - In view of the above current year figures are not strictly comparable to those of the previous year.
14. The Company has provided a sum of **Rs. 2714 crore** (2008 : Rs. 196.76 crore) during the year on estimated basis towards pay revision of employees due w.e.f. 1.01.2007, which inter alia includes the impact on account of proposed enhancement in the gratuity ceiling from the existing limit of Rs. 3.5 lakhs to Rs. 10 lakhs as per the guidelines of the Department of Public Enterprises.
15. In 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.
16. The Central Government vide notification dated March 31, 2009 has amended Accounting Standard (AS-11) on “The effect of changes in Foreign exchange rates” notified under the Company’s (Accounting Standard) Rules, 2006. The Company has exercised the option stated in paragraph 46 of AS-11 retrospectively w.e.f. April 1, 2007. As a result, the Company has changed its accounting policy for recognition of exchange differences arising on long term foreign currency monetary items, which hitherto were charged to the Profit and Loss Account, as below:
- In so far as they relate to the acquisition of depreciable assets, are added to or deducted from the cost of the asset and are depreciated over the balance useful life of the asset. The change has resulted in increase in Profit by **Rs. 786.80 crore** for the year, net increase in Assets by **Rs. 594.74 crore** (Including Rs. 237.62 crore in CWIP) and increase in accumulated depreciation by **Rs.5.67 crore**.
 - In other cases, the said difference amount is accumulated in “Foreign Currency Monetary Items Translation Difference Account” and is amortised over the balance period of such long-term foreign currency monetary item but not beyond 31st March, 2011. This change has resulted in decrease in Profit by **Rs. 4.63 crore** for the year. An amount of **Rs. 5.08 crore** is remaining unamortised in “Foreign Currency Monetary Items Translation Difference Account” as on 31.03.2009.
- This change in policy on (a) and (b) above has resulted in reduction of **Rs. 127.72 crore** (net of tax) in opening general reserve.
17. During the year the Company had sought opinion from Expert Advisory Committee of the Institute of Chartered Accountants of India on its accounting policy for treatment of Know-how/ Licence Fees pertaining to Production Process. In pursuance of the same, the accounting policy hitherto followed by the company of charging the Know-how / Licence fee relating to production process to revenue in the year of incurrence has been changed. The same is now accounted for as Intangible Asset with retrospective effect from 01.04.2003 and will be amortised over a period of ten years or life of the said plant/ facility, whichever is earlier.
- This change has resulted in increase in Profit by **Rs. 535.08 crore** for the year (including Rs. 447.31 crore for prior periods) and increase in Intangible Assets (net of amortisation) by **Rs. 628.34 crore** (Including Rs 380.96 crore for CWIP).
18. Disclosure in compliance with Accounting Standard-15 (Revised 2005) on “Employee Benefits” is given in Annexure-1.
19. In compliance with Accounting Standard-17 on “Segment Reporting”, the required information is given in Annexure-2 to this schedule.
20. In compliance of Accounting Standard – 18 on “Related Party Disclosures”, the required information is given in Annexure-3 to this schedule.

Schedules

SCHEDULE "R" - NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009 (Contd.)

21. 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.

(Rs. in Crore)

Particulars	March-09	March-08
A. Gross Investments in Finance Lease	416.96	416.96
Less: Adjustment to Opening Block	1.32	-
Gross Investments in Finance Lease (after adjustment)	415.64	416.96
Less: Unearned Finance Income	8.74	11.94
Less: Finance Income Received	162.41	159.75
Less: Minimum Lease payment received	224.87	214.26
Net Investment in Finance Lease as on Date	19.62	31.01
B. Unearned finance Income	8.74	11.94
C. Present Value of Minimum Lease Payments Receivable:		
Not Later than one year	4.81	11.32
Later than one year and not later than five years	8.31	10.61
Later than Five years	6.50	9.08
Total	19.62	31.01
D. Break-up of un-earned income:		
Not Later than one year	1.99	3.15
Later than one year and not later than five years	5.02	5.49
Later than Five years	1.73	3.30
Total	8.74	11.94

Operating Leases:

a) As Lessees

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:

(Rs. in Crore)

Particulars	March-09	March-08
A. Lease rentals recognised during the period	53.53	59.52
B. Lease Obligations:		
Not later than one year	52.77	53.53
Later than one year and not later than five years	184.96	202.17
Later than five years	652.16	702.95

These relate to leases in respect of Pipeline from Koyali to Navagam, Port facilities at Gujarat, storage tankage facilities for petroleum products and Car Rentals for employees.

b) As Lessors

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

(Rs. in Crore)

Particulars	March-09	March-08
A. Lease rentals recognised as income during the period	10.94	17.90
B. Lease Rentals:		
(category of assets – Plant & Machinery)		
Gross Carrying Amount	9.41	32.22
Accumulated Depreciation	6.94	20.47
Depreciation recognized in Profit and Loss Account	0.20	1.23

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

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

	March-09	March-08
Profit After Tax (Rupees in Crore)	2949.55	6962.58
Total Weighted Average number of equity shares used for computing Earning Per Share (Basic & Diluted)		
a) Number of shares	1192374306	1192374306
b) Number of shares to be issued to erstwhile shareholders of BRPL	21601935	-
Total number of Shares	1213976241	1192374306
Earning Per Share (Basic and Diluted) (Rupees)	24.30	58.39
Face value per share (Rupees)	10/-	10/-

23. In compliance of Accounting Standard – 22 on “Accounting for Taxes on Income”, Deferred Tax Liability amounting to **Rs. 49.89 crore** (2008 : Rs. 5.12 crore) has been provided during the current year. The year end position of Deferred Tax Liability is given below:

(Rs. in Crore)

	As on 01.04.2008 taken over	Opening Balance taken over pursuant to amalgamation of BRPL	Provided during the year	Balance as on 31.03.2009
Deferred Tax Liability:				
Depreciation and other fixed Assets	5918.08	78.32	141.34	6137.74
Adjustment in Opening due to AS-11 impact	(2.04)	-	-	(2.04)
Total Deferred Tax Liability (A)	5916.04	78.32	141.12	6135.70
Deferred Tax Assets:				
Provision on Inventories, Debtors, Loans and advances	249.74	17.94	8.43	276.11
Compensation for Voluntary Retirement Scheme	9.15	0.53	(3.27)	6.41
43B Disallowances etc.	257.90	0.30	85.22	343.42
Capital Grants	4.38	-	1.07	5.45
Impairment Loss	12.09	18.59	-	30.68
Total Deferred Tax Assets (B)	533.26	37.36	91.45	662.08
Deferred Tax Liability (Net) (A – B)	5382.78	40.96	49.89	5473.63

24. In compliance of Accounting Standard – 27 on “Financial Reporting of Interest in Joint Ventures” the required information is given in Annexure-4 to this schedule.

25. Considering the Government policies and modalities of compensating the oil marketing companies towards under-recoveries, future cash flows have been worked out based on desired margins for deciding on impairment of related Cash Generating Units. Accordingly no further impairment as at the year-end has been considered. In view of the assumption being technical, peculiar to the industry and policy matter, the auditors have relied on the same.

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

(Rs. in Crore)

	Opening Balance	Additions during the year*	Utilisation during the year	Reversals during the year	Closing balance**
Excise	1.10	1.31	-	-	2.41
Customs	3.10	5.17	-	-	8.27
Sales Tax	112.75	12.56	-	3.50	121.81
Entry Tax	511.60	242.17	-	-	753.77
Others	12.79	8.29	2.30	0.97	17.81
Total	641.34	269.50	2.30	4.47	904.07
Previous Year	461.33	180.37	0.00	0.36	641.34

* Additions include Rs. 1.27 crore (2008: Rs 9.24) crore capitalised and Rs. 242.17 crore (2008:Rs.140.60 crore) included in raw material consumption in Schedule-0.

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

Schedules

SCHEDULE "R" - NOTES ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009 (Contd.)

27. In compliance of amended clause 32 of the Listing Agreement with the Stock Exchanges, the required information is given in Annexure-5 to this schedule.
28. The dues to Micro, Small and Medium enterprises as required under the Micro Small and Medium Enterprises Development Act, 2006 is given below:

	(Rs. in Lacs)	
	31 st March 2009	31 st March 2008
Amount overdue and payable at the year end		
Principal	2172.55	20.75
Interest	1.61	1.45
Payments made during the year after the due date		
Principal	75.22	189.60
Interest	0.09	0.00
Interest accrued and unpaid at the year end	1.84	1.45

The above information is given to the extent available with the Company and relied upon by the Auditors.

29. Exposures to Financial and Commodity Trading Derivative Instruments outstanding as on 31st March, 2009 is given in Annexure-6 to this schedule.
30. Remuneration paid/payable to Directors:

	(Rs. in Crore)	
	2008-09	2007-08
i) Salaries & Allowances	1.18	1.05
ii) Contribution to Provident & Other Funds	0.08	0.11
iii) Other Benefits and Perquisites	0.31	0.37
iv) Sitting Fees to Part Time Directors	0.21	0.11
Total	<u>1.78</u>	<u>1.64</u>

The above does not include impact of pay revision arising out of DPE guidelines applicable w.e.f. 01.01.2007 except to the extent of Adhoc payment made during the year.

In addition, whole-time Directors are also allowed the use of Company's car for private purposes upto 12,000 KMs per annum on a payment of Rs. 520 per mensem for car of less than 16 hp or Rs. 780 per mensem for car of above 16 hp as specified in the terms of appointment.

31. In respect of Oil and Gas Exploration activities, Revenue Expenditure amounting to **Rs. 172.39 crore** (2008 : Rs. 207.40 crore) and Capital Expenditure amounting to **Rs. 37.45 crore** (2008 : Rs. 49.72 crore) of Oil and Gas Exploration Projects has been incorporated in these accounts on the basis of unaudited statements provided by respective operators of Production Sharing Contracts to the Company.
32. The Profit and Loss Account includes :
a) Expenditure on Public Relations and Publicity amounting to **Rs. 27.24 crore** (2008: Rs. 23.60 crore) which is inclusive of **Rs. 8.43 crore** (2008: Rs. 5.93 crore) on account of Staff and Establishment and **Rs. 18.81 crore** (2008: Rs. 17.67 crore) for payment to others. The ratio of annual expenditure on Public Relations and Publicity to the annual turnover (inclusive of excise duty) is 0.00010:1 (2008: 0.00010:1).
b) Research and Development expenses **Rs. 117.50 crore** (2008: Rs. 98.92 crore).
c) Entertainment Expenses **Rs. 1.98 crore** (2008: Rs. 1.80 crore).
33. Previous year's comparative figures have been regrouped and recast to the extent practicable, wherever necessary. Figures in brackets indicate deductions.

Sd/-
(S. Behuria)
Chairman

Sd/-
(S. V. Narasimhan)
Director (Finance)

Sd/-
(Raju Ranganathan)
Company Secretary

Place : New Delhi
Date : May 29, 2009

Annexure-1

Disclosures- Notes on Accounts: AS-15 (Revised)

(a) Provident Fund

Guidance issued by the Accounting Standards Board (ASB) on implementing AS – 15, Employee Benefits (revised 2005) states that provident funds set up by employers, which require interest shortfall to be met by employer, need to be treated as defined benefit plan. The Fund does not have any existing deficit or interest shortfall. Accordingly, other related disclosures in respect of Provident Fund have not been made. During the year, the company has recognised Rs. 143.67 crore (2008: Rs. 109.07 crore) as Employer's contribution to Provident Fund in the Profit and Loss Account (included in Contribution to Provident and Other Funds in Schedule 'O').

(b) Reconciliation of balance of Defined Benefit Obligation

(Rs. in Crore)

	Gratuity	Leave encashment	PRMS	Resettlement Allowances	Long Service Award	Staff Pension Fund at AOD
	Funded	Funded	Non-funded	Non-funded	Non-funded	Funded
Defined Obligations at the beginning	467.78	875.28	199.48	59.57	51.91	5.74
	379.38	570.40	209.13	66.05	-	6.58
Liability on merger of BRPL	26.86	38.17	1.82	1.23	1.70	-
	-	-	-	-	-	-
Current Service Cost	5.20	37.00	30.50	2.05	2.04	0.19
	2.71	27.71	2.09	1.00	8.71	0.22
Interest Cost	37.00	70.00	17.00	4.77	4.15	0.43
	34.00	52.00	16.00	5.28	49.60	0.47
Past Service Cost	649.00	-	-	-	-	-
	-	-	-	-	-	-
Benefits paid	(30.55)	(84.81)	(46.40)	(2.87)	(5.19)	(0.66)
	(26.67)	(75.09)	(31.86)	(1.08)	(6.40)	(1.69)
Actuarial (gain)/loss on obligations	107.46	222.38	33.84	6.66	1.01	1.65
	78.36	300.26	4.12	(11.68)	-	0.16
Defined Benefit Obligation at the end of the year	1262.75	1158.02	236.24	71.41	55.62	7.35
	467.78	875.28	199.48	59.57	51.91	5.74

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

(Rs. in Crore)

	Gratuity	Leave encashment	PRMS	Resettlement Allowances	Long Service Award	Staff Pension Fund at AOD
	Funded	Funded	Non-funded	Non-funded	Non-funded	Funded
Fair value of plan assets at the beginning of the year	467.78	875.28	-	-	-	8.18
	334.03	414.17	-	-	-	9.12
Liability on merger of BRPL	37.51	-	-	-	-	-
	-	-	-	-	-	-
Expected return on plan assets	38.17	73.41	-	-	-	0.72
	36.14	68.79	-	-	-	0.53
Contribution by employer	24.61	84.75	-	-	-	0.20
	131.03	483.31	-	-	-	0.18
Benefit paid	(30.55)	(84.81)	-	-	-	(0.66)
	(26.67)	(75.09)	-	-	-	(1.69)
Actuarial gain / (losses)	6.95	10.51	-	-	-	0.56
	(6.75)	(15.90)	-	-	-	0.03
Fair value of plan assets at the end of the year	544.47	959.14	-	-	-	8.99
	467.78	875.28	-	-	-	8.18

Schedules

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

(Rs. in Crore)

	Gratuity	Leave encashment	PRMS	Resettlement Allowances	Long Service Award	Staff Pension Fund at AOD
	Funded	Funded	Non-funded	Non-funded	Non-funded	Funded
Fair value of plan assets at the end of the year	544.47 467.78	959.14 875.28	- -	- -	- -	8.99 8.18
Defined Benefit Obligation at the end of the year	1262.75 467.78	1158.02 875.28	236.24 199.48	71.41 59.57	55.62 51.91	7.35 5.74
Amount recognised in the Balance Sheet	718.28 # -	198.88 # -	236.24 199.48	71.41 59.57	55.62 51.91	(1.64) (2.44)

To be funded during the financial year 2009-10 for which liability has been provided.

(e) Amount recognised in CWIP/Profit and Loss Account

(Rs. in Crore)

	Gratuity	Leave encashment	PRMS	Resettlement Allowances	Long Service Award	Staff Pension Fund at AOD
	Funded	Funded	Non-funded	Non-funded	Non-funded	Funded
Current Service Cost	5.20 2.71	37.00 27.71	30.50 2.09	2.05 1.00	2.04 8.71	0.19 0.22
Interest Cost	37.00 34.00	70.00 52.00	17.00 16.00	4.77 5.28	4.15 49.60	0.43 0.47
Expected (return)/loss on plan asset	(38.17) (36.14)	(73.41) (68.79)	- -	- -	- -	(0.72) (0.53)
Past Service Cost	649.00 -	- -	- -	- -	- -	- -
Actuarial (gain)/ loss	100.51 85.11	211.87 316.16	33.84 4.12	6.66 (11.68)	1.01 -	1.10 0.13
Expenses for the year	753.54 85.68	245.46 327.08	81.34 22.21	13.48 (5.40)	7.20 58.31	1.00 0.29

(f) Major Actuarial Assumptions

	Gratuity	Leave encashment	PRMS	Resettlement Allowances	Long Service Award	Staff Pension Fund at AOD
	Funded	Funded	Non-funded	Non-funded	Non-funded	Funded
Discount rate	7.75% 8%	7.75% 8%	7.75% 8%	7.75% 8%	7.75% 8%	6.90% -
Expected return on plan assets*	8% 8%	8% 8%	- -	- -	- -	9.00% -
Salary escalation #	7% 9%	7% 9%	- -	- -	- -	7% 9%
Inflation	- -	- -	4% 6%	4% 9%	4% 6%	- -

* Expected rate of return on plan assets is based on market expectation, at the beginning of the year, for return over the entire life of the related obligation.

Estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors.

Note: Actuarial assumptions as given by the Actuaries have been relied upon by the Auditors.

(g) Actual Return on Plan Assets:

	Gratuity	Leave encashment	Staff Pension Fund at AOD
	Funded	Funded	Funded
Actual return on plan assets	9.60%	9.60%	10.10%

(h) Investment Details

Investments with insurer	Gratuity	Leave encashment	Staff Pension Fund at AOD
	Funded	Funded	Funded
SBI Life	-	3%	-
Life Insurance Corporation of India	91%	97%	-
Self managed investments	9%	-	100%
Total	100%	100%	100%

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

	Gratuity	Leave encashment	Staff Pension Fund at AOD
	Funded	Funded	Funded
Government of India Securities	73%	71%	9%
Investment in Equity Shares	5%	5%	-
Investment in Debentures	21%	22%	-
Other approved investments (incl. cash)	1%	2%	91%
Total	100%	100%	100%

(i) Effect of Increase/Decrease in Healthcare Costs

	(Rs. in Crore)
Change in Liability for 1% increase in inflation rate	40.98
Change in Liability for 1% decrease in inflation rate	(34.93)

(j) Amount for the current and previous periods are as follows:

Gratuity	(Rs. in Crore)	
	2008-09	2007-08
Defined benefit obligation	1262.75	467.78
Plan Assets	544.47	467.78
Surplus / (Deficit)	(718.28)	-
Experience adjustment on plan liabilities		Not Available *
Experience adjustment on plan assets		Not Available *

* The management has relied on the overall actuarial valuation conducted by the actuary. However, experience adjustment on plan liabilities and assets are not available and hence not disclosed.

Schedules

Annexure-2

Information regarding Primary Segment Reporting as per AS-17 for the year ended March 31, 2009 is as under:

(Rs. in Crore)

	March-09				March-08			
	Petroleum Products (A)	Other Businesses (B)	Eliminations (C)	Total (D=A+B-C)	Petroleum Products (A)	Other Businesses (B)	Eliminations (C)	Total (D=A+B-C)
Revenue								
External Revenue	276564.11	28883.39	-	305447.50	222500.56	24758.43	-	247258.99
Inter-segment Revenue	1423.88	459.43	-	1883.31	1264.15	255.18	-	1519.33
Total Revenue	277987.99	29342.82		307330.81	223764.71	25013.61		248778.32
Result								
Segment Results	7012.13	(49.39)	12.58	6950.16	10674.36	(186.38)	62.90	10425.08
Less: Unallocated Expenses net of unallocated Income	-	-	-	-	-	-	-	-
Operating Profit	7012.13	(49.39)	12.58	6950.16	10674.36	(186.38)	62.90	10425.08
Less:								
Interest Expenditure				3952.14				1547.31
Provision for diminution in Investments				670.24				291.07
Loss for Diminution in IBP Trust				75.39				
Loss on Investments w-off/sold				1945.28				377.55
Add:								
Interest/Dividend Income				2193.29				1845.19
Provision for diminution in Investments written back				393.88				4.85
Provision for diminution in Trust written back				-				59.92
Share of undistributed surplus in PII				-				-
Profit on sale of GOI Bonds				1052.92				0.21
Prior year income/(expenses) -net				381.39				(38.92)
Profit Before Tax				4328.59				10080.40
Less: Income Tax (including deferred tax)				1379.04				3117.82
Profit After Tax				2949.55				6962.58
Other Information								
Segment Assets	88605.76	8913.55		97519.31	83508.06	11098.20		94606.26
Corporate Assets				32287.68				21968.96
Total Assets				129806.99				116575.22
Segment Liabilities	31147.46	2874.47		34021.93	31133.12	2715.57		33848.69
Corporate Liabilities				51786.88				41640.28
Total Liabilities				85808.81				75488.97
Capital Employed								
Segment Wise	57458.30	6039.08		63497.38	52374.94	8382.63		60757.57
Corporate				(19499.20)				(19671.32)
				43998.18				41086.25

Notes:

- The Company is engaged in the following business segments:
 - Sale of Petroleum Products
 - Other Businesses, which comprises Sale of Imported Crude Oil, Sale of Gas, Petrochemicals, Explosives & Cryogenics, Wind Mill 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 From Government of India
 - Other income (excluding interest income, dividend income, exceptional items income and investment income)
- There are no reportable geographical segments.

Annexure-3

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

1. Relationships:

A) Joint Venture Companies

- 1) IOT Infrastructure Energy Services Ltd. (name changed from Indian Oil Tanking 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. (w.e.f. 07.02.2007)

B) Whole-time Directors

- 1) Shri S. Behuria
- 2) Shri A.M. Uplenchwar (upto 31.07.2007)
- 3) Shri B.M. Bansal
- 4) Shri S.V. Narasimhan
- 5) Shri V.C. Agrawal
- 6) Shri G.C. Daga
- 7) Shri B.N. Bankapur
- 8) Shri Anand Kumar (w.e.f. 31.07.2007)
- 9) Shri P.K. Chakraborti (w.e.f. 01.08.2007)

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 no. 1(A) above:

(Rs. in Crore)

	March-09	March-08
i) Sales	140.81	17.90
ii) Interest received	5.00	0.18
iii) Consultancy Services/Other Income	38.71	18.58
iv) Purchase of Products	3356.53	2732.25
v) Purchase of Chemicals/Materials	115.15	42.05
vi) Handling Expenses	46.75	19.25
vii) Freight Expenses	0.15	-
viii) Reimbursement of Expenses	22.31	35.09
ix) Interest paid/payable	3.97	-
x) Investments made during the year	8.48	104.13
xi) Purchase/Acquisition of Fixed Assets/CWIP	296.57	361.41
xii) Provisions made/(written off) during the year	-	-
xiii) Outstanding Receivables	749.90	449.22
xiv) Outstanding Payables	209.01	152.55
xv) Loans Recoverable	46.29	31.29
xvi) Loans Payable	-	-

b) Details relating to parties referred to in item no. 1(B) above:

(Rs. in Crore)

	March-09	March-08
i) Remuneration	1.57	1.54
ii) Recovery of Interest & Furniture Hire Charges	0.02	0.02
iii) Outstanding loans/advances receivables	0.33	0.40
iv) Assets on Hire	0.20	0.18

Notes:

- 1) Remuneration includes Basic salary, allowances, reimbursements, contribution to P.F. and perquisites (valued as per tax laws).
- 2) 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 Rs.520/- per mensem for car less than 16 hp or Rs.780/- per mensem for car of above 16 hp as specified in the terms of appointment.
- 3) 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).
- 4) In case of Joint Venture Companies constituted/acquired during the year, transactions w.e.f. date of constitution/acquisition is disclosed.
- 5) In case of Joint Venture Companies which have been closed/divested during the year, transactions upto the date of closure/disinvestment only are disclosed.

