

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF INDIAN OIL CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2022

The preparation of financial statements of Indian Oil Corporation Limited for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 17 May 2022.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Indian Oil Corporation Limited for the year ended 31 March 2022 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. After the audit, comment of C&AG was issued on 18 July 2022 pointing out that the company has not disclosed negative balance in LPG Buffer Account in Notes to Financial Statements and non-considering of renewable purchase obligation of ₹ 471.77 crore (₹ 501.89 crore including GST) i.e. to the extent of co-generation using source of other than renewable energy. Based on the comments, the company disclosed these facts vide Note No- 17 and 23 on Renewable Purchase Obligation and LPG Buffer Account respectively. The same was also endorsed by statutory auditors.

On the basis of my supplementary audit, nothing significant has come to my knowledge which would give rise to any comment upon supplement to statutory auditor's report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

Place: New Delhi
Dated: 27-07-2022

Sd/-
(D. K. Sekar)
Director General of Audit (Energy)
Delhi

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIAN OIL CORPORATION LIMITED FOR THE YEAR ENDED 31 MARCH 2022

The preparation of Consolidated Financial Statements of Indian Oil Corporation Limited for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 17 May 2022.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Indian Oil Corporation Limited for the year ended 31 March 2022 under section 143(6)(a) read with section 129(4) of the Act. We conduct a supplementary audit of the financial statements of companies mentioned in Annexure A, but did not conduct supplementary audit of the financial statements of the companies mentioned in Annexure B for the year ended on that date. Further, Section 139(5) and 143(6)(a) of the Act are not applicable to the companies mentioned in Annexure-C being private entities/ entities incorporated in foreign countries under the respective laws for appointment of their statutory auditors and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. After the audit, comment of C&AG was issued on 18 July 2022 pointing out that the company has not disclosed negative balance in LPG Buffer Account in Notes to Financial Statements and non-considering of renewable purchase obligation of ₹ 471.77 crore (₹ 501.89 crore including GST) i.e. to the extent of co-generation using source of other than renewable energy. Based on the comments, the company disclosed these facts vide Note No- 17 and 23 on Renewable Purchase Obligation and LPG Buffer Account respectively. The same was also endorsed by statutory auditors.

On the basis of my supplementary audit, nothing significant has come to my knowledge which would give rise to any comment upon supplement to statutory auditor's report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

Sd/-
(D. K. Sekar)

Director General of Audit (Energy)
New Delhi

Place: New Delhi
Dated: 27 July 2022

Annexure-A

Name of the Company/ Subsidiaries/ JVs/ Associate Companies of which supplementary audit has been conducted by the Comptroller and Audit General of India

| Sl. No. | Name of the Joint Venture/ Subsidiary | Type of the Company |
|---------|--|---------------------|
| 1. | Indian Oil Corporation Limited | Holding Company |
| 2. | Chennai Petroleum Corporation Limited | Subsidiary |
| 3. | Mumbai Aviation Fuel Farm Facility Private Limited | Joint Venture |
| 4. | GSPL India Transco Limited | Joint Venture |
| 5. | Kochi Salem Pipeline Private Limited | Joint Venture |
| 6. | Hindustan Urvarak & Rasayan Limited | Joint Venture |
| 7. | Indradhanush Gas Grid Limited | Joint Venture |
| 8. | IHB Private Limited | Joint Venture |

Annexure-B

Name of the Company/ Subsidiaries/ JVs/ Associate Companies of which supplementary audit has not been conducted by the Comptroller and Audit General of India

| Sl. No. | Name of the Joint Venture/Subsidiary | Type of the Company |
|---------|---|---------------------|
| 1. | Green Gas Limited | Joint Venture |
| 2. | Delhi Aviation Fuel Farm Facility Private Limited | Joint Venture |
| 3. | NPCIL Nuclear Power Corporation Limited | Joint Venture |
| 4. | Ratnagiri Refinery and Petrochemicals Limited | Joint Venture |
| 5. | Petronet VK Limited | Associate Company |
| 6. | GSPL India Gasnet Limited | Joint Venture |
| 7. | Paradeep Plastics Park Private Limited | Joint Venture |

Annexure-C

(i) List of all Subsidiaries/ JVs/ Associate Companies to which Section 139(5) and 143(6)(a) of Companies Act are not applicable

| Sl. No. | Name of the Joint Venture/Subsidiary | Type of the Company |
|---------|---|---------------------|
| 1. | Petronet LNG Limited | Associate Company |
| 2. | Indian Oil Tanking Limited | Joint Venture |
| 3. | Indian Oil Petronas Private Limited | Joint Venture |
| 4. | Lubrizol India Private Limited | Joint Venture |
| 5. | Avi-Oil India Private Limited | Associate Company |
| 6. | Indian Oil Skytanking Private Limited | Joint Venture |
| 7. | Indian Synthetic Rubber Private Limited | Joint Venture |
| 8. | Indian Oil Adani Gas Private Limited | Joint Venture |
| 9. | Indian Oil LNG Private Limited | Joint Venture |
| 10. | Indian Oil Total Private Limited | Joint Venture |
| 11. | IOC Phinery Private Limited | Joint Venture |

(ii) Entities incorporated outside India

| Sl. No. | Name of the Joint Venture/Subsidiary | Type of the Company |
|---------|--------------------------------------|---------------------|
| 1. | Indian Oil Mauritius Limited | Subsidiary |
| 2. | Lanka IOC PLC | Subsidiary |
| 3. | IOC Middle East FZE | Subsidiary |
| 4. | IOC Sweden AB | Subsidiary |
| 5. | IOCL (USA) Inc | Subsidiary |
| 6. | IndOil Global BV | Subsidiary |
| 7. | IOCL Singapore Pte Limited | Subsidiary |
| 8. | Suntera Nigeria 205 Limited | Joint Venture |