Schedules

Annexure-4

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 oil and gas exploration contracts with the Govt. of India and other body corporates. These joint ventures are:

Name	Participating Interest of IOC (%)	
	31.03.2009	31.03.2008
IN INDIA		
Under NELP-I Block		
GV-ONN-97/1 ***	30	30
Under NELP-II Block		
MB-OSN-2000/1***	15	15
MN-OSN-2000/2	20	20
WB-OSN-2000/1	15	15
MB-OSN-2004/1	20	20
MB-OSN-2004/2	20	20
MN-ONN-2000/1	20	20
KG-DWN-2005/1	20	0
Under NELP-III Block		
AA-ONN-2001/2	20	20
Others		
BK-CBM-2001/1	20	20
NK-CBM-2001/1	20	20
AAP-ON-94/1	43.55	43.55
OUTSIDE INDIA		
FARSI BLOCK, IRAN	40	40
SHAKTHI GABON*	50	50
YEMEN 82	15	15
YEMEN 83	15	15
KUWAIT**	5	5
LIBYA BLOCK 86	50	50
BLOCK K	12.5	0
LIBYA 95-96	25	0
LIBYA BLOCK 102/4	50	50

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

** Share of Pre-Bid expenses

*** Block relinquished during the year 2008-09. Amount spent on GV-ONN-97/1 & MB-OSN-2000/1 are Rs. 22.31 crore and Rs. 45.24 crore respectively.

(b) **Jointly Controlled Assets:**

IOC's share in jointly controlled/owned assets have been shown in Schedule-E "Fixed Assets".

(c) **Jointly Controlled Entities:**

Name	Country of Incorporation	Ownership Interest of IOC(%)	
		31.03.2009	31.03.2008
(i) IOT Infrastructure Energy Services Ltd. (name changed from Indian Oil Tanking Ltd.)	India	49.98	50
(ii) Lubrizol India Pvt. Ltd.	India	50	50
(iii) Petronet VK Ltd.	India	26	26
(iv) Petronet CI Ltd.	India	26	26
(v) IndianOil SkyTanking Ltd.	India	33.33	33.33
(vi) Indo Cat Pvt. Ltd.	India	50	50
(vii) IndianOil Petronas Pvt.Ltd.	India	50	50
(viii) Suntera Nigeria 205 Ltd.	Nigeria	25	25
(ix) IndianOil Panipat Power Consortium Ltd.	India	50	50
(x) Avi-Oil India Pvt. Ltd.	India	25	25



(xi) Petronet India Ltd.	India	18	18
(xii) Petronet LNG Ltd.	India	12.5	12.5
(xiii) Green Gas Ltd.	India	22.5	22.5

Proportionate share in assets, liabilities, income & expenditure of Petronet VK Ltd., Petronet CI Ltd., Indian Oil Panipat Power Consortium Ltd. & Petronet India Ltd. has not been consolidated as the Management has either decided to exit from these companies or the amount of investment in these companies has been provided for.

2) IOC's Share in Assets, Liabilities, Income, Expenses, Contingent Liabilities and Capital Commitments of Jointly Controlled Entities:

(Rs. in Crore)

	31.03.2009	31.03.2008
(i) Assets		
- Long Term Assets	936.38	800.33
- Current Assets	752.10	647.52
(ii) Liabilities		
- Current Liabilities and Provisions	326.00	372.01
- Other Liabilities	652.45	447.21
(iii) Income	2636.95	2074.93
(iv) Expenses	2466.67	1896.58
(v) Contingent Liabilities	17.55	11.35
(vi) Capital Commitments	155.95	201.80

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

(Rs. in Crore)

	31.03.2009	31.03.2008
(a) Jointly Controlled Operations		
(i) Contingent Liabilities	-	-
(ii) Capital Commitments	1271.65	583.13
(b) Jointly Controlled Assets		
(i) Contingent Liabilities	-	-
(ii) Capital Commitments	-	-

Annexure-5

Disclosure as required by Clause 32 of Listing Agreement

(Rs. in Crore)

	Amount as on		Max. Amount outstanding during the year ended	
	31.03.2009	31.03.2008	31.03.2009	31.03.2008
I. Loans and Advances in the nature of loans:				
A) To Subsidiary Companies				
B) To Firms/Companies in which directors are interested	-	-	-	-
C) Where there is no repayment schedule or repayment beyond seven years 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	-	-	-	-

Schedules

Annexure-6

DISCLOSURE OF EXPOSURE TO FINANCIAL AND COMMODITY TRADING DERIVATIVES

Financial and Derivative Instruments:

1. 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.

2. The Derivative contracts entered into by the Company and outstanding as on 31st March 2009 are as below:

(a) For Hedging Currency Risks

Nominal amounts of derivative contracts entered into by the Company and outstanding as on 31st March 2009 is given below:

(Rs. in Crore)

S. No.	Particulars	Unit of Currency	As on 31.03.2009		As on 31.03.2008	
			No. of contracts	Aggregate amount	No. of contracts	Aggregate amount
1	Forward Contracts for Import and Export	USD	11	733.60	2	174.55

This includes currency swaps amounting to **Rs. Nil crore** (2008 : Rs.153.90 crore)

(b) For Hedging Commodity Related Risks:

Category-wise quantitative data about commodity derivative transactions that are outstanding as on 31st March 2009 is given below:

Quantity (in '000 bbls)

S. No.	Particulars	As on 31.03.2009		As on 31.03.2008	
		Quantity	Value	Quantity	Value
1	Swaps on Crude oil		700.00	350.00	
2	Futures on Crude oil				
	MCX		0.00	138.80	
	NCDEX		0.00	0.00	
3	Margin Hedging		0.00	1350.00	

3. Foreign currency exposure that are not hedged by a derivative instrument as on 31st March 2009 is given below:

(Rs. in Crore)

S. No.	Unit of Currency	As on 31.03.2009		As on 31.03.2008	
		Quantity	Aggregate amount	Quantity	Aggregate amount
1	Unhedged		19195.49		25690.47

This includes currency swaps amounting to **Rs. 1930.56 crore** (2008 : Rs.4498.60 crore)

SCHEDULE "S" - LICENCED CAPACITY, INSTALLED CAPACITY AND ACTUAL PRODUCTION

(Figures in Lakh)

	UNIT	Licenced Capacity (Refer Note A)		Installed Capacity (Refer Note B)		Actual Production		
		March'09	March'08	March'09	March'08	March'09	March'08	
i) Crude Processing	MTs	473.50	450.00	497.00	473.50	469.37	428.89 (Refer Note D)	
ii) Lubricating Oil	MTs	Note C	2.40	2.40	2.40	2.40	3.28	3.19
iii) Wax/Bitumen/Asphalt Lube Oil Drums	Nos.	Note E	3.75	3.75	3.07	3.07	0.93	1.09
iv) Oxygen Plant	CU.M.		15.00	15.00	15.00	15.00	3.94	4.29
v) Propylene Recovery Unit	MTs		Not specified	Not specified	0.84	0.84	0.00	0.00
vi) MTBE Unit	MTs		0.54	0.54	0.48	0.48	0.07	0.13
vii) Butene Plant	MTs		0.37	0.48	0.37	0.37	0.06	0.26
viii) LAB Plant	MTs		0.17	0.17	0.17	0.17	0.00	0.00
ix) PX/PTA Plant	MTs		1.20	1.20	1.20	1.20	1.29	1.33
x) Cryocontainer & Accessories	Nos.		5.53	5.53	5.53	5.53	4.07	4.04
xi) Industrial Explosives(Cartridge)	MTs		0.13	0.13	0.17	0.17	0.19	0.19
xii) Site Mixed Slurry Explosives	MTs		0.50	0.50	0.20	0.20	0.01	0.05
xiii) Xylene	MTs		0.99	1.06	0.49	0.99	0.50	0.38
xiv) PSF	MTs		0.29	0.00	0.29	0.00	0.00	0.00

Note:

- A. i) Licenced Capacity of Refinery is not specified for Assam Oil Division.
ii) Capacity for projects under construction not considered.
iii) Licenced Capacity of Crude Processing has increased during the year due to merger of erstwhile BRPL.
- B. As certified by the Management and relied upon by the auditors.
- 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. Per year operating in two shifts.
- F. Capacity for Detonating Fuse and Cast Boosters have not been shown, being negligible.

Schedules

SCHEDULE "T" - FINISHED PRODUCTS - QUANTITY AND VALUE PARTICULARS

		Opening Stock		Purchases		Sales		Closing Stock	
		Quantity (MTs in lakh)	Value (Rs. in crore)	Quantity (MTs in lakh)	Value (Rs. in crore)	Quantity (MTs in lakh)	Value (Rs. in crore)	Quantity (MTs in lakh)	Value (Rs. in crore)
A.									
1	Petroleum Products:	MTs							
	Year ended 31.03.09	47.04	13854.05	279.40	109727.87	736.31	253526.12	55.85	12846.10
	Year ended 31.03.08	49.79	12124.52	282.79	98773.16	714.21	220426.76	45.89	13446.61
2	Lubricants & Greases:	MTs							
	Year ended 31.03.09	0.44	275.43	0.02	0.79	4.21	4778.57	0.46	348.91
	Year ended 31.03.08	0.47	294.85	0.01	2.18	4.47	4068.33	0.44	275.43
3	Crude Oil:	MTs							
	Year ended 31.03.09	0.00	0.00	87.49	23549.16	87.49	23549.16	0.00	0.00
	Year ended 31.03.08	0.00	0.00	88.25	20100.02	88.25	20100.02	0.00	0.00
4	Base Oil & Additives:	MTs							
	Year ended 31.03.09	0.00	0.00	0.38	140.65	0.38	165.22	0.00	0.00
	Year ended 31.03.08	0.00	0.00	0.63	173.62	0.63	206.63	0.00	0.00
5	LAB:	MTs							
	Year ended 31.03.09	0.06	25.29	0.00	0.00	1.27	1354.20	0.08	32.10
	Year ended 31.03.08	0.09	33.32	0.00	0.00	1.36	1022.65	0.06	25.29
6	PX/PTA:	MTs							
	Year ended 31.03.09	0.24	105.57	0.00	0.00	4.13	1802.56	0.18	51.74
	Year ended 31.03.08	0.13	48.51	0.00	0.00	3.92	1666.47	0.24	105.57
	SUB TOTAL(A):	MTs							
	Year ended 31.03.09	47.78	14260.34	367.29	133418.47	833.79	285175.83	56.57	13278.85
	Year ended 31.03.08	50.48	12501.20	371.68	119048.98	812.84	247490.86	46.63	13852.90
B.									
1	Gas:	MBTUs							
	Year ended 31.03.09	1.82	3.65	865.88	2361.28	866.21	2424.96	1.49	4.30
	Year ended 31.03.08	1.57	2.67	903.61	2007.63	903.36	2088.81	1.82	3.65
2	Explosives:	MTs							
	Year ended 31.03.09	0.00	0.42	0.00	0.00	0.51	129.01	0.00	0.00
	Year ended 31.03.08	0.00	0.36	0.00	0.00	0.43	93.80	0.00	0.42
3	Cryocontainers/Cryovessels:	Nos							
	Year ended 31.03.09	0.03	3.83	0.00	0.00	0.17	29.33	0.05	4.93
	Year ended 31.03.08	0.01	1.36	0.00	0.00	0.17	30.56	0.03	3.83
4	Others:								
	Year ended 31.03.09	0.00	0.71	0.00	0.00	0.00	0.59	0.00	0.22
	Year ended 31.03.08	0.00	0.08	0.00	0.00	0.00	78.31	0.00	0.07
	SUB TOTAL(B):								
	Year ended 31.03.09		8.61		2361.28		2583.89		9.45
	Year ended 31.03.08		4.47		2007.63		2291.48		7.97
	GRAND TOTAL(A+B):								
	Year ended 31.03.09		14268.95*		135779.75		287759.72		13288.30
	Year ended 31.03.08		12505.67		121056.61		249782.34		13860.87

* Includes Opening Stock of BRPL:Rs. 408.08 crore.

SCHEDULE "U" - CONSUMPTION PARTICULARS OF RAW MATERIALS, STEEL COILS/SHEETS/STORES/SPARE PARTS AND COMPONENTS

	Imported		Indigenous		Quantity	Total
	Value (Rs. in Crore)	% to total consumption	Value (Rs. in Crore)	% to total consumption	MTs (in Lakh)	(Rs. in Crore)
March-09						
Crude Oil	114377.42	85	20719.00	15	513.77	135096.42
Base Oil	6.09	0	1715.12	100	4.27	1721.21
Ethanol	0.00	0	334.72	100	1.05	334.72
MTBE	0.00	0	4.64	100	0.02	4.64
BENZENE	0.00	0	4.05	100	0.06	4.05
Natural Gas/RLNG	161.67	24	518.22	76	5.25	679.89
Additives	44.14	13	290.80	87	0.39	334.94
Packing Materials	0.00	0	292.94	100	9.40	292.94
Consumed						
Steel Coils / Sheets /						
Stores / Component and						
Spare Parts	136.60	20	552.79	80	0.07	689.39
Raw Material for Explosives	10.06	13	65.42	87	0.42	75.48
Others	1.22	5	25.14	95		26.36
March-08						
Crude Oil	86410.50	87	13087.89	13	472.23	99498.39
Base Oil	2.21	0	1206.99	100	3.88	1209.20
Ethanol	0.00	0	444.05	100	1.15	444.05
MTBE	0.00	0	11.51	100	0.09	11.51
BENZENE	0.00	0	5.28	100	0.02	5.28
Natural Gas/RLNG	0.00	0	598.18	100	5.33	598.18
Additives	33.91	12	243.31	88	0.29	277.22
Packing Materials	0.00	0	236.48	100	10.87	236.48
Consumed						
Steel Coils / Sheets /						
Stores / Component and						
Spare Parts	86.89	15	511.66	85	0.07	598.55
Raw Material for Explosives	9.60	18	43.62	82	0.34	53.22
Others	0.90	4	21.53	96		22.43

Note :

- Consumption excludes value adjustments, if any, shown under items pertaining to the prior period.
- Indigenous Base Oil includes **Rs.1230.52 crore** (2008: Rs.770.65 crore) which is internally produced.

Schedules

SCHEDULE "V" - EXPENDITURE IN FOREIGN CURRENCY FOR ROYALTY, KNOW-HOW, PROFESSIONAL & CONSULTATION FEES, GOODS FOR RESALE, INTEREST & OTHER MATTERS

		(Rs. in Crore)	
	Note	March-09	March-08
1.	Royalty	108.10	115.95
2.	Professional, Consultation Fees and Technical Service Fees	91.03	375.42
3.	Interest	466.05	488.69
4.	Purchase of Products	12361.77	13602.25
5.	Commodity Hedging	159.00	87.36
6.	Others	4163.64	2124.03
	TOTAL	17349.59	16793.70

Note:

- A. Includes **Rs. 2906.19 crore** (2008 : Rs.1442.45 Crore) on account of crude purchases from Indian Companies, payments of which were made in foreign currency.
- B. Expenditure in Foreign Currency has been considered on accrual basis.

SCHEDULE "W" - EARNINGS IN FOREIGN EXCHANGE

(Rs. in Crore)

	Note	March-09	March-08
1. Export of Crude Oil, LAB and Petroleum Products	A	14785.57	11420.32
2. Income from Royalty		0.22	0.30
3. Income from Consultancy Services		5.24	4.01
4. Interest		9.33	9.98
5. Commodity Hedging		160.29	16.13
6. Others		1.98	3.19
TOTAL		14962.63	11453.93

Note:

- Includes **Rs. 6014.39 crore** (2008 : Rs.3521.86 crore) received in Indian Currency out of the repatriable funds of Foreign Customers and other Export Sales through canalising agencies.
- Earnings in Foreign Currency has been considered on accrual basis.

SCHEDULE "X" - CIF VALUE OF IMPORTS

(Rs. in Crore)

	Note	March-09	March-08
1. Crude Oil	A	131150.55	106261.00
2. Base Oil		6.58	4.11
3. Additives		65.53	36.89
4. Capital Goods		1031.09	65.91
5. Other Raw Materials		14.05	7.34
6. Revenue Stores, Component, Spare and Chemicals		325.90	186.11
TOTAL		132593.70	106561.36

Note:

- Includes CIF value of Imports made by the Corporation on behalf of Subsidiary Companies **Rs. 23996.42 crore** (2008 : Rs. 20276.76 crore).
- Expenditure in Foreign Currency has been considered on accrual basis.

Schedules

INDIAN OIL CORPORATION LIMITED

SCHEDULE "Y" - BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.

		1	1	3	8	8
--	--	---	---	---	---	---

 State Code

1	1
---	---

Balance Sheet Date

3	1
---	---

0	3
---	---

2	0	0	9
---	---	---	---

II. Capital Raised during the year (Amount in Rs. Crore)

PUBLIC ISSUE

		N	I	L
--	--	---	---	---

RIGHTS ISSUE

		N	I	L
--	--	---	---	---

BONUS ISSUE

		N	I	L
--	--	---	---	---

PRIVATE PLACEMENT

		N	I	L
--	--	---	---	---

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Crore)

Total Liabilities

1	2	9	8	0	6	.	9	9
---	---	---	---	---	---	---	---	---

Total Assets

1	2	9	8	0	6	.	9	9
---	---	---	---	---	---	---	---	---

Sources of Funds

Paid up Capital

		1	1	9	2	.	3	7
--	--	---	---	---	---	---	---	---

Share Capital Suspense Account

				2	1	.	6	0
--	--	--	--	---	---	---	---	---

Reserves & Surplus

	4	2	7	8	4	.	2	1
--	---	---	---	---	---	---	---	---

Secured Loans

	1	7	5	6	5	.	3	1
--	---	---	---	---	---	---	---	---

Unsecured Loans

	2	7	4	0	6	.	9	3
--	---	---	---	---	---	---	---	---

Deferred Tax Liability

		5	4	7	3	.	6	3
--	--	---	---	---	---	---	---	---

Foreign Currency Monetary Item Translation Difference Account

					5	.	0	8
--	--	--	--	--	---	---	---	---

Application of Funds

Fixed Assets/Intangible Assets (Net)
(Incl. Dismantled Capital Stores & C.W.I.P.)

	5	2	9	6	4	.	5	0
--	---	---	---	---	---	---	---	---

Investments

	3	2	2	4	9	.	7	2
--	---	---	---	---	---	---	---	---

Finance Lease Receivables

				1	9	.	6	2
--	--	--	--	---	---	---	---	---

Net Current Assets

	9	9	1	7	7	.	1	5
--	---	---	---	---	---	---	---	---

Misc. Expenditure

				3	7	.	9	6
--	--	--	--	---	---	---	---	---

Accumulated Losses

						N	I	L
--	--	--	--	--	--	---	---	---

IV. Performance of Company (Amount in Rs. Crore)

Turnover (net)	Total Expenditure																				
<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;">2</td> <td style="width: 20px; height: 20px;">6</td> <td style="width: 20px; height: 20px;">2</td> <td style="width: 20px; height: 20px;">6</td> <td style="width: 20px; height: 20px;">5</td> <td style="width: 20px; height: 20px;">4</td> <td style="width: 20px; height: 20px;">.</td> <td style="width: 20px; height: 20px;">4</td> <td style="width: 20px; height: 20px;">2</td> </tr> </table>		2	6	2	6	5	4	.	4	2	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;">3</td> <td style="width: 20px; height: 20px;">0</td> <td style="width: 20px; height: 20px;">3</td> <td style="width: 20px; height: 20px;">0</td> <td style="width: 20px; height: 20px;">8</td> <td style="width: 20px; height: 20px;">4</td> <td style="width: 20px; height: 20px;">.</td> <td style="width: 20px; height: 20px;">4</td> <td style="width: 20px; height: 20px;">4</td> </tr> </table>		3	0	3	0	8	4	.	4	4
	2	6	2	6	5	4	.	4	2												
	3	0	3	0	8	4	.	4	4												
Profit Before Tax	Profit After Tax																				
<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;">+</td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;">4</td> <td style="width: 20px; height: 20px;">3</td> <td style="width: 20px; height: 20px;">2</td> <td style="width: 20px; height: 20px;">8</td> <td style="width: 20px; height: 20px;">.</td> <td style="width: 20px; height: 20px;">5</td> <td style="width: 20px; height: 20px;">9</td> </tr> </table>		+		4	3	2	8	.	5	9	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;">+</td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;">2</td> <td style="width: 20px; height: 20px;">9</td> <td style="width: 20px; height: 20px;">4</td> <td style="width: 20px; height: 20px;">9</td> <td style="width: 20px; height: 20px;">.</td> <td style="width: 20px; height: 20px;">5</td> <td style="width: 20px; height: 20px;">5</td> </tr> </table>		+		2	9	4	9	.	5	5
	+		4	3	2	8	.	5	9												
	+		2	9	4	9	.	5	5												
Earnings per share in Rs. (Basic and Diluted)	Dividend Rate %																				
<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;">2</td> <td style="width: 20px; height: 20px;">4</td> <td style="width: 20px; height: 20px;">.</td> <td style="width: 20px; height: 20px;">3</td> <td style="width: 20px; height: 20px;">0</td> </tr> </table>		2	4	.	3	0	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;">7</td> <td style="width: 20px; height: 20px;">5</td> </tr> </table>			7	5										
	2	4	.	3	0																
		7	5																		

V. Generic Names of Three Principal Products/Services of Company (As per Monetary terms)

Item Code No. (ITC Code)	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="width: 20px; height: 20px;">2</td> <td style="width: 20px; height: 20px;">7</td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;">1</td> <td style="width: 20px; height: 20px;">0</td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> </tr> </table>	2	7		1	0						
2	7		1	0								
Product Description	Bulk Petroleum Products											
Item Code No. (ITC Code)	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="width: 20px; height: 20px;">2</td> <td style="width: 20px; height: 20px;">7</td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;">0</td> <td style="width: 20px; height: 20px;">9</td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> </tr> </table>	2	7		0	9						
2	7		0	9								
Product Description	Crude Oil											
Item Code No. (ITC Code)	<table border="1" style="display: inline-table; border-collapse: collapse;"> <tr> <td style="width: 20px; height: 20px;">2</td> <td style="width: 20px; height: 20px;">7</td> <td style="width: 20px; height: 20px;">1</td> <td style="width: 20px; height: 20px;">0</td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;">9</td> <td style="width: 20px; height: 20px;">0</td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> </tr> </table>	2	7	1	0		9	0				
2	7	1	0		9	0						
Product Description	Lubricants											

Cash Flow Statement

annexed to the Balance Sheet for the year ended 31st March, 2009

(Rs. in Crore)

	2008-09	2007-08
A Cash Flow from Operating Activities:		
1 Profit Before Tax	4,328.59	10,080.40
2 Adjustments for:		
Depreciation	3,037.71	2,707.93
Loss/(Profit) on sale of Assets (Net)	37.31	(13.76)
Loss/(Profit) on Investments	892.36	377.34
Amortisation of Capital Grants	(0.95)	(0.92)
Amortisation of Premium on Forward Contracts	135.39	236.53
Provision for Probable Contingencies (net)	21.59	30.17
Revenue Grant received / receivable in the form of Government Bonds	(40,383.01)	(18,997.00)
Provision for Loss in cost of Investment written back	(393.88)	(4.85)
Provision for Doubtful Debts, Advances, Claims and Obsolescence of Stores	1.46	283.91
Provision for Diminution in 'Receivable from trust'	75.39	-
Provision for Diminution in 'Receivable from trust' w/back	-	(59.92)
Provision for Loss on Investments	670.24	291.07
Capitalisation of Intangible Assets through prior year	(515.92)	-
Interest Income on Investments	(1,022.25)	(1,041.78)
Dividend Income on Investments	(801.37)	(702.19)
Interest Expenditure	3,952.14	1,546.59
	(34,293.79)	(15,346.88)
B Operating Profit before Working Capital Changes (1+2)	(29,965.20)	(5,266.48)
C i) Change in Working Capital: (Excluding Cash & Bank Balances)		
Trade & Other Receivables	1,631.28	(172.47)
Inventories	6,897.55	(6,245.46)
Trade and Other Payables	(959.91)	6,662.89
Change in Working Capital	7,568.92	244.96
D Cash Generated From Operations (B+C)	(22,396.28)	(5,021.52)
E Less: Taxes paid	760.68	4,360.87
F Net Cash Flow from Operating Activities (D-E)	(23,156.96)	(9,382.39)
G Cash Flow from Investing Activities:		
Sale/Transfer of Assets	240.68	219.79
Sale / Maturity of Investments	29,938.82	9,346.52
Interest Income on Investments	837.74	1,086.91
Dividend Income on Investments	801.37	702.19
Purchase of Assets	(1,905.72)	(1,053.18)
Finance Lease Receivable	11.39	17.72
Investment in Subsidiaries / Associates	(11.97)	(10.07)
Investment/Advance for Investments in Joint Venture Companies	(9.77)	(87.70)

(Rs. in Crore)

	2008-09	2007-08
Expenditure on Construction Work-in-Progress	(10,724.63)	(5,849.96)
Net Cash generated/(used) in Investing Activities	19,177.91	4,372.22
H Net Cash Flow From Financing Activities:		
Proceeds from Long-Term Borrowings	4,360.31	522.16
Proceeds from/(Repayments of) Short-Term Borrowings	4,780.42	7,918.32
Interest paid	(4,341.92)	(1,718.41)
Dividend/Dividend Tax paid	(848.41)	(1,813.44)
Net Cash Generated/(Used) from Financing Activities:	3,950.40	4,908.63
I Net Change in Cash & Cash Equivalents (F+G+H)	(28.65)	(101.54)
J Cash & Cash Equivalents as at end of the Financial Year	798.02	824.43
Less:		
K Cash & Cash Equivalents as at the beginning of Financial Year	824.43	925.97
Add: Transferred on amalgamation of BRPL	2.24	-
	826.67	925.97
NET CHANGE IN CASH & CASH EQUIVALENTS (J-K)	(28.65)	(101.54)
Notes:		
1. Cash and Cash Equivalents include:		
Cash and Bank Balances		
As per Balance Sheet	798.02	824.43
Total Cash and Cash Equivalents	798.02	824.43

2. The previous year's figures have been regrouped wherever necessary for uniformity in presentation.

Sd/-
(S. Behuria)
Chairman

Sd/-
(S. V. Narasimhan)
Director (Finance)

Sd/-
(Raju Ranganathan)
Company Secretary

As per our attached Report of even date

For **V.K. DHINGRA & CO.**
Chartered Accountants

For **M.M. NISSIM AND CO.**
Chartered Accountants

For **K K S & CO.**
Chartered Accountants

Sd/-
(CA. V.K. DHINGRA)
Partner
M. No. 014467

Sd/-
(CA. SAMIR MEHTA)
Partner
M. No. 043086

Sd/-
(CA. S.K. KULTHIA)
Partner
M. No. 017092

Place : New Delhi
Date : May 29, 2009

Statement Pursuant to Section 212(1)(e)

Statement Pursuant to Section 212(1)(e) of the Companies Act, 1956

	Chennai Petroleum Corporation Limited	IndianOil (Mauritius) Limited (IOML)	Lanka IOC Limited (LIOC)	IndianOil Techno- logies Limited	IOC Middle East FZE
1. The extent of holding Company's interest in the subsidiary at the end of the financial year 31.3.2009:					
- No. of Shares	77,265,200	4,882,043	400,000,000	550,000	2
- Paid up value of Shares (Rs.Crores)	77.27	75.67	194.14	0.55	1.22
- Percentage of Holding Company's interest in the total share capital of the subsidiary	51.89%	100%	75.12%	100%	100%
(Shares in the Subsidiary Company were registered in the name of the Company and their nominees as indicated)					
2. The net aggregate amount of the profit of the subsidiary company not dealt with in the Company's accounts so far as it concerns the members of the holding Company:					
	Rs. in Crore				
- For the financial year ended 31.3.2009	(206.14)	30.39	(37.51)	1.03	2.02
- For all the previous financial years of the subsidiary	1,222.42	24.39	(76.90)	2.02	1.87
3. The net aggregate amount of the profit of the subsidiary Company so far as its profits are dealt with in the holding Company's accounts:					
- For the financial year ended 31.3.2009	131.35	-	-	0.28	-
- For all the previous financial years of the subsidiary	378.62	-	-	-	-

Note:

Figures in respect of IOML, LIOC and IOC Middle East FZE are as converted in Indian currency.

Sd/-
(S. Behuria)
Chairman

Sd/-
(S. V. Narasimhan)
Director (Finance)

Sd/-
(Raju Ranganathan)
Company Secretary

Place : New Delhi
Date : May 29, 2009

Schedule of Fixed Assets (Township, etc.)



Schedule of Fixed Assets (Township) for the year ended 31.3.2009

(Rs. in Crore)

Particulars	Gross Block as on 01.04.2008 (At Cost)	Adjustment Pursuant to Amalgamation of BRPL with IOC	Additions during the year (At Cost)	Transfers from Cnst. W-I-P (At Cost)	Transfers Deduction Reclass. (At Cost)	Gross Block as on 31.3.2009 (At Cost)	Depern./ Amorts. provided during the year	Total Dep. & Amorts. up to 31.3.2009	Net Depreciated Block	
									As on 31.3.2009	As on 31.3.2008
Land-Freehold	31.31	0.77	-	-	-	32.08	-	-	32.08	31.31
Land-Leasehold	6.78	-	-	-	-	6.78	0.10	1.61	5.17	5.27
Bldgs, Roads Etc.	298.95	58.68	11.54	16.55	(0.60)	385.12	8.40	83.85	301.27	238.07
Plant & Mach.	30.30	2.02	0.31	0.01	(0.21)	32.43	1.72	19.50	12.93	14.04
Fur. & Fix.	6.68	1.26	4.10	-	(0.13)	11.91	0.52	5.09	6.82	2.86
Drainage, Sewage & Water Supply Sys	25.89	11.08	0.01	-	-	36.98	1.08	26.60	10.38	9.52
Equipments & Appliances	24.43	7.21	3.53	0.05	(1.36)	33.86	2.38	17.43	16.43	13.47
Vehicles	2.81	0.10	-	-	(0.01)	2.90	0.10	2.19	0.71	0.76
Grand Total:	427.15	81.12	19.49	16.61	(2.31)	542.06	14.30	156.27	385.79	315.30
Previous Year:	406.75	-	19.87	6.36	(5.83)	427.15	9.32	111.85	315.30	

Income and Expenditure Account (Township, etc.)

Income and Expenditure Account for the year ended 31st March 2009 on provision of Township, Education, Medical and other Facilities

(Rs. in Crore)

	March-09	March-08
Income:		
Recovery of House Rent	4.03	2.97
Recovery of Utilities-Power and Water	5.15	3.21
Recovery of Transport Charges	0.57	0.07
Other Recoveries	6.09	4.95
Excess of Expenditure over Income	277.63	186.51
TOTAL:	293.47	197.71
Expenditure:		
Salaries, Wages and PF & Gratuity Contribution	92.83	57.41
Consumable Stores and Medicines	21.00	12.32
Repairs and Maintenance	52.76	34.77
Interest	12.80	12.98
Depreciation	14.31	9.23
Miscellaneous Expenses:		
Taxes, Licence Fees, Insurance etc.	16.87	12.91
Utilities-Power and Gas	65.92	47.67
Rent	0.39	0.61
Subsidies for Social & Cultural Activities	11.63	5.63
Bus Hire Charges	0.95	0.54
Club and Recreation	0.12	0.08
Others	3.89	3.56
TOTAL:	293.47	197.71



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619 (4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF INDIAN OIL CORPORATION LIMITED FOR THE YEAR ENDED 31st MARCH 2009.

The preparation of financial statements of Indian Oil Corporation Limited for the year ended 31st March 2009 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under section 619 (2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the Auditing and Assurance Standards prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 29.05.2009.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 619 (3) (b) of the Companies Act, 1956 of the financial statements of Indian Oil Corporation Limited for the year ended 31.03.2009. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to the inquiries of the statutory auditors and Company personnel and a selective examination of some of the accounting records. On the basis of my audit, nothing significant has come to my knowledge, which would give rise to any comment upon or supplement to Statutory Auditors' Report under Section 619 (4) of the Companies Act, 1956.

**For and on the behalf of the
Comptroller and Auditor General of India**

**Place : New Delhi
Date : 30.06.2009**

**Sd/-
(Saroj Punhani)
Principal Director of Commercial Audit &
Ex-officio Member, Audit Board-II
New Delhi.**

Information as per Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31st March 2009.

Name of the Employee	Designation	Age	Last Employment	Designation in Last Employment	Date of Joining	Qualification	Expe-rience	Remun. Gross Rs.
A) Statement showing particulars of employees who were in employment throughout the financial year and are in receipt of remuneration of not less than Rs. 24,00,000/- per annum in the aggregate.								
D N Arora	Deputy Manager	60	-	-	31/07/1974	MA	35	2,441,926
Debasis De	Senior Accountant	57	-	-	27/10/1975	B.Sc. (Hons)	34	3,293,548
G C Saha	Deputy Manager	60	-	-	28/04/1980	Graduate	29	3,672,624
G Dasgupta	General Manager	60	-	-	01/12/1976	BE	32	2,421,122
G Somani	General Manager	60	-	-	15/04/1976	BE	33	3,635,107
Grover D P	Manager	60	-	-	13/12/1976	BA, MA	32	2,601,430
Gupta Mohan Dass	Deputy General Manager	60	-	-	14/12/1978	BA, CA	30	2,945,177
Jagdish Singh	Executive Secretary	60	-	-	01/10/1975	BA	34	2,544,593
Jagnandan Tyagi	General Manager	60	Modi Rubber Ltd.	Assistant Engineer	01/06/1976	BE (Mech)	33	2,692,560
Kumar Dilip	Senior Manager	52	-	-	17/06/1980	BE (Ele)	29	3,416,649
Nazirudeen P M	General Manager	53	-	-	16/05/1980	B.Sc., MBA	29	2,452,345
P C Kohli	Manager	60	-	-	24/12/1969	B. Com (Hons)	40	2,560,465
P L Barua	Executive Director	60	-	-	14/10/1981	BA, PD Diploma (IR & Law)	40	6,013,978
P. K. Bag	Deputy General Manager	60	-	-	20/06/1978	BE (Mech)	30	2,647,167
Prakash Paswan	Senior Attendant	56	-	-	06/03/1976	VIII Std	34	4,599,234
R N Biswas	General Manager	60	-	-	12/01/1977	M.Sc. (Engg.)	33	3,027,902
Ranbir Sen	General Manager	60	The Textile Mechinary Corporation Ltd. (TEXMACO)	Assistant Superintendant	03/01/1977	BE (Mech)	32	2,491,084
Rohit Bhardwaj	Executive Director	60	-	-	21/02/1974	B.Sc., MBA	36	3,163,356
Sanjay Manchanda	Deputy General Manager	49	-	-	01/12/1983	B.Sc. (Engg)	26	2,595,851
Sharma Addanki S	Deputy General Manager	52	-	-	18/06/1981	M. Tech.	27	2,872,714
Suman Dutta	Chief Manager	60	-	-	15/01/1982	CA	27	2,554,176
T. K. Kumar	Deputy General Manager	60	D.E.T	Junior Enginner	22/02/1979	BE (Elect)	30	3,039,267
V K Gupta	General Manager	60	-	-	15/07/1977	CA	32	2,451,727
Vijayakumar V	Chief Manager	53	Burning Ltd.	Probationary Officer	01/06/1979	MBA	31	2,534,829
Vyas K	Chief Manager	49	-	-	11/12/1986	BSc., LLB, ICWA, IMBA (IIPM)	22	2,508,386
B) Statement showing particulars of employees who were in employment for part of the financial year and are in receipt of remuneration of not less than Rs. 2,00,000/- per month.								
A N Singh	Senior Manager	47	-	-	01/12/1983	B.Sc (Engg)	25	714,149
A. B. More	Senior Engineer	60	New India Industry	Fitter	09/08/1973	Matric, ITI	36	2,170,406
A. R. Baria	Junior Operator	60	-	-	01/07/1969	Class IX	39	970,424
A. V. Rao	Deputy General Manager	60	Telecom, Andhra Circle, Hyderabad	Junior Engineer	19/12/1975	BE (Mech.)	33	1,485,450
Agarwal Mukesh	Deputy Manager	34	-	-	24/05/1999	B.Com., CA	9	923,308
Aggarwal M C	Deputy Manager	60	-	-	16/12/1968	B.Com.	40	1,620,417
Ajit Kumar Malakar	Officer	60	-	-	17/10/1973	Matric	36	2,023,194
Anand D P S	Deputy General Manager	60	-	-	09/02/1970	B.E. (Mech)	39	2,386,211
Anand R K	Deputy Manager	60	-	-	17/07/1973	B.A.	36	1,436,330
Angeloose	Chargeman	39	-	-	24/09/1996	SSLC, ITI	11	274,845
Anita Chugh (Mrs.)	Superintendent	48	-	-	01/03/1983	Matric	26	917,182
Anjaneyulu	Chargeman	60	-	-	19/12/1988	HSC	19	817,261
Apurba Kumar Sarmah	Managing Director (BRPL)	58	M/s Numaligarh Refinery Limited	Sr. General Manager	01/01/2005	BE (Chem)	4	2,963,057
Arun Dominic	Manager	38	-	-	26/10/1995	B.Tech	13	468,007
Arvind Prasad	Chief Manager	53	-	-	23/01/1982	Bsc.Engg. (E&C)	27	1,915,032
Ashok Kr. Deb	Senior Officer	60	State Fire Service Orgn, Govt of Assam	Sub. Officer	02/08/1983	HSSLC	25	472,396
B C Solanky	Deputy Manager	38	-	-	20/10/1994	Engg. & MBA	14	562,479
B I Dabhi	Operator	60	-	-	12/06/1978	Matric	31	718,618
B N Hazarika	Senior Manager	60	-	-	04/06/1973	B.Sc.	35	280,780
B. G. Banker	Deputy Manager	60	Indian Navy	Electrical Mechanic	02/09/1978	NAC Diploma	30	1,469,072
B. L. Kanojia	Deputy Manager	60	Ministry of ID	LDC	28/11/1979	B.Com	29	1,534,614
B. Mitra	Deputy Manager	60	-	-	03/01/1972	B.Com	37	2,220,173
Babul Ch. Dutta	Sub Engineer	53	-	-	15/09/1977	ITI (Fitter)	31	523,562
Bagyalakshmi (Ms)	RecordClerk	60	-	-	22/08/1973	VIII Std	34	804,252
Balan S	Senior Assistant	60	Vimco Madras	Peon	10/02/1975	SSLC	39	667,442
Balaram Pramanik	Operator	60	-	-	31/01/1975	VIII Std	33	785,160
Balasubramani	Junior Chargeman	47	-	-	15/10/1991	VIII Std.	16	262,522
Baleswar Yadav	Technical Assistant	60	-	-	05/01/1976	Matric	32	1,001,725
Banamali Bera	Office Superintendent	60	-	-	12/06/1978	B.A.	30	712,794
Bandana Das	Accountant	60	-	-	22/07/1980	B.Com	28	660,240
Banitha R C	Senior Manager	60	-	-	04/06/1977	M.Sc.	31	1,151,662
Beni Madhab Pradhan	Driver	60	-	-	29/11/1973	IX Std	35	851,586
Bhabesh Ch Das	Personal Secretary	60	-	-	23/11/1972	B.A.	35	416,433
Bhagabati Das	Deputy Manager	60	-	-	13/10/1972	B.A.	36	968,789
Bhagwan Singh	Executive Assistant	60	-	-	23/02/1981	VIII Std	27	951,816
Bhanu Kr Dutta	Senior Engineer	60	-	-	03/09/1974	Matric, ITI	34	1,013,417

Name of the Employee	Designation	Age	Last Employment	Designation in Last Employment	Date of Joining	Qualification	Expe-rience	Remun. Gross Rs.
Bharadwaj Abhishek	Operation Officer	23	-	-	12/11/2007	B.E. (Civil)	2	231,549
Biswas Kishalay	Deputy Manager	60	-	-	19/11/1974	B.Sc., LCE	35	1,553,515
Bojra Mohan Basumatary	Clerk	53	-	-	11/01/1979	Matric	30	770,862
Chakraborty Arun	Manager	60	-	-	05/08/1975	B.A.	34	1,219,909
Chakraborty Shyamal	Operation Officer	60	-	-	24/02/1972	B.A.	37	539,297
Chandra Mahesh	Manager	60	-	-	04/01/1968	DME	41	1,390,032
Chandrika Chandrasekaran (Ms)	Deputy Manager	31	-	-	27/05/1998	B.Com., C.A.	9	360,590
Chauhan CP	Manager	60	-	-	30/09/1967	M.Com.	42	2,481,567
Chinnabba	Foreman	60	-	-	20/08/1976	IX Std	31	519,827
Chowdhury Samiran	Senior Foreman	60	-	-	30/10/1969	VIII Std	40	492,558
D K Chowdhury	Senior Executive Assistant	60	-	-	31/08/1981	Trade Cert-NCTVT	27	1,015,336
D P Sharma	Deputy Manager	60	-	-	05/06/1981	Trade Cert-ITI	27	1,870,886
D. N. Pareek	Deputy Manager	60	-	-	15/06/1981	Dip. In Elect. Engineering	27	1,361,290
D. P. Mondal	Deputy General Manager	60	Deptt of Science & Technology, Govt of Bihar, Patna	Asst. Professor	18/10/1976	B.Sc Engg. (Mech)	32	2,126,003
Das P K	Senior Manager	60	-	-	10/01/1973	Diploma (F&S)	36	2,240,596
Das Swapan Kumar	Accounts Officer	60	-	-	02/04/1966	VIII Std	41	769,790
Debasis Gupta	Deputy General Manager	60	-	-	01/01/1976	BE	33	1,640,195
Deshpande Chandrashekar	Senior Manager	60	-	-	30/11/1973	B.Com, M.Com.	35	1,120,734
Dinesh C Upreti	Senior Officer	50	-	-	03/11/1980	M.Com	28	2,079,684
Doloi Dharani Dhar	Senior Driver	60	-	-	24/12/1968	Class VIII	40	242,592
Dr. Gopa Das	Senior Manager	55	-	-	18/05/1983	MBBS	24	665,048
Dr. Nandita Bose	Deputy General Manager	60	-	-	11/04/1978	Post Graduate	31	1,056,387
Dutta Amrendra	Manager	60	-	-	16/03/1967	B.A.	42	1,027,552
Dutta Sunil Kumar	Deputy Manager	60	-	-	10/01/1968	B.Com.	41	973,253
Dwipendra Nath Choudhury	Deputy Manager	60	Engineers India Limited	Asstt. Store Keeper	16/12/1977	B.Sc.	30	1,059,444
F J Vasava	Senior Engineer	60	-	-	23/05/1973	Matric	36	487,313
Gaikwad S T	Security Guard	60	-	-	13/09/1988	Matric	21	520,249
Gobendra Nath Mushahari	Engineer	60	Indian Air Force	Corporal	27/02/1984	Diploma (Electrical)	24	913,152
Golap Ch. Saikia	Manager	60	Govt. of Assam	Stenographer	23/01/1980	B.A.	28	789,549
Goswami N G	Officer	25	-	-	22/02/2005	B.E. (Civil)	4	589,338
Goveas Z	Manager	56	-	-	4/03/1974	B.A.	35	968,144
Govinda Ram	Assistant Manager	60	Sundaram	H.T.Operator	03/04/1972	B.A., ITI, DAE, BGL	39	1,152,069
Gupta K P	Deputy Manager	60	-	-	18/12/1972	B.A.	36	1,783,319
Gupta Radhe Shyam	Deputy Manager	60	-	-	16/02/1979	B Com (Hons), B.A. (Hindi)	30	1,495,356
Gurbhej Singh	Manager	60	-	-	29/07/1980	B.Sc.	28	2,187,729
H J Makwana	Driver	60	-	-	01/06/1977	-	32	516,543
H S Chahar	Senior Engineer	60	-	-	14/07/1980	Boiler Certificate	28	814,319
H. Parekh	Executive Director	60	Andhra Pradesh Electricity Board	Junior Engineer	02/01/1975	BE(Elect)	33	1,752,857
Haramohan Das	Senior Engineer	60	-	-	26/4/1974	B.Sc (Hons)	34	932,348
Harbhajan Singh	Senior Manager	60	Ministry of Tourism & Civil Aviation, Deptt of Tourism, New Delhi	Jr Steno	02/12/1971	MA, BGL-A	37	721,672
Hari Chand	Manager	60	-	-	06/07/1979	B.A.	29	1,555,211
Harsh Singh	Senior Attendant	58	-	-	16/07/1975	-	34	1,479,493
J Rath	Executive Director	60	-	-	01/05/1973	B.Sc. (Engg)	36	1,658,461
J.P. Khalasi	Senior Engineer	60	-	-	30/11/1981	Matric & ITI	27	640,321
Jagadeesan	Assistant Manager	60	Jayraj Industries	Welder	03/04/1972	SSLC, ITI	39	1,241,138
Jagat Ch.Barman	Deputy Manager	60	Engineers India Limited	Jr. Assistant - Gr. II	15/02/1979	B.A.	29	797,153
James Elkhana	Senior Manager	60	Ambal Metal	Fitter	05/04/1972	DME	41	2,840,199
Jani A T	Manager	60	Sachivalaya	Stenographer	23/06/1976	B.A.	33	1,310,647
Jaskinder Shingwekar	Chief Manager	46	-	-	13/04/1988	ICWA	20	898,995
Jayaraman	Foreman	60	-	-	21/03/1972	IX Std	36	721,136
Jayaraman	Manager	60	Lucas TVS Madras	Operator	03/04/1972	XI Std., ITI, M.A. (Pol. Sci.)	40	1,366,520
Jethani M K	Manager	60	-	-	15/11/1969	SSC, DCE	40	1,900,958
Jha S R	General Manager	60	-	-	09/02/1970	M.A.	39	2,296,339
Jhingan R	Executive Director	60	-	-	17/08/1971	B.Tech (Chem)	38	1,514,050
Joydev Bhunia	Office Superintendent	60	-	-	04/10/1982	B.A.	26	823,509
K C Saklani	Deputy Manager	60	-	-	16/07/1981	Diploma	26	794,856
K D Rajput	Manager	60	-	-	23/01/1967	VII Std	42	621,088
K Govindarajan	Executive Director	60	-	-	19/08/1975	B.Tech	33	1,673,036
K M Sharma	Senior Manager	49	-	-	06/01/1984	MBA	25	200,158
K Mahesh	Deputy Manager	60	Berger Paints	-	27/10/1995	B.Tech	1	482,708
K S Roy	Sramik	60	-	-	11/12/1978	V Std	30	725,649
K. S. Awal	Manager	60	Director Gen of Tech Dev. Ministry of Industry	Steno	21/03/1977	MA	31	1,601,582
K. S. Baloda	Chief Manager	60	Voltran Ltd	Production Enginner	23/01/1982	AMIE	26	2,144,414
Kalyani Ganesh (Ms)	Accounts Officer	60	-	-	01/04/1966	M.A.	42	901,027
Kamalasekaran	Deputy General Manager	60	T N E B	Junior Engineer	11/02/1974	B E (Elec), MBA, DCA(NITIE), DIP MAT	37	2,105,589
Kameswar Basumatary	Operator	56	-	-	01/08/1973	Non-Matric	35	751,835
Kant Sharan Ravi	Manager	44	-	-	23/02/1988	B.Sc. (Mech), PGDM	21	6,458,012

Name of the Employee	Designation	Age	Last Employment	Designation in Last Employment	Date of Joining	Qualification	Experience	Remun. Gross Rs.
Kenawadekar	Deputy Manager	60	Jeevan Industries	Turner	16/02/1973	(Mktg & Sys)	38	1,173,855
Kishan Ram	Accounts Officer	60	-	-	20/09/1972	SSLC, ITI	37	1,436,664
Kohli J K	Deputy Manager	56	-	-	13/08/1977	B.A.	32	1,607,151
Kripa Sindhu Pal	Senior Manager	60	-	-	04/08/1981	B.Tech.	27	1,182,827
Krishnamurthy	Manager	60	-	-	08/07/1974	B.A.	34	2,089,686
Kukreja K C	Operation Officer	60	-	-	16/03/1967	XI Std	42	868,454
Kumar Singh Ashok	Junior Chargeman	45	-	-	10/06/1991	High School	18	242,368
Kumar Umesh	Chief manager	47	-	-	12/12/1984	B.Sc. (Civil)	24	871,930
Kunja Lata Brahma	Nurse	60	Director of Health Service, Govt. of Assam	ANM	10/01/1978	HSLC, ANM	29	622,980
L K Singha	Sramik	60	-	-	21/8/1975	VIII Std	33	856,791
L.C.Hasda	Chief Manager	60	Engineers India Limited	Asstt. Engineer - Mech	07/06/1979	BE (Mech)	29	1,106,420
Lahiri Nitish	Manager	60	-	-	02/06/1967	B.Com.	42	1,815,423
Lal Babu Singh	Senior Engineer	60	-	-	13/10/1967	Matric, ITI	41	990,227
Lal Ram Deep	Senior Foreman	59	-	-	09/02/1974	X Std	35	542,340
M L Jangid	Deputy Manager	60	-	-	30/06/1980	Trade Cert-ITI	27	1,061,510
M. Borkakoti	Senior Manager	60	Assam Industrial Devp. Corp. Ltd.	Sr. Accounts Officer	05/10/1974	B.Com	34	1,281,051
Madan Paswan	Staff	60	-	-	07/09/1971	IX	37	996,744
Mahajan Sandeep	Assistant Manager	30	-	-	15/01/2001	B.E (Chem)	8	933,167
Mahalingam	Assistant Manager	60	-	-	17/04/1972	M.A.	36	1,533,249
Mahto Ramnarayan	Attendant	60	-	-	13/09/1969	Nil	40	481,603
Malhotra Yogesh	Senior Officer	31	-	-	08/06/2001	CA	8	600,663
Mantulal Maity	Sramik	60	-	-	13/12/1978	V Std	30	710,303
Many K	Senior Assistant	60	-	-	11/08/1982	BA, DIP	25	604,666
Md Asadullah	Manager	60	HAL Hyderabad	Turner	08/04/1972	B.A. (Eco)	43	1,575,864
Mehta S C	Deputy Manager	60	-	-	15/05/1969	B.Com.	40	1,723,451
Mohan Raj	Senior Foreman	60	IOC	Casual Labour	01/07/1969	VIII Std.	42	1,470,848
Mukherjee Debesh Ch	Section Officer	60	-	-	21/12/1970	B.Sc.	39	826,015
Murari Lal	Operator	60	-	-	08/06/1983	VIII Std	25	1,141,117
N. M. Makwana	Junior Operator	60	-	-	06/07/1966	Class V	42	608,810
N. P. Saha	Senior Manager	60	Post & Telegraph Deptt, Calcutta	Junior Engineer	28/11/1979	BE (Elect.)	29	1,939,564
N. S. Maniar	Deputy Manager	53	-	-	27/07/1976	B.Sc, LLB, Dip. In Mgt.	32	959,132
Nagendra Rai	Senior Engineer	60	-	-	07/10/1980	B.Sc.	27	1,177,418
Narayanan S (Ms)	Deputy Manager	60	American Electric & Engg. Co.	Stenographer	13/05/1969	SSLC	40	1,007,362
O. P. Soni	General Manager	60	M.S.E.B. Bombay	Assistant Shift Engineer	10/06/1976	BE (Mech)	32	2,411,383
Om Prakash	Accounts Officer	60	-	-	02/05/1973	B.A.	36	1,016,696
P B Patel	Deputy Manager	60	-	-	29/12/1975	B.Com	33	692,105
P Chatteraj	Deputy Manager	60	-	-	07/07/1980	B.Sc.	27	1,131,822
P K Neog	General Manager	60	-	-	24/03/1975	Engg. & MBA	34	1,306,108
P K Patra	Office Superintendent	60	-	-	28/09/1982	B.A.	26	568,002
P. Chakraborty	Chief Manager	49	-	-	03/12/1983	BE (Mech)	26	2,068,605
Pancham .	Deputy Manager	60	-	-	01/05/1980	Trade Cert-ITI	28	1,344,478
Pandey B M	Accounts Officer	60	-	-	23/06/1983	M.A.	26	920,723
Parshad Jagdish	Chargeman	50	-	-	31/10/1984	IX Std	25	262,860
Parul Bala Jana	Head Sister	60	-	-	01/12/1973	PU, Gen. Nursing	36	616,848
Patnaik V (Ms)	Manager	41	-	-	11/10/1994	BBA, MBA (Mktg)	13	659,622
Phatak Karunakar	Accounts Officer	60	-	-	24/04/1973	B.A.	36	540,155
Pillai VK	Manager	60	-	-	20/02/1970	B.Com.	39	944,179
Pradeep Chhabra	Deputy General Manager	55	-	-	14/03/1978	B.Sc. (Engg)	31	1,361,471
Pradip Kr. Bhagabati	Deputy Manager	60	Director of Public Instruction, Govt of Assam	Lower Division Asstt.	01/03/1979	B.A.	29	885,479
Prasad Bideshi	Manager	60	Govt. of India, Patna	-	09/09/1976	Graduate	33	1,524,351
Prasad Jamuna	Junior Chargeman	42	-	-	11/05/1987	VII Std	22	380,635
Prasad Kapil Deo	Yardman	60	-	-	13/09/1969	V Std	40	836,266
Preethi Gopalakrishnann (Ms)	Deputy Manager	34	-	-	07/11/1997	B.Com., C.A.	10	292,706
Puri K K	Manager	60	-	-	19/11/1969	SSC, DME	40	2,815,778
R K Agrawal	Deputy Manager	60	-	-	01/05/1980	Diploma	28	1,395,132
R N Jana	Technician	60	-	-	05/01/1977	IV Std	31	1,000,455
R.M.Gaekwad	Senior Assistant	60	-	-	21/11/1984	Diploma (Mech)	24	611,151
Rabin Choudhury	Manager	60	-	-	01/12/1969	B.A., LLB	38	1,745,731
Rabindra Kr Das	Deputy Manager	60	-	-	11/06/1975	PU	33	850,204
Raghavendra Murthy	Manager	60	Mysore Cements	P S	26/02/1971	B.Sc. (Stat), B.L.	40	2,244,240
Raja Ram	Senior Executive Assistant	60	-	-	03/03/1982	Trade Cert-NCTVT	26	798,864
Raju V	Manager	60	Agri Dept, Govt. of TN	Typist	21/02/1973	SSLC	38	2,187,889
Ram Bishundeo	Operator	60	-	-	13/09/1969	-	40	493,844
Ram Mahesh Yadav	Messenger	60	-	-	01/07/1967	VII Std	42	835,406
Ram Maman	Senior Assistant	60	-	-	26/11/1981	High School	28	367,216
Ram Nathu	Foreman	60	-	-	09/02/1974	IX Std	35	918,215
Ramesan K C	Accounts Officer	60	-	-	29/06/1966	SSLC	41	683,408
Ranjit Singh	Senior Attendant	57	-	-	26/09/1972	-	36	1,013,737

Name of the Employee	Designation	Age	Last Employment	Designation in Last Employment	Date of Joining	Qualification	Expe-rience	Remun. Gross Rs.
Ratha Mallick	Caretaker	60	-	-	01/09/1966	V Std	42	856,731
Ray Swades Ch	Chargeman	60	-	-	01/11/1984	Class VIII	25	351,187
Reeta Behal (Ms)	Deputy Manager	60	-	-	23/09/1969	B.A.	40	1,407,334
Rj Mirani	Operator	30	-	-	01/05/2006	Diploma (Engg)	3	358,159
Roop Singh	Manager	60	-	-	23/12/1972	M.A., L.L.B.	36	1,655,128
S C Barman	Officer	60	-	-	01/06/1973	B.A., LLB	35	338,455
S C Biswas	Senior Manager	60	-	-	23/02/1982	B.Sc. (Engg)	27	870,673
S K Sahu	Technician	60	-	-	01/10/1970	V Std	38	631,846
S N Santra	Deputy Manager	60	-	-	15/01/1973	B.A., PG Dip.	35	1,268,679
S Sridhar	Deputy Manager	35	-	-	05/06/1997	BE	12	813,219
S. B. Pandey	Executive Director	60	M.N.R. Engg College	Associate Lecturer	18/11/1971	BE (Elect.)	37	2,712,974
S. K. Mitra	Senior Manager	60	Hindustan Steel Ltd, Rourkela	Trainee	05/01/1972	Diploma in Materials Mgt.	37	2,290,092
S. P. Joshi	Deputy Manager	60	Satyendra Chemicals Ltd, Baroda	Wireman	10/04/1978	Matric, ITI	30	1,364,589
S.J.B. Singha	Deputy Manager	60	Dy. Commissioner Office, Silchar	Jr. Accounts Asstt.	22/02/1979	B.A.	30	1,399,795
Saha Anil Saha	Senior Foreman	60	-	-	30/10/1969	VIII Std	40	437,531
Sai Jayalakshmy (Ms)	Assistant Manager	31	-	-	20/05/1999	B.A.	9	824,614
Salil Tuteja	Assistant Manager	30	-	-	26/04/2002	B.Tech	6	435,282
Sambhu Lohra	Operator	60	-	-	26/03/1975	V Std	33	696,125
Samrat Ch.Basumatary	Driver	57	ASTC, Assam	Driver	27/10/1987	Non-Matric	21	651,254
Santosh Adlakha (Mrs.)	Superintendent	60	-	-	08/12/1977	B.A.	31	602,152
Satyalingam	Senior Foreman	60	-	-	06/09/1971	VIII Std	36	364,420
Sen Partha Sarathi	Chief Manager	51	-	-	25/06/1984	B.Sc., MBA (Pers)	24	716,508
Shafeeq Ahmed	Assistant Manager	30	-	-	17/11/1999	B.Tech (Chem)	8	250,462
Shankar Uma	Chargeman	51	-	-	20/06/1983	IX Std	26	504,554
Sharma Vinod	Executive Director	60	-	-	02/05/1974	B.Com (Hons), CA	35	1,771,671
Singh Hareram Prasad	Accounts Officer	60	-	-	22/11/1971	B.A.	38	1,088,802
Singh Narendra	Operation Officer	60	-	-	18/02/1974	B.A.	35	880,193
Singh Parmal	Foreman	60	-	-	06/06/1973	-	36	868,437
Singh Pritam	Operation Officer	60	-	-	13/05/1975	IX Std	34	720,373
Singh Ravinder	Section Officer	33	-	-	28/02/2005	B.E. (E&C), MBA (Mktg)	4	434,531
Singh Sultaan	Senior Foreman	60	-	-	01/09/1965	VIII Std	44	748,480
Singh Tarsame	Senior Foreman	60	-	-	13/01/1970	X Std	39	630,751
Singh Umed	Chargeman	60	-	-	30/05/1983	VIII Std	26	750,368
Singh Vikal	Chargeman	50	-	-	23/09/1983	Inter	26	1,397,812
Sivagangamurthy	Senior Manager	60	-	-	01/07/1969	M.Com., BL, MBA	39	2,249,074
Soosairaj	Chargeman	60	-	-	20/05/1982	VIII Std.	25	350,807
Sri Nalinakshan T P	Senior Manager	60	Dalmia Cements	Mach Supervisor	08/04/1972	LME	40	1,717,177
Subramaniam K	Chargeman	60	-	-	25/05/1979	VIII Std	41	872,622
Subramaniam R M	Deputy Manager	34	-	-	02/09/1996	B.Tech (Elec), Dip. in Bus. Fin., PGDFM	11	942,776
Sudarshan Kr. Khosla	Executive Director	60	-	-	07/06/1971	Engg. & MBA	38	1,261,785
Sukdev Jiti	Technician	60	-	-	30/04/1976	V Std	32	558,675
Swapan Kumar Chowdhury	Senior Officer	60	-	-	08/10/1973	B.Com	35	1,517,520
Syed Inamur Rahman	Senior Engineer	60	ONGC, Nazira	Technician	19/11/1976	ITI (Elect)	32	693,713
Syed Munaff	Operator	46	IOC	Casual Labour	10/04/1995	VI Std	24	839,757
T. Bandyopadhyay	Executive Director	60	HAL Lucknow	Design Trainee	02/01/1975	B.Sc. Engg. (Mech)	31	2,415,788
T.V.John	Director (BRPL)	60	-	-	19/01/1976	B.Com, CA	33	2,409,192
Taneja T D	Section Officer	60	-	-	17/09/1969	B.A.	40	1,120,071
Thakur G	Deputy Manager	60	-	-	17/11/1981	Graduate	28	1,417,863
Tikam Singh	Junior Executive Assistant	60	-	-	04/07/1983	VIII Std	25	825,648
Tirkey Sunil Chandra	Senior Manager	60	-	-	21/02/1977	M.A.	32	1,356,736
U K Basu	Executive Director	56	-	-	28/05/1978	BE	31	1,380,848
Unnithan Sunil	Assistant Manager	34	ESSAE TECHNOLOGYS PVT LTD	Sales Engineer	26/04/2002	B.Tech (E&E), MBA (Mktg)	7	384,548
Uthaman K	Manager	45	Unique Oils India Ltd.	Accounts Executive	01/07/1992	B.A., A.C.A.	22	837,128
V K Bhargava	General Manager	60	-	-	17/04/1976	B.Sc.	33	1,990,501
V. K. Agarwal	General Manager	60	J.K.Synthetics Ltd, Kota	Asst. Mechanical Engineer	30/03/1973	Bsc.Engg. (Mech)	35	1,928,895
V. K. Dahir	Manager	60	Esso Eastern Inc. Baroda	Clerk	19/12/1972	B.Com., LLB	36	935,750
V. K. Malhotra	General Manager	59	JCT Mills, Phagwara	Asst. Electrical Engineer	01/02/1977	B.Sc Engg. (Elect.)	32	2,148,863
V. P. Sharma	Executive Director	57	Bongaigaon Refinery & Petrochemical, New Delhi	System Assistant	16/04/1976	CA	33	2,099,364
Vaid J P	Accounts Officer	60	-	-	01/01/1969	B.Com	40	519,161
Velayudhan	Chargeman	60	IOC	Casual Labour	17/11/1984	III Std.	25	439,383
Venu Gopal	Senior Foreman	55	-	-	29/07/1976	PUC	32	2,210,476
Wankhede GV	Deputy Manager	60	MSRTC	Typist	22/01/1973	B.A., DBM	38	1,022,859
Yadav Satish Kumar	Chargeman	48	-	-	18/10/1983	X Std.	26	594,253
Yasmin Guria (Mrs)	Senior Attendant	60	-	-	01/01/1987	B.A.	22	830,082



2009

2007

2005

2003

1995

1987

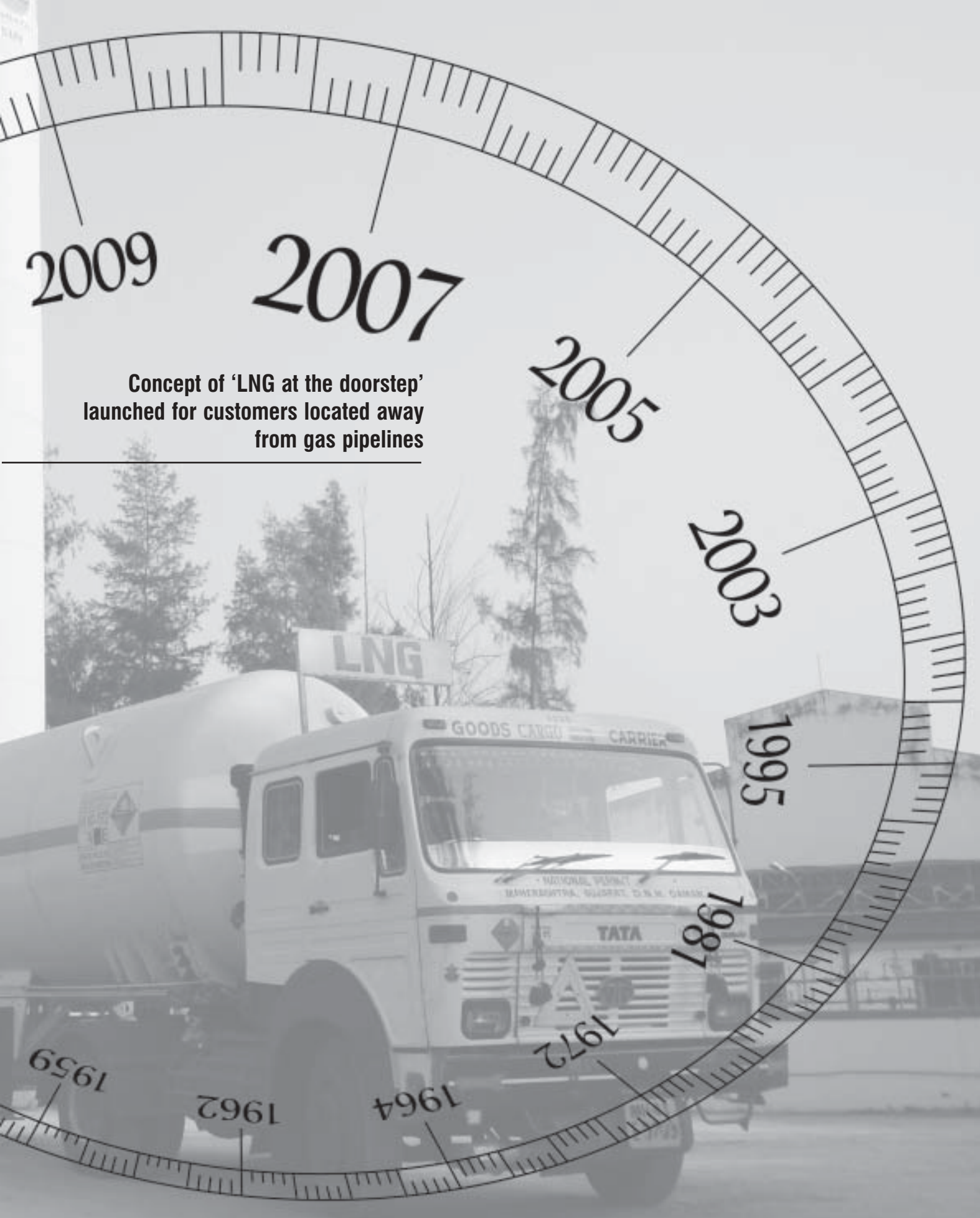
1972

1964

1962

1959

**Concept of 'LNG at the doorstep'
launched for customers located away
from gas pipelines**



Consolidated Accounts 2008-2009



INDIAN OIL CORPORATION LIMITED
(Group Companies)

Auditors' Report on Consolidated Financial Statements of Indian Oil Corporation Limited, its Subsidiaries and its Joint Ventures



We have examined the attached Consolidated Balance Sheet of Indian Oil Corporation Limited, its subsidiaries and its joint ventures as at 31st March, 2009 and the Consolidated Profit and Loss Account annexed thereto for the year ended on that date and the Consolidated Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Indian Oil Corporation Limited's Management and our responsibility is to express an opinion on these financial statements based on our audit.

We conducted the audit in accordance with the auditing standards generally accepted in India, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are prepared, in all material respects, in accordance with identified financial reporting framework and are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of subsidiary companies and joint ventures, whose financial statements reflect total assets of Rs. 12501.95 crore (net) as on 31st March, 2009 and total revenue of Rs. 45294.59 crore for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us and in our opinion, in so far as it relates to the amount included in respect of the subsidiaries and joint ventures, is based solely on the report of the other auditors.

We report that the consolidated financial statements have been prepared by the company in accordance with the requirements of Accounting Standard (AS 21) on "Consolidated Financial Statements" and Accounting Standard (AS 27) on "Financial Reporting of Interests in Joint Ventures" notified by the Companies (Accounting Standards) Rules, 2006 and on the basis of separate audited financial statements of Indian Oil Corporation Limited, its subsidiaries and joint ventures included in the consolidated financial statements.

We invite attention to Note 32 regarding impairment loss wherein, we have relied on the estimates and assumptions made by the Company in arriving at recoverable value of assets, which does not qualify our opinion.

On the basis of information and explanations given to us and on consideration of separate audit reports on individual financial statements of Indian Oil Corporation Limited, its aforesaid subsidiaries and joint ventures, in our opinion the consolidated financial statements, give a true and fair view in conformity with the accounting principles generally accepted in India:

- In the case of the Consolidated Balance Sheet, of the consolidated state of affairs of Indian Oil Corporation Limited, its subsidiaries and its interests in joint ventures as at 31st March, 2009;
- In the case of the Consolidated Profit and Loss Account, of the consolidated results of operations of Indian Oil Corporation Limited, its subsidiaries and its interests in joint ventures for the year ended on that date; and
- In the case of the Consolidated Cash Flow Statement, of the consolidated cash flows of Indian Oil Corporation Limited, its subsidiaries and its interests in joint ventures for the year ended on that date.

for **V.K. DHINGRA & CO.**
Chartered Accountants

Sd/-
(CA. V.K. DHINGRA)
Partner
M. No. 014467

for **M.M. NISSIM AND CO.**
Chartered Accountants

Sd/-
(CA. SAMIR MEHTA)
Partner
M. No. 043086

for **K K S & CO.**
Chartered Accountants

Sd/-
(CA. S.K. KULTHIA)
Partner
M. No. 017092

Place : New Delhi
Date : May 29, 2009

Balance Sheet

as at 31st March, 2009

(Rs. in Crore)

	Schedule	March-09	March-08
SOURCES OF FUNDS:			
Shareholders' Funds:			
Share Capital	"A"	1,192.37	1,192.37
Share Application Money		0.00	0.06
Share Capital Suspense Account	"A-1"	21.60	0.00
Reserves and Surplus	"B"	<u>44,290.39</u>	<u>42,427.09</u>
		45,504.36	43,619.52
Loan Funds:			
Secured Loans	"C"	18,510.83	7,600.47
Unsecured Loans	"D"	<u>28,836.04</u>	<u>31,220.46</u>
		47,346.87	38,820.93
Deferred Tax Liability (Net) (Rs.76.17 crore {2008: Rs.76.42 crore} towards share of jointly controlled entities)		5,969.09	6,113.38
Foreign Currency Monetary Item Translation Difference Account	"D-1"	5.08	0.00
Minority Interest		<u>1,572.30</u>	<u>2,200.17</u>
		100,397.70	90,754.00
TOTAL			
APPLICATION OF FUNDS:			
Fixed Assets & Intangible Assets:			
Fixed Assets:			
Gross Block	"E"	67,929.27	63,511.45
Less: Depreciation		29,860.43	26,858.06
Less: Impairment Loss		<u>69.88</u>	<u>88.59</u>
Net Block		37,998.96	36,564.80
Intangible Assets:			
Gross Block	"E-1"	656.89	392.79
Less: Amortisation		253.36	135.33
Less: Impairment Loss		<u>1.65</u>	<u>1.65</u>
Net Block		401.88	255.81
Dismantled Capital Assets		25.91	17.62
Capital Work-in-Progress	"F"	<u>19,188.87</u>	<u>10,084.90</u>
		57,615.62	46,923.13
Goodwill on Acquisition		52.35	47.34
Investments	"G"	31,323.89	20,762.51
Advances for Investments (Rs. Nil {2008 : Rs.5.00 crore} towards share of jointly controlled entities)		10.63	10.60
Finance Lease Receivables		19.62	31.01
Current Assets, Loans and Advances:			
Inventories	"H"	28,518.20	37,221.07
Sundry Debtors	"I"	4,781.73	5,257.79
Cash and Bank Balances	"J"	1,005.18	1,060.22
Other Current Assets (Rs.2.61 crore {2008 : Rs.0.64 crore} towards share of jointly controlled entities)	"J-1"	1,054.36	791.28
Loans and Advances	"K"	<u>11,843.21</u>	<u>13,937.85</u>
		47,202.68	58,268.21

(Rs. in Crore)

	Schedule	March-09	March-08
APPLICATION OF FUNDS (Contd.):			
Less: Current Liabilities and Provisions	"L"		
Current Liabilities		33,202.44	33,388.03
Provisions		2,662.97	2,025.85
		<u>35,865.41</u>	<u>35,413.88</u>
Net Current Assets		11,337.27	22,854.33
Miscellaneous Expenditure (to the extent not written off or adjusted) (Rs.0.36 crore {2008 : Rs.0.49 crore} towards share of jointly controlled entities)		38.32	125.08
TOTAL		<u><u>100,397.70</u></u>	<u><u>90,754.00</u></u>
Notes on Accounts	"Q"		

Sd/-
(S. Behuria)
Chairman

Sd/-
(S. V. Narasimhan)
Director (Finance)

Sd/-
(Raju Ranganathan)
Company Secretary

As per our attached Report of even date

For **V.K. DHINGRA & CO.**
Chartered Accountants

For **M.M. NISSIM AND CO.**
Chartered Accountants

For **K K S & CO.**
Chartered Accountants

Sd/-
(CA. V.K. DHINGRA)
Partner
M. No. 014467

Sd/-
(CA. SAMIR MEHTA)
Partner
M. No. 043086

Sd/-
(CA. S.K. KULTHIA)
Partner
M. No. 017092

Place : New Delhi
Date : May 29, 2009

Profit and Loss Account

for the year ended 31st March, 2009

(Rs. in Crore)

Schedule	March-09	March-08
INCOME:		
Sale of Products and Crude	273,923.84	238,430.70
Less: Commission and Discounts	2,545.43	2,473.74
Sale (Net of Commission & Discounts)	271,378.41	235,956.96
Less: Excise Duty	27,245.45	28,575.21
Sale (Net of Commission, Discount & Excise Duty)	244,132.96	207,381.75
Subsidy From Government of India (As per scheme)	1,588.69	1,543.91
Grant from Government of India (Special Oil Bonds)	40,383.01	18,997.00
Increase/(Decrease) in Stocks	(2,792.38)	2,799.42
Interest and other Income	4,841.53	4,635.96
TOTAL INCOME	288,153.81	235,358.04
EXPENDITURE:		
Purchase of Products and Crude for resale	109,540.76	89,651.29
Manufacturing, Admn., Selling & Other Expenses	167,534.23	127,788.31
Duties (Net)	422.65	548.13
Depreciation and Amortisation on:		
Fixed Assets	3,126.71	2,998.81
Intangible Assets	62.71	42.90
	3,189.42	3,041.71
Interest Payments on:		
Fixed period loans from Banks/Financial Institutions/Others	442.39	385.13
Bonds / Debentures	458.50	108.59
Short term loans from Banks	3,035.63	1,183.44
Public Deposits	0.05	0.10
Others	271.07	122.71
	4,207.64	1,799.97
Deferred Revenue Expenditure written off:	0.15	0.04
TOTAL EXPENDITURE	284,894.85	222,829.45
PROFIT BEFORE PRIOR YEAR ITEMS & TAX	3,258.96	12,528.59
Income/(Expenses) pertaining to prior years (Net)	390.15	(39.91)
PROFIT BEFORE TAX	3,649.11	12,488.68
Less: Provision for Tax		
Current Tax	1,348.28	3,851.87
Fringe Benefit Tax	47.22	32.48
Deferred Tax	(142.23)	53.77
PROFIT AFTER TAX	2,395.84	8,550.56
Less: Share of Minority Interest	(203.56)	637.82
PROFIT FOR THE GROUP	2,599.40	7,912.74
Balance brought forward from last year's account	5,484.91	100.02
PROFIT AVAILABLE FOR APPROPRIATION	8,084.31	8,012.76
Note:		
Total Income includes Rs. 2636.95 crore (2008 : Rs. 2074.93 crore) share of jointly controlled entities.		
Total Expenditure includes Rs.2466.67 crore (2008 : Rs.1896.58 crore) share of jointly controlled entities.		

(Rs. in Crore)

Schedule		March-09	March-08
APPROPRIATIONS:			
Interim Dividend		0.00	74.46
Final Dividend (Proposed)		932.14	611.48
Corporate Dividend Tax on:			
Interim Dividend		1.23	12.65
Final Dividend (Proposed)		158.43	128.96
Insurance Reserve Account		10.00	10.00
Bond Redemption Reserve(net)		541.53	220.95
General Reserve		1,376.59	1,469.35
Balance carried to Balance Sheet		5,064.39	5,484.91
	TOTAL	8,084.31	8,012.76
Earning Per Share (Rupees) (Basic & Diluted)	"Q" (Note no.23)	21.41	66.36
Face Value Per Share (Rupees)		10/-	10/-
Notes on Accounts	"Q"		

Sd/-
(S. Behuria)
Chairman

Sd/-
(S. V. Narasimhan)
Director (Finance)

Sd/-
(Raju Ranganathan)
Company Secretary

As per our attached Report of even date

For **V.K. DHINGRA & CO.**
Chartered Accountants

For **M.M. NISSIM AND CO.**
Chartered Accountants

For **K K S & CO.**
Chartered Accountants

Sd/-
(CA. V.K. DHINGRA)
Partner
M. No. 014467

Sd/-
(CA. SAMIR MEHTA)
Partner
M. No. 043086

Sd/-
(CA. S.K. KULTHIA)
Partner
M. No. 017092

Place : New Delhi
Date : May 29, 2009

Schedules

SCHEDULE "A" - SHARE CAPITAL

(Rs. in Crore)

	March-09	March-08
Authorised:		
2,50,00,00,000 Equity Shares of Rs. 10 each	<u>2,500.00</u>	<u>2,500.00</u>
Issued, Subscribed and Paid up:		
1,19,23,74,306 (2008 : 1,19,23,74,306) Equity Shares of Rs.10 each	<u>1,192.37</u>	<u>1,192.37</u>
TOTAL	<u><u>1,192.37</u></u>	<u><u>1,192.37</u></u>
Above includes, shares allotted as fully paid without payment being received in cash:		
a) Pursuant to the Petroleum Companies Amalgamation Order, 1964 : 3,76,49,700 Shares of Rs. 10 each		
b) Pursuant to Gujarat Refinery Project Undertaking (Transfer) (Amendment) Order 1965 : 1,00,00,000 Shares of Rs. 10 each		
c) Shares allotted as fully paid up Bonus Shares by Capitalisation of General Reserve: 1,06,62,95,000 shares of Rs.10 each		
d) 2,43,62,106 no. of Equity Shares of Rs. 10 each issued as fully paid up to the shareholders of erstwhile IBP Co. Ltd. as per the Scheme of amalgamation.		

SCHEDULE "A-1" - SHARE CAPITAL SUSPENSE ACCOUNT

(Rs. in Crore)

	March-09	March-08
Share Capital Suspense Account-BRPL	<u>21.60</u>	<u>0.00</u>
2,16,01,935 Equity shares of Rs. 10 each to be issued as fully paid-up to the shareholders of erstwhile BRPL as per the scheme of amalgamation (Refer note 14(d) of Sch-Q 'Notes on Accounts'.)		
TOTAL	<u><u>21.60</u></u>	<u><u>0.00</u></u>

SCHEDULE "B" - RESERVES AND SURPLUS

(Rs. in Crore)

	March-09	March-08
Capital Reserve:		
As per last Account	422.13	412.31
On Acquisition	0.00	9.82
Add: Transferred on amalgamation of BRPL	<u>(91.79)</u>	<u>0.00</u>
	330.34	422.13
(Rs.0.78 crore {2008: Rs.0.78 crore} towards share of jointly controlled entities)		
Securities Premium Account:		
As per last Account	350.97	350.97
(Rs.42.29 crore {2008: Rs.42.29 crore} towards share of jointly controlled entities)		
General Reserve:		
As per last Account	35,093.71	33,625.23
Add: Opening Balance Adjustment	0.00	(0.87)
Add: Transferred on amalgamation of BRPL	513.19	0.00
Less: Adj in Opening Balance due to AS-11 (net of tax)	<u>127.72</u>	<u>0.00</u>
(Refer note no. 18 of Sch-Q 'Notes on Accounts')		
Add: Transferred from Profit and Loss Account	<u>1,376.59</u>	<u>1,469.35</u>
	36,855.77	35,093.71
(Rs. 104.72 crore {2008: Rs.96.37 crore} towards share of jointly controlled entities)		
Insurance Reserve:		
As per last Account	70.00	60.00
Add: Transferred from Profit and Loss Account	<u>10.00</u>	<u>10.00</u>
	80.00	70.00
Export Profit Reserve:		
As per last Account	59.41	59.41

	(Rs. in Crore)	
	March-09	March-08
Capital Grants:		
As per last Account	12.91	14.24
Add: Received/(written Back) during the year	4.07	(0.41)
Less: Amortised during the year	0.95	0.92
	<u>16.03</u>	<u>12.91</u>
Bond Redemption Reserve Account:		
As per last Account	981.48	760.53
Add : Transferred from Profit and Loss Account	573.13	252.55
Less: Write-back on redemption of Bonds	31.60	31.60
	<u>1,523.01</u>	<u>981.48</u>
(Rs.10.00 crore {2008: Rs.8.00 crore} towards share of jointly controlled entities)		
Profit and Loss Account:		
As per Annexed Account	5,064.39	5,484.91
Devaluation Exchange Difference Reserve:		
As per last Account	(48.43)	(30.81)
Add: Translation difference	58.90	(17.62)
	<u>10.47</u>	<u>(48.43)</u>
TOTAL	<u><u>44,290.39</u></u>	<u><u>42,427.09</u></u>

SCHEDULE "C" - SECURED LOANS

	(Rs. in Crore)	
	March-09	March-08
Bonds:		
Non-Convertible Redeemable Bonds - Series - V	252.80	284.40
Non-Convertible Redeemable Bonds - Series - VI	1,000.00	1,000.00
Non-Convertible Redeemable Bonds - Series - VII B	500.00	500.00
Non-Convertible Redeemable Bonds - Series - VIII A	430.00	0.00
Non-Convertible Redeemable Bonds - Series - VIII B	1,070.00	0.00
Non-Convertible Redeemable Bonds - Series - IX	1,600.00	0.00
	<u>4,852.80</u>	<u>1,784.40</u>
Loans and Advances from Banks:		
Working Capital Demand Loan	6,804.03	254.72
Interest accrued and due on above	28.39	0.00
	<u>6,832.42</u>	<u>254.72</u>
Term Loan	708.55	683.09
Interest accrued and due on above	0.17	0.12
	<u>708.72</u>	<u>683.21</u>
Cash Credit	182.95	2,152.85
Interest accrued and due on above	0.00	0.00
	<u>182.95</u>	<u>2,152.85</u>
Foreign Currency Loans	83.94	100.29
US \$ 16.55 Million (2008 : NIL)		
Total (Loans and Advances from Banks)	<u>7,808.03</u>	<u>3,191.07</u>
Loans and Advances from Others:		
Loan through Collateralized Borrowings and Lending Obligation (CBLO) of Clearing Corporation of India Ltd (CCIL)	2,200.00	2,625.00
OIDB	3,650.00	0.00
(Repayable in 2009-10 Rs. 275 crore, 2010-11 Rs. 712.5 crore, 2011-12 Rs. 712.50 crore 2012-13 Rs. 1,512.5 crore and 2013-14 Rs. 437.50 crore)		
TOTAL	<u><u>18,510.83</u></u>	<u><u>7,600.47</u></u>

Note: Includes Rs. 526.09 crore (2008 : Rs.361.05 crore) share of jointly controlled entities

Schedules

SCHEDULE "D" - UNSECURED LOANS

(Rs. in Crore)

	March-09	March-08
Public Deposits	0.35	1.54
Short Term Loans and Advances:		
From Banks & Financial Institutions:		
In Foreign Currency	5,406.79	9,130.23
US \$ 1066 Million (2008 : US \$ 2,177.41 Million)		
In Rupee	12,970.80	11,827.12
	18,377.59	20,957.35
Export Packing Credit:		
In Foreign Currency	355.69	0.00
US \$ 70 Million (2008 : US \$ Nil)		
Non Convertible Debentures	950.00	0.00
Inter Corporate Deposits	1,390.50	0.00
Add: Interest Accrued and due	6.34	0.00
	1,396.84	0.00
	21,080.12	20,957.35
Other Loans and Advances:		
From Banks/Financial Institutions:		
In Foreign Currency		
- BNP Paribas Syndication: US \$ 300 Million (2008 : US \$ 300 Million) (US \$ 50 Million repayable in Jan' 2011, US \$ 25 Million in Feb' 2011, US \$ 100 Million in Mar' 2011, US \$ 50 Million in Apr' 2011, US \$ 25 Million in each of the months of May 2011, June 2011 and July 2011)	1,521.60	1,203.45
- 6.12% Senior Notes (Bank of America): US \$ 300 Million (2008 : US \$ 300 Million) US \$ 100 Million repayable in Aug' 2016 US \$ 100 Million in Aug '2017 & US \$ 100 in Aug' 2018)	1,521.60	1,203.45
- BNP Paribas Syndication: US \$ 200 Million (2008 : US \$ 200 Million) (Repayable in equivalent JPY US \$ 70 Million in January 2010, US \$ 60 Million in February 2010 and US \$ 70 Million in March 2010)	1,014.40	802.30
- Leaseplan North America Inc: US \$ 36.90 million (2008: US \$ 42.57 million) (fully guaranteed by Export Import Bank of US and repayable in 20 half yearly installments w.e.f. March 2006) (amount repayable within one year Rs. 28.79 crore)	187.16	170.80
	4,244.76	3,380.00
In Rupee		
- Citibank Bank (repaid in May 2008)	0.00	50.00
- Corporation Bank (repaid in June 2008)	0.00	300.00
- Union Bank of India (repaid in August 2008)	0.00	500.00
- IDBI (repayable in October 2014.)	500.00	500.00
- IDBI (repaid in May 2008)	0.00	100.00
- State Bank of India (repaid in March 2009)	0.00	500.00
- Add: Interest accrued and due	0.00	2.29
	0.00	502.29
- Others	1.76	12.52
	501.76	1,964.81
From Others:		
- OIBD	3,009.05	4,916.76
Total (Other Loans and Advances)	7,755.57	10,261.57
TOTAL	28,836.04	31,220.46

Note:

Includes Rs. 49.65 crore (2008 : Rs. 9.74 crore) share of jointly controlled entities.

SCHEDULE "D-1" - FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE ACCOUNT

(Rs. in Crore)

	March-09	March-08
Foreign Currency Monetary Item Translation Difference Account		
As per last Account	0.00	0.00
Transferred from General Reserve (for AS 11 impact)	0.45	0.00
Add: Foreign Currency Exchange gain / (loss) on Longterm monetary items	(177.62)	0.00
Less: Amortised during the year	(182.25)	0.00
	5.08	0.00

(Refer note 18(b) of Sch-Q 'Notes on Accounts'.)

SCHEDULE "E" - FIXED ASSETS

(Rs. in Crore)

	At Cost						Depreciation and Amortisation for the year	Deduction on account of retirement/reclassifications	Total Depreciation and Amortisation 31.03.09	Impairment Loss for the year	Impairment Loss reversed during the year	Total Impairment Loss up to 31.03.09	Net Depreciated Block	
	Gross Block as at 1.04.08	Additions during the year	Transfers from Construction Work-in-Progress	Disposals during the year	Transfers/Deductions/Reclassifications	Gross Block as at 31.03.09							As at 31.03.09	As at 31.03.08
Land -Freehold	1,029.22	43.00	0.00	(1.67)	16.00	1,086.55	0.00	0.00	0.00	0.00	0.00	1,086.55	1,029.22	
-Leasehold	450.18	2.58	0.00	0.00	1.02	453.78	9.35	(0.02)	76.24	0.00	0.00	0.00	377.54	383.29
Buildings, Roads etc.	6,279.84	175.07	330.39	(8.67)	3.17	6,779.80	178.33	(3.04)	1,343.97	0.00	0.00	0.00	5,435.83	5,111.16
Plant and Machinery	54,551.03	1,593.87	2,641.95	(249.79)	(146.53)	58,390.53	2,976.93	(181.47)	27,713.90	0.00	(18.71)	69.88	30,606.75	29,544.00
Transport Equipments	375.87	17.32	0.72	(4.60)	(2.94)	386.37	17.80	(7.14)	291.66	0.00	0.00	0.00	94.71	94.86
Furnitures and Fixtures	271.96	28.17	0.35	(4.48)	(0.73)	295.27	16.23	(3.52)	151.85	0.00	0.00	0.00	143.42	132.81
Railway Sidings	220.07	1.67	20.97	(0.02)	(45.55)	197.14	11.00	(22.48)	107.98	0.00	0.00	0.00	89.16	100.60
Drainage, Sewage and Water Supply System	333.28	6.82	2.60	0.00	(2.87)	339.83	11.46	(1.06)	174.83	0.00	0.00	0.00	165.00	168.86
Total	63,511.45	1,868.50	2,996.98	(269.23)	(178.43)	67,929.27	3,221.10	(218.73)	29,860.43	0.00	(18.71)	69.88	37,998.96	36,564.80
Previous Year	61,257.19	1,319.73	1,295.64	(123.06)	(238.05)	63,511.45	3,002.94	(145.57)	26,858.06	0.00	0.00	88.59	36,564.80	

Note: Net Fixed Assets includes Rs. 516.49 crore (2008 : Rs.480.81 crore) share of jointly controlled entities.

SCHEDULE "E-1" - INTANGIBLE ASSETS

(Rs. in Crore)

	At Cost						Amortisation for the year	Deduction on account of retirement/reclassifications	Total Amortisation upto 31.03.09	Impairment Loss for the year	Total Impairment Loss up to 31.03.09	Net Block	
	Gross Block as at 1.04.08	Additions during the year	Transfers from Construction Work-in-Progress	Disposals During the year	Transfers/Deductions/Reclassifications	Gross Block as at 31.03.09						As at 31.03.09	As at 31.03.08
Right of Way	37.22	18.39	0.00	0.00	(4.90)	50.71	0.03	0.00	0.17	0.00	0.00	50.54	37.07
Licenses	282.17	251.36	10.59	0.00	(34.48)	509.64	111.91	(7.11)	183.88	0.00	1.65	324.11	201.44
Computer Software	73.40	21.62	1.57	0.00	(0.05)	96.54	13.20	0.00	69.31	0.00	0.00	27.23	17.30
Total	392.79	291.37	12.16	0.00	(39.43)	656.89	125.14	(7.11)	253.36	0.00	1.65	401.88	255.81
Previous Year	371.77	20.50	2.58	0.00	(2.06)	392.79	42.92	0.05	135.33	0.00	1.65	255.81	

Note: Net Intangible Assets includes Rs. 2.28 crore (2008 : Rs. 2.21 crore) share of jointly controlled entities.

Schedules

SCHEDULE "F" - CAPITAL WORK-IN-PROGRESS

	(Rs. in Crore)	
	March-09	March-08
Construction Work-in-Progress - Fixed Assets (including unallocated capital expenditure, materials at site)	4,526.12	4,387.63
Less: Provision for Capital Losses	44.20	47.21
	4,481.92	4,340.42
Advance for Capital Expenditure	10,463.73	4,096.54
Less: Provision for Doubtful Advance	0.29	0.49
	10,463.44	4,096.05
Capital Stores	1,182.66	731.01
Less: Provision for Capital Losses	0.69	0.97
	1,181.97	730.04
Capital Goods-in-Transit	899.48	133.56
Construction period expenses pending allocation:		
Balance as at beginning of the year	480.03	224.85
Less: Opening Balance Adjustment	0.04	0.37
Add: Transferred on BRPL Amalgamation	0.30	0.00
Add: Net Expenditure during the year (Sch. "F-1")	1,111.76	271.36
	1,592.05	495.84
Less: Allocated to Assets during the year	205.79	15.51
	1,386.26	480.33
Work-in-Progress - Intangible Assets (including unallocated capital expenditure)	809.75	338.44
Less: Provision for Loss	33.95	33.94
	775.80	304.50
TOTAL	19,188.87	10,084.90

Note:

Includes Rs. 306.99 crore (2008 : Rs. 217.96 crore) share of jointly controlled entities.

SCHEDULE "F-1" - CONSTRUCTION PERIOD EXPENSES (NET) DURING THE YEAR

	(Rs. in Crore)	
	March-09	March-08
Payments to and Provision for Employees	181.42	67.64
Repairs & Maintenance	2.33	2.56
Consumption of Stores & Spares	0.01	0.07
Power & Fuel	4.77	3.72
Rent	3.37	1.74
Insurance	20.31	17.29
Rates & Taxes	2.59	0.12
Travelling Expenses	13.27	14.00
Communication Expenses	1.25	1.19
Printing & Stationery	0.29	0.40
Electricity & Water Charges	1.39	2.65
Bank Charges	0.66	2.47
Technical Assistance Fees	17.33	0.03
Exchange Fluctuation	299.65	0.00
Interest	571.34	174.92
Depreciation and Amortisation on:		
- Fixed Assets	7.06	5.85
- Intangible Assets	0.11	0.02
Others	30.33	22.77
Total Expenses	1,157.48	317.44
Less: Recoveries	45.72	46.08
Net Expenditure during the year	1,111.76	271.36

SCHEDULE "G" - INVESTMENTS

(Rs. in Crore)

	March-09	March-08
LONG TERM INVESTMENTS:		
QUOTED	1,904.72	1,904.73
UNQUOTED:		
Oil Companies GOI SPL Bonds	11,943.93	2,387.45
In Government - Securities	0.01	164.95
In Joint Venture Companies	22.69	22.69
In Others	451.79	369.45
	14,323.14	4,849.27
CURRENT INVESTMENTS (UNQUOTED):		
Oil Companies GOI SPL Bonds	17,705.74	16,313.71
Less: Provision for Diminution	739.02	466.24
	16,966.72	15,847.47
In Others	34.03	65.77
	17,000.75	15,913.24
Total	31,323.89	20,762.51

Note:

Includes Rs. 109.72 crore (2008 : Rs.93.86 crore) share of jointly controlled entities.

SCHEDULE "H" - INVENTORIES

(Rs. in Crore)

	March-09	March-08
In Hand:		
Stores, Spares etc.	1,694.17	1,364.42
Less: Provision for Losses	92.99	84.89
	1,601.18	1,279.53
Raw Materials	5,765.71	9,574.98
Finished Products	14,495.90	16,024.20
Stock in Process	1,815.15	2,726.37
Work-in-Progress - Construction Contracts	283.30	205.37
Barrels and Tins	17.58	16.14
	23,978.82	29,826.59
In Transit:		
Stores & Spares	115.41	82.51
Raw Materials	4,294.28	6,829.42
Finished Products	129.69	482.55
	4,539.38	7,394.48
TOTAL	28,518.20	37,221.07

Note:

Includes Rs. 389.14 crore (2008 : Rs. 337.71 crore) share of jointly controlled entities.

Schedules

SCHEDULE "I" - SUNDRY DEBTORS

(Rs. in Crore)

		March-09	March-08
Over Six Months:			
Secured, Considered Good	8.18		0.00
Unsecured, Considered Good	68.23		64.26
Unsecured, Considered Doubtful	538.12		543.90
		614.53	608.16
Other Debts:			
Secured, Considered Good	139.93		143.56
Unsecured, Considered Good	4,565.39		5,049.97
Unsecured, Considered Doubtful	3.86		3.07
		4,709.18	5,196.60
Total		5,323.71	5,804.76
Less: Provision for Doubtful Debts		541.98	546.97
TOTAL		4,781.73	5,257.79

Note:

Includes Rs. 178.58 crore (2008 : Rs. 140.89 crore) share of jointly controlled entities.

SCHEDULE "J" - CASH AND BANK BALANCES

(Rs. in Crore)

	Note	March-09	March-08
Cash Balances:			
Cash Balances including imprest		74.10	115.09
Cheques in hand		498.73	748.02
		572.83	863.11
Bank Balances with Scheduled Banks:			
Current Account		312.54	103.93
Fixed Deposit Account		36.26	47.47
Call Deposit Account		82.02	44.67
Blocked Account		0.16	0.16
		430.98	196.23
Bank Balances with Non-Scheduled Banks:			
Bank of Commerce & Development, Libya		0.49	0.00
Myanmar Economic Bank Branch (5), Rangoon	A	0.88	0.88
[Maximum balance during the year - Rs.0.88 crore]			
TOTAL		1,005.18	1,060.22

Note:

A. There exists restrictions on repatriation of said amount from Myanmar.
Includes Rs.117.01 crore (2008 : Rs.99.08 crore) share of jointly controlled entities.

SCHEDULE "J-I" - OTHER CURRENT ASSETS

(Rs. in Crore)

		March-09	March-08
Interest accrued on Investments / Bank Deposits		395.71	209.66
Gold Coins in Hand (at Cost)		3.63	0.00
Receivable from IBP Trust		1,840.99	1,840.99
Less: Provision for Diminution		1,334.76	1,259.37
		506.23	581.62
Receivable from BRPL Trust (Refer note no. 14(e) of Schedule - Q 'Notes on Accounts')		148.79	0.00
TOTAL		1054.36	791.28

Note:

Includes Rs. 2.61 crore (2008 : Rs. 0.64 crore) share of jointly controlled entities.

SCHEDULE "K" - LOANS AND ADVANCES

(Rs. in Crore)

	March-09	March-08
Advance recoverable in cash or in kind or for value to be received:		
Secured, Considered Good	999.92	1,017.53
Unsecured, Considered Good	1,508.85	2,133.68
Unsecured, Considered Doubtful	5.66	4.34
	<u>2,514.43</u>	<u>3,155.55</u>
Less: Provision for Doubtful Advances	5.66	4.34
	<u>2,508.77</u>	<u>3,151.21</u>
Amount recoverable from Government of India:		
Unsecured, Considered Good	6,320.61	7,733.02
Claims Recoverable:		
Secured, Considered Good	0.10	0.10
Unsecured, Considered Good	1,190.50	942.05
Unsecured, Considered Doubtful	56.33	41.45
	<u>1,246.93</u>	<u>983.60</u>
Less: Provision for Doubtful Claims	56.33	41.45
	<u>1,190.60</u>	<u>942.15</u>
Balance with Customs, Port Trust and Excise Authorities:		
Unsecured, Considered Good	81.78	87.85
Advance Tax (net)	35.17	313.26
Materials given on loan		
Secured, Considered Good	0.27	1.66
Less: Deposits received	0.07	1.66
	<u>0.20</u>	<u>0.00</u>
Unsecured, Considered Good	0.00	0.20
	<u>0.20</u>	<u>0.20</u>
Sundry Deposits (including amount adjustable on receipt of Final Bills):		
From Others		
Secured, Considered Good	9.88	10.11
Unsecured, Considered Good	1,696.20	1,700.05
Unsecured, Considered Doubtful	0.08	0.03
	<u>1,706.16</u>	<u>1,710.19</u>
Less: Provision for Doubtful Deposits	0.08	0.03
	<u>1,706.08</u>	<u>1,710.16</u>
TOTAL	<u><u>11,843.21</u></u>	<u><u>13,937.85</u></u>

Notes:

Includes Rs. 64.76 crore (2008 : Rs. 69.20 crore) share of jointly controlled entities.

Schedules

SCHEDULE "L" - CURRENT LIABILITIES AND PROVISIONS

(Rs. in Crore)

	March-09	March-08
Current Liabilities		
Sundry Creditors:		
Total outstanding dues of micro enterprises and small enterprises	22.05	16.54
Total outstanding dues of creditors other than micro enterprises and small enterprises	20,497.46	20,942.31
	20,519.51	20,958.85
Other Liabilities	5,263.75	5,537.75
Investor Education and Protection Fund to be credited on the due dates:		
Unpaid Dividend	10.57	9.85
Unpaid Matured Deposits	0.05	0.09
Security Deposits	6,962.75	6,507.35
Less: Investments and Deposits with Banks lodged by outside parties	0.04	0.04
	6,962.71	6,507.31
Material taken on loan:		
From Others	0.00	16.14
Less: Deposits given	0.00	16.04
	0.00	0.10
Liability on Foreign Currency Contract	795.29	341.00
Less: Foreign Currency Receivables	732.65	172.84
	62.64	168.16
Interest accrued but not due on loans	383.21	205.92
	33,202.44	33,388.03
Provisions		
Provision for Taxation:		
Provision for Current Tax	8,233.47	8,833.81
Less: Advance payments	7,956.44	8,660.06
	277.03	173.75
Provision for Fringe Benefit Tax	120.88	138.86
Less: Advance payments	121.00	138.53
	(0.12)	0.33
	276.91	174.08
Proposed Dividend	932.14	685.94
Corporate Dividend Tax	158.43	141.61
Provision for Employee Benefits	388.11	381.43
Contingencies for probable obligations	907.38	642.79
	2,662.97	2,025.85
TOTAL	35,865.41	35,413.88

Note:

Includes Rs. 326.00 crore (2008 : Rs.372.01 crore) share of jointly controlled entities.

SCHEDULE "M" - DETAILS OF INCREASE/(DECREASE) IN STOCK

(Rs. in Crore)

	March-09	March-08
Closing Stock		
Finished Products	14,625.59	16,506.75
Stock in Process	1,815.15	2,726.37
	16,440.74	19,233.12
Less:		
Opening Stock		
Finished Products	16,506.75	14,525.12
Stock in Process	2,726.37	1,908.58
	19,233.12	16,433.70
NET INCREASE / (DECREASE)	(2,792.38)	2,799.42

SCHEDULE "N" - INTEREST AND OTHER INCOME

(Rs. in Crore)

	March-09	March-08
Interest on:		
Loans and Advances	57.29	59.61
Fixed Deposits with Banks	25.37	27.19
Short Term Deposits with Banks	9.12	10.96
Customers Outstandings	75.37	42.50
Oil Companies GOI SPL Bonds	1,023.07	1,052.84
Others	236.52	1.73
	1,426.74	1,194.83
Dividend	619.57	568.35
Profit on sale of Investments	1,053.31	1.30
Sale of Power and Water	24.16	21.30
Profit on sale and disposal of Assets	21.48	45.40
Unclaimed/Unspent Liabilities written back	150.28	233.97
Provision for Doubtful Debts, Advances, Claims and Stores written back	42.67	54.31
Provision for Contingencies written back	4.47	0.47
Recoveries from Employees	12.51	11.54
Retail Outlet Licence Fees	70.60	67.40
Collection Charges for Outstation Cheques	1.48	9.57
Sale of Scrap	75.41	63.82
Income from Finance Leases	3.14	4.94
Amortisation of Capital Grants	0.95	0.92
Exchange Fluctuations (Net)	1.40	1,524.43
Terminalling Charges	53.54	60.24
Recovery towards Inventory Carrying Cost	33.60	68.35
Provision for Investment written back	393.88	4.85
Provision for diminution in Trust written back	0.00	59.92
Other Miscellaneous Income	852.34	640.05
TOTAL	4,841.53	4,635.96

Schedules

SCHEDULE "O" - MANUFACTURING, ADMINISTRATION, SELLING AND OTHER EXPENSES

(Rs. in Crore)

	March-09	March-08
Raw Materials Consumed:		
Opening Balance	15,828.50	11,273.51
Add: Transferred from BRPL	575.90	0.00
	<u>16,404.40</u>	<u>11,273.51</u>
Add: Purchases	136,086.08	117,639.24
	<u>152,490.48</u>	<u>128,912.75</u>
Less: Closing Stock	10,059.99	16,404.40
	<u>142,430.49</u>	<u>112,508.35</u>
Consumption:		
Stores, Spares and Consumables	627.10	636.52
Packages & Drum Sheets	320.62	265.75
	<u>947.72</u>	<u>902.27</u>
Power & Fuel	10,671.43	8,436.63
Less: Fuel for own production	10,161.62	8,015.36
	<u>509.81</u>	<u>421.27</u>
Processing Fees, Blending Fees, Royalty & Other Charges	52.65	45.88
Octroi, Other Levies and Irrecoverable Taxes	663.37	738.65
Repairs and Maintenance:		
Plant and Machinery	965.20	971.80
Buildings	116.65	134.77
Others	98.12	72.95
	<u>1,179.97</u>	<u>1,179.52</u>
Freight, Transportation Charges and Demurrage	5,820.06	4,985.27
Payments to and Provisions for Employees:		
Salaries, Wages, Bonus etc.	3,986.72	2,088.72
Contribution to Provident & Other Funds	1,220.53	602.70
Voluntary Retirement Compensation	1.80	22.36
Staff Welfare Expenses	710.00	518.86
	<u>5,919.05</u>	<u>3,232.64</u>
Office Administration, Selling and Other Expenses (Schedule "O-1")	10,555.12	4,178.14
	<u>168,078.24</u>	<u>128,191.99</u>
Less: Company's use of own products	544.01	403.68
TOTAL	167,534.23	127,788.31
TOTAL (Net)	167,534.23	127,788.31

SCHEDULE "0-1" - OFFICE ADMINISTRATION, SELLING AND OTHER EXPENSES

(Rs. in Crore)

	March-09	March-08
Rent	388.08	380.19
Insurance	64.88	83.64
Rates & Taxes	56.59	52.38
Donations	0.75	0.50
Payment to Auditors:		
Audit Fees	0.93	0.89
Tax Audit Fees	0.15	0.11
Other Services (for issuing certificates etc.)	0.34	0.37
Out of Pocket Expenses	0.27	0.47
	1.69	1.84
Travelling & Conveyance	274.07	240.91
Communication Expenses	46.96	42.38
Printing & Stationery	25.30	24.30
Electricity & Water	154.76	145.47
Bank Charges	74.15	47.08
Bad Debts, Advances & Claims written off	12.51	19.09
Provision/Loss on Assets sold or written off	59.50	32.80
Technical Assistance Fees	7.21	129.09
Exchange Fluctuation (Net)	4,592.90	0.20
Provision for Doubtful Debts, Advances, Claims and Obsolescence of Stores	58.55	332.68
Provision for Diminution in Investments	670.26	291.08
Amortisation of FC Monetary Item Translation	182.25	0.00
Loss on Sale of Investments	1,947.96	377.55
Security Force Expenses	195.06	134.04
Sales Promotion Expenses	294.02	313.41
Handling Expenses	127.86	127.96
Inventory Carrying Cost	56.91	50.25
Expenses on Enabling Facilities	29.76	25.97
Terminalling Charges	20.96	14.65
Commodity Hedging Loss (Net)	6.75	84.30
Provision for Probable Contingencies	26.06	30.98
Exploration & Production Cost	172.39	207.41
Amortisation of Premium on Forward Contracts	135.39	237.64
Provision for Diminution on Receivable from Trust	75.39	0.00
Other Expenses	796.20	750.35
TOTAL	10,555.12	4,178.14

Schedules

SCHEDULE "P"- INCOME/EXPENSES RELATING TO PREVIOUS YEARS

(Rs. in Crore)

	March-09	March-08
Income:		
Miscellaneous Income	0.56	1.30
Sales of Products	4.70	3.45
Total Income	5.26	4.75
Expenditure:		
Purchase of Products and Crude	0.12	0.00
Raw Material consumption	(3.81)	(0.78)
Depreciation and Amortisation on:		
Fixed Assets	87.34	(1.70)
Intangible Assets	62.32	0.00
Consumption of Stores, Spares and Consumables	0.01	(1.10)
Technical Fees	(515.92)	0.00
Power & Fuel	(0.59)	0.00
Repairs and Maintenance	0.81	5.20
Interest	0.00	(0.72)
Rent	0.14	1.50
Provision on Stores	0.00	0.70
Payment to and provision for employees	(14.73)	41.53
Other Expenses	(0.58)	0.03
Total Expenses	(384.89)	44.66
NET INCOME/(EXPENDITURE)	390.15	(39.91)

SCHEDULE “Q” - NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2009

1. PRINCIPLES OF CONSOLIDATION

- 1.1 The consolidated financial statements relate to Indian Oil Corporation Limited (Parent Company), its subsidiaries and Joint Venture companies. The consolidated financial statements have been prepared on the following basis:
- The financial statements of the Parent Company and its Subsidiary Companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating the intra-group balances, intra-group transactions and unrealized profits or losses in accordance with Accounting Standard -21 on “Consolidated Financial Statements”. The share of Minority Interest in the Subsidiaries has been disclosed separately in the “Consolidated Financial Statements”.
 - The financial statements of Joint Ventures have been combined by applying proportionate consolidation method on a line-by-line basis on items of assets, liabilities, income and expenses after eliminating proportionate share of unrealized profits or losses in accordance with Accounting Standard –27 on “Financial Reporting of Interests in Joint Ventures”.
 - The consolidated financial statements have been prepared using uniform accounting policies for like transactions and events in similar circumstances and are presented to the extent possible, in the same manner as the Parent Company’s separate financial statements.
 - The excess/shortfall of cost to the Parent Company of its investment in the respective subsidiary companies and joint venture companies is recognized in the financial statements as goodwill/capital reserve respectively as per the equity method of valuation.

1.2 **The Consolidated Financial Statements include the results of the following entities:**

Sr. No.	Name of Company	Country of Incorporation	Relation	Ownership Interest
1.	Chennai Petroleum Corporation Ltd. (CPCL)	India	Subsidiary	51.89%
2.	Lanka IOC Ltd. (LIOC)	Sri Lanka	Subsidiary	75.12%
3.	IndianOil Mauritius Ltd. (IOML)	Mauritius	Subsidiary	100%
4.	IndianOil Technologies Ltd.	India	Subsidiary	100%
5.	IOC Middle East FZE	Dubai- UAE	Subsidiary	100%
6.	IOT Infrastructure & Energy Services Ltd.	India	Joint Venture	49.98%
7.	Lubrizol India Pvt. Ltd.	India	Joint Venture	50%
8.	AVI-OIL India Pvt. Ltd.	India	Joint Venture	25%
9.	Petronet LNG Ltd.	India	Joint Venture	12.5%
10.	IndianOil Petronas Pvt. Ltd.	India	Joint Venture	50%
11.	Green Gas Ltd.	India	Joint Venture	22.50%
12.	IndianOil Sky Tanking Ltd.	India	Joint Venture	33.33%
13.	Indo Cat Pvt. Ltd.	India	Joint Venture	50%
14.	Suntera Nigeria 205 Ltd.	Nigeria	Joint Venture	25%

Note: Proportionate consolidation in respect of Investments in the Joint Venture Companies M/s Petronet CI Ltd., Petronet VK Ltd; Petronet India Ltd. and IndianOil Panipat Power Consortium Ltd. have not been incorporated in the preparation of consolidated financial statements as the Management has either decided to exit from these Joint Ventures or provided for full diminution in the value of investment.

2. Other Significant Accounting Policies

- 2.1 These are set out in the Statement of Significant Accounting Policies of the financial statements of the Parent Company, its Subsidiaries and Joint Ventures.
- 2.2 For certain items, the Company and its subsidiaries and Joint ventures have followed different accounting policies in certain cases. However impact of the same is not material.
3. Financial statements of IOML, LIOC, IOC Middle East FZE and Suntera Nigeria are drawn in Mauritius Rupees, Sri Lankan Rupees, UAE Dirhams and USD respectively. The transactions with these foreign subsidiaries/Joint Ventures are considered as non integral operation as per Accounting Standard-11 on “The Effects of Changes in Foreign Exchange Rates” and accordingly, the Financial Statements have been translated in Indian Rupees for the purpose of Consolidated Financial Statements.

4. Contingent Liabilities:

- a) Contingent Liabilities amounting to **Rs. 9242.19 crore** (2008 : Rs. 8865.69 crore) are as under:
- Rs. 7081.15 crore** (2008 : Rs. 6397.38 crore) being the demands raised by the Central Excise /Customs / Sales tax authorities.
 - Rs. 640.19 crore** (2008 : Rs. 582.55 crore) for which suits have been filed in the Courts or cases are lying with Arbitrators.
 - Rs. 961.68 crore** (2008 : Rs 1335.33 crore) in respect of Income Tax demands.
 - Rs. 559.17 crore** (2008 : Rs. 550.43 crore) in respect of other claims.

Schedules

- b) Interest/Penalty, if any, on some of the above claims is unascertainable.
- c) Income tax, if any, reimbursable to foreign contractors is unascertainable.
5. Estimated amount of contracts remaining to be executed on Capital Account not provided for **Rs. 18695.34 crore** (2008: Rs. 19348.65 crore)
6. Purchase of crude oil from ONGC, Oil India Limited and Panna Mukta Tapti JV and some other oilfields has been accounted for provisionally pending finalisation of agreements with respective parties. Adjustments, if any, will be made on finalisation of agreements.
7. Transactions with Other Marketing Companies are jointly reconciled on an ongoing basis.
8. Bond redemption Reserve:
 - (a) Bond Redemption Reserve of **Rs. 31.60 crore** (2008: Rs. 31.60 crore) created in respect of Non-Convertible Redeemable Bonds – Series V has been written back during the year as the 5th installment of Rs. 31.60 crore was paid on 18.07.2008.
 - (b) Bond Redemption Reserve of **Rs. 333.63 crore** (2008: Rs.250. 55 crore) has been created in respect of Non-Convertible Redeemable Bonds VI, VII-B, VIIIA, VIIIB and IX during the year.
 - (c) Bond Redemption Reserve of **Rs. 237.50 crore** (2008: Rs. Nil crore) has been created in respect of short-term unsecured Non-convertible Debentures outstanding as at the year end.
9. Pursuant to orders pronounced by the Honourable Supreme / various High Courts in the matter of Entry Tax on Crude Oil, and as advised, the Company and its subsidiaries have not provided for Entry Tax amounting to **Rs. 2658.48 crore** (2008 : Rs. 1498.03 crore) including **Rs. 1332.66 crore** for the year (Previous Year Rs. 1286.18 crore) in respect of Mathura & Panipat Refineries and Asaoti Lube Blending Plant. Pending final disposal of the matter by the Honourable Supreme / various High Courts, Entry Tax already paid / deposited / provided for at various units has not been considered for write back.
10. Subsidies on SKO (PDS) and LPG (Domestic) in India amounting to **Rs. 1555.28 crore** (2008: Rs. 1510.63 crore) and subsidies on sales of SKO & LPG to customers in Bhutan amounting to **Rs. 33.41 crore** (2008: Rs 33.28 crore) have been reckoned as per the schemes notified by Government of India.
11. The Group has accounted for Government of India Special Bonds of **Rs. 40383.01 crore** (2008 : Rs. 18997.00 crore) in lieu of under-recoveries on petroleum products for the year. Out of this, Special Bonds of **Rs. 34175.95 crore** for the period from 1st April, 2008 to 31st December, 2008 (2008 : Rs. 11460.73 crore) have been received by the Company and the balance amount of **Rs. 6207.06 crore** receivable for the period from 1st January, 2009 to 31st March, 2009 (2008 : Rs. 7536.27 crore) has been accounted for on the basis of advice received from Government of India. These Bonds have been accounted in the Profit and Loss Account as Revenue Grants.
12.
 - (a) In line with the scheme formulated by Petroleum Planning and Analysis Cell (PPAC), the Group has received discount of **Rs. 18063.11 crore** (2008 : Rs. 14322.91 crore) on Crude Oil/LPG/SKO purchased from ONGC/GAIL/OIL towards part of the under recovery suffered on sale of MS, HSD, LPG (Domestic) and SKO (PDS) and the same has been adjusted against the purchase cost.
 - (b) Based on the advice received from Government of India, the Company has accounted **Rs. 146.42 crore** (2008 : Nil) towards the discounts receivable from ONGC/OIL for compensating under recoveries on import losses in respect of MS & HSD, and same has been adjusted against the purchase cost.
13. The Company and its subsidiaries have export obligation to the extent of **Rs. 2882.87 crore** (2008 : Rs. 1908.07 crore) on account of concessional rate of customs duty availed under EPCG license scheme on import of capital goods.
14. Amalgamation of erstwhile Bongaigaon Refinery & Petrochemicals Limited (BRPL) with the parent Company:
 - a) BRPL, a subsidiary of the parent company, was engaged primarily in the business of Refining of petroleum products.
 - b) Pursuant to the Scheme of Amalgamation (the scheme) of the erstwhile BRPL with the Company as approved by the members, secured creditors and unsecured creditors in their meetings held on 22nd February 2008 and subsequently sanctioned by the Ministry of Corporate Affairs, Govt. of India vide its Order dated 9th March 2009, which became effective on 25th March 2009, the assets, liabilities and reserves of erstwhile BRPL stand transferred to and vested in the Company with effect from the appointed date i.e. 1st April 2006. Accordingly the scheme has been given effect to in these accounts.
 - c) The Amalgamation has been accounted for under the “pooling of interest” method as prescribed by Accounting Standard -14 on “Accounting for Amalgamations”. Accordingly, the assets, liabilities and reserves of the erstwhile BRPL as at 1st April 2006 along with subsequent addition/deletion up to 31st March 2008 have been transferred in accordance with the said scheme. The profits of the amalgamating company during the period 1st April 2006 to 31st March 2008 have been transferred to the General Reserve of the Company without opening the accounts of the Company for the previous years. Current year transactions are duly incorporated in the books of the Company.
 - d) Based on the approved swap ratio as provided in the scheme, 21601935 number of equity shares will be issued to the equity shareholders of erstwhile BRPL in the ratio of 4 equity shares of the face value of Rs. 10 each in the parent Company for every 37 equity shares held in erstwhile BRPL. In terms of the scheme, the said equity shares, when issued and allotted by the parent Company, shall rank, in all respects pari-passu with the existing equity shares of the parent Company. Pending allotment of the said equity shares, the amount has been disclosed under “Share Capital Suspense Account” in Schedule A-1 as on 31st March, 2009.
 - e) As provided in the scheme, 16085819 number of equity shares to be issued by the parent Company in lieu of 148793826 number of equity shares held by the parent Company in the erstwhile BRPL will be transferred to a Trust for the sole benefit of the parent Company. Accordingly, the cost of the aforesaid investment of the parent Company is reflected as “Receivable from Trusts”, under ‘Other Current Assets’ in Schedule “J-1”.
 - f) In view of the above current year figures are not strictly comparable to those of the previous year.

15. In 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.
16. Pending finalization of the pay revision of the employees of the Group, due w.e.f. 01.01.2007, the Group has provided a sum of **Rs. 2755.53 crore** (2008 : Rs. 212.41 crore) during the year on estimated basis, which interalia includes the impact on account of proposed enhancement in the gratuity ceiling from the existing limit of Rs. 3.5 lakhs to Rs. 10 lakhs as per the guidelines of the Department of Public Enterprises.
17. During the year IOCL had sought opinion from Expert Advisory Committee of the Institute of Chartered Accountants of India on its accounting policy for treatment of Know-how/ Licence Fees pertaining to Production Process. In pursuance of the same, the accounting policy hitherto followed by the Group of charging the Know-how / Licence fee relating to production process to revenue in the year of incurrence has been changed. The same is now accounted for as Intangible Asset with retrospective effect from 01.04.2003 and will be amortised over a period of ten years or life of the said plant/ facility, whichever is earlier.
- This change has resulted in increase in Profit by **Rs. 543.05 crore** for the year (including Rs. 447.31 crore for prior periods) and increase in Intangible Assets (net of amortisation) by **Rs. 634.69 crore** (Including Rs 380.96 crore for CWIP).
18. The Central Government vide notification dated March 31, 2009 has amended Accounting Standard (AS-11) on "The effect of changes in Foreign exchange rates" notified under the Company's (Accounting Standard) Rules, 2006. The Group has exercised the option stated in paragraph 46 of AS-11 retrospectively w.e.f. April 1, 2007. As a result, the Group has changed its accounting policy for recognition of exchange differences arising on long term foreign currency monetary items, which hitherto were charged to the Profit and Loss Account, as below:
- In so far as they relate to the acquisition of depreciable assets, are added to or deducted from the cost of the asset and are depreciated over the balance useful life of the asset. The change has resulted in increase in Profit by **Rs. 786.80 crore** for the year, net increase in Assets by **Rs. 594.74 crore** (Including Rs. 237.62 crore in CWIP) and increase in accumulated depreciation by **Rs. 5.67 crore**.
 - In other cases, the said difference amount is accumulated in "Foreign Currency Monetary Items Translation Difference Account" and is amortised over the balance period of such long-term foreign currency monetary item but not beyond 31st March 2011. This change has resulted in decrease in Profit by **Rs. 4.63 crore** for the year. An amount of **Rs. 5.08 crore** is remaining unamortised in "Foreign Currency Monetary Items Translation Difference Account" as on 31.03.2009.
- This change in policy on (a) and (b) above has resulted in reduction of **Rs. 127.72 crore** (net of tax) in opening general reserve.
19. The Group has adopted Accounting Standard 15 (AS15) on "Employee Benefits". These consolidated financial statements include the obligations as per the requirements of this standard except for those subsidiaries which are incorporated outside India who have determined the valuation/provision for employee benefits as per requirements of their respective countries. The disclosure in compliance with the Standard is given in Annexure-1.
20. In compliance of Accounting Standard – 17 on "Segment Reporting", the required information is given as per Annexure-2 to this schedule.
21. In compliance of Accounting Standard – 18 on "Related Party Disclosures", the required information is given as per Annexure-3 to this schedule.
22. Disclosure as required under Accounting Standard – 19 on "Accounting for Leases", is as under:

Finance Lease of Tank Wagons:

		(Rs. in Crore)	
Particulars		March-09	March-08
A.	Gross Investments in Finance Lease	416.96	416.96
	Less: Adjustment to Opening Block	1.32	-
	Gross Investments in Finance Lease (after adjustment)	415.64	416.96
	Less: Unearned Finance Income	8.74	11.94
	Less: Finance Income Received	162.41	159.75
	Less: Minimum Lease payment received	224.87	214.26
	Net Investment in Finance Lease as on Date	19.62	31.01
B.	Unearned Finance Income	8.74	11.94
C.	Present Value of Minimum Lease Payments Receivable		
	Not later than one year	4.81	11.32
	Later than one year and not later than five years	8.31	10.61
	Later than five years	6.50	9.08
	Total	19.62	31.01
D.	Break-up of un-earned income		
	Not later than one year	1.99	3.15
	Later than one year and not later than five years	5.02	5.49
	Later than five years	1.73	3.30
	Total	8.74	11.94

Schedules

Operating leases:

a) As Lessees

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:

		(Rs. in Crore)	
Particulars		March-09	March-08
A.	Lease rentals recognised during the period	53.53	61.90
B.	Lease Obligations		
	Not later than one year	52.77	53.53
	Later than one year and not later than five years	184.96	202.17
	Later than five years	652.16	702.95

b) As Lessors

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

		(Rs. in Crore)	
Particulars		March-09	March-08
A.	Lease rentals recognised as income during the period	1.80	2.05
B.	Lease Rentals (category of assets – Plant & Machinery)		
	Gross Carrying Amount	0.01	0.01
	Accumulated Depreciation	0.00	0.00
	Depreciation recognized in Profit and Loss Account	0.00	0.00

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

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

		March-09	March-08
Profit After Tax for the Group (Rs. in Crore)		2599.40	7912.74
Total Weighted Average number of equity shares used for computing Earning Per Share (Basic & Diluted)			
a)	Number of Shares	1192374306	1192374306
b)	Number of Shares to be issued to erstwhile shareholders of BRPL	21601935	-
	Total number of Shares	1213976241	1192374306
Earning Per Share (Basic and Diluted) (Rupees)		21.41	66.36
Face Value per Share (Rupees)		10/-	10/-

24. In compliance of Accounting Standard – 22 on “Accounting for Taxes on Income”, The item-wise details of Deferred Tax Liability (net) are as under:

		(Rs. in Crore)	
		As on 31.03.2009	As on 31.03.2008
Deferred Tax Liability:			
i)	Depreciation	6819.41	6691.03
ii)	Others	5.29	4.02
Total Deferred Tax Liability		6824.70	6695.05
Adjustment in opening due to AS 11 impact		(2.04)	-
Adjusted Deferred Tax Liability (A)		6822.66	6695.05
Deferred Tax Assets:			
i)	Compensation under voluntary retirement scheme	6.71	9.75
ii)	Provision for doubtful advances /claims / materials	286.43	256.37
iii)	Provision for Retirement Benefits	8.38	4.15
iv)	Unabsorbed Depreciation	172.50	-
v)	Others	379.55	311.20
Total Deferred Tax Assets (B)		853.57	581.47
Deferred Tax Liability (Net) (A-B)		5969.09	6113.58

25. In respect of Oil and Gas Exploration activities, Revenue Expenditure amounting to **Rs. 172.39 crore** (2008 : Rs. 207.40 crore) and Capital Expenditure amounting to **Rs. 37.45 crore** (2008 : Rs. 49.72 crore) of Oil and Gas Exploration Projects has been incorporated in these accounts on the basis of unaudited statement provided by respective operators of Production Sharing Contracts to the company.

26. In respect of certain Subsidiaries and Joint Venture Companies, the following additional notes to accounts, as given in the Annual Accounts, are disclosed:

Lanka IOC Ltd.

- a) Goodwill represents the excess of the costs of acquisition over the fair values of the retail outlets at the date of acquisition. Surplus arising from revaluation of land of 100 retail outlets is set off against the goodwill on acquisition of 100 retail outlets. Up to year ended 31.03.2006; Goodwill was amortized using the straight line method over a period of 20 years based on the Petroleum Products License. According to the revised Accounting Standards applicable in Sri Lanka, Goodwill is not amortized but is tested annually for impairment.
- b) Lanka IOC Ltd owns 1/3rd share of Ceylon Petroleum Storage Terminal Limited (CPSTL), also known as the "Common User Facility" (CUF). The Company paid US\$ 45 million to Ceylon Petroleum Corporation on 22 January 2004 to obtain 1/3rd share of CPSTL.

(Rs. in Crore)

	2008-09	2007-08
At the beginning of the year	162.48	175.77
Translation Difference	32.67	(13.29)
Closing Net Book Amount	195.15	162.48

The investment in CPSTL is accounted for at cost. The Board of Directors is of the view that the Company has no significant influence in the financial and operating policy decisions of the investee and hence the adoption of the cost method is appropriate.

- c) In terms of the agreement entered into with the Board of Investment of Sri Lanka under section 17 of the Board of Investment Law No. 4 of 1978, the Company is exempt from income tax for a period of 10 years commencing from 14.02.2003. The current year's tax charge wholly consists of tax on non-exempt interest income.

Petronet LNG Ltd.

- a) In terms of the provisions contained in the LNG Port Terminal Concession Agreement, the Company has to develop a Solid Cargo Port along with LNG Terminal. A Joint Venture Company " Adani Petronet (Dahej) Port Pvt Ltd (APPPL)" has been formed for development of Solid Cargo Port. The Company has acquired 50% equity in APPPL.
- b) Customs Duty on import of Project material/equipment has been assessed provisionally (current and previous years) and additional liability, if any, on this account will be provided on final assessment.

27. The dues to Micro, Small and Medium enterprises as required under the Micro Small and Medium Enterprises Development Act, 2006 is given below:

(Rs. in Lakh)

	2008-09	2007-08
Amount overdue and payable:		
Principal	2172.55	20.75
Interest	1.61	1.45
Payments made during the year after the due date:		
Principal	75.22	189.60
Interest	0.09	0.00
Interest accrued and unpaid	1.84	1.45

The above information is given to the extent available with the group and relied upon by the Auditors.

28. In compliance of Accounting Standard - 27 on "Financial Reporting of Interests in Joint Ventures", the required information is given as per Annexure-4 to this schedule.

29. Exposures to Financial and Commodity Trading Derivative Instruments outstanding as on 31st March, 2009 is given in Annexure-5 to this schedule.

30. Remuneration paid/payable to Directors:

(Rs. in Crore)

	2008-09	2007-08
i) Salaries & Allowances	2.47	2.37
ii) Contribution to Provident & Other Funds	0.16	0.20
iii) Other Benefits and Perquisites	0.36	0.43
iv) Sitting Fees to Part Time Directors	0.25	0.16
Total	3.24	3.16

The above does not include impact of pay revision arising out of DPE guidelines applicable w.e.f. 01.01.2007 except to the extent of Adhoc payment made during the year.

Schedules

31. In compliance of Accounting Standard – 29 on “Provisions, Contingent Liabilities and Contingent Assets”, the details of provision made by the Group is as under:

	(Rs. in Crore)				
	Opening Balance	Additions during the year (Note 1)	Utilisation during the year	Reversals during the year	Closing balance (Note 2)
Excise	1.10	1.31	-	-	2.41
Customs	3.10	5.17	-	-	8.27
Sales Tax	112.75	12.57	-	3.50	121.82
Entry Tax	511.60	242.17	-	-	753.77
Others	14.24	8.28	0.44	0.97	21.11
Total	642.79	269.50	0.44	4.47	907.38
Previous Year	463.23	180.82	0.90	0.36	642.79

Note: 1. Additions includes Rs. 1.27 crore (2008: Rs.9.24 crore) capitalised and Rs. 242.17 crore (2008: Rs. 140.60 crore) included in raw material consumption in schedule “O”, during the year.

2. Expected timing of outflows is not ascertainable at this stage.

32. Considering the Government policies and modalities of compensating the oil marketing companies towards under-recoveries, future cash flows have been worked out based on the desired margins for deciding on impairment of related Cash Generating Units. Accordingly no further impairment as at the year-end has been considered. In view of the assumption being technical, peculiar to the industry and policy matter, the auditors have relied on the same.
33. Previous year’s comparative figures have been regrouped and recast to the extent practicable, wherever necessary. Figures in brackets indicate deductions.

Sd/-
(S. Behuria)
Chairman

Sd/-
(S. V. Narasimhan)
Director (Finance)

Sd/-
(Raju Ranganathan)
Company Secretary

Place : New Delhi
Date : May 29, 2009

Annexure-1

Disclosures- Notes on Accounts: AS-15 (Revised)

(a) Provident Fund

Guidance issued by the Accounting Standards Board (ASB) on implementing AS - 15, Employee Benefits (revised 2005) states that provident funds set up by employers, which require interest shortfall to be met by employer, need to be treated as defined benefit plan. The Fund does not have any existing deficit or interest shortfall. Accordingly, other related disclosures in respect of Provident Fund have not been made. During the year, the company has recognised **Rs. 153.52 crore** (2008 : Rs. 134.26 crore) as Employer's contribution to Provident Fund in the Profit and Loss Account (included in Contribution to Provident and Other Funds in Schedule 'O'):

(b) Reconciliation of balance of Defined Benefit Obligation

(Rs. in Crore)

	Gratuity	Leave Encashment	PRMS	Resettlement Allowances	Long Service Award	Staff Pension Fund at AOD
	Funded	Funded	Non-funded	Non-funded	Non-funded	Funded
Defined Obligations at the beginning	512.26 430.93	950.10 627.77	211.94 221.34	59.57 67.45	53.03 1.04	5.74 6.58
Liability on merger of BRPL	-	-	-	1.23	1.70	-
Current Service Cost	6.00 5.47	41.01 35.96	30.50 3.51	2.05 1.04	2.62 8.72	0.19 0.22
Interest Cost	39.70 38.30	72.85 56.74	17.83 16.93	4.77 5.39	4.30 49.68	0.43 0.47
Past Service Cost	649.00	-	-	-	-	-
Benefits paid	(31.62) (29.29)	(88.20) (81.20)	(47.36) (33.13)	(2.87) (1.23)	(5.39) (6.46)	(0.66) (1.69)
Actuarial (gain) / loss on obligations	133.04 66.85	217.53 310.83	34.71 3.29	6.66 (11.85)	1.93 0.05	1.65 0.16
Defined Benefit Obligation at the end of the year	1308.39 512.26	1193.29 950.10	247.62 211.94	71.41 60.80	58.19 53.03	7.35 5.74

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

(Rs. in Crore)

	Gratuity	Leave Encashment	PRMS	Resettlement Allowances	Long Service Award	Staff Pension Fund at AOD
	Funded	Funded	Non-funded	Non-funded	Non-funded	Funded
Fair value of plan assets at the beginning of the year	524.12 386.76	907.77 414.17	-	-	-	8.18 9.12
Liability on merger of BRPL	-	-	-	-	-	-
Expected return on plan assets	39.77 40.39	75.98 70.05	-	-	-	0.72 0.53
Contribution by employer	28.06 132.92	87.21 517.88	-	-	-	0.20 0.18
Benefit paid	(31.62) (29.29)	(88.20) (77.67)	-	-	-	(0.66) (1.69)
Actuarial gain / (losses)	7.19 (6.66)	11.31 (16.66)	-	-	-	0.56 0.03
Fair value of plan assets at the end of the year	567.52 524.12	994.07 907.77	-	-	-	8.99 8.18

Schedules

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

(Rs. in Crore)

	Gratuity	Leave Encashment	PRMS	Resettlement Allowances	Long Service Award	Staff Pension Fund at AOD
	Funded	Funded	Non-funded	Non-funded	Non-funded	Funded
Fair value of plan assets at the end of the year	567.52 524.12	994.07 907.77	- -	- -	- -	8.99 8.18
Defined Benefit Obligation at the end of the year	1308.39 512.26	1193.29 950.10	247.62 214.94	71.41 60.80	58.19 53.03	7.35 5.74
Amount recognised in the Balance Sheet	740.87# (11.86)	199.22# 42.33	247.62 214.94	71.41 60.80	58.19 53.03	(1.64) (2.44)

To be funded during the financial year 2009-10 for which liability has been provided.

(e) Amount recognised in CWIP/Profit and Loss Account

(Rs. in Crore)

	Gratuity	Leave Encashment	PRMS	Resettlement Allowances	Long Service Award	Staff Pension Fund at AOD
	Funded	Funded	Non-funded	Non-funded	Non-funded	Funded
Current Service Cost	6.00 5.47	41.01 35.96	30.50 3.51	2.05 1.04	2.62 8.72	0.19 0.22
Interest Cost	39.70 4.30	72.85 4.74	17.83 16.93	4.77 5.39	4.30 43.28	0.43 0.47
Expected return on plan assets	(39.77) 29.75	(75.98) 50.74	- -	- -	- 6.40	(0.72) (0.53)
Past Service Cost	649.00 -	- -	- -	- -	- -	- -
Actuarial (gain)/ loss	124.85 (47.74)	211.45 (57.46)	34.71 (0.83)	6.66 (0.17)	1.93 0.05	1.10 0.13
Expenses for the year	779.78 (8.22)	249.33 33.98	83.04 19.61	13.48 6.26	8.85 58.45	1.00 0.29

(f) Major Actuarial assumptions

	Gratuity	Leave Encashment	PRMS	Resettlement Allowances	Long Service Award	Staff Pension Fund at AOD
	Funded	Funded	Non-funded	Non-funded	Non-funded	Funded
Discount rate	7.75% 8%	7.75% 8%	7.75% 8%	7.75% 8%	7.75% 8%	6.90% -
Expected return on plan assets*	8% 8%	8% 8%	- -	- -	- -	9.00% -
Salary escalation #	7% 9%	7% 9%	- -	- -	- -	7% 9%
Inflation	- -	- -	4% 6%	4% 9%	4% 6%	- -

* Expected rate of return on plan assets is based on market expectation, at the beginning of the year, for return over the entire life of the related obligation.

Estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors.

Note: Actuarial assumptions as given by the Actuaries have been relied upon by the Auditors.

Annexure-2

Information regarding Primary Segment Reporting as per AS-17 for the year ended March 31, 2009 is as under:

(Rs. in Crore)

	March-09				March-08			
	Petroleum Products	Other Businesses	Eliminations	Total	Petroleum Products	Other Businesses	Eliminations	Total
Revenue								
External Revenue	257504.49	29948.20	-	287452.69	205138.52	25590.85	-	230729.37
Inter-segment Revenue	1423.88	459.43	-	1883.31	1380.60	293.30	-	1673.90
Total Revenue	258928.37	30407.63	-	289336.00	206519.12	25884.15	-	232403.27
Result								
Segment Results	6631.23	48.06	12.58	6666.71	13399.13	(168.29)	62.90	13167.94
Less: Unallocated Expenses net of unallocated Income	-	-	-	-	-	-	-	-
Operating Profit	6631.23	48.06	12.58	6666.71	13399.13	(168.29)	62.90	13167.94
Less:								
Interest Expenditure				4207.64				1799.97
Provision for diminution in Investments				670.26				291.08
Loss for Diminution in IBP Trust				75.39				-
Loss on Investments w-off/sold				1947.96				377.55
Add:								
Interest/Dividend Income				2046.31				1763.18
Provision for Investments Written back				393.88				4.85
Profit on sale of GOI Bonds / Investments				1053.31				1.30
Provision for diminution in Trust Written back				-				59.92
Prior year Income/(Expenditure) net				390.15				(39.91)
Profit Before Tax				3649.11				12488.68
Less: Income Tax (including Deferred Tax & FBT)				1253.27				3938.12
Profit After Tax				2395.84				8550.56
Other Information								
Segment Assets	95187.11	9615.64	-	104802.75	93247.33	11661.76	-	104909.09
Corporate Assets				31408.01				21211.45
Total Assets				136210.76				126120.54
Segment Liabilities	31523.52	2974.41	-	34497.93	31624.28	2787.97	-	34412.25
Corporate Liabilities				54688.52				45935.94
Total Liabilities				89186.45				80348.19

Notes:

- The Group is engaged in the following business segments:
 - Sale of Petroleum Products
 - Other businesses, which comprises Sale of Imported Crude Oil, Sale of Gas, Petrochemicals, Explosives & Cryogenics, Wind Mill 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 Duty)
 - Subsidy/Grants received from Government of India
 - Other income (excluding interest income, dividend income, exceptional items income and investment income)
- There are no reportable geographical segments.

Schedules

Annexure-3

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

1. Relationships:

A) Joint Venture Companies

- 1) Indian Oil Tanking Ltd.
- 2) Lubrizol India Pvt. Ltd.
- 3) Petronet VK Ltd.
- 4) Petronet CI Ltd.
- 5) IndianOil Petronas Pvt. Ltd.
- 6) IndianOil Panipat Power Consortium Ltd.
- 7) Avi-Oil India Pvt.Ltd.
- 8) Petronet India Ltd.
- 9) Petronet LNG Ltd.
- 10) Green Gas Ltd.
- 11) Indo Cat Pvt. Ltd.
- 12) IndianOil SkyTanking Ltd.
- 13) Suntera Nigeria 205 Ltd.
- 14) Indian Additives Limited
- 15) National Aromatics & Petrochemicals Corp.Ltd.

B) Whole-time Directors

- 1) Shri S. Behuria
- 2) Shri B.M. Bansal
- 3) Shri S.V. Narasimhan
- 4) Shri V.C. Agrawal
- 5) Shri G.C. Daga
- 6) Shri B.N. Bankapur
- 7) Shri Anand Kumar (w.e.f. 31.07.2007)
- 8) Shri P.K. Chakraborti (w.e.f. 01.08.2007)
- 9) Shri A.M. Uplenchwar (upto 31.07.2007)
- 10) Shri K.K. Acharya
- 11) Shri N.C. Sridharan
- 12) Shri S. Chandrasekaran
- 13) Shri K. Balachandaran

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 no. 1(A) above:

(Rs. in Crore)

	March-09	March-08
i) Sales	140.81	17.90
ii) Interest received	5.00	0.18
iii) Consultancy Services/Other Income	38.71	18.58
iv) Purchase of Products	3,407.06	2,766.23
v) Purchase of Chemicals / materials	115.15	42.05
vi) Handling Expenses	46.75	19.25
vii) Freight Expenses	0.15	-
viii) Reimbursement of Expenses	22.31	35.09
ix) Interest paid/payable	3.97	-
x) Fixed assets purchased	296.57	361.41
xi) Investments made during the year	8.48	104.13
xii) Provisions made during the year	-	-
xiii) Outstanding Receivables	749.90	449.22
xiv) Outstanding Payables	216.81	165.62
xv) Loans recoverable	46.29	31.29
xvi) Loans payable	-	-

b) Details relating to parties referred to in item no. 1(B) above:

	March-09	March-08
i) Remuneration	2.26	2.44
ii) Recovery of Interest & Furniture Hire Charges	0.02	0.02
iii) Outstanding loans/advances receivables	0.57	0.73
iv) Assets on Hire	0.27	0.24

Note:

- 1) Remuneration includes Basic salary, allowances, reimbursements, contribution to PF. and perquisites (valued as per tax laws).
- 2) 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 Rs.520/- per mensem for car less than 16 hp or Rs.780/- per mensem for car of above 16 hp as specified in the terms of appointment.
- 3) In case of Joint Venture Companies constituted/acquired during the year, transactions w.e.f. date of constitution/acquisition is disclosed.
- 4) In case of Joint Venture Companies which have been closed/divested during the year, transactions upto the date of closure/disinvestment only are disclosed.

Annexure-4

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 Group has entered into production sharing oil and gas exploration contracts with the Govt. of India and other body corporates. These joint ventures are:

Name	Participating Interest of the Group (%)	
	31.03.2009	31.03.2008
IN INDIA		
Under NELP-I Block		
GV-ONN-97/1	30	30
Under NELP-II Block		
MB-OSN-2000/1	15	15
MN-OSN-2000/2	20	20
WB-OSN-2000/1	15	15
MB-OSN-2004/1	20	20
MB-OSN-2004/2	20	20
MN-ONN-2000/1	20	20
Under NELP-III Block		
AA-ONN-2001/2	20	20
CR-ON-90/1	0	35
Others		
BK-CBM-2001/1	20	20
NK-CBM-2001/1	20	20
KG-DWN-2005/1	20	0
AAP-ON-94/1	43.55	43.55
OUTSIDE INDIA		
FARSI BLOCK, IRAN	40	40
SHAKTHI GABON	50	50
YEMEN 82	15	15
YEMEN 83	15	15
KUWAIT	5	5
LIBYA BLOCK 86	50	50
BLOCK K	12.5	0
LIBYA 95-96	25	0
LIBYA BLOCK 102/4	50	50

(b) **Jointly Controlled Assets:**

Group's share in jointly controlled/owned assets have been shown in Schedule-E “Fixed Assets”.

Particulars of Assets	Name of Joint Owner	31.03.2009		W.D.V.
		Original Cost	Accumulated Depreciation & Amortisation	
Land-Freehold	HPC/BPC	1.55	-	1.55
Land-Leasehold	HPC/BPC	0.78	0.16	0.62
Buildings	HPC/BPC/HERDILIA-UNIMERS LTD.	5.64	1.06	4.58
Plant and Machinery	HPC/BPC/GSFC/IPCL/ACC/CSIR	116.51	40.55	75.96
Transport Equipment	RAILWAYS	183.58	173.56	10.02
Railway Sidings	HPC/BPC	52.45	28.55	23.90
Drainage, Sewage and Water Supply	GSFC	0.99	0.94	0.05
		361.50	244.82	116.68

Schedules

(c) Jointly Controlled Entities:

Name	Country of Incorporation	Ownership Interest of IOC(%)	
		31.03.2009	31.03.2008
(i) Indian Oiltanking Ltd.	India	49.98	50
(ii) Lubrizol India Pvt. Ltd.	India	50	50
(iii) Petronet VK Ltd.	India	26	26
(iv) Petronet CI Ltd.	India	26	26
(v) IndianOil SkyTanking Ltd.	India	33.33	33.33
(vi) Indo Cat Pvt. Ltd.	India	50	50
(vii) IndianOil Petronas Pvt.Ltd.	India	50	50
(viii) Suntera Nigeria 205 Ltd.	Nigeria	25	25
(ix) IndianOil Panipat Power Consortium Ltd.	India	50	50
(x) Avi-Oil India Pvt. Ltd.	India	25	25
(xi) Petronet India Ltd.	India	18	18
(xii) Petronet LNG Ltd.	India	12.5	12.5
(xiii) Green Gas Ltd.	India	22.5	22.5

Proportionate share in assets, liabilities, income & expenditure of Petronet VK Ltd., Petronet CI Ltd., Indian Oil Panipat Power Consortium Ltd. & Petronet India Ltd. has not been consolidated as the Management has either decided to exit from these companies or the amount of investment in these companies has been provided for.

2) Share in Assets, Liabilities, Income, Expenses, Contingent Liabilities and Capital Commitments of Jointly Controlled Entities:

	(Rs. in Crore)	
	31.03.2009	31.03.2008
(i) Assets		
Long Term Assets	936.38	800.33
Current Assets	752.10	647.52
(ii) Liabilities		
Current Liabilities and Provisions	326.00	372.01
Other Liabilities	652.45	447.21
(iii) Income	2636.95	2074.93
(iv) Expenses	2466.67	1896.58
(v) Contingent Liabilities	17.55	11.35
(vi) Capital Commitments	155.95	201.80

3) Share in aggregate of Contingent Liabilities and Capital Commitments of Jointly Controlled Operations and Assets:

	(Rs. in Crore)	
	31.03.2009	31.03.2008
(a) Jointly Controlled Operations		
(i) Contingent Liabilities	-	-
(ii) Capital Commitments	1,271.65	583.13
(b) Jointly Controlled Assets		
(i) Contingent Liabilities	-	-
(ii) Capital Commitments	-	-

Annexure-5

DISCLOSURE OF EXPOSURE TO FINANCIAL AND COMMODITY TRADING DERIVATIVES

Financial and Derivative Instruments:

1. 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.

2. **The Derivative contracts entered into by the Company and outstanding as on 31st March 2009 are as below:**

(a) For Hedging Currency Risks

Nominal amounts of derivative contracts entered into by the Company and outstanding as on 31st March 2009 is given below:

(Rs. in Crore)

S. No.	Particulars	Unit of Currency	As on 31.03.2009		As on 31.03.2008	
			No of contracts	Aggregate amount	No of contracts	Aggregate amount

1	Forward Contracts for Import and Export	USD	11	733.60	2	174.55
---	---	-----	----	--------	---	--------

This includes currency swaps amounting to Rs Nil crore (2008 : Rs.153.90 crore)

(b) For Hedging Commodity Related Risks:

Category-wise quantitative data about commodity derivative transactions that are outstanding as on 31st March 2009 is given below:

Quantity (in '000 bbls)

S. No.	Particulars	As on 31.03.2009		As on 31.03.2008	
		Quantity	Value	Quantity	Value

1	Swaps on Crude oil		700.00		350.00
2	Futures on Crude oil				
	MCX		0.00		138.80
	NCDEX		0.00		0.00
3	Margin Hedging		0.00		1350.00

3. Foreign currency exposure that are not hedged by a derivative instrument as on 31st March 2009 is given below:

(Rs. in Crore)

S. No.	Unit of Currency	As on 31.03.2009		As on 31.03.2008	
		Aggregate amount	Value	Aggregate amount	Value

1	Unhedged		20724.89		27950.26
---	----------	--	----------	--	----------

This includes currency swaps amounting to Rs 1930.56 crore (2008 : Rs.4498.60 crore)

Cash Flow Statement

annexed to the Balance Sheet for the year ended 31st March, 2009

(Rs. in Crore)

	2008-09	2007-08
A Cash Flow from Operating Activities:		
1 Profit Before Tax	3,649.11	12,488.68
2 Adjustments for:		
Depreciation	3,339.08	3,040.01
Loss/(Profit) on sale of Assets (Net)	38.02	(12.60)
Loss/(Profit) on sale of Investments(net)	894.65	376.25
Amortisation of Capital Grants	(0.95)	(0.51)
Amortisation of goodwill	-	(2.04)
Deferred Revenue Expenditure(net)	86.76	33.30
Provision for Probable Contingencies (net)	21.59	29.73
Provision for Loss on Investments	852.51	291.08
Revenue Grant received / receivable in the form of Government Bonds	(40,383.01)	(18,997.00)
Provision for Doubtful Debts, Advances, Claims and Obsolescence of Stores	15.88	279.07
Provision for Diminution/written back - Amt receivable from trust	75.39	(59.92)
Capitalisation of Intangible Assets through prior year	(515.92)	
Provision in Investment written back	(393.88)	(4.85)
Interest Income on Investments	(1,023.07)	(1,052.84)
Dividend Income on Investments	(619.57)	(568.35)
Interest Expenditure	4,207.64	1,799.97
	(33,404.88)	(14,848.70)
B Operating Profit before Working Capital Changes (1+2)	(29,755.77)	(2,360.02)
C Change in Working Capital: (Excluding Cash & Bank Balances)		
Trade & Other Receivables	838.04	(145.84)
Inventories	8,694.77	(8,235.04)
Trade and Other Payables	(114.42)	6,888.32
Change in Working Capital	9,418.39	(1,492.56)
D Cash Generated From Operations (B+C)	(20,337.38)	(3,852.58)
E Less: Taxes paid	1,014.58	5,014.55
F Net Cash Flow from Operating Activities (D-E)	(21,351.96)	(8,867.13)
G Cash Flow from Investing Activities:		
Sale of Assets	204.62	230.35
Sale / Maturity of Investments	29879.87	9341.32
Interest Income on Investments	1,023.07	1,052.84
Dividend Income on Investments	619.57	568.35
Purchase of Assets	(2,042.80)	(1,340.23)
Adjustment for Finance Lease Receivable	11.39	17.72
Share application money recd by JV Co.	-	0.06
Purchase of investments	(82.34)	-
Expenditure on Construction Work in Progress	(11,265.34)	(6,387.28)
Net Cash generated/(used) in Investing Activities	18,348.04	3,483.13

(Rs. in Crore)

	2008-09	2007-08
H Net Cash Flow From Financing Activities:		
Proceeds from Long-Term Borrowings	3,786.21	624.60
Proceeds from/(Repayments of) Short-Term Borrowings	4,739.73	8,715.21
Interest paid	(4,601.69)	(1,977.89)
Dividend\Dividend Tax paid	(975.37)	(1,994.43)
Net Cash Generated/(Used) from Financing Activities:	<u>2,948.88</u>	<u>5,367.49</u>
I Net Change in Cash & Cash Equivalents (F+G+H)	<u>(55.04)</u>	<u>(16.51)</u>
J Cash & Cash Equivalents as at end of the Financial Year	1,005.18	1,060.22
K Less: Cash & Cash Equivalents as at the beginning of Financial Year	1,060.22	1,076.73
NET CHANGE IN CASH & CASH EQUIVALENTS (J-K)	<u>(55.04)</u>	<u>(16.51)</u>
Notes:		
1. Cash and Cash Equivalents include:		
Cash and Bank Balances		
As per Balance Sheet	1,005.18	1,060.22
Total Cash and Cash Equivalents	<u>1,005.18</u>	<u>1,060.22</u>
2. The previous year's figures have been regrouped wherever necessary.		

Sd/-
(S. Behuria)
Chairman

Sd/-
(S. V. Narasimhan)
Director (Finance)

Sd/-
(Raju Ranganathan)
Company Secretary

As per our attached Report of even date

For **V.K. DHINGRA & CO.**
Chartered Accountants

For **M.M. NISSIM AND CO.**
Chartered Accountants

For **K K S & CO.**
Chartered Accountants

Sd/-
(CA. V.K. DHINGRA)
Partner
M. No. 014467

Sd/-
(CA. SAMIR MEHTA)
Partner
M. No. 043086

Sd/-
(CA. S.K. KULTHIA)
Partner
M. No. 017092

Place : New Delhi
Date : May 29, 2009

जवाहरलाल नेहरू
JAWAHARLAL NEHRU

5

2009 2007

Paradip-Haldia crude oil
pipeline commissioned,
with Single Point Mooring

2005

2003

1995

1987

1972

1964

1962

1959



**Summary of
Financial Information of
Subsidiary Companies
for the Financial Year 2008-09**

Summary of Financial Information of Subsidiary Companies for the Financial Year 2008-09

The Ministry of Corporate Affairs vide its letter no. 47/393/2009-CL-III dated 22nd June 2009 has exempted Indian Oil Corporation Ltd. from attaching the Accounts of the Subsidiary Companies with the Annual Report for the year 2008-09.

The Annual Accounts of the Subsidiary Companies are available with the Company Secretary, IndianOil and are open for inspection by any shareholder at the Registered Office of IndianOil during working days from 1030 hrs. to 1230 hrs. The copy of the Annual Accounts shall also be made available to any shareholder of IndianOil or its subsidiary on request.

The summary of financial information of subsidiary companies for the financial year 2008-09 is as given below:

(Figures in Crore)

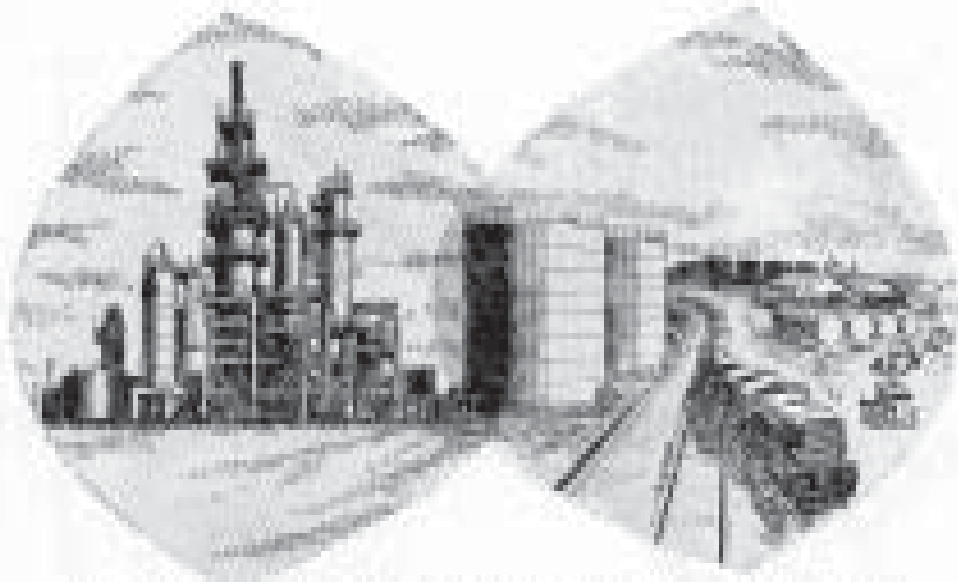
Sl. No.	Particulars	Chennai Petroleum Corporation Limited	IndianOil Technologies Limited	IndianOil (Mauritius) Limited		Lanka IOC PLC		IOC Middle East FZE	
		31-03-09 INR	31-03-09 INR	31-03-09 INR	31-03-09 MR	31-03-09 INR	31-03-09 SLR	31-03-09 INR	31-03-09 AED
	Financial year ending on Reporting Currency Exchange Rate (As on 31.03.09)	-	-	1.62	-	2.25	-	14.21	-
	Exchange Rate (Avg. Rate 08-09)	-	-	1.62	-	2.48	-	12.66	-
1)	Share Capital	149.00	0.55	75.67	48.82	346.43	757.66	2.30	0.20
2)	Reserves	2918.23	3.00	55.27	31.07	42.51	118.08	4.28	0.26
3)	Liabilities	1961.92	-	113.28	69.85	519.47	1169.65	0.65	0.05
4)	Total Liabilities	5029.15	3.55	244.22	149.74	908.41	2045.39	7.23	0.51
5)	Total Assets	5029.15	3.55	244.22	149.74	908.41	2045.39	7.23	0.51
6)	Investment *	22.81	-	-	-	195.15	439.40	-	-
7)	Turnover	36611.66	1.95	818.12	505.10	1921.60	4761.72	49.66	3.92
8)	Profit before Taxation	(593.11)	1.58	34.53	15.45	(44.54)	(110.37)	2.02	0.16
9)	Provision for Taxation	(195.83)	0.55	4.14	2.54	5.41	13.40	-	-
10)	Profit after Taxation	(397.28)	1.03	30.39	12.91	(49.95)	(123.77)	2.02	0.16
11)	Proposed Dividend	-	-	3.16	1.95	-	-	0.28	0.02

* Details of Investment (except in case of investment in subsidiaries)		Rs. in Crore	
1)	Chennai Petroleum Corporation Limited	i) Indian Additives Ltd.	11.83
		ii) Petroleum India International	10.87
		iii) Others	0.11
		Total	22.81
2)	Lanka IOC PLC	i) Ceylon Petroleum Corporation	195.15
		Total	195.15

INR : Indian Rupees
MR : Mauritian Rupees
SLR : Srilankan Rupees
AED : United Arab Emirates Dirham

Note:

- Assets and Liabilities for Balance Sheet items of foreign subsidiaries are translated at the closing rate as on 31.03.2009.
- Income and Expense items of foreign subsidiaries are translated at the average exchange rate during 2008-09.
- Share Capital of foreign subsidiaries is translated at the exchange rate existing at the date of transaction.



Indian Refineries Ltd. merge with Indian Oil Co. Ltd.
to form **INDIAN OIL
CORPORATION LIMITED**

The Indian Refineries Limited and Indian Oil Company Limited have merged to form the Indian Oil Corporation Limited. With an authorized capital of Rs. 75 crores, the Corporation will work, during the 15 biggest campaigns of the country, aimed at the rapid development.

The Corporation has two divisions—Refineries Division and Marketing Division. The Refineries Division will manage the public sector refineries and the Marketing Division will deal with not only the sale and distribution of public sector petroleum but also the distribution

of petroleum products. Specialized to the advanced process of desulfurization, denitrogenation and cracking during refineries, India's biggest petrochemical plants to be set up and (INDIAN OIL) will invest in new plants, using the latest technology.

The Corporation will ensure that only high quality and quality of products is produced by the world level to produce in the refineries. Better management and greater efficiency will result in economical operation and better service to consumers.

INDIAN OIL — A National Trust for Economic Prosperity



Indian Oil Corporation Limited

INCORPORATED IN INDIA
 100% GOVERNMENT OWNED
 Registered Office:
 100, Connaught Place, New Delhi

INDIAN OIL

Trading and marketing of petroleum products to public sector have been brought under one roof in September 1981 towards better coordination and greater efficiency.

A momentous day - IndianOil takes birth - the first advertisement announcing the formation of the company.

Supram

#1 for #1
SERVO Maruti Genuine Oil.
 For a leader. From a leader.

SERVO Maruti Genuine Oil (MGO) from IndianOil is formulated with special additives to suit the exclusive needs of a Maruti engine. It reduces engine strain, prevents vital engine parts from rusting and also helps in the substantial reduction of engine wear and tear. This ensures that your Maruti vehicle delivers 100% performance. Now make your favourite Maruti 100% Maruti. With SERVO Maruti Genuine Oil. Only from IndianOil.

IndianOil

AS-weather Performance
 Maximum Fuel

Now get used to getting XTRA.
 Get special offers every time you fill up here.

XTRAREWARDS
 XTRAREWARDS XTRA VALUE

IndianOil



शुभ यात्रा
 एक्स्ट्रापावर फ्लीट कार्ड के साथ

IndianOil **XTRAPOWVER FLEET CARD**
 सुविधा हाथ, सुरक्षा साथ.

• जब और भी आकर्षक इनाम • इंपोर्टेस • सुलभ कैश मैनेजमेंट • ऑल इंडिया नेटवर्क

www.IndianOil.com

Ek dum tez service ke liye Hum Tayyar Hain

XTRACARE

SERVO
 Approved for Hyundai.
 By Hyundai.

Choose only **SERVO Hyundai Genuine Oil** for your Hyundai.

The perfection of a modern engine needs lubricants that match its performance. SERVO Hyundai Genuine Oil from IndianOil has been extensively researched and developed to get the best out of every Hyundai engine. SERVO Hyundai Genuine Oil is approved by Hyundai for all their vehicles. SERVO Hyundai Genuine Oil ensures overall engine cleanliness and protection. Trust the range of lubricants trusted by Hyundai for your vehicle.

SERVO Hyundai Genuine Oil. Only from IndianOil.

SERVO Hyundai Range:
 Engine Oil | Gear Oil | Steering Oil
 Brake Fluid | Coolant

SERVO Hyundai Genuine Oils
 95% PERFORMANCE. EVERYTIME.
 Call Toll-Free: 1800-2323-365

डीजल के अलावा भी अन्न, अब पूरी होगी घर के पसंद.

इंडियनऑयल के नजदीकी किसान सेवा केंद्र में भरतेसमेंद डीजल के साथ-साथ पाइए...

- जूने रसमी लागू की सेवा, बैंक लेनार • सभी इलेक्ट्रॉनिक
- प्रमुख सामान व अन्य सेवाएँ • सभी एग्रीकल्चर डीजल • सभी एंजल्ट डीजल

IndianOil **किसान सेवा केंद्र**

FOR A BETTER TOMORROW CHECK YOUR TYRE PRESSURE TODAY

25% decrease in tyre pressure can increase fuel consumption by 10%

BOOK POST

If undelivered, please return to:
Company Secretary,
Indian Oil Corporation Ltd., (Regd. Office),
IndianOil Bhavan, G-9, Ali Yavar Jung Marg, Bandra (East), Mumbai-400 051
www.iocl.